



University of Dundee

Reports and  
Financial Statements  
2022/23



**Our mission continues to be to 'transform lives through the creation, sharing, and application of knowledge'.**

Sustainable Development Goals provide a compass for achieving a positive impact.

# Contents

<b>Statement by the Chair of Court</b>	<b>4</b>
<b>Principal's Report</b>	<b>7</b>
<b>Strategy</b>	<b>8</b>
<b>Financial Review</b>	<b>12</b>
<b>Corporate Governance</b>	<b>18</b>
<b>Independent Auditor's Report</b>	<b>28</b>
<b>Financial Statements</b>	<b>33</b>
Consolidated and Institution Statement of Comprehensive Income	34
Consolidated and Institution Statement of Changes in Reserves	35
Consolidated and Institution Statement of Financial Position	36
Consolidated Statement of Cash Flows	38
Statement of Principal Accounting Policies	39
Notes to the Financial Statements	45

## Statement by the Chair of Court



**Amanda Millar** is a solicitor by profession and has extensive experience of corporate governance at national and local level.

She was the first open member of the LGBTQ+ community to be President of the Law Society of Scotland, is a Director, and Chair of Samaritans Scotland Committee and a Trustee of Samaritans UK and Ireland.

Over the last year I have continued to be impressed by the work carried out by our University, the positive societal impact that we deliver, the quality and depth of our research, the impact that our graduates make in the world and the strength of our engagement with industry.

In addition to the thrill of being recognised as Higher Education Institution of the Year at the Herald Higher Education Awards, among the stand-out moments of the past year have been being hailed the UK's best university for supporting spinout businesses by Octopus Ventures, one of Europe's largest venture capital teams, and the achievement of our School of Business to secure accreditation from Association to Advance Collegiate Schools of Business (AACSB), the world's largest business education alliance, connecting educators, learners, and business to create the next generation of great leaders.

These are welcome external validations of what we know ourselves to be core strengths of Dundee - excellence in commercialisation and excellence in teaching. I have also been pleased to see the development at all levels of the University of our approach to equity, diversity and inclusion. That includes initiatives with local schools to raise local aspiration and increase diversity and inclusion in the engineering sector, our excellent access Summer School, and a University-wide EDI action plan.

Thanks to much effort by colleagues across the University our financial position continues to improve. This should enable us to invest further in our regeneration over coming years.

Court has welcomed the further strengthening of the University Executive Group, with the recent appointments of two new Vice-Principals, for Research and for Enterprise and Economic Transformation, and the new Director of People. While there is always more to do I am confident that with the ambition of the executive leadership and the work of Court members, lay, staff and students, who give freely and enthusiastically of their time, sharing knowledge, support and providing strategic direction to ensure good governance, the University is well-placed to deliver on its desire to be an even stronger institution.

**Amanda Millar**  
Chair of Court



## Economic impact

**£449  
million**

- Local impact - In 2020/21 we supported £449 million Gross Value Added (GVA) and 6,760 jobs in Dundee - 1 in every 12 jobs in Dundee is supported by the University's activities
- Our partnership with Dundee City Council helped attract the V&A Dundee (Scotland's Design Museum) and supported the City's achievement of UNESCO City of Design Status
- We were named the best university in the UK for supporting spinout businesses in Octopus Ventures 'Gateways to Growth' report, September 2023



## Annual Report and Financial Statements 2022-23

### Principal's report



**The University's Strategy to 2027 places an emphasis on us being a successful institution that makes positive social impact. That applies locally, nationally and internationally, and is contributed to by students, staff, alumni, supporters and partners.**

We are a more globalised institution than we have ever been, both in our intake of students from around the world, with over 140 countries represented on campus, and the partnerships we are building and strengthening in many countries.

A prime example of this is our Africa Initiative, working collaboratively on research, education and engagement activities in several countries including Malawi, Ghana and Nigeria. This includes our Blantyre Declaration, signed with all six of the public universities in Malawi, creating a new, more equitable model of collaboration addressing the big issues of the moment.

We have continued to grow and strengthen our partnerships with other universities around the world, including in China where this year we celebrated the first graduating students from our link with Northeastern University, while also welcoming the first intake of students at the Dundee International Institute of Central South University (DIICSU). Both of these are programmes involving hundreds of students contributing to our future.

We need further to strengthen our international reputation and partnerships, and this is a continuing area of focus.

We also continue to drive change and economic regeneration in Dundee and our surrounding area.

In the past year we have broken ground on a new Innovation Hub to support spinout companies from our world-leading research in life sciences and medicine, which will sit alongside the new Centre for Targeted Protein Degradation, which is pioneering a new area of biomedical research with the potential to develop new treatments for diseases. These are core elements of our ambitious plans to develop a growing Dundee Life Sciences Innovation District in partnership with the City Council and many others.

We continue to be involved in the efforts to establish a new Eden Project in Dundee, working with our local partners. Taking that theme global, we have also launched the Binks Institute for Sustainability, with the aid of a substantial donation from the Binks Trust through Jo and Alison Elliot, which will attend to the urgent need for societies to confront the climate crisis and find more environmentally sustainable ways of living, utilising expertise from all of our disciplines across the University.

We have now returned fully to on-campus teaching and continue to work, together with our Students Association, to deliver an outstanding student experience and, crucially, one that prepares our graduates to enter a global employment marketplace. In doing so they will make their own contribution to the Dundee ethos of transforming lives and making a positive impact on the world.

One person who has made a stellar impact has been our departing Chancellor, Dame Jocelyn Bell Burnell. Through her quality of her research and her championing of women in STEM Dame Jocelyn has been an exceptional role model for many in our community and has also presided over five years of graduation ceremonies with grace and good humour. I look forward to working with her successor, Lord Robertson of Port Ellen, himself a Dundee graduate, whose bond with the University stretches back to our earliest days as an independent institution. He brings vast experience as an international statesman that will be invaluable to us as a global university.

**Professor Iain Gillespie**  
Principal & Vice-Chancellor

# Vision 2022-2027

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Our vision is to be a University globally renowned for our social purpose, developed through our intensity and excellence in research, education and engagement. We will be agile and globally connected, focused on what we do best and where we can most effectively transform lives. Our students will be recognised as talented contributors to the work that is urgently needed to address the most pressing problems facing the world.

## Strategy: at a glance

2023-24 represents the second year of our University of Dundee Strategy, 2022-27 ([dundee.ac.uk/strategy](https://dundee.ac.uk/strategy)), launched in November 2022, which was developed in consultation with our staff and student bodies. Our vision is to be a University globally renowned for our social purpose, delivered through our triple intensity and excellence in research, education and engagement. We are passionate about our social purpose, focusing upon our excellence to make a difference. And though our reach is global, we are of Dundee, and for Dundee. The strategy is also committed to increased globalisation, reviewing potential growth areas, enhancing our digital capabilities and ensuring a vibrant and exciting campus and community for both students and staff.

As such, we will:

- Continue to transform lives, locally and globally, working together as a community to deliver positive change;
- Enhance the intensity of our focus in research, education and engagement. This triple intensity will ensure that we pursue excellence in all that we do;
- Ensure that the legacy we pass on will be strong, vibrant and relevant to current and future challenges we will all face;
- Deliver impact through our graduates and students, our research and scholarship and our contribution to health, society and the economy across the globe and here in Scotland;
- Move forward with confidence, clarity of direction and focus to ensure that our high performing community continues to have a positive impact on the world around us.

To enable this, five sub-strategies are being implemented to support the overarching strategy focusing on Education and Student Experience; Engagement and Enterprise; Research with Impact; People and Talent and Digital.

In research, we will build on our areas of strength, with a focus on health and wellbeing, sustainability and human-centred technologies, and design and creativity. This work will be developed in line with the United Nation's Sustainable Development Goals. We will strengthen Dundee's position as a knowledge-rich environment, organising interdisciplinary research to support cluster-based talent-development, innovation and dynamic entrepreneurship.

To support engagement and enterprise, our aim is to champion national, regional and local benefits in terms of prosperity, jobs and wellbeing. Recently recognised as the best UK University for supporting spinout businesses, we will continue to build on the foundations of our success that lie in world-leading life and biomedical sciences research, and innovative entrepreneurial researchers.

Several of our spinouts have relocated away from Dundee as they pursue their growth strategies. This is why we are aiming to develop an Innovation District in the city to anchor our companies here in Dundee, with an ultimate vision to help this city become a magnet for high value jobs in the life sciences and health sector. It is critical that we work in partnership with Government and its agencies, and vice versa, to create the infrastructure that will help keep these businesses and the jobs they create, closer to their origins, including developments such as the Eden project in the city.

For our students, we seek to offer a world-leading education and student experience through a blend of traditional programmes, flexible and stackable qualifications, with flexibility and support for learning on campus, online, or in blended ways. All programmes will offer students opportunities to benefit from work-based learning and support successful transitions into the world of work. Our students will be change-makers: able to actively engage with knowledge, reflective thinkers helping to challenge and broaden the curriculum, lifelong learners helping to extend our networks of interpersonal relationships outwards, while shaping our values as ethically conscious members of our community.

Most importantly we will invest in our people and ensure a culture of empowerment with accountability, encouraging distributed leadership, and attracting and retaining the best talent to ensure the highest performance across the University. The key goal is to transform the University into an agile, ambitious and confident place where the principles of the strategy focused on academic excellence, growth and digital transformation permeate across the piece and where we dare to be different and that difference is recognised and understood.

To help assess our progress towards our five-year outcomes, we have established the following Key Performance Indicators (KPIs) and targets:

Strategic focus	KPI name	Target (by year 5)
Education and student experience	Overall student satisfaction (NSS)	Top 20 in the UK
Research with impact	Research grant income	Target £83m per annum
Engagement	Times Higher Education Impact rankings	Ranked in the world's top quintile
Enterprise	Estimated current turnover of all active spinouts and start-ups	Top 5 in the UK
People and talent	Staff Survey Recommendation Question	Progress against a baseline to be established in Year 2
Digital enablement	Digital Business Maturity Assessment (Gartner)	Score 3.50 out of 5.00
Climate action and net zero	Greenhouse gas net emissions	On track to achieve 75% reduction compared to baseline by 2030
Financial sustainability	Cash generation (EBITDA)	EBITDA as a percentage of income of at least 7%

# The Herald Higher Educational Institution of the Year

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We were named Scotland's top university at The Herald Higher Education Awards 2023.



## Our organisational structure

During 2022/23 the University was organised into eight schools together with professional services. Each school was led by a Dean supported by a number of Associate Deans and a School Manager. The activity in the schools was supported by the Professional Services Group which includes Digital Technology Services, People, Research and Innovation Services, Estates and Campus Services, Library and Learning Centre, Finance and Procurement, Student Services, External Relations, Strategic Change and Delivery, Academic and Corporate Governance and University Executive Office.

	Staff Numbers	Student Numbers (Headcount)	Student Numbers (FTE) <sup>1</sup>	Expenditure £m
School of Art and Design	162	2,328	1,875	11.2
School of Business	96	3,495	2,231	9.2
School of Dentistry	70	459	380	7.2
School of Humanities, Social Sciences & Law	270	7,188	4,502	21.1
School of Life Sciences	666	1,194	959	62.8
School of Medicine	489	3,373	1,928	44.0
School of Health Sciences	103	3,906	2,059	8.3
School of Science & Engineering	234	3,282	2,345	19.3
Professional Services	931	613	423	90.3
Other	30	-	-	47.5
	<b>3,051</b>	<b>25,838</b>	<b>16,702</b>	<b>320.9</b>

<sup>1</sup> Student FTE is shown on a teaching school basis so reflects the relative proportion of teaching of each student done by each school.

## Student Partnership

Students are at the heart of what we do, which is illustrated by our sector-leading approach to student representation. Students form a part of our governing bodies, committees and appointing panels for important posts such as the Chair of Court, the Principal, Vice-Principals, Deans and Directors. Student opinion is central to our community and we are committed to responding to their feedback and driving enhancement.

Each year DUSA and the University sign a Student Partnership Agreement setting out key priorities for the year ahead and the overarching principles we agree. We will continue to agree and set our priorities in this way. We will develop and enhance our approach to Student Partnership Agreements to ensure impact for the student body across the Schools and disciplines. We will continue to work together to further strengthen and develop student representation and the student voice across the University.

## Financial Review

### Overview

The University's 2022/23 financial performance was better than budgeted, with total income growing by 11.5% and with the University delivering an operating surplus for the first time in many years. This growth has been driven by increased tuition fees which continues to be the largest source of income for the University and which, for the first time, has exceeded a third of total income.

In common with others in the Higher Education sector, FRS102 does bring greater volatility in the reported financial position with non-cash items such as actuarial movements on pension liabilities being included. As a result of this, the emphasis for University management is to focus on underlying financial performance. The University has identified EBITDA as its primary measure of financial performance, following the EBITDA for HE methodology published by the British Universities Finance Directors Group. Further details are provided in the Measures of Financial Performance section below. EBITDA for 2022/23 totals £13.4m, an increase of £0.8m against the 2021/22 EBITDA of £12.6m. As a percentage of total income, 2022/23 EBITDA represents 4.1% of total income (2022: 4.3%).

### Results for the year

The Group reported an FRS102 Financial Statements operating surplus before other gains of £4.8m (2022: deficit £53.4m). The reported FRS102 surplus for the year, including the USS adjustment and other gains and losses is £5.1m (2022: £54.2m deficit).

Total comprehensive income for the year is £11.7m and includes a £0.2m gain on disposal of tangible assets and investments, a £0.1m loss on investments and a £6.6m reduction in the University of Dundee Superannuation Scheme (UODS) liability.

These results include a number of non-recurrent items which do not reflect the underlying operating position for the University in both 2022 and 2023. The results for the year reflect the accounting adjustments in place for the 2020 actuarial valuation of the Universities Superannuation Scheme (USS). The impact on expenditure in the year was a £9.3m credit compared with a £51.2m debit in the previous year. The 2023 result also includes fixed assets impairment of £5.8m.

Adjusting for non-recurrent items, the underlying operating position for 2022/23 is a surplus of £2.6m compared with a £3.1m deficit in 2021/22, as shown below:

	Year ended 31 July 2023	Year ended 31 July 2022
	£000	£000
FRS102 surplus/(deficit) before other gains and losses and share of operating gain/(loss) in associate	4,788	(53,441)
Share of operating gain/(loss) in associate	161	(229)
<b>Operating deficit for the year excluding USS</b>	<b>4,949</b>	<b>(53,670)</b>
<b>Adjustments</b>		
USS pension adjustment	(9,265)	51,201
Additional non-recurring SFC income	-	(1,533)
Impairment of fixed assets due to RAAC/intangible assets	5,885	947
Restructuring costs	995	-
<b>Underlying surplus/(deficit)</b>	<b>2,564</b>	<b>(3,055)</b>

More information on the accounting implications of the USS and UODS pension schemes is provided in the Pensions section of this review and in Note 32 to the Financial Statements.

The Group reports net assets of £191.3m at 31 July 2023, an increase of £11.8m in the year.

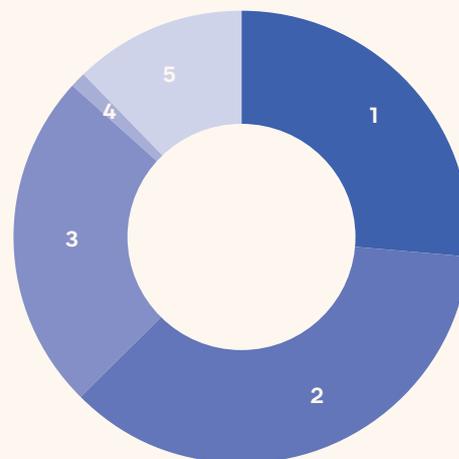
The cash balance has reduced to £74.4m (2022: £99.9m). Net cash from operating activities was an inflow of £0.5m, as described in more detail in the Cashflow and Treasury section of this review.

No new loans were drawn down in the year, and the University continues to hold minimal levels of long-term loans relative to the majority of the Higher Education sector.

## Income

Total income increased by 11.5% to £325.7m (2022: £292.0m).

	2023		2022	
<b>1</b> SFC grants	<b>£86.7m</b>	<b>26.6%</b>	£88.0m	30.1%
<b>2</b> Tuition fees	<b>£117.6m</b>	<b>36.1%</b>	£95.9m	32.9%
<b>3</b> Research Grants and Contracts	<b>£78.9m</b>	<b>24.2%</b>	£71.8m	24.6%
<b>4</b> Donations	<b>£3.5m</b>	<b>1.1%</b>	£1.7m	0.6%
<b>5</b> Other	<b>£39.0m</b>	<b>12.0%</b>	£34.6m	11.8%
<b>Total</b>	<b>£325.7m</b>		<b>£292.0m</b>	



Total income 2023 – Source: Consolidated and Institution Statement of Income and Expenditure

Total grant income from the Scottish Funding Council reduced by 1.5% to £86.7m, noting 2021/22 SFC income included £1.7m of non-recurrent funding to support universities through the COVID pandemic. Adjusted for COVID support, SFC grants increased by 0.5%.

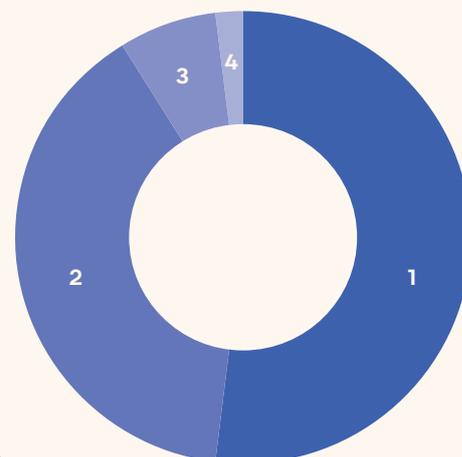
Tuition Fee income grew by 22.6% in the year and totalled £117.6m, with international fee income continuing to exceed growth expectations and increasing by £22.9m to £77.6m. Increasing tuition fee income, both in absolute terms and as a proportion of the University's income, remains one of the essential foundations of the University's future financial sustainability.

Research income has increased by £7.1m or 9.9% to £78.9m. In line with the University's research strategy, overhead recovery from research activity increased in the year and there was a further positive shift in overall percentage cost recovery. We anticipate a continuation of this growth in the coming year, with research income forecast to grow in support of the University Strategy. The University continues to be one of the most research-intensive institutions in the UK, reflecting the quality of its research in many areas.

## Expenditure

Total expenditure (excluding the impact of the USS adjustment to staff costs and interest) increased by 12.2%, an increase of £36.0m to £330.2m (2022: £294.2m).

	2023		2022	
<b>1</b> Staff Costs	<b>£174.5m</b>	<b>52.9%</b>	£167.5m	56.9%
<b>2</b> Operating Expenses	<b>£130.8m</b>	<b>39.6%</b>	£107.6m	36.6%
<b>3</b> Depreciation and Amortisation	<b>£23.0m</b>	<b>7.0%</b>	£17.4m	5.9%
<b>4</b> Interest	<b>£1.9m</b>	<b>0.5%</b>	£1.7m	0.6%
<b>Total adjusted for USS</b>	<b>£330.2m</b>		<b>£294.2m</b>	



Total expenditure 2023 – Source: Consolidated and Institution Statement of Income and Expenditure

Staff costs have increased by 4.2%, increasing by £7.0m to £174.5m. Staff costs as a percentage of total income has reduced to 53.6% (2022: 57.4%) reflecting the modest increase in staff costs while overall income sees a more significant increase.

Other operating expenses increased by 21.6% to £130.8m, with £2.6m of the increase relating to utility costs and £13.3m relating to student scholarships and international agent fees in support of the increased number of international students. Other increases include investment in key strategic areas and the impact of inflationary increases.

Depreciation and amortisation increased by £5.6m to £23.0m (2022: £17.4m). This includes an impairment of £5.9m relating to the presence of Reinforced Autoclaved Aerated Concrete (RAAC) as described at Note 13.

## Measures of financial performance

The University has identified EBITDA as a key measure of financial performance, following the EBITDA for HE methodology published by the British Universities Finance Directors Group. This measure is calculated as follows:

Surplus/Deficit before other gains and losses + interest payable + depreciation and amortisation + staff costs adjustment for change to pension provisions – cap grants received – new permanent endowments.

University Court has approved a target of 7% EBITDA as a percentage of income as a strategic KPI. EBITDA for 2022/23 totals £13.4m, an increase of £0.8m against the 2021/22 EBITDA of £12.6m. As a percentage of total income, 2022/23 EBITDA represents 4.1% of total income (2022: 4.3%).

Staff costs as a percentage of income (adjusted for movements on USS provision) is a further key measure, with the university targeting a reduction over time to more closely align with sector norms. This reduction in percentage terms will be driven by increasing income at a faster rate than total staff costs. Staff costs in 2022/23 represent 53.6% of income, a move closer to target and a continuing reduction in recent years (2022: 57.4%, 2021: 58.3%).

## Other gains and losses

The Group made a net gain of £0.2m on the sale of equipment assets and the disposal of some minor investments.

The Group also made a gain of £0.5m on its endowment investments. Endowment investments are held at market value and are managed on the University's behalf by external fund managers. The Group made a loss of £0.6m on other investments.

## Actuarial gain in respect of pension schemes

This figure relates to the University of Dundee Superannuation Scheme (UODS). In addition to employer contribution rates, during 2022/23 the University made additional annual cash payments totalling £3.5m.

The FRS102 valuation at 31 July 2023 shows an overall £10.8m improvement, with actuarial gains partly offset by return on assets, resulting in a closing provision of £40.9m for the UODS scheme.

## Net assets

At 31 July 2023 the University net assets were £191.3m, a £11.8m increase on the prior year as a result of the underlying surplus combined with the gain on the sale of investments and assets, the loss on investments and the accounting impacts of the USS and UODS pension schemes.

Capital expenditure of £31.3m included construction of the Tay Cities Deal capital projects, refurbishment of space to meet student and research needs and continued investment in IT systems and digital infrastructure and research and teaching equipment.

Net current assets at 31 July 2023 totalled £9.1m, a reduction of £17.5m against the £26.6m net current assets reported at 31 July 2022.

The pension scheme provisions relate primarily to the USS and UODS pension arrangements, which reduce overall this year from £145.1m to £124.9m based on latest valuation and actuarial advice.

## Cashflow and treasury

Cash and cash equivalents reduced by £25.4m over the year, closing at £74.4m. Net cash inflow from operating activities was £0.4m, £13.0m below the 2021/22 inflow of £13.4m.

A key movement is a £20.8m increase in debtors, including a £10.3m increase in trade receivables due to increased numbers of international students including a larger semester two student intake and a £10.5m increase in prepayments and accrued income.

Cash balances of £74.4m held at 31 July 2023 include £40.2m generated in 2020/21 from the disposal of shares in a spin-out company. These funds have been ringfenced for strategic investment. Also included in cash balances are net funds of £15.0m relating to deferred income on research grants (2022: £22.3m).

The University had in place a £40m 3+1+1 revolving credit facility during the year, against which there have been no drawings since its inception. The facility, originally expiring in October 2024 and initially extended in 2022, has been extended for a further year to October 2026.

No additional loan finance from other sources has been drawn down in the year. £1.2m of the £15.9m low-interest loan finance from the Scottish Funding Council drawn down in previous financial years was repaid in the year.

Endowment assets of £30.0m (2022: £29.9m) continue to be managed by independent fund managers whose performance is monitored by the University's Finance and Policy Committee.

## Supplier payments

The University supports the Prompt Payment Code in its relationship with suppliers. It is the University's policy that payments to suppliers are made in accordance with the terms and conditions agreed between the University and its suppliers, providing that all trading terms and conditions have been complied with. At 31 July 2023 the University had an average of 28 days purchases outstanding in trade creditors (2022: 29 days).

Interest paid under the Late Payment of Commercial Debts (interest) Act 1998 was £59 (2022: £17).

## Pensions

The University contributed to two main pension schemes for its employees during the year, the Universities Superannuation Scheme (USS) and the University of Dundee Superannuation Scheme (UoDS). A detailed analysis of these schemes is given at note 32 of the financial statements. Details of the new University of Dundee Royal London Pension Scheme is also available at note 32.

The revaluation of USS at 2020 was completed in 2022 and is the basis of the provision calculation at 31 July 2023. The 2020 valuation was the sixth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

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 in the Consolidated Statement of Comprehensive Income in financial year 2022/23 represents the contributions payable to the scheme of £20.7m together with a £9.3m reduction in the provision.

Since the institution has entered into an agreement (the Deficit Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised. This plan requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate is scheduled to increase to 6.3%.

The revaluation of USS at 31 March 2023 is not yet formally completed and has a statutory completion deadline of 30 June 2024 however all parties have agreed to an accelerated timetable with an anticipated completion of 31 December 2023. As part of this valuation the trustee has determined that USS has moved from a deficit position to a surplus position on a Technical Provisions basis. This would eliminate the £80.3m USS deficit provision held at 31 July 2023 and remove the requirement for deficit recovery plan payments once changes are formally implemented. Subject to the outcome of the consultation process, the Joint Negotiating Committee has formally recommended changes to member benefits and reductions to both employee and employer contributions. The target date for implementing these changes is 1 April 2024.

A formal actuarial valuation for the University of Dundee Superannuation Scheme was carried out as at 31 July 2020. As of August 2022, the University pays 25.7% of salary in respect of future accrual, and £3.5m per annum (over the 2022/23 year) increasing at 3% per annum to fund the deficit disclosed at the last formal valuation as at 31 July 2020. The University of Dundee

Superannuation and Life Assurance Scheme (UODS) closed to new entrants on 31/12/2022. The Defined Benefit scheme remains open for existing active members on this date.

The date of the triennial valuation for UoDS is 31 July 2023 and any changes will be reflected in the 2023/24 Financial Statements.

## Future financial outlook

The University of Dundee demonstrated resilience during the Covid pandemic and has subsequently demonstrated continued growth in international student recruitment above budgets that included ambitious targets.

The University has robust financial projections in place. Progress to financial sustainability is dependent on key areas of financial improvement, including further growth in international students, strong cost control and increased contribution from our research activities.

The numbers of Scottish students that we are able to recruit remains capped by the Scottish government and future funding levels may be at risk depending on the economic outlook. Competition for international students is fierce, both from within the UK and abroad, but student recruitment has remained strong, exceeding stretching growth targets.

The outlook for the 2023/24 academic year is positive, despite a more challenging market for international recruitment due to a range of geopolitical factors.

The cost base will continue to grow but the University has demonstrated responsible cost control and has assessed the wider inflationary risks, many of which are mitigated by income growth assumptions.

In previous years the future cost of pensions has been reported as a risk to financial sustainability, with pensions risk a concern shared across the Higher Education sector. There is considerable certainty that employer contributions to key schemes will reduce during the 2023/24 financial year, mitigating any shorter-term impact of challenges in student recruitment.

Overall, we are confident that we will continue to improve our financial performance, at least in line with targets, delivering steady improvement and a clear path to ongoing financial sustainability.

Now in its second year, the University of Dundee Strategy 2022-27 notes our academic excellence and impact will be underpinned by strong financial performance, allowing us to invest in areas of strength and champion our values. Financial Sustainability is a key area of strategic focus, with an EBITDA based KPI set as a measure of our success.

## Equality, diversity, and inclusion

The University of Dundee is committed to advancing equality, diversity and inclusion for students, staff and wider community, through the creation of a safe, welcoming and inclusive environment for all. Equality, Diversity and Inclusion is one of the key strands of the University Strategy 2022-2027 and the People and Talent sub strategy. As part of this strategy, a clear, strategic focus on key EDI commitments will be further developed. EDI considerations will also be embedded in our other sub-strategies be they related to degree awarding gaps or ensuring that we have maximally inclusive teaching or research practices, in part through innovative use of technology in our digital strategy.

The embedding of EDI considerations in our Strategy through its high-level aims, will see learning and teaching, employment, research and engagement reflect and deliver on the needs of our diverse community. This undertaking supports our obligations under the Public Sector Equality Duty and its aims to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between those with a relevant protected characteristic and those without.

The University has made significant progress in relation to our EDI objectives and accredited external Charter Marks as part of our obligation on meeting the statutory requirements of Scottish Specific Duties of the Equality Act 2010, demonstrated through our Equality Outcomes Plan 2021-2025, Mainstreaming Report, Employee Monitoring Information and Pay Gap reports including information analysed by protected characteristics. In addition to meeting the PSED requirements the University has two strategic EDI priorities in the area of Athena Swan (gender equality) and Race Equality Charter (race equality).

Some of the focused areas include:

### → Gender equality

Our institutional Athena Swan action plan sets out how the University aims to support and improve gender equality across the University. The University has held this award since 2013 and an application was made in November 2022 to renew our award. We received confirmation that this application was successful in February 2023 so will continue to be an award holder until 2028. Individual Schools within the University also hold Athena Swan Awards; we have five Schools that hold a Bronze Award and one School awarded at Silver level.

### → Race equality

The University is a member of the Race Equality Charter and through this framework we are working to improve the experiences of our Black and Minority Ethnic (BME) staff and students.

We are proud that In January 2022, the University of Dundee became only the second Scottish university to be awarded Advance HE's Race Equality Charter. This charter establishes a method by which universities can identify and reflect on institutional and cultural barriers to academic progression for Black and Minority Ethnic staff and students across the entire academic pipeline from undergraduate students to professors.

We host annually throughout the month of October a number of events, workshops, talks, film screenings and panel discussions as part of our Black History Month celebrations.

### → LGBT+ equality

The University of Dundee continues to be a member of the Stonewall Diversity Champions programme. This allows the university to receive expert advice and training on creating an LGBT+ inclusive workplace and service provider. Stonewall conducts an annual benchmark of inclusive practice called the Workplace Equality Index.

The Index ranks employers using a questionnaire to establish a relative indicator of inclusive practice to support LGBT+ staff. In 2021 this was amended to potentially award organisations one of three different levels (Bronze, Silver, and Gold) if they met a progressive series of minimum standards with the University of Dundee meeting the standards for achieving a bronze award.

The University recognises that there is still more to do to support LGBT+ staff, students, and visitors. It has decided to undertake a hiatus of participating in the annual Stonewall Workplace Equality Index for 12 months to review the criteria and establish where we could direct efforts to supporting positive change for LGBT+ stakeholders. A task and finish group has been established with members of the LGBT+ Staff Network to undertake this initiative.

The University has supported and proudly sponsored Dundee Pride event regularly for a number of years now and also celebrates LGBT+ History Month every February with a range of events bringing together all diverse groups.



### → Disability equality

Our Disability Services provides confidential support for students and staff with a range of disabilities. Disability Services offers confidential support services to all disabled students to ensure they are not disadvantaged when undertaking their course. The aim is to enable disabled students to identify the most appropriate support for their individual needs in the context of their chosen course of study and, ultimately, to enable them to develop independent support strategies as far as possible.

Disability Services provides advice to all staff on supporting disabled people to access university services and facilities, including making reasonable adjustments for disabled students. Our Disability Support Officers provide a network of staff across the University who support the communication of disability-related information.

Disability Services also provides confidential advice for disabled staff. Disability Advisers provide information on the potential support available from the University and externally through Access to Work, where funding is available to support a range of disability-related needs at work.

### → Prioritising student support

In response to the growing demand and complexity of needs across a range of our student facing support services, the University continues to invest in this area, enhancing the staffing resource available and ensuring we continue to provide high quality student support meeting the needs of our students.



## University of Sanctuary

The University of Dundee provides a place of safety, solidarity and empowerment for people seeking sanctuary and because of this, it is one of several universities across the UK to be officially recognised as a University of Sanctuary.

## Corporate Governance

This report covers the period from 1 August 2022 to 21 November 2023

### Compliance with the Scottish Code of Good Higher Education Governance

In the opinion of the Court (the University's governing body), the University is fully compliant with all the principles and provisions of the revised Code of Good Higher Education Governance published in April 2023.

### Equality, Diversity and Inclusion

In accordance with Section 8 of the Gender Representation on Public Boards (Scotland) Act 2018, the University published its report on the Gender Representation Objective (GRO) and submitted this to the Scottish Government in February 2022. The University achieved the GRO (50% of the non-excluded membership of a governing body are female) but continues to review this when considering membership and succession planning. The Court made a commitment in its 'Statement on Equality, Diversity & Inclusion on the University Court' to achieving diversity amongst its membership which reflects the diversity within the University community. Among other commitments made by the Court within the University's Race Equality Charter Submission, the Court set itself the objective of increasing BAME representation on Court to at least reflect the current ethnic make-up (10%) of the University Community within a period of 3 years. The Court and its People & Organisational Development Committee also maintain an active interest in the achievement of the REC action plan.

### Charter and Statutes

The University is an independent corporation and a registered Scottish charity (SC015096). Its legal status derives from a Royal Charter originally granted in 1967 and its objects, powers and framework of governance are set out in the Charter and its supporting Statutes, as amended from time to time with the approval of the Privy Council. The core mission of the University, as set out in the 'University of Dundee Strategy 2022-27' document ([dundee.ac.uk/strategy](https://dundee.ac.uk/strategy)), continues to be 'to transform lives through the creation, sharing and application of knowledge', and this goes hand in hand with a vision to be globally renowned for our social purpose, delivered through our intensity and excellence in research, education and engagement. The mission and vision build on and cement the formal original objects of the University, as laid out in the Charter, which are to 'advance and diffuse knowledge, wisdom and understanding by teaching and research and by the example and influence of its corporate life'.

The Charter and Statutes require the University to have two separate bodies to oversee and manage its activities, as follows:

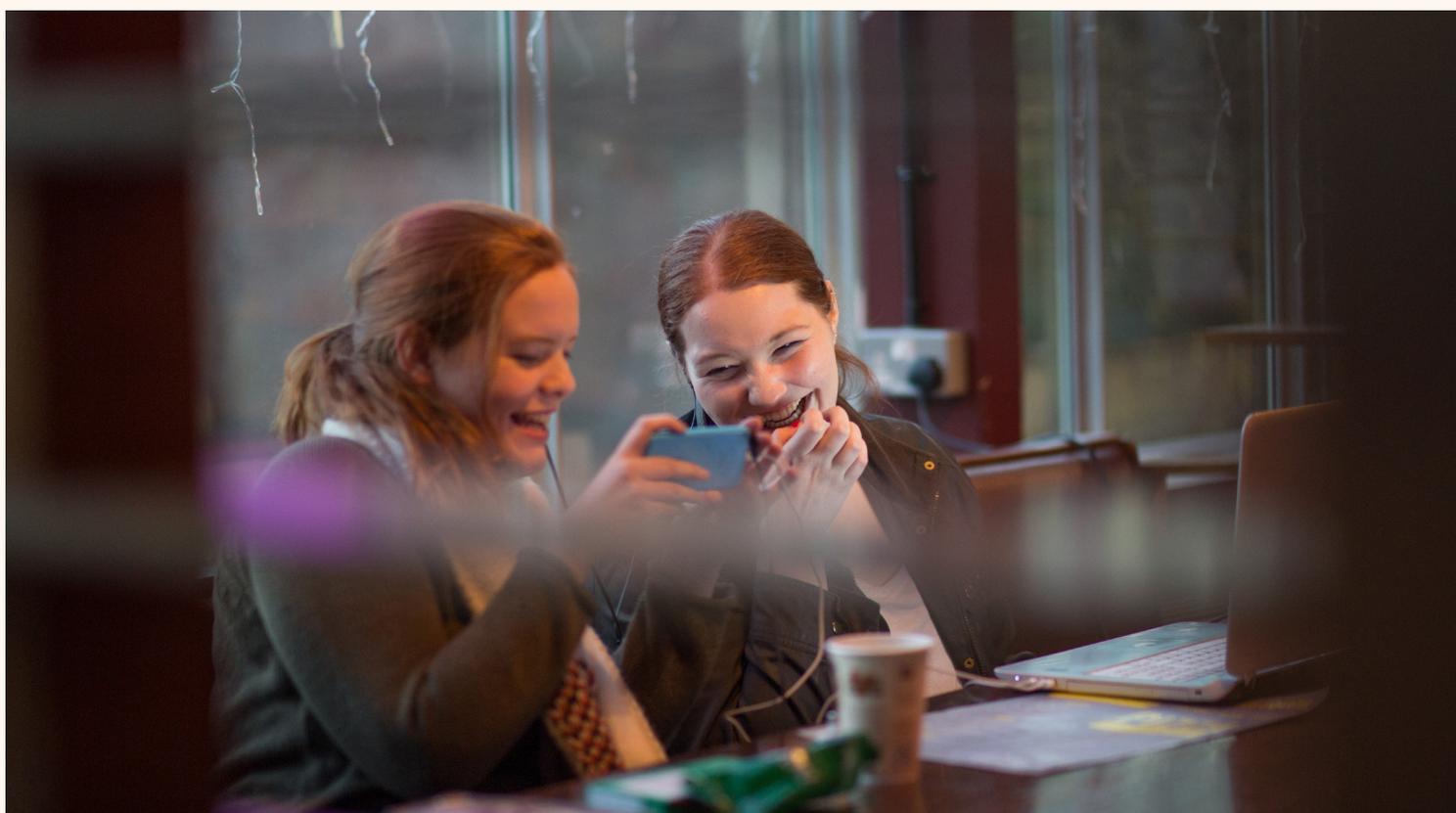
- a. **Court** is the governing body, responsible for the finance, property, investments, employment of staff and general business of the University, and for setting the general strategic direction of the institution. The statement of Primary Responsibilities adopted by the Court can be found at: [dundee.ac.uk/corporate-information/statement-primary-responsibilities-court](https://dundee.ac.uk/corporate-information/statement-primary-responsibilities-court)

It has a total membership of 24, with a majority of lay members from outside the University. Members also include representatives of the student body and the staff of the University, including two members nominated by the recognised trade unions. The Chair of Court for the 2022/23 academic year, Amanda Millar, was elected in April 2022 and appointed from 1 August 2022. The Deputy Chair of Court is appointed by the Court on the recommendation of the Governance & Nominations Committee and deputises for the Chair as necessary. The lay members are all considered to be independent. The Governance & Nominations Committee appoints ten such members following an external advertisement and interview. This process takes into account the skills and diversity of existing Court members as well as future requirements and issues of succession, for example, to convenerships of Court Committees. The Court uses a skills matrix developed to inform lay appointments to the Court and has agreed a statement setting out its goals in relation to the balance of its membership in terms of equality and diversity and this is also reflected in objectives for the Court within the University's Race Equality Charter Submission. With the exception of the Chair of Court, none of the lay members receives any payment other than eligibility for the reimbursement of expenses for the work they undertake for the University. The Chair of Court is entitled to be remunerated at a gross per diem rate equivalent to the Tier 1 minimum for chairs set out by the Scottish Government in the Daily Fee Framework of its technical guide to the Public Sector Pay Policy for 2022 to 2023. For 2022/23 this was equivalent to a gross daily rate of £340. From March 2023, this rose to £344.

The powers reserved to Court and those it has delegated to its Committees, to Senate and to the Principal and other senior officers, are set out in a Schedule of Delegation and Decision-making Powers.

b. Subject to the general control and approval of Court, Senate is the academic authority of the University and draws its membership entirely from the staff (mainly academic staff) and the students of the institution. The membership conforms to the requirements of the Act: more than half of its membership comprises elected staff and students, and students comprise more than 10% of the total membership. Its role is to direct and regulate the teaching, learning and research work of the University and is supported in this respect by a number of committees including the Learning & Teaching Committee, Research & Knowledge Exchange Committee, Quality & Academic Standards Committee, and Internationalisation Committee. Senate is chaired by the

Principal & Vice-Chancellor. The Court receives regular reports from the Senate and the Chair of the Senate highlighting matters of decision, interest and noting. On an annual basis the Court, on the recommendation of its Governance & Nominations Committee, approves the submission of the Annual Report to the Scottish Funding Council (SFC) on Quality for the previous year. The Senate undertook a review of its effectiveness in 2021.



## A great place for making friends from around the world

Our university is home to students and staff from over 150 different countries.

## Committees

Although Court meets at least five times each academic year, including an annual strategic retreat, much of its detailed work is handled by committees: Finance & Policy Committee, People & Organisational Development Committee, Governance & Nominations Committee, Remuneration Committee and Audit & Risk Committee. These committees have written remits, which are reviewed annually, and their decisions and recommendations are formally reported to Court. They each have a specified membership, including lay members and a lay convener, which is approved on an annual basis.

The composition of Court and its committees, along with the attendance of members at meetings during the session 2022/23, is set out in the table below. In summary the committees operate as follows:

On an annual basis the **Governance & Nominations Committee** has general oversight of the governance framework of the institution, considers changes to the governing instruments and makes recommendations to Court on Court and committee membership. It considers the contributions and commitment of members to the work of the Court and its Committees and more generally to the life of the University. The Committee takes particular interest in ensuring the overall effectiveness of the Court and its committees in providing support and challenge to the University Executive Group in achieving the University's strategic objectives. The Committee also engages with aspects of quality assurance both in learning and teaching and in research, and this enables the Committee to advise Court, along with regular reports from the Senate, on its obligations in relation to academic quality.

The **Remuneration Committee** determines the remuneration of the members of the University Executive Group, including the Principal, and oversees the University Executive Group's decision-making in relation to the remuneration of other grade 10 staff across the University. The remuneration committee is expected to represent the public interest and avoid any inappropriate use of public funds. In preparation for this role, and to ensure transparency over decisions on remuneration, the Committee is guided by the Court on the policy it wishes the Committee to adopt in reaching its decisions with regard to senior executive pay. The Committee comprises four lay members of Court, a student and a staff member. The Chairperson of Court is included within this membership but is not the Convener of the Committee. Whilst the Principal is invited by the Committee to attend in order to advise on the remuneration of members of the University Executive Group, the Principal is not present at any meeting of the Committee that considers his own remuneration. To improve transparency over decisions on remuneration, the Committee has introduced an annual report to the Court which provides further detail on the operation of the Committee and policy and approach to the review of senior pay. The Committee has reviewed its Remit, Terms of Reference and Severance Policy in light of sectoral reports and works closely with the People & Organisational Development Committee to ensure the robustness of practice.

The **Audit & Risk Committee**, which can include up to two additionally co-opted non-Court members, is chaired by a lay member of Court and meets four times a year, with the University's internal and external auditors in attendance. The Committee considers detailed reports from the internal and external auditors, together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation plans.

The Audit & Risk Committee's role is one of high-level review of the arrangements for internal control, risk management and value for money. It also makes recommendations to the Court on the appointment of both internal and external auditors. It has authority to investigate any matters within its terms of reference. Whilst senior university officers attend meetings of the Committee, as necessary, they are not members of the Committee. In order to safeguard the independence of the University's external auditors, provision by them of any non-audit services is subject to the approval of the Audit & Risk Committee.

The Audit & Risk Committee also has a general responsibility for monitoring the operation and effectiveness of the University's Public Interest Disclosure and Anti-Bribery policies and arrangements.

The **Finance & Policy Committee** advises Court on all matters pertaining to the financial health and sustainability of the University and makes recommendations to Court on the adoption of financial forecasts, annual budgets and the financial statements (this last with the Audit & Risk Committee). The Committee also reviews and monitors the Estates Strategy, including providing scrutiny of major capital developments.

The **People & Organisational Development Committee** oversees all policies, strategies and procedures relating to the staff of the University other than those for which the Remuneration Committee is responsible. This includes performance; organisational development; reward and recognition; leadership and management; equality and diversity; health, safety and wellbeing; and retention and recruitment.

Full remits for all committees of Court are available from the University's webpages at: [dundee.ac.uk/governance/university/court](https://dundee.ac.uk/governance/university/court)

## Effectiveness

Members of the Court are encouraged to participate in training and development sessions offered by Advance HE as part of its Governor Development Programme. In addition, training sessions are organised from time to time throughout the year by the University on issues of relevance, and briefing presentations are held prior to meetings of the Court to provide members with training and contextual information of relevance to items on the agenda. Members of the Audit & Risk Committee are also encouraged to attend external training sessions provided by the audit sector, with additional training on matters of interest being arranged when appropriate.

The Court reflects annually on the effectiveness of both the Chair and the Court itself, and each committee also reflects annually on its own effectiveness and general operation, with outputs from these committee reviews being considered by the Court. In addition, the effectiveness of Court and its Committees is evaluated formally at least every five years using external facilitation. The last such review was concluded in November 2019 and the implementation of recommendations continues to be tracked by the Governance & Nominations Committee. The Audit & Risk Committee carries out formal self-assessments and the most recent was carried out in spring 2021, and a number of recommendations for enhancement are being introduced. The next formal review of Court will take place in 2024. The Chairperson of Court and Deputy Chairperson of Court meet with other Court members on an individual and informal basis at least annually to discuss their contribution and development needs and provide guidance and support if needed. An annual summary of these meetings is provided to the Governance & Nominations Committee to inform discussions regarding, for example, the renewal of lay members' appointments.

The Court has now held five annual public meetings of the Court, which were open to all and saw the Chair of Court and the Principal & Vice-Chancellor present and take questions with regard to the performance of the University and the operation of the Court over the previous 12-month period. The Court has undertaken to raise the profile of equality, diversity and inclusion matters at all future annual public meetings and to report on progress against its Race Equality Charter objectives. The President of the Dundee University Students' Association (DUSA) also presented on both the activities of DUSA and the consideration of student issues by the Court.

## Executive

The Principal & Vice-Chancellor is the chief academic and administrative officer of the University, who has a general responsibility to Court for maintaining and promoting the efficiency and good order of the University. As de facto Chief Executive, the Principal exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments, and shaping of the institutional ethos. Under the terms of the formal Financial Memorandum between the University and the Scottish Funding Council, the Principal is also the accountable officer of the University.

The Principal & Vice-Chancellor chairs the University Executive Group (UEG) and presents a written report on its work to each meeting of Court. The UEG comprises the Deputy Vice-Chancellor & Provost, the Vice-Principals, the University Secretary & Chief Operating Officer, the Director of People, the Director of Strategic Change & Delivery and the Director of Finance.

The remuneration levels of the members of the UEG as at 31 July 2023 excluding employers pension contributions were as follows:

<b>Title</b>	<b>Banding</b>
Principal & Vice Chancellor, Professor Iain Gillespie	£260,000 - £269,999
Deputy Vice Chancellor & Provost	£170,000 - £179,999
Vice-Principal (International)	£190,000 - £199,999
Vice-Principal (Education)	£130,000 - £139,999
University Secretary and Chief Operating Officer	£170,000 - £179,999
Director of Finance	£130,000 - £139,999
Director of People	£120,000 - £129,999
Director of Strategic Change and Delivery	£130,000 - £139,999

## Strategic Planning and Monitoring

During 2021/22, the University developed a new strategic plan for the period 2022-27, which was approved by the University Court in February 2022. The University Strategy 2022-27 is underpinned by five enabling strategies, progress against each of which is monitored by implementation plans. These implementation plans, and a new set of Institutional Key Performance Indicators, were approved by Court in April 2022. Regular reports on progress against targets are considered by the People & Organisational Development Committee and by the Court.

## Statement of Responsibilities

The University maintains a register of interests of members of Court and senior officers, which may be consulted by arrangement with the University Secretary. The interests of individual members are also published on the University's web pages.

Court is responsible for keeping proper accounting records setting out the financial position of the University and which enable it to ensure that the financial statements are prepared in accordance with the Charter and Statutes, the Statement of Recommended Practice (Accounting for Further and Higher Education Institutions) and other relevant accounting standards. In addition, within the terms and conditions of the Financial Memorandum agreed with the Scottish Funding Council (SFC), Court is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

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

- suitable accounting policies are selected and applied consistently
- judgement and estimates are made that are reasonable and prudent
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. Court is satisfied that the University has adequate resources to continue in operation for the foreseeable future: for this reason the going concern basis continues to be adopted in the preparation of the financial statements

Court also has a responsibility to:

- ensure that funds from the SFC are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the SFC and any other conditions which the SFC may from time to time prescribe

- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- safeguard the assets of the University and hence to take reasonable steps to prevent and detect fraud
- ensure reasonable steps have been taken to secure the economical, efficient and effective management of the University's resources and expenditure

The University's system of internal financial control includes the following key elements:

- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets
- Regular reviews of financial results, involving variance reporting and updates of forecast out-turns
- Clear definitions of the responsibilities of, and authority delegated to, budget-holders in academic Schools and the professional services
- Detailed financial operating procedures for the authorisation and control of expenditure, whose provisions are approved by the Finance & Policy Committee and monitored by the Audit & Risk Committee
- A professional internal audit team whose annual programme is approved by the Audit & Risk Committee on Court's behalf and which submits to the Audit & Risk Committee an annual report on internal audit activity and on the adequacy and effectiveness of the University's system of internal financial and other controls. Any system of internal financial control, however, only provides reasonable, not absolute, assurance against material misstatement or loss.

The University Executive Group, Court and the Audit & Risk Committee formally review the institutional risk register regularly, and at least twice a year.

Any enquiries about the constitution and governance of the University should be addressed to the University Secretary & Chief Operating Officer.

The principles and practice set out in this statement on corporate governance hold true for the full financial year reviewed in the financial statements as well as for the period up to the date of approval of the statement by the University Court.

# Ranked number 1

University of Dundee is ranked number one in StudentCrowd's five best Scottish universities 2022 survey, which is based purely on student reviews of their university and course experience.



## Court and Committee Attendance 2022/23

Name	Notes	Court (of 5)	F&PC (of 5)	G&NC (of 3)	PODCo (of 4)	Audit <sup>1</sup> (of 5)	Rem Com (of 2)
Amanda Millar*, Chair		5	5	3			2
Janice Aitken	From 01/08/2023						
Glenn Allison*	From 01/08/2023						
Alan Bainbridge*		3	4				
Tricia Bey*		5	4	3		4	
Richard Bint*	To 31/07/2023	4	5				
Ian Buerger	From 01/08/2023						
Claire Cunningham	From 15/11/2022	4 (of 4)			3 (of 3)		
Gregory Colgan*		4					
Mike Ferguson		5	5				
Iain Gillespie		5	3	3	4		3
Keith Harris, Rector <sup>2</sup>		1					
Andrew Lothian*		3				3	
Jane Marshall*		5		3	4		2
David Martin	To 31/07/2023	4			4		
Linda Martindale	From 01/08/2023						
Ron Mobed*		3	5				2
Nyasha Mutembwa		4	4				1
Anna Notaro		5		2			
Adam Robertson	To 11/04/2023	1 (of 4)		0			
Carla Rossini*		4	3				
Emma Preston	To 25/08/2022	1 (of 1)					
Mairi Scott	To 31/07/2023	4	3				
Amina Shah*	From 01/08/2023						
Karthik Subramanya*		5			4		
Jay Surti*		4			4		
Sharon Sweeney		4		2			2
Garry Taylor*		4	5				2
Karen Thompson*		5			4		2
Susan Walker		5				2	
Keith Winter*		4	5			4	

\*Lay Members



## £40M of investment

We are building a new £40million Life Sciences Innovation Hub, scheduled to open in 2024, that will anchor a new generation of high-growth companies and high-value jobs in Dundee.

The Convener of the Finance & Policy Committee is invited to attend meetings of the Audit & Risk Committee and a reciprocal arrangement is in place for the Convener of the Audit & Risk Committee to attend meetings of the Finance & Policy Committee.

The Deputy Chair of Court is also invited to attend meetings of the Finance & Policy Committee. This arrangement does not confer voting rights on the Committee of which they are not the convener.

<sup>1</sup>The Audit & Risk Committee has one additional co-opted member, who is not a member of Court: Irene Wilson, who attended five meetings.

<sup>2</sup> The Rector is not a member of Court but has the right to attend meetings.

### Notes:

In addition to the major committees reported above, attendance of members of Court is also recorded for meetings of the Welfare and Ethical Use of Animals Committee, Endowments Sub-Committee and the Pensions Sub-Group.

F&PC = Finance & Policy Committee

G&NC = Governance & Nominations Committee

PODCo = People & Organisational Development Committee

Audit = Audit & Risk Committee

Rem Com = Remuneration Committee

# Risks

## How risks are managed

The Scottish Funding Council (SFC) requires all institutions to confirm they have an effective system of internal control. This includes an ongoing process for identifying, evaluating, and managing significant risks.

The University Court has therefore approved a Risk Management Framework which aims:

- to define the organisation's appetite for risk in its different areas of activity
- to embed a culture of risk management throughout the University
- to motivate staff to take ownership of risks
- to control the organisation's risk management programme through monitoring, audit, and other techniques

A Risk Management Oversight Group implements the policy and accompanying Risk Management Framework. The Group is chaired by the Deputy University Secretary with representation from the Schools and Professional Services and provides a regular report to the Audit & Risk Committee and University Executive Group.

In accordance with the Framework, the University has developed an Institutional Risk Register which is under regular review. Schools and Professional Services have their own local risk registers in place to ensure risks are identified, managed and escalated to the Institutional Risk Register as needed.

## Identified key risks

Risk area	Risk description	Risk management
<b>Cybersecurity</b>	Failure in controls and recovery plans in the event of a cyber-related incident	<ul style="list-style-type: none"> <li>→ Information Security Working Group in place</li> <li>→ Investment into cybersecurity, including the formation of a new cybersecurity team</li> <li>→ Training in place for all staff</li> </ul>
<b>Student experience</b>	A decline in the quality of the student experience could adversely affect the University's reputation with a consequent reduction in student recruitment	<ul style="list-style-type: none"> <li>→ There is student representation on all the major University committees and a formal Student Experience Oversight Group monitors all aspects of student experience</li> <li>→ There is a formal partnership agreement between the University and Dundee University Students' Association</li> <li>→ 5-year market-led portfolio plans are in place to ensure an attractive offering</li> </ul>
<b>Staff experience</b>	Inability to attract, retain or develop staff could result in a loss in performance in key areas	<ul style="list-style-type: none"> <li>→ The People &amp; Organisational Development Committee focuses on staff issues</li> <li>→ Increased focus on feedback, succession planning and staff development and also a wider marketing strategy is in place to raise the profile of the University with potential staff</li> <li>→ Investment in Athena Swan and other equality and diversity and inclusion measures</li> <li>→ People &amp; Talent Strategy</li> <li>→ Local Joint Committee in place and regular meetings with the campus trade unions to discuss key issues</li> </ul>
<b>Research excellence</b>	A reduction in the quality of research could adversely affect the University's reputation and could lead to a loss of staff and students	<ul style="list-style-type: none"> <li>→ Research Review measures research quality and provides data for strategic management of research activity</li> <li>→ Recruitment focusses on research excellence</li> </ul>

## Identified key risks - continued

Risk area	Risk description	Risk management
<b>Financial sustainability</b>	Failure to generate sufficient surpluses to maintain and develop the University's existing infrastructure (physical, IT and human)	<ul style="list-style-type: none"> <li>→ Five year financial plans and annual budgets are used to quantify risks and the impact of remedial action</li> <li>→ Budgetary control is exercised by Court through the Finance &amp; Policy Committee, and by the University Executive Group</li> <li>→ F&amp;PC monitors the condition of the estate and the implementation of major new systems</li> <li>→ F&amp;PC, through a sub-committee, contributes to the debate on the affordability of pensions within the Higher Education sector</li> </ul>



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# Independent Auditor's Report to the University Court of the University of Dundee

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## Opinion

We have audited the financial statements of the University of Dundee ('the institution') and its subsidiaries ('the group') for the year ended 31 July 2023 which comprise Consolidated and Institution Statement of Comprehensive Income, Consolidated and Institution Statement of Changes in Reserves, Consolidated and Institution Statement of Financial Position, Consolidated Statement of Cash Flows and the related notes 1 to 34, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the institution's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006; and
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education.

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## Basis for opinion

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

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

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## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and institution's ability to continue as a going concern for the period to 31 July 2025.

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

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## Other information

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

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

## Responsibilities of the University Court

As explained more fully in the Statement of the University Court's Responsibilities set out on page 22, the University Court is responsible for the preparation of the financial statements and for being satisfied that give a true and fair view, and for such internal control as the University Court determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent institution and determined that the most significant are FRS 102 and Statement of Recommended Practice for Further and Higher Education
- We understood how the group and parent institution is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through our review of the Court minutes and papers provided to the Audit and Risk Committee at a Group level, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up.

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- We assessed the susceptibility of the group and parent institution's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage financial performance. Where this risk was considered higher, we performed audit procedures to address the risk of fraud and management override. These procedures included testing journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
  
  - Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business; review of Court minutes to identify any non-compliance with laws and regulations, and inspection of any correspondence between the University and Scottish Funding Council.

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

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## Use of our report

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

**Ernst & Young, LLP**  
**Statutory Auditor**  
**Glasgow**

Date:



34	Consolidated and Institution Statement of Comprehensive Income
35	Consolidated and Institution Statement of Changes in Reserves
36	Consolidated and Institution Statement of Financial Position
38	Consolidated Statement of Cash Flows
39	Statement of Principal Accounting Policies
45	Notes to the Financial Statements

# Financial Statements

Year ended 31 July 2023

## Consolidated and Institution Statement of Comprehensive Income

Year ended 31 July 2023

	Notes	Year ended 31 July 2023		Year ended 31 July 2022	
		Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>Income</b>					
Scottish funding council grants	1	86,731	86,731	88,009	88,009
Tuition fees and education contracts	2	117,589	117,589	95,909	95,909
Research grants and contracts	3	78,916	78,916	71,786	71,786
Other income	4	37,324	36,872	34,097	33,632
Investment income	5	1,682	1,771	483	483
Donations and endowments	6	3,468	3,468	1,708	1,704
<b>Total income</b>		<b>325,710</b>	<b>325,347</b>	<b>291,992</b>	<b>291,523</b>
<b>Expenditure</b>					
Staff costs	7	162,202	161,733	218,388	217,903
Other operating expenses	8	130,803	131,301	107,639	107,656
Depreciation and amortisation	12, 13	23,049	22,892	17,386	17,250
Interest and other finance costs	9	4,868	4,868	2,020	2,020
<b>Total expenditure</b>		<b>320,922</b>	<b>320,794</b>	<b>345,433</b>	<b>344,829</b>
<b>Surplus/(deficit) before other gains and share of operating loss in associate</b>		<b>4,788</b>	<b>4,553</b>	<b>(53,441)</b>	<b>(53,306)</b>
Gain on disposal of tangible assets		7	7	141	141
Gain on disposal of investments		215	215	14	14
Loss on investments		(52)	(52)	(672)	(672)
Share of operating gain/(loss) in associate	21	161	-	(229)	-
<b>Surplus/(deficit) before tax</b>		<b>5,119</b>	<b>4,723</b>	<b>(54,187)</b>	<b>(53,823)</b>
Taxation	10	-	-	-	-
<b>Surplus/(deficit) for the year</b>		<b>5,119</b>	<b>4,723</b>	<b>(54,187)</b>	<b>(53,823)</b>
Actuarial gain in respect of pension schemes	32	6,624	6,624	36,714	36,714
<b>Total comprehensive (loss)/income for the year</b>		<b>11,743</b>	<b>11,347</b>	<b>(17,473)</b>	<b>(17,109)</b>
Represented by:					
Endowment comprehensive (loss)/income for the year		498	498	(1,046)	(1,046)
Restricted comprehensive (loss) for the year		308	309	(2,601)	(2,605)
Unrestricted comprehensive (loss)/income for the year		10,776	10,540	(13,597)	(13,458)
Attributable (loss)/income to the institution		11,582	11,347	(17,244)	(17,109)
Attributable (loss) to the non-controlling interest		161	-	(229)	-
		<b>11,743</b>	<b>11,347</b>	<b>(17,473)</b>	<b>(17,109)</b>
<b>Surplus/(deficit) for the year attributable to:</b>					
Non-controlling interest		161	-	(229)	-
Institution		4,958	4,723	(53,958)	(53,823)

All items of income and expenditure relate to continuing activities.

The accompanying notes and policies on pages 39 to 82 form part of these financial statements.

## Consolidated and Institution Statement of Changes in Reserves

Year Ended 31 July 2023

Consolidated	Income and expenditure reserve					
	Endowment	Restricted	Unrestricted	Total excluding non-controlling interest	Non-controlling interest	Total
	£000	£000	£000	£000	£000	£000
<b>Balance at 1 August 2021</b>	34,983	3,040	164,778	202,801	(5,824)	196,977
Surplus/(deficit) from the income and expenditure statement	283	432	(54,673)	(53,958)	(229)	(54,187)
Other comprehensive income	-	-	36,714	36,714	-	36,714
Other reserve movements	-	-	(32)	(32)	-	(32)
Release of restricted funds spent in year	(1,329)	(3,033)	4,362	-	-	-
<b>Total comprehensive income for the year</b>	<b>(1,046)</b>	<b>(2,601)</b>	<b>(13,629)</b>	<b>(17,276)</b>	<b>(229)</b>	<b>(17,505)</b>
<b>Balance at 1 August 2022</b>	<b>33,937</b>	<b>439</b>	<b>151,149</b>	<b>185,525</b>	<b>(6,053)</b>	<b>179,472</b>
Surplus/(deficit) from the income and expenditure statement	1,485	1,656	1,817	4,958	161	5,119
Other comprehensive income	-	-	6,624	6,624	-	6,624
Other reserve movements	-	-	-	-	45	45
Release of restricted funds spent in year	(987)	(1,348)	2,335	-	-	-
<b>Total comprehensive income for the year</b>	<b>498</b>	<b>308</b>	<b>10,776</b>	<b>11,582</b>	<b>206</b>	<b>11,788</b>
<b>Balance at 31 July 2023</b>	<b>34,435</b>	<b>747</b>	<b>161,925</b>	<b>197,107</b>	<b>(5,847)</b>	<b>191,260</b>

Institution	Income and expenditure reserve					
	Endowment	Restricted	Unrestricted	Total excluding non-controlling interest	Non-controlling interest	Total
	£000	£000	£000	£000	£000	£000
<b>Balance at 1 August 2021</b>	34,983	3,040	164,314	202,337	-	202,337
Surplus/(deficit) from the income and expenditure statement	283	428	(54,534)	(53,823)	-	(53,823)
Other comprehensive income	-	-	36,714	36,714	-	36,714
Other reserve movements	-	-	-	-	-	-
Release of restricted funds spent in year	(1,329)	(3,033)	4,362	-	-	-
<b>Total comprehensive income for the year</b>	<b>(1,046)</b>	<b>(2,605)</b>	<b>(13,458)</b>	<b>(17,109)</b>	<b>-</b>	<b>(17,109)</b>
<b>Balance at 1 August 2022</b>	<b>33,937</b>	<b>435</b>	<b>150,856</b>	<b>185,228</b>	<b>-</b>	<b>185,228</b>
Surplus/(deficit) from the income and expenditure statement	1,485	1,657	1,581	4,723	-	4,723
Other comprehensive income/(loss)	-	-	6,624	6,624	-	6,624
Other reserve movements	-	-	-	-	-	-
Release of restricted funds spent in year	(987)	(1,348)	2,335	-	-	-
<b>Total comprehensive income for the year</b>	<b>498</b>	<b>309</b>	<b>10,540</b>	<b>11,347</b>	<b>-</b>	<b>11,347</b>
<b>Balance at 31 July 2023</b>	<b>34,435</b>	<b>744</b>	<b>161,396</b>	<b>196,575</b>	<b>-</b>	<b>196,575</b>

## Consolidated and Institution Statement of Financial Position

Year ended 31 July 2023

	Notes	As at 31 July 2023		As at 31 July 2022	
		Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>Non-current assets</b>					
Intangible assets	12	6,971	6,971	7,309	7,309
Tangible assets	13	287,090	284,565	278,524	275,840
Investments	15	32,079	32,079	32,498	32,498
		<b>326,140</b>	<b>323,615</b>	318,331	315,647
<b>Current assets</b>					
Stock		310	310	210	210
Trade and other receivables	16	55,605	57,083	40,932	43,495
Cash and cash equivalents	17	74,432	74,354	99,873	99,297
		<b>130,347</b>	<b>131,747</b>	141,015	143,002
Less: Creditors: amounts falling due within one year	19	(121,264)	(120,672)	(114,412)	(114,011)
<b>Net current assets/(liabilities)</b>		<b>9,083</b>	<b>11,075</b>	26,603	28,991
Total assets less current assets/(liabilities)		<b>335,223</b>	<b>334,690</b>	344,934	344,638
Creditors: amounts falling due after more than one year	20	(12,670)	(12,670)	(13,806)	(13,806)
<b>Provisions</b>					
Pension provisions	21	(124,900)	(124,900)	(145,073)	(145,073)
Other provisions	21	(6,393)	(545)	(6,583)	(531)
<b>Total net assets</b>		<b>191,260</b>	<b>196,575</b>	179,472	185,228
<b>Restricted Reserves</b>					
Income and expenditure reserve - endowment reserve	22	34,435	34,435	33,937	33,937
Income and expenditure reserve - restricted reserve	23	747	744	439	435
<b>Unrestricted Reserves</b>					
Income and expenditure reserve - unrestricted		161,925	161,396	151,149	150,856
<b>Attributable to the Institution</b>		<b>197,107</b>	<b>196,575</b>	185,525	185,228
Attributable to the non-controlling interest		(5,847)	-	(6,053)	-
<b>Total Reserves</b>		<b>191,260</b>	<b>196,575</b>	179,472	185,228

## Consolidated and Institution Statement of Financial Position

Year ended 31 July 2023

The financial statements were approved by the Court on 21 November 2023 and were signed on its behalf on 19 December 2023. The accompanying notes and policies on pages 39 to 82 form part of these financial statements.

**Amanda Millar**  
Chair of Court

**Professor Iain Gillespie**  
Principal and Vice-Chancellor

**Peter Fotheringham**  
Director of Finance

## Consolidated Statement of Cash Flows

Year ended 31 July 2023

		Year ended 31 July 2023	Year ended 31 July 2022
		Consolidated	Consolidated
	Notes	£000	£000
<b>Cash flow from operating activities</b>			
Surplus/(deficit) for the year		5,119	(54,187)
<b>Adjustment for non-cash items</b>			
Depreciation	13	21,769	15,694
Amortisation and impairment of intangible assets	12	1,280	1,692
Loss on endowments and investments		52	672
(Increase)/decrease in stock		(100)	18
(Increase) in debtors	16	(14,673)	(9,070)
Increase in creditors		6,943	11,829
(Decrease) in pension provisions		(114)	(884)
Increase/(decrease) in other provisions	21	14	(27)
Pension costs less contributions payable		(18,076)	50,295
Share of operating (gain)/loss in associate	21	(161)	229
<b>Adjustment for investing or financing activities</b>			
Investment income	5	(1,682)	(483)
Interest payable	9	4,868	2,020
Endowment income	6	(671)	(625)
Gain on sale of fixed assets		(7)	(141)
Gain on sale of investments		(215)	(14)
Capital grant income	6	(3,901)	(3,668)
<b>Net cash inflow from operating activities</b>		<b>415</b>	<b>13,350</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of fixed assets		52	424
Proceeds from sales of investments		215	372
Capital grants receipts	6	3,901	3,668
Disposal of non-current asset investments		7,438	16,270
Investment income	5	1,682	483
Endowment funds invested	6	(671)	(625)
Withdrawal of deposits		671	625
Payments made to acquire fixed assets	13	(30,380)	(18,378)
Payments made to acquire intangible assets	12	(942)	(2,185)
New non-current asset investments	15	(7,070)	(18,391)
<b>Total cash flows from investing activities</b>		<b>(25,104)</b>	<b>(17,737)</b>
<b>Cash flows from financing activities</b>			
Interest paid	9	(196)	(203)
Interest element of finance lease	9	-	-
New endowments		671	625
New unsecured loans	20	-	-
Repayments of amounts borrowed	20	(1,227)	(1,271)
Capital element of finance lease		-	-
<b>Total cash flows from financing activities</b>		<b>(752)</b>	<b>(849)</b>
<b>(Decrease) in cash and cash equivalents in the year</b>		<b>(25,441)</b>	<b>(5,236)</b>
Cash and cash equivalents at beginning of the year	17	99,873	105,109
Cash and cash equivalents at end of the year	17	74,432	99,873

# Statement of Principal Accounting Policies

Year ended 31 July 2023

## 1. Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with applicable Financial Reporting Standards in the United Kingdom.

The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements have also been prepared in accordance with the Accounts Direction issued by the Scottish Funding Council.

The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets and derivative financial instruments).

These financial statements are prepared on a going concern basis.

The University has considered a number of risks and potential impacts of these risks in producing its financial plans and forecasts. These financial statements have been prepared on a going concern basis which University management believe to be appropriate for the following reasons:

The University is well-established and renowned internationally for its research and teaching excellence. The demand for learning at the University remains strong with student applications and intake for the 2023/24 academic year demonstrating steady growth, consolidating an impressive trajectory of growth in recent years. The University has a strong reputation for student experience, and teaching in the 2022/23 academic year returns with an emphasis on in-person and on-campus delivery supplemented by online learning resources, re-invigorating our strong academic and social communities that are a hallmark of the Dundee experience.

At 31 July 2023 the University held net assets of £191.6m with borrowings of £13.8m of unsecured loans, equivalent to 4.2% of turnover in the year. In addition, the University held cash and cash equivalents and investments of £74.4m and a Revolving Credit Facility capability of £40m which is undrawn. The Revolving Credit Facility is a 3+1+1 facility, originally expiring in October 2024 and now extended to October 2026. The Revolving Credit Facility is subject to financial covenants which were met at 31 July 2023.

The University has a financial plan for 2023/24 through to 2027/28 which takes into consideration a range of potential risks, including specific risks such as the cost of living crisis on student recruitment and more general risks, including socioeconomic and geopolitical factors. In support of this plan, cashflow projections have been prepared for the period to 31 July 2025. On this basis, the University is forecast to operate within its available committed facilities, meeting all financial covenants, with significant forecast headroom throughout the going concern period. The University carefully and regularly monitors the impact of a wide range of risks on its financial position. University management has considered various scenarios in assessing the potential impact of these risks on future financial performance and cashflows.

In order to test the resilience of the University's financial position, we have considered a pessimistic scenario where the University is unable to materially improve the international student intake and a number of other risks crystallise. In this scenario, the most critical impact is on tuition fees income and this would be known early in the year 2023/24, therefore the University would be able to take further mitigating actions if required, but noting the significant headroom in our base plans. As a result, even in a severe scenario, the University is forecast to continue to operate within its available committed facilities, meeting all financial covenants. Throughout the going concern period and severe downside scenario all financial covenants are forecast to be met.

If a severe downside scenario does occur, a range of further mitigating actions are available to university management depending on the severity of the situation. This includes limiting discretionary spend and restricting non-essential and non-committed capital expenditure. The University also has the option to dispose of non-core assets and investments. The University has previously successfully demonstrated the use of mitigating actions, most recently during the Covid-19 pandemic.

The University has extended its existing Revolving Credit Facility for a further year, demonstrating the ongoing support of our banking partners and the creditworthiness of the University.

Based on the above analysis covering the period to July 2025, the University's view is that it remains entirely appropriate to prepare the consolidated financial statements on a going concern basis.

# Statement of Principal Accounting Policies

Year ended 31 July 2023

## 2. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Institution and its subsidiary undertakings for the financial year to 31 July 2023. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

Entities, other than subsidiaries, in which the Group has a participating interest and over who's operating and financial policies the Group exercises a significant influence are treated as associates. In the consolidated Financial Statements, associated companies and joint ventures are accounted for using the equity method, including the appropriate share of the results and reserves of each associate. The Consolidated Statement of Comprehensive Income and Expenditure includes the Group's share of the profit or loss of Dundee Student Villages (DSV), an associated undertaking, and the consolidated balance sheet similarly includes the Group's share of the net assets or liabilities of DSV.

Business combinations that are not mergers are accounted for in accordance with Financial Reporting Standard 7 Fair Values in Acquisition Accounting. For acquisition accounting to be applicable the acquired entity will normally consist of more than a collection of assets and liabilities and will have its own processes distinct from those of the Institution.

## 3. Income recognition

Grant funding including Scottish Funding Council grants and income from the Coronavirus Job Retention Scheme, research grants from government sources, grants (including research grants) from non-government sources are recognised as income when the Institution is entitled to income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which the 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 not deducted from income.

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

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

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

### Donations and Endowments

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

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

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restriction applied to the individual endowment fund.

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

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

### Capital grants

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

#### 4. Accounting for retirement benefits

The main principal pension schemes for the Institution's staff are the Universities Superannuation Scheme (USS), the University of Dundee Superannuation and Life Assurance Scheme (UODS) (closed to new members from 31 December 2023) and University of Dundee Royal London Pension Scheme (RLPS). USS and UODS are both defined benefit schemes and each fund is valued every three years by professionally qualified independent actuaries. RLPS is a defined contribution scheme.

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The 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 defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The Institution participates in a number of other defined benefit pension schemes. Where the scheme is a multi-employer scheme and it is not possible to identify the University's share of the underlying assets and liabilities, it is accounted for on a defined contribution basis and contributions are included in expenditure in the period in which they are payable.

##### Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company 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 Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under defined benefit plans, the Institution'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 Institution. The Institution recognises a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Institution 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 institution 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 leases and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

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

Expenditure on fixed assets acquired under finance leases and the related lease obligations is capitalised in so far as the costs exceed the Institution's capitalisation threshold.

#### 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 brought into use with a corresponding financial liability.

#### 8. Operating leases

Rental costs under operating leases are charged to expenditure in equal annual amounts over the periods of the leases.

# Statement of Principal Accounting Policies

Year ended 31 July 2023

## 9. Foreign currency

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

## 10. Property, plant, and equipment

### Land and buildings

Land and buildings are stated at deemed cost less accumulated depreciation. Donated land and buildings are stated at fair value at the date of receipt.

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 Institution from the existing tangible fixed asset beyond its previously assessed standard of performance; the costs of any such enhancements are added to the gross carrying amount the tangible fixed asset concerned.

### Depreciation

Land is not depreciated as it is considered to have an indefinite useful life.

The component items of buildings, and alterations and additions to buildings, are depreciated over their estimated useful lives on a straight line basis as follows:

Structure	50 years
Mechanical and electrical	25 years
Fit-out	15 years

Assets in the course of construction are not depreciated until they are brought into use.

### Repairs and maintenance

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

### Assets used by the Institution

The Institution occupies various premises owned by the NHS. The main locations are subject to service charges which are reflected in the income and expenditure account but are not subject to formal rentals. It is not possible to attribute value to these arrangements and hence these assets are not included in the financial statements.

### Assets held for resale

Assets for resale are land and buildings which are no longer in use by the Institution and which the Institution is committed to sell and not replace. These assets are valued at the lower of net book value and net realisable value and included in current assets.

### Equipment

Equipment, including computers and software, costing less than £25,000 per individual item or group of related items is recognised as expenditure in the year of acquisition. All other items of equipment are capitalised and depreciated on a straight line basis over their expected useful lives as follows:

Plant	20 years
Computer equipment	4 - 12 years
Research equipment	Shorter of 4 years or project life
Other equipment	4 years

### Impairment

A review for impairment of property, plant and equipment is carried out if events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

### Borrowing costs

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

## 11. Intangible Assets

All intangible assets are considered to have finite lives which will be determined by the assessed useful economic life and the period of any contractual or legal rights (including any renewal periods where the cost of renewal is not significant). Intangible assets in the course of development are not amortised until they are brought into use.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment.

## 12. Investments

Non-current asset investments are included in the balance sheet at fair value for investments in publicly traded shares or where the fair value can be measured reliably, with movements recognised in the surplus or deficit. Investments in unlisted spin-outs where no fair value can be established are listed at cost.

Investments in subsidiaries are carried at cost less impairment in the University's balance sheet.

Investments in associates are shown in the consolidated balance sheet at attributable share of net assets.

Current asset investments are held at fair value with movements recognised in the Consolidated Statement of Comprehensive Income and Expenditure.

Interests in land and/or buildings held for their investment potential are included in the balance sheet at their market value without charging depreciation.

## 13. Stocks

Stocks comprise mainly building maintenance, catering and laboratory supplies, and are brought into the financial statements at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

## 14. Cash and cash equivalents

Cash includes cash in hand, sterling and foreign currency bank balances, deposits repayable on demand and overdrafts.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. Typically, they will have a maturity of less than three months.

Short-term deposits include deposits with recognised banks and building societies and government securities held as part of the University's treasury management activities.

## 15. Provisions, contingent liabilities, and contingent assets

Provisions are recognised when:

- a. the University has a present legal or constructive obligation as a result of a past event
- b. it is probable that a transfer of economic benefit 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.

The attributable share of net liabilities in associates is shown as a provision in the consolidated balance sheet.

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resource will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

## 16. Taxation

The University is a charity within the meaning of part 1, chapter 2, section 7 of the Charities and Trustee Investment (Scotland) Act 2005, and is considered to pass the tests set out in paragraph 1, schedule 6, Finance Act 2010 and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator (Charity Number SC015096) and therefore it meets the definition of the charitable company for UK corporation tax purposes.

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

The University's subsidiaries, with the exception of the charitable company, University of Dundee Nursery Limited, are liable to Corporation Tax in the same way as any other commercial organisation.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that they are regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted. Deferred taxation for subsidiaries is provided on the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that taxation will be payable.

## 17. Derivatives

Derivatives are held on the balance sheet at fair value with movements in fair value recorded in the Consolidated Statement of Comprehensive Income and Expenditure.

## 18. 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.

## 19. Critical accounting estimates and judgements

The preparation of the Institution's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities (including fixed assets), income, and expenses. Further detail is provided at Note 33. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. For the 2022/23 financial statements a key judgment relates to the impairment of fixed assets, as described at Note 13.

## Notes to the Financial Statements

Year ended 31 July 2023

	Year Ended 31 July 2023		Year Ended 31 July 2022		
	Notes	Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>1. Scottish funding council grants</b>					
General fund – Teaching		61,418	61,418	60,065	60,065
General fund – Research and Innovation		21,501	21,501	21,762	21,762
COVID non-recurrent funding		-	-	1,727	1,727
Strategic Funding		511	511	820	820
Capital Funding		3,301	3,301	3,635	3,635
		<b>86,731</b>	<b>86,731</b>	<b>88,009</b>	<b>88,009</b>
<b>2. Tuition fees and education contracts</b>					
Home/EU domicile fees		22,938	22,938	24,715	24,715
RUK domicile fees		12,101	12,101	12,268	12,268
Non-EU domicile fees		77,559	77,559	54,611	54,611
Non-credit bearing course fees		651	651	326	326
Other contracts		4,340	4,340	3,989	3,989
		<b>117,589</b>	<b>117,589</b>	<b>95,909</b>	<b>95,909</b>
<b>3. Research grants and contracts</b>					
Research councils		20,108	20,108	19,734	19,734
UK charities		18,897	18,897	19,870	19,870
European commission		3,660	3,660	4,682	4,682
UK industry		3,174	3,174	3,779	3,779
Other grants and contracts		33,077	33,077	23,721	23,721
		<b>78,916</b>	<b>78,916</b>	<b>71,786</b>	<b>71,786</b>

## Notes to the Financial Statements

Year ended 31 July 2023

	Notes	Year Ended 31 July 2023		Year Ended 31 July 2022	
		Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>4. Other income</b>					
Residences, catering and conferences		10,786	10,786	9,205	9,205
Other services rendered		11,685	11,760	9,404	9,481
Health authorities		6,924	6,924	6,817	6,817
Other income		7,929	7,402	8,671	8,129
		<b>37,324</b>	<b>36,872</b>	34,097	33,632
<b>5. Investment income</b>					
Investment income on endowments	22	350	350	332	332
Other investment income		1,332	1,421	151	151
		<b>1,682</b>	<b>1,771</b>	483	483
<b>6. Donations and endowments</b>					
Capital grants		600	600	33	29
New endowments	22	671	671	625	625
Donations with restrictions	23	636	636	149	149
Other income with restrictions	23	420	420	250	250
Unrestricted donations		1,141	1,141	651	651
		<b>3,468</b>	<b>3,468</b>	1,708	1,704

## Notes to the Financial Statements

Year ended 31 July 2023

	Notes	Year Ended 31 July 2023		Year Ended 31 July 2022	
		Consolidated	Institution	Consolidated	Institution
		£000	£000	£000	£000
<b>7. Staff costs</b>					
Staff Costs:					
Wages and salaries		<b>134,205</b>	<b>133,836</b>	125,621	125,246
Social security costs		<b>13,606</b>	<b>13,581</b>	12,336	12,316
Movement on USS provision		<b>(12,230)</b>	<b>(12,230)</b>	50,867	50,867
Other pension costs	32	<b>25,666</b>	<b>25,591</b>	29,564	29,474
Sub-total		<b>161,247</b>	<b>160,778</b>	218,388	217,903
Restructuring costs		<b>955</b>	<b>955</b>	-	-
Total		<b>162,202</b>	<b>161,733</b>	218,388	217,903

A further breakdown of pension costs has been included in note 32.

Staff costs by major category:

Academic departments		<b>85,680</b>	<b>85,681</b>	114,211	114,212
Academic services		<b>13,523</b>	<b>13,523</b>	18,448	18,448
Research grants and contracts		<b>31,510</b>	<b>31,510</b>	44,273	44,273
Administration and central services		<b>21,913</b>	<b>21,443</b>	29,011	28,525
Premises		<b>4,736</b>	<b>4,736</b>	6,682	6,682
Other		<b>3,387</b>	<b>3,387</b>	5,063	5,063
Catering and residences		<b>498</b>	<b>498</b>	700	700
Sub-total		<b>161,247</b>	<b>160,778</b>	218,388	217,903
Restructuring costs		<b>955</b>	<b>955</b>	-	-
Total		<b>162,202</b>	<b>161,733</b>	218,388	217,903

## Notes to the Financial Statements

Year ended 31 July 2023

### 7. Staff costs - continued

Total remuneration of the Principal & Vice-Chancellor/  
Accountable Officer:

	2022/23	2021/22
	£000	£000
<b>Professor Iain Gillespie</b>		
Annual salary	259	249
Bonus	-	-
Taxable benefits in kind	1	1
Non-taxable benefits in kind	-	-
Pension contributions to USS	56	53
Supplement in lieu of employer's pension contributions	-	-
<b>Total</b>	<b>316</b>	<b>303</b>

Professor Iain Gillespie was appointed Principal and Vice-Chancellor on 1 January 2021.

The emoluments of the Principal are shown on the same basis as that for higher paid staff.

The Principal's remuneration was approved by the Remuneration Committee.

As noted in the tables above, the emoluments of Professor Iain Gillespie include a taxable benefit in kind. These benefits in kind arise from rental of a residential property. All rentals in relation to this property are charged at an externally verified commercial market rate, however HMRC guidance requires the assessment of the deemed value based on a specified computation, this has resulted in an unintentional taxable benefit in kind.

The pay multiple of the Principal to the median earnings of the whole workforce is 7.2 (2022: 7.3) based on total remuneration including salary, bonus, employer pension contribution, payments in lieu of pension contributions, taxable and non-taxable benefits. The median is based on the annualised, full-time equivalent remuneration of all staff at the reporting date.

## Notes to the Financial Statements

Year ended 31 July 2023

### 7. Staff costs - continued

The number of staff with a basic salary of over £100,000 per annum has been included below. Payments made on behalf of the NHS in respect of its contractual obligations to Institution staff under separate NHS contracts of employment are not included within remuneration.

	31/07/2023	31/07/2023	31/07/2022	31/07/2022
	Number	Number	Number	Number
	Non-clinical	Clinical	Non-clinical	Clinical
£100,000 to £109,999	14	6	16	2
£110,000 to £119,999	13	2	4	5
£120,000 to £129,999	5	9	5	6
£130,000 to £139,999	5	5	2	10
£140,000 to £149,999	1	8	3	4
£150,000 to £159,999	4	4	1	7
£160,000 to £169,999	1	7	4	7
£170,000 to £179,999	2	3	1	3
£180,000 to £189,999	1	4	-	5
£190,000 to £199,999	1	2	1	-
£200,000 to £209,999	-	1	-	-
£210,000 to £219,999	-	-	-	-
£220,000 to £229,999	-	-	1	-
£230,000 to £239,999	-	-	-	-
£240,000 to £249,999	-	-	-	-
£250,000 to £259,999	-	-	-	-
£260,000 to £269,999	1	-	-	-
	<b>48</b>	<b>51</b>	<b>38</b>	<b>49</b>

	2022/23	2021/22
Average staff numbers by major category:	Number	Number
Academic departments	1,410	1,367
Academic services	276	273
Research grants and contracts	640	659
Administration and central services	479	451
Premises	157	158
Other	73	79
Catering and residences	16	21
	<b>3,051</b>	<b>3,008</b>

Compensation for loss of office payable to senior post-holders:

	£000	£000
Compensation payable recorded within staff costs	-	-

The percentage of the total pay bill spend on trade union facility time was 0.06%.

## Notes to the Financial Statements

Year ended 31 July 2023

	Notes	Year Ended 31 July 2023		Year Ended 31 July 2022	
		Consolidated	Institution	Consolidated	Institution
		£000	£000	£000	£000
<b>8. Other operating expenses</b>					
Academic departments		19,078	19,078	13,811	13,811
Academic services		12,250	12,250	10,887	10,894
Research grants and contracts		24,517	24,517	23,611	23,611
Administration and central services		46,885	46,803	33,435	33,366
Premises		14,993	15,573	12,537	12,616
Other		3,341	3,341	3,422	3,422
Catering and residences		9,739	9,739	9,936	9,936
		<b>130,803</b>	<b>131,301</b>	107,639	107,656

Other operating expenses include:

External auditor's remuneration in respect of audit services		218		197	
External auditor's remuneration in respect of non-audit services		-		-	
Internal auditor's remuneration		124		104	
Operating lease rentals:					
Plant and machinery	26	-		-	
Office equipment	26	265		291	
Agency staffing costs		974		243	

	Notes	Year Ended 31 July 2023		Year Ended 31 July 2022	
		Consolidated	Institution	Consolidated	Institution
		£000	£000	£000	£000
<b>9. Interest and other finance costs</b>					
Loan interest repayable within 5 years		196	196	203	203
Finance lease interest		-	-	-	-
Net charge on pension schemes	32	4,672	4,672	1,817	1,817
		<b>4,868</b>	<b>4,868</b>	2,020	2,020

## Notes to the Financial Statements

Year ended 31 July 2023

	Year Ended 31 July 2023		Year Ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
<b>10. Taxation</b>				
Recognised in the statement of comprehensive income:				
Current tax				
UK corporation tax	-	-	-	-
Foreign tax	-	-	-	-
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Year Ended	Year Ended
	31 July 2023	31 July 2022
	Consolidated	Consolidated
	£000	£000
<b>11. Surplus/(deficit) on continuing operations for the year</b>		
University surplus/(deficit) for the year	5,229	(53,823)
Surplus/(deficit) generated by associated and subsidiary undertakings	396	(364)
<b>Surplus/(deficit) on continuing operations for the year</b>	<b>5,625</b>	<b>(54,187)</b>

	Assets in Use	Assets in the Course of Construction	Total
	£000	£000	£000
	<b>12. Intangible assets</b>		
<b>Consolidated and University</b>			
<b>Cost</b>			
At 1 August 2022	4,898	14,360	19,258
Additions	-	942	942
Transfers	3,729	(3,729)	-
<b>At 31 July 2023</b>	<b>8,627</b>	<b>11,573</b>	<b>20,200</b>
<b>Amortisation and Impairment</b>			
At 1 August 2022	2,454	9,495	11,949
Charge for the year	1,280	-	1,280
Impairment loss	-	-	-
<b>At 31 July 2023</b>	<b>3,734</b>	<b>9,495</b>	<b>13,229</b>
<b>Closing balance</b>	<b>4,893</b>	<b>2,078</b>	<b>6,971</b>

The additions during the year relate to costs incurred in the development phases of software projects.

## Notes to the Financial Statements

Year ended 31 July 2023

### 13. Property, plant and equipment

	Land and Buildings	Plant and Machinery	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
	£000	£000	£000	£000	£000
<b>Consolidated</b>					
<b>Cost or valuation</b>					
At 1 August 2022	388,308	3,202	105,952	7,135	504,597
Additions	9,472	-	5,790	15,118	30,380
Transfers	4,626	-	554	(5,180)	-
Disposals	-	-	(63,465)	-	(63,465)
<b>At 31 July 2023</b>	<b>402,406</b>	<b>3,202</b>	<b>48,831</b>	<b>17,073</b>	<b>471,512</b>
<b>Depreciation and impairment</b>					
At 1 August 2022	127,460	910	97,703	-	226,073
Charge for the year	11,397	143	4,344	-	15,884
Impairment loss	5,885	-	-	-	5,885
Disposals	-	1	(63,421)	-	(63,420)
<b>At 31 July 2023</b>	<b>144,742</b>	<b>1,054</b>	<b>38,626</b>	<b>-</b>	<b>184,422</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>257,664</b>	<b>2,148</b>	<b>10,205</b>	<b>17,073</b>	<b>287,090</b>
At 1 August 2022	260,848	2,292	8,249	7,135	278,524

## Notes to the Financial Statements

Year ended 31 July 2023

### 13. Property, plant and equipment - continued

	Land and Buildings	Plant and Machinery	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
	£000	£000	£000	£000	£000
<b>Institution</b>					
<b>Cost or valuation</b>					
At 1 August 2022	387,749	-	105,876	7,134	500,759
Additions	9,472	-	5,790	15,118	30,380
Transfers	4,626	-	553	(5,179)	-
Disposals	-	-	(63,448)	-	(63,448)
<b>At 31 July 2023</b>	<b>401,847</b>	<b>-</b>	<b>48,771</b>	<b>17,073</b>	<b>467,691</b>
<b>Depreciation and impairment</b>					
At 1 August 2022	127,283	-	97,636	-	224,919
Charge for the year	11,386	-	4,341	-	15,727
Impairment loss	5,885	-	-	-	5,885
Disposals	-	-	(63,405)	-	(63,405)
<b>At 31 July 2023</b>	<b>144,554</b>	<b>-</b>	<b>38,572</b>	<b>-</b>	<b>183,126</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>257,293</b>	<b>-</b>	<b>10,199</b>	<b>17,073</b>	<b>284,565</b>
At 1 August 2022	260,466	-	8,240	7,134	275,840

As part of the transition to FRS102 the University chose not to revalue land and buildings annually and to use the 1 August 2014 valuation as the deemed cost of assets. The 2014 valuation was performed by Gerald Eve LLP.

At 31 July 2022, freehold land and buildings included £9.2m (2022: £8.9m) in respect of freehold land and is not depreciated.

Disposals include equipment assets with a total cost of £62.5m purchased prior to 2014/15 and fully depreciated.

The University's halls of residence are subject to a service concession arrangement described in Note 14 and are not included in fixed assets.

The reported impairment loss of £5.9m relates to the existence of Reinforced Autoclaved Aerated Concrete in three University of Dundee buildings.

## Notes to the Financial Statements

Year ended 31 July 2023

### 14. Service Concession Arrangements

On 5 July 2004, the University entered into a 35-year contract with Dundee Student Villages Limited, a company limited by guarantee and with charitable status, whereby certain of the University's halls of residence were sold, or leased, in part or full, to that company.

The agreement provides that the company shall operate and maintain the residences to agreed standards and that the University shall continue to market and allocate rooms to students, and provide them with pastoral care.

The University has no minimum guaranteed payment and therefore no asset and liability to recognise on the Balance Sheet.

### 15. Non-Current Investments

	Subsidiary companies	Other fixed asset investments	Endowment asset investments	Total
	£000	£000	£000	£000
<b>Consolidated</b>				
<b>At 1 August 2022</b>	-	2,576	29,922	32,498
Additions	-	22	7,048	7,070
Disposals	-	-	(7,437)	(7,437)
Increase/(decrease) in market value of investments	-	(516)	464	(52)
<b>At 31 July 2023</b>	-	<b>2,082</b>	<b>29,997</b>	<b>32,079</b>

#### Institution

<b>At 1 August 2022</b>	-	2,576	29,922	32,498
Additions	-	22	7,048	7,070
Disposals	-	-	(7,437)	(7,437)
Impairment	-	-	-	-
Increase/(decrease) in market value of investments	-	(516)	464	(52)
<b>At 31 July 2023</b>	-	<b>2,082</b>	<b>29,997</b>	<b>32,079</b>

Other non-current investments consist of:

	Consolidated and University
	£000
Listed investments	-
Index linked government stocks and investment trusts	161
Other	1,921
	<b>2,082</b>

Listed investments are held at fair value.

## Notes to the Financial Statements

Year ended 31 July 2023

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
<b>16. Trade and other receivables</b>				
Amounts falling due within one year:				
Trade receivables	<b>22,684</b>	<b>22,669</b>	12,374	12,353
Accrued income on research projects	<b>13,522</b>	<b>13,522</b>	10,604	10,604
Prepayments and other accrued income	<b>19,399</b>	<b>19,095</b>	17,954	17,509
Amounts due from subsidiary companies	-	<b>1,797</b>	-	3,029
	<b>55,605</b>	<b>57,083</b>	40,932	43,495

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
<b>17. Cash and cash equivalents</b>				
Short term deposits	<b>62,438</b>	<b>62,438</b>	88,712	88,712
Bank	<b>11,965</b>	<b>11,887</b>	11,100	10,524
Cash on hand	<b>29</b>	<b>29</b>	61	61
	<b>74,432</b>	<b>74,354</b>	99,873	99,297

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority as instant access or with less than three months maturity at the balance sheet date.

## Notes to the Financial Statements

Year ended 31 July 2023

	£000	
<b>18. Consolidated reconciliation of net cash</b>		
Net cash at 1 August 2022	84,851	
Movement in cash and cash equivalents	(25,441)	
New loan finance	-	
Repayment of unsecured loans	1,227	
Movements in finance leases	-	
Net cash at 31 July 2023	<b>60,637</b>	
Change in net cash	(24,214)	
Analysis of net cash:	<b>31 July 2023</b>	31 July 2022
	<b>£000</b>	£000
<b>Cash and cash equivalents</b>	<b>74,432</b>	99,873
<b>Borrowings: amounts falling due within one year</b>		
Unsecured loans	<b>(1,125)</b>	(1,216)
Obligations under finance leases	-	-
	<b>(1,125)</b>	(1,216)
<b>Borrowings: amounts falling due after more than one year</b>		
Unsecured loans	<b>(12,670)</b>	(13,806)
Obligations under finance leases	-	-
	<b>(12,670)</b>	(13,806)
	<b>60,637</b>	<b>84,851</b>

## Notes to the Financial Statements

Year ended 31 July 2023

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
<b>19. Creditors: amounts falling due within one year</b>				
Unsecured loans	1,125	1,125	1,216	1,216
Obligations under finance leases	-	-	-	-
Trade payables	10,075	9,713	8,592	8,559
Social security and other taxation payable	3,825	3,825	3,466	3,466
Accruals and deferred income	106,239	106,009	101,138	100,770
	<b>121,264</b>	<b>120,672</b>	114,412	114,011

### Deferred income

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

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
Research grants received on account	30,183	30,183	32,904	32,904
Other income received on account	45,602	45,597	40,377	40,367
	<b>75,785</b>	<b>75,780</b>	73,281	73,271

## Notes to the Financial Statements

Year ended 31 July 2023

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
<b>20. Creditors: amounts falling due after more than one year</b>				
Deferred income	-	-	-	-
Unsecured loans	12,670	12,670	13,806	13,806
Obligations under finance leases	-	-	-	-
	<b>12,670</b>	<b>12,670</b>	13,806	13,806
Analysis of secured and unsecured loans:				
Due within one year or on demand	1,125	1,125	1,216	1,216
Due between one and two years	1,355	1,355	1,125	1,125
Due between two and five years	5,934	5,934	5,343	5,343
Due in five years or more	5,381	5,381	7,338	7,338
	<b>13,795</b>	<b>13,795</b>	15,022	15,022
Due within one year or on demand	(1,125)	(1,125)	(1,216)	(1,216)
<b>Total secured and unsecured loans</b>	<b>12,670</b>	<b>12,670</b>	13,806	13,806
Unsecured loans repayable by 2031	13,795	13,795	15,022	15,022
	<b>13,795</b>	<b>13,795</b>	15,022	15,022

There are three loans from Salix Limited amounting to £1,574k (2022: £1,574k) repayable in six-monthly, interest-free instalments until April 2026 to fund energy efficient lighting projects of which £130k (2022: £263k) remains outstanding at 31 July 2023.

There is a loan from the Scottish Funding Council carbon reduction programme amounting to £295k (2022: £295k) repayable in monthly, interest-free instalments until December 2025 to fund energy saving projects of which £105k (2022: £158k) remains outstanding at 31 July 2023.

There are seven Scottish Funding Council Financial Transactions loans amounting to £15,900k. Interest is calculated at 0.25% per annum and the loans are all repayable by March 2031. £13,560k (2022: £14,600k) remains outstanding as at 31 July 2023. One of the loans, which amounts to £5.5m, has the capital repayments deferred until June 2025 and then payable quarterly thereafter is for the specific purpose of Growing the Tay Cities Biomedical Cluster. Each of the remaining six loans has been granted to ensure building refurbishments and energy and efficiency upgrades and are repayable in quarterly instalments until 31 March 2031.

The University has in place a three-year £40m facility with options to extend via one year extensions at the end of years one and two. There have been no drawdowns on this facility. The facility has been renewed since the balance sheet date and is now in place until October 2026.

## Notes to the Financial Statements

Year ended 31 July 2023

### 21. Provisions for liabilities

	Obligation to fund deficit on USS Pension £000	Pension enhancement on termination £000	Pension scheme provision under FRS102 (note 32) £000	Total Pensions Provisions £000	Other £000	Associated Company £000	Total Associated and Other £000
<b>Consolidated</b>							
At 1 August 2022	89,581	3,808	51,684	145,073	531	6,052	6,583
Utilised in year	(6,411)	(424)	(9,815)	(16,650)	(116)	-	(116)
Additions in 2022/23	(2,854)	133	5,675	2,954	250	(161)	89
Unused amounts reversed in 2022/23	-	147	(6,624)	(6,477)	(120)	(43)	(163)
<b>At 31 July 2023</b>	<b>80,316</b>	<b>3,664</b>	<b>40,920</b>	<b>124,900</b>	<b>545</b>	<b>5,848</b>	<b>6,393</b>
<b>Institution</b>							
At 1 August 2022	89,581	3,808	51,684	145,073	531	-	531
Utilised in year	(6,411)	(424)	(9,815)	(16,650)	(116)	-	(116)
Additions in 2022/23	(2,854)	133	5,675	2,954	250	-	250
Unused amounts reversed in 2022/23	-	147	(6,624)	(6,477)	(120)	-	(120)
<b>At 31 July 2023</b>	<b>80,316</b>	<b>3,664</b>	<b>40,920</b>	<b>124,900</b>	<b>545</b>	<b>-</b>	<b>545</b>

#### USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation.

Key assumptions are set out below and further information is provided in note 32.

#### Pension enhancement on termination

This reflects the University's commitment to pay pension benefits to existing and former employees where a separate scheme is not in place. A valuation of the existing pension provision at 31 July 2023 was carried out by the University's appointed independent actuary, Spence & Partners.

The assumptions for calculating the provision for pension enhancements on termination under FRS 102, are as follows:

	<b>Consolidated</b>
Discount rate net of CPI inflation	<b>1.96% - 2.52%</b>
Inflation	<b>2.47% - 3.03%</b>

## Notes to the Financial Statements

Year ended 31 July 2023

### 21. Provisions for liabilities - continued

#### UODS deficit

The obligation to fund the deficit on the University of Dundee's Superannuation Scheme (UODS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. The deficit within the scheme at 31 July 2023 was assessed by the University's appointed independent actuary, Spence & Partners.

The assumptions for calculating the provision are described in Note 32.

#### Other provisions

Other provisions include amounts relating to:

	<b>£000</b>
Research projects	<b>200</b>
Other	<b>345</b>
	<b>545</b>

The exact amount and timing of these outflows is uncertain.

#### Associated Company

The University has a 33.3% holding in Dundee Student Villages (DSV), a company limited by guarantee, which operates and maintains University residences.

Proportion of voting rights held	<b>33.3%</b>
Nature of business	<b>Residences</b>
Date of financial information	<b>31 July 2023</b>

	<b>DSV Limited</b>	<b>University share of DSV Limited</b>
	<b>£000</b>	<b>£000</b>
Total funds	(17,543)	(5,848)
Surplus for the year	482	161
Total income	7,213	2,404
Total fixed assets	23,754	7,918
Total current assets	15,920	5,307
Liabilities less than one year	(1,651)	(550)
Liabilities more than one year	(55,567)	(18,522)

## Notes to the Financial Statements

Year ended 31 July 2023

### 22. Endowment Reserves

	Restricted permanent endowments	Unrestricted permanent endowments	Expendable endowments	2023 Total	2022 Total
	£000	£000	£000	£000	£000
<b>Consolidated and Institution Balances at 1 August</b>					
Capital	20,841	7,893	3,468	<b>32,202</b>	33,106
Accumulated income	1,735	-	-	<b>1,735</b>	1,877
	22,576	7,893	3,468	<b>33,937</b>	34,983
New endowments	11	-	660	<b>671</b>	625
Investment income	227	86	37	<b>350</b>	332
Expenditure	(529)	(86)	(372)	<b>(987)</b>	(1,329)
Increase/(decrease) in market value of investments	337	127	-	<b>464</b>	(674)
<b>Total endowment comprehensive income for the year</b>	46	127	325	<b>498</b>	(1,046)
<b>At 31 July</b>	22,622	8,020	3,793	<b>34,435</b>	33,937
<b>Represented by:</b>					
Capital	21,189	8,020	3,793	<b>33,002</b>	32,202
Accumulated income	1,433	-	-	<b>1,433</b>	1,735
	22,622	8,020	3,793	<b>34,435</b>	33,937
<b>Analysis by type of purpose:</b>					
Lectureships	7,399	-	-	<b>7,399</b>	7,284
Scholarships and bursaries	10,305	4,183	460	<b>14,948</b>	14,887
Research support	689	-	2,771	<b>3,460</b>	3,414
Prize funds	3,504	-	74	<b>3,578</b>	3,571
General	725	3,837	488	<b>5,050</b>	4,781
	22,622	8,020	3,793	<b>34,435</b>	33,937
<b>Analysis by asset:</b>					
Current and non-current asset investments				<b>29,997</b>	29,922
Cash and cash equivalents				<b>4,438</b>	4,015
				<b>34,435</b>	33,937

## Notes to the Financial Statements

Year ended 31 July 2023

### 23. Restricted Reserves

Reserves with restrictions are as follows:

	Unspent capital grants	Donations	2023 Total	2022 Total
	£000	£000	£000	£000
<b>Consolidated</b>				
<b>Balances at 1 August</b>	<b>100</b>	<b>339</b>	<b>439</b>	3,040
New grants	600	-	600	33
New donations	-	636	636	149
Other income	-	420	420	250
Capital grants utilised	-	-	-	(160)
Expenditure	(600)	(748)	(1,348)	(2,873)
<b>Total restricted comprehensive income for the year</b>	<b>-</b>	<b>308</b>	<b>308</b>	(2,601)
<b>At 31 July</b>	<b>100</b>	<b>647</b>	<b>747</b>	439

#### Analysis of other restricted funds/donations by type of purpose:

Lectureships	-	-
Scholarships and bursaries	7	-
Research support	8	1
Prize funds	-	-
General	632	338
	<b>647</b>	<b>339</b>

### 24. Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2023:

	31 July 2023		31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
Commitments contracted for	27,624	27,624	7,356	7,356
Authorised but not contracted for	8,110	8,110	20,371	20,371
	<b>35,734</b>	<b>35,734</b>	<b>27,727</b>	<b>27,727</b>

## Notes to the Financial Statements

Year ended 31 July 2023

### 25. Contingent liabilities

The University, through its agreement with Dundee Student Villages (DSV), has the potential obligation to purchase the West Park Conference Centre (WPCC) should the DSV board decide to cease the WPCC business.

The University, jointly with six other universities, has provided a pension guarantee to the Universities Superannuation Scheme (USS) in the event of the cessation of membership of the USS by Advanced Procurement for Universities and Colleges (APUC).

The University has given written undertakings to support the subsidiary companies for the period to 31 July 2024, to assist the subsidiary companies in meeting their liabilities as and when they fall due but only to the extent that funds are not otherwise available to the companies to meet such liabilities.

### 26. Lease obligations

Total rentals payable under operating leases:

			31 July 2023	31 July 2022
	Plant and Machinery	Office Equipment	Total	Total
	£000	£000	£000	£000
<b>Payable during the year</b>	-	265	265	291
<b>Future minimum lease payments due:</b>				
Not later than 1 year	-	265	265	291
Later than 1 year and not later than 5 years	-	-	-	-
Later than 5 years	-	-	-	-
<b>Total lease payments due</b>	-	265	265	291

### 27. Events after the reporting period

The revaluation of USS at 31 March 2023 is not yet formally completed and has a statutory completion deadline of 30 June 2024 however all parties have agreed to an accelerated timetable with an anticipated completion of 31 December 2023.

As part of this valuation the trustee has determined that USS has moved from a deficit position to a surplus position on a Technical Provisions basis. This would eliminate the £80.3m USS deficit provision held at 31 July 2023 and remove the requirement for deficit recovery plan payments once changes are formally implemented.

## Notes to the Financial Statements

Year ended 31 July 2023

### 28. Bursaries and other student support funds

	2022/23 Childcare £000	2022/23 Nursing £000	2022/23 Discretionary £000	2022/23 Total £000	2021/22 Total (restated) £000
Balance b/fwd	-	-	105	105	868
Refund to Scottish Funding Council	-	-	(61)	(61)	(1)
Allocation received in the year	215	57	634	906	1,006
Expenditure	(123)	(57)	(710)	(890)	(1,753)
University contribution to funds	1	-	1	2	-
Virements	(93)	-	75	(18)	(15)
Balance c/fwd	-	-	44	44	105
Repayable as clawback	-	-	44	44	61
Retained by University for students	-	-	-	-	44

Scottish Funding Council grants are available solely for students: the University acts only as paying agents. The grants and related disbursements are therefore excluded from the statement of comprehensive income.

### 29. Disclosure of related party transactions

#### Members of University Court

The members of University Court are the trustees for charitable law purposes. Due to the nature of the University's operations and the membership of University Court being drawn from the public and private sectors, it is inevitable that transactions will take place with organisations in which a member of University Court may have an interest. All transactions involving organisations in which a member of University Court may have an interest, including those identified below, are conducted at arms length and in accordance with the University's Financial Regulations and usual procurement procedures.

Principal Prof Iain Gillespie rents a residential property from the University at a cost of £1,100 per month, based on a comparable commercial market rent for the area. At the year end there was no outstanding balance on payments due for this arrangement.

A review of the register of interests of Court members was made and no material interests were identified.

Balances due from related parties not disclosed on the balance sheet at 31 July were as follows:

	2023 £000	2022 £000
Due to Dundee Student Villages	-	-

In accordance with the agreement with Dundee Student Villages, the University transferred £10.0m (2022: £9.0m) of student rental income to Sanctuary Housing Association.

Accommodation amounting to £35k was purchased from West Park Centre Limited, a trading subsidiary of Dundee Student Villages.

## Notes to the Financial Statements

Year ended 31 July 2023

### 30. Subsidiary undertakings

The subsidiary companies wholly-owned or effectively controlled by the University and registered in Scotland are as follows:

Company	Purpose	Number of Shares	Percentage Owned
Dundee University Utility Supply Company Limited SC124982	To generate heat and power solely for the University.	2	100%
University of Dundee Nursery Limited SC230105	To promote the care and education of children of staff and students of the University.	Limited by Guarantee	100%
UOD Enterprises Limited SC747153 (incorporated 12 October 2022)	Holding company.	1	100%

Dundee University Incubator ceased trading on 31 October 2021, with all activities transferring to the University of Dundee. The company was dissolved on 25 April 2023.

## Notes to the Financial Statements

Year ended 31 July 2023

### 31. Connected charitable institutions

Two charitable institutions are administered by or on behalf of the University and have been established for special purposes. One of the connected institutions is included as a subsidiary undertaking in these consolidated financial statements; the other is not included in the consolidation since the University does not have control over its activities.

The movement in the year to 31 July 2023 on the total funds of the University of Dundee Nursery Limited, as reported in its financial statements, was as follows:

	At 1 August 2022	Income	Expenditure	Change in market value	At 31 July 2023
	£000	£000	£000	£000	£000
<b>Consolidated (see note 30)</b>					
University of Dundee Nursery Limited (SC032969)	(124)	586	(615)	-	(153)

The movement in the year to 31 July 2023 on the total funds of the Centenary Trust of Duncan of Jordanstone College of Art, as reported in its financial statements, was as follows:

	At 1 August 2022	Income	Expenditure	Change in market value	At 31 July 2023
	£000	£000	£000	£000	£000
<b>Not consolidated</b>					
Centenary Trust of Duncan of Jordanstone College of Art (SC020617)	123	1	-	-	124

The Centenary Trust was established in 1991 to award scholarships, grants and other financial support to students, graduates or staff of Duncan of Jordanstone College of Art and Design.

## Notes to the Financial Statements

Year ended 31 July 2023

### 32. Pension Schemes

The principal pension schemes open to new University staff, depending on the category of staff, are:

- Universities Superannuation Scheme (USS)
- University of Dundee Royal London Pension Scheme (RLPS)
- National Health Service Pension Scheme (NHS)

In addition, contributions are paid in respect of members of the following schemes which are closed to new employees:

- University of Dundee Superannuation and Life Assurance Scheme (UODS)
- Tayside Superannuation Fund (TSF)
- Strathclyde Pension Fund (SPF)
- Scottish Teachers Superannuation Scheme (STSS)
- Medical Research Council Pension Scheme (MRC)

The principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS), the University of Dundee Superannuation and Life Assurance Scheme (UODS) and the University of Dundee Royal London Pension Scheme (RLPS).

The University of Dundee Superannuation and Life Assurance Scheme (UODS) closed to new entrants on 31/12/2022. The Defined Benefit scheme remains open for existing active members on this date.

University of Dundee Royal London Pension Scheme is a Defined Contribution pension scheme and is a qualifying scheme as per automatic enrolment legislation. This scheme is open to support staff of the University.

The STSS is an unfunded, multi-employer, defined benefits scheme. As there are no underlying assets and liabilities, the University has accounted for its contributions as if it were a defined contribution scheme.

For reasons of materiality, the University has accounted for its contributions to the two local government schemes, TSF and SPF, and the MRC as if these were defined contribution schemes.

The total pension staff cost for the University and its subsidiaries was:

		Year Ended 31 July 2023	Year Ended 31 July 2022
	Note	£000	£000
USS		8,463	70,242
UODS including FRS 102 adjustments		<b>3,858</b>	9,214
Royal London Pension Scheme		<b>79</b>	-
Other pension schemes	7	<b>1,036</b>	975
		<b>13,436</b>	80,431

## Notes to the Financial Statements

Year ended 31 July 2023

### 32. Pensions Schemes - continued

#### 1. Universities Superannuation Scheme (USS)

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The 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 defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit and loss account in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

#### Deficit Recovery Liability

The total cost charged to the profit and loss account is £11.4m (2022: £70.6m)

Deficit recovery contributions due within one year for the institution are £6.4m (2022: £5.9m).

The latest available complete actuarial valuation of the Scheme is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles ([uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles](https://uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles)).

<b>CPI assumption</b>	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
<b>Pension increases (subject to a floor of 0%)</b>	CPI assumption plus 0.05%
<b>Discount rate (forward rates)</b>	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

## Notes to the Financial Statements

Year ended 31 July 2023

### 32. Pensions Schemes - continued

#### 1. Universities Superannuation Scheme (USS) - continued

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	<b>2020 valuation</b>
<b>Mortality base table</b>	101% of S2PMA 'light' for males and 95% of S3PFA for females
<b>Future Improvements to mortality</b>	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

#### The current life expectancies on retirement at age 65 are:

	<b>2023</b>	<b>2022</b>
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions.

## Notes to the Financial Statements

Year ended 31 July 2023

### 32. Pension Schemes - continued

#### 1. Universities Superannuation Scheme (USS) - continued

##### Based on the current schedule of contributions

The assumptions used to determine the provision and the amounts to be recognised in comprehensive income are set out below.

Pensionable payroll growth assumptions	3.0-4.0%
Staff changes	0%-1.5%
Effective deficit contribution rate	2%-6.3% to 30/04/2038
Discount rate for high quality corporate bond	5.52%

##### The amounts recognised in comprehensive income are:

	Year Ended 31 July 2023	Year Ended 31 July 2022
	£000	£000
Staff costs:		
Employer contribution allocated to scheme deficit	(5,940)	(2,166)
Difference between expected and actual contributions	(6,290)	53,033
	(12,230)	50,867
Employer contributions payable	20,693	19,375
	<b>8,463</b>	<b>70,242</b>

##### Net interest expense:

Unwinding of discount rate	2,965	334
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##### Movement in provision (Note 21):

Utilised in year:		
Employer contributions payable	(20,693)	(19,375)
Additions in year:		
Employer contributions adjusted for FRS 102	8,463	70,242
Unwinding of discount rate	2,965	334
	11,428	70,576

Unused amounts reversed:	-	-
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## Notes to the Financial Statements

Year ended 31 July 2023

### 32. Pension Schemes - continued

#### 2. University of Dundee Superannuation and Life Assurance Scheme (UODS)

The University of Dundee ('the University') sponsors The University of Dundee Superannuation and Life Assurance Scheme ('the Scheme'), a funded defined benefit pension scheme in the UK. The Scheme closed to new members on 31 December 2022.

Under UK pensions legislation, the University is responsible for funding the Scheme benefits and for paying contributions to make up any shortfall between the assets and the liabilities of the Scheme. The Scheme liabilities are assessed at least every three years by the Scheme actuary. It is the University's funding policy to annually contribute an amount agreed between the University and the Trustee of the Scheme in accordance with UK legislative requirements if a funding deficit exists. The amount of contributions required depends on the assumptions used by the actuary and can therefore be volatile between actuarial valuations. This volatility of contribution amounts can be to the detriment of the University's cashflows. The volatility of the Scheme's liabilities against the assets held impacts on the University's balance sheet.

Individual member calculations as at 31 July 2023 have been used in the completion of these disclosures. The University pays deficit repair contributions of £3,430k p.a. (increasing by 3% p.a. each 1 August) as noted in the Schedule of Contributions agreed as part of the actuarial valuation as at 31 July 2020. A new Schedule of Contributions was agreed on 30 January 2023, and as such Active members in the Scheme now pay increased contributions at the rate of 8.75% p.a. of salary. The University pays 24.85% p.a. of salary in respect of future accrual.

#### (Retirement Benefits) Disclosure for the accounting period ending 31 July 2023

Under the definitions set out in FRS 102(28), UODS is a defined benefit pension scheme. The disclosures for the determination of the net pension liability by the actuary are set out below.

The amounts recognised in the statement of financial position are as follows:

	Year Ended 31 July 2023	Year Ended 31 July 2022
	£000	£000
Fair value of plan assets	94,581	120,534
Present value of benefit obligation	(135,501)	(172,218)
Surplus/(deficit) in the Scheme	(40,920)	(51,684)
Not recognised due to surplus limitation	-	-
Other amounts recognised	-	-
<b>Surplus/(deficit)</b>	<b>(40,920)</b>	<b>(51,684)</b>

#### The amounts recognised in comprehensive income are:

The current and past service costs, settlements and curtailments, together with the net interest expense for the year are included in profit or loss.

Remeasurements of the net defined benefit liability are included in other comprehensive income.

Current service cost	3,968	9,214
Net interest on net defined benefit obligation	1,707	1,483
Gains and losses on settlements and curtailments	-	-
Gains and losses due to surplus limitations	-	-
<b>Total pension cost recognised in Statement of Comprehensive Income</b>	<b>5,675</b>	<b>10,697</b>

## Notes to the Financial Statements

Year ended 31 July 2023

### 32. Pension Schemes - continued

#### 2. University of Dundee Superannuation and Life Assurance Scheme (UODS) - continued

	Year Ended 31 July 2023	Year Ended 31 July 2022
	£000	£000
<b>Changes in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	172,218	233,114
Current Service Cost	3,968	9,214
Interest Expense	6,051	4,018
Employee Contributions	1,967	1,721
Actuarial (Gains)/Losses	(44,102)	(71,341)
Currency Exchange Differences	-	-
Benefits Paid	(4,601)	(4,508)
Charges Paid	-	-
Liabilities Assumed in Business Combinations	-	-
Losses/(Gains) on Settlements/Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
<b>Closing Defined Benefit Obligation</b>	<b>135,501</b>	<b>172,218</b>
<b>Change in Fair Value of Scheme Assets</b>		
Opening Fair Value of Scheme Assets	120,534	145,627
Actual Return on Scheme Assets less Interest Income	(37,478)	(34,627)
Interest Income	4,344	2,535
Currency Exchange Differences	-	-
Employer Contributions	9,815	9,786
Employee Contributions	1,967	1,721
Benefits Paid	(4,601)	(4,508)
Administration Costs	-	-
Assets Acquired in a Business Combination	-	-
Settlements	-	-
<b>Closing Fair Value of Scheme Assets</b>	<b>94,581</b>	<b>120,534</b>
<b>Other Comprehensive Income</b>		
Actual Return on Scheme Assets Less Interest Income on Scheme assets	(37,478)	(34,627)
Change in Assets Not Recognised Due to Change in Surplus Limitation	-	-
Actuarial Gains and (Losses)	44,102	71,341
Remeasurement Gains and (Losses) Recognised in Other Comprehensive Income	6,624	36,714

## 32. Pension Schemes - continued

### 2. University of Dundee Superannuation and Life Assurance Scheme (UODS) - continued

The principal actuarial assumptions used were:

	Year Ended 31 July 2023	Year Ended 31 July 2022
	£000	£000
Liability discount rate	5.05%	3.50%
Inflation assumption - RPI (pre-2030)	3.37%	3.10%
Inflation assumption - RPI (post-2030)	3.17%	2.90%
Inflation assumption - CPI (pre-2030)	2.47%	2.20%
Inflation assumption - CPI (post-2030)	3.07%	2.80%
Rate of increase in salaries (pre-2030)	3.47%	3.20%
Rate of increase in salaries (post-2030)	4.07%	3.80%
<b>Revaluation of deferred pensions:</b>		
Benefits accrued prior to 1 August 2011 (pre-2030)	2.47%	2.20%
Benefits accrued prior to 1 August 2011 (post-2030)	3.07%	2.80%
Benefits accrued after 1 August 2011 (pre-2030)	2.47%	2.20%
Benefits accrued after 1 August 2011 (post-2030)	2.50%	2.50%
<b>Increases for pensions in payment:</b>		
Benefits accrued prior to 6 April 1997	3.00%	3.00%
Benefits accrued after 5 April 1997 (pre-2030)	3.67%	3.60%
Benefits accrued after 5 April 1997 (post-2030)	3.57%	3.50%
Benefits accrued after 1 August 2009 (pre-2030)	3.30%	3.10%
Benefits accrued after 1 August 2009 (post-2030)	3.12%	2.90%
Benefits accrued after 1 August 2011 (pre-2030)	2.47%	2.30%
Benefits accrued after 1 August 2011 (post-2030)	3.03%	2.80%
Male Mortality	123% of S3PMA	123% of S3PMA
Female Mortality	111% of S3PFA	111% of S3PFA
Male Mortality Improvements	CMI 2022 with 1.25% p.a. long-term improvements, initial addition of 0.2%, weight on 2020 and 2021 data of 10%, weight on 2022 data of 25%, all other core parameters	CMI 2021 with 1.25% p.a. long-term improvements, initial addition of 0.2%, weight on 2020 and 2021 data of 10%, all other core parameters
Female Mortality Improvements	CMI 2022 with 1.25% p.a. long-term improvements, initial addition of 0.2%, weight on 2020 and 2021 data of 10%, weight on 2022 data of 25%, all other core parameters	CMI 2021 with 1.25% p.a. long-term improvements, initial addition of 0.2%, weight on 2020 and 2021 data of 10%, all other core parameters
Cash Commutation	no allowance	no allowance
Expenses	no allowance	no allowance
GMP Equalisation	0.4% of liabilities	0.4% of liabilities

## Notes to the Financial Statements

Year ended 31 July 2023

### 32. Pension Schemes - continued

#### 2. University of Dundee Superannuation and Life Assurance Scheme (UODS) - continued

	Year Ended 31 July 2023	Year Ended 31 July 2022
	£000	£000
<b>The major categories of scheme assets are as follows:</b>		
UK Equities	662	3,224
Overseas Equities	5,107	14,834
Synthetic Equity	9,458	9,428
Corporates	5,013	7,947
Gilts	-	6,576
Index Linked	-	96
Property	27,807	5,368
LDI	2,932	31,219
Insureds	-	189
Other	29,226	33,572
Cash	14,376	8,081
<b>Total market value of assets</b>	<b>94,581</b>	120,534

	Year Ended 31 July 2023	Year Ended 31 July 2022
	£000	£000
Level 1	2,861	1,817
Level 2	65,621	95,292
Level 3	26,099	23,425
<b>Total market value of assets</b>	<b>94,581</b>	120,534

No assets included in the fair value of plan assets are the entity's own financial instruments or are properties occupied or used by the entity.

## Notes to the Financial Statements

Year ended 31 July 2023

### 33. Accounting estimates and judgements

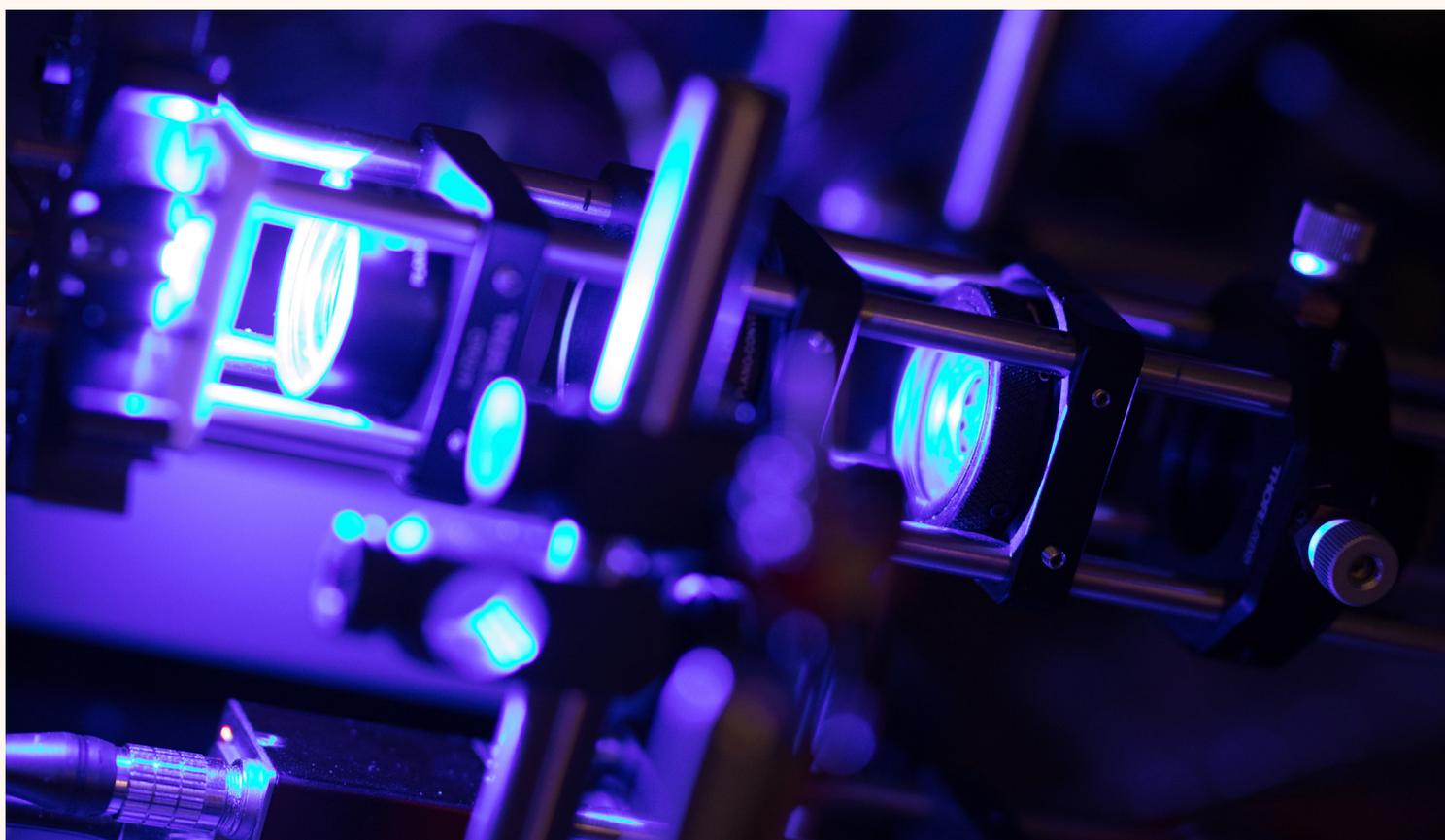
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### a) Pensions - University of Dundee Superannuation Scheme (UODS)

The liability for the UODS scheme is shown in Note 32. A formal actuarial valuation has been carried out as at 31 July 2020. The liabilities for these accounting disclosures have been calculated by projecting the preliminary results of that valuation to 31 July 2023 by the actuary, Spence & Partners, using payroll and benefit information provided by the University. The resulting liabilities have then been adjusted to reflect the different assumptions used. The accounting disclosures are therefore heavily dependent on the results of the 31 July 2020 valuation and this approach is not as accurate as if the actuary had used actual census information as at 31 July 2023, but it is appropriate for the purpose of these disclosures and is in accordance with the provisions of FRS 102. Material changes to the membership profile since the 31 July 2020 valuation could result in the approximate approach producing materially inaccurate figures for the purpose of FRS 102.

The results are highly sensitive both to the actuarial assumptions used and to market conditions. The pension cost disclosures under FRS 102 are likely to remain volatile in future years. This is because the liabilities are discounted by reference to corporate bond yields whereas the scheme invests a significant proportion of its assets in equities and other return-seeking investments.

The key actuarial assumptions as at 31 July 2023 are set out in Note 32.



## Notes to the Financial Statements

Year ended 31 July 2023

### 33. Accounting estimates and judgements - continued

#### b) Pensions - Universities Superannuation Scheme (USS)

USS is a multi-employer scheme and the University has entered into an agreement with the scheme that determines how the deficit will be funded. It results in recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss. The University has recognised the discounted fair value of the contractual contributions under the funding plan and level of contributions in existence at the date of approving the financial statements, as disclosed in Note 32.

The University has chosen to use the modelling tool provided to members by the British Universities Finance Directors Group (BUFDG) to calculate the FRS 102 provision. In order to calculate the present value of future contributions to the deficit recovery, the modelling tool requires a single discount rate input variable. FRS 102 requires that the discount rate should be based on the yield on 'high quality corporate bonds'. This is often taken to be a bond that has been rated at the level of AA status.

The appropriate discount rate depends on the level of pensionable salaries in each future year of the recovery plan. Sensitivity of the results to the salary growth rate has been tested at 5% p.a. uniform salary growth over the recovery period and it shows that the discount rate is not particularly sensitive to rate of pensionable salary increases.

The single discount rate used based on a constant salary roll is 5.52%.

#### c) Provisions and contingent liabilities

The University exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

Provisions and contingent liabilities are disclosed in Notes 21 and 25 respectively.

### 34. US Department of Education Financial Responsibility Supplementary Schedule

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

The amounts presented within the schedules have been:

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

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

- Statement of Comprehensive Income and Expenditure - SOCIE
- Statement of Financial Performance - SOFP



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## Notes to the Financial Statements

Year ended 31 July 2023

### 34. US Department of Education Financial Responsibility Supplementary Schedule - continued

		2022/23	2021/22
	<b>Line item related disclosures</b>		
Cash and cash equivalents	SOFP Cash and cash equivalents excluding short term deposits in Note 17	11,994	11,161
Accounts receivable, net	Note 16 Trade Receivables	22,684	12,374
Prepaid expenses - including stock	Note 16 Prepayments and accrued income + SOFP Stock	33,231	28,768
Related party receivable	n/a	-	-
Contributions receivable, net	n/a	-	-
Student loans receivable, net	n/a	-	-
Investments	SOFP Investments	32,079	32,498
Property, plant and equipment, net	SOFP Tangible assets	287,090	278,524
Lease right-of-use asset, net	n/a	-	-
Goodwill	n/a	-	-
Intangible assets	SOFP Intangible assets	6,971	7,309
Deposits	Note 17 Short term deposits	62,438	88,712
<b>Total Assets</b>		<b>456,487</b>	<b>459,346</b>
Line of credit - short term	Note 19 - Unsecured loans	(1,125)	(1,216)
Line of credit - short term for CIP	n/a	-	-
Accrued expenses/Accounts payable	Note 19 - Accruals and Trade Payables	(34,422)	(36,449)
Deferred revenue	Note 19 - Deferred income	(81,892)	(73,281)
Post-employment and pension liability	SOFP Pension provisions	(124,900)	(145,073)
Line of credit- operating	n/a	-	-
Other liabilities	Note 19 - Social security and other taxation payable	(3,825)	(3,466)
Notes payable	SOFP Other provisions	(6,393)	(6,583)
Lease right-of-use asset liability	Note 19 - obligations under finance leases	-	-
Line of credit for long term purposes	Note 20 - long term loans	(12,670)	(13,806)
<b>Total Liabilities</b>		<b>(265,227)</b>	<b>(279,874)</b>
<b>Net Assets without Donor Restrictions</b>		<b>156,078</b>	<b>145,096</b>
<b>Net Assets with Donor Restrictions</b>			
Annuities	n/a	-	-
Term endowments	SOFP Endowment reserve	34,435	33,937
Life income funds	n/a	-	-
Other restricted by purpose and time	SOFP Restricted reserve	747	439
Restricted in perpetuity	n/a	-	-
<b>Total Net Assets with Donor Restrictions</b>		<b>35,182</b>	<b>34,376</b>
<b>Total Net Assets</b>		<b>191,260</b>	<b>179,472</b>
<b>Total Liabilities and Net Assets</b>		<b>456,487</b>	<b>459,346</b>

## Notes to the Financial Statements

Year ended 31 July 2023

### 34. US Department of Education Financial Responsibility Supplementary Schedule - continued

		2022/23	2021/22
<b>Changes in Net Assets without Donor Restrictions</b>			
<b>Operating Revenue and Other Additions:</b>			
Tuition and fees, net	SOCIE Tuition Fees and education contracts	117,589	95,909
Contributions	SOCIE SFC Grants and Research Grants and Contracts	165,647	159,795
Grants and contracts - including research	SOCIE Donations and endowments	3,468	1,708
Private gifts and grants	n/a	-	-
Other revenues	n/a	-	-
Investment income	SOCIE Investment income	1,682	483
Investment return appropriated for spending	n/a	-	-
Auxiliary enterprises	SOCIE Other Income	37,324	34,097
Net assets release from restriction	n/a	-	-
<b>Total Operating Revenue and Other Additions</b>		<b>325,710</b>	<b>291,992</b>
<b>Operating Expenses and Other Deductions</b>			
Education and research expenses	Note 7 and Note 8 Academic departments and research grants and contracts	(160,745)	(195,906)
Depreciation and amortization	SOCIE Depreciation and amortisation	(23,049)	(17,386)
Interest expense	SOCIE Interest and other financing costs	(4,868)	(2,020)
Auxiliary enterprises	Note 7 and Note 8 excluding Academic departments and research grants and contracts	(132,260)	(130,121)
<b>Total Operating Expenses - excluding change in pension provision</b>		<b>(320,922)</b>	<b>(345,433)</b>
<b>Change in Net Assets from Operations</b>		<b>4,788</b>	<b>(53,441)</b>
<b>Non-Operating Changes</b>			
Investments, net of annual spending, gain(loss)		-	-
Other components of net periodic pension costs		-	-
Pension-related changes other than net periodic pension	SOCIE Remeasurement of pension scheme liability	6,624	36,714
Change in value of split-interest agreements	n/a	-	-
Loss on investments	SOCIE Gain/loss on investments	(52)	(672)
Other gains (losses)	SOCIE share of loss in associate	161	(229)
Other gains (losses)	SOCIE Gain on sale of investment	215	14
Sale of fixed assets, gains (losses)	SOCIE Gain on disposal of fixed assets	7	141
<b>Total Non-Operating Changes</b>		<b>6,955</b>	<b>35,968</b>

## Notes to the Financial Statements

Year ended 31 July 2023

### 34. US Department of Education Financial Responsibility Supplementary Schedule - continued

		2022/23	2021/22
<b>Change in Net Assets without Donor Restrictions</b>	<b>SOCIE Unrestricted comprehensive income/loss for the year</b>	<b>10,982</b>	<b>(13,858)</b>
<b>Change in Net Assets with Donor Restrictions</b>			
Contributions	SOCIE Endowment comprehensive income for the year	498	(1,046)
Net assets released from restriction	SOCIE Restricted comprehensive income for the year	308	(2,601)
<b>Changes in Net Assets with Donor Restrictions</b>	<b>Changes in Net Assets with Donor Restrictions</b>	<b>806</b>	<b>(3,647)</b>
<b>Change in Net Assets</b>	<b>Change in Net Assets</b>	<b>11,788</b>	<b>(17,505)</b>
<b>Net Assets, Beginning of Year</b>		<b>179,472</b>	196,977
<b>Net Assets, End of Year</b>		<b>191,260</b>	179,472
<b>Lease right of use</b>			
Pre-implementation	n/a	-	-
Post-implementation	n/a	-	-
		-	-
<b>Lease right of use liability</b>			
Pre-implementation	n/a	-	-
Post-implementation	n/a	-	-
		-	-
<b>Net Property plant and equipment</b>			
Pre-implementation PPE	Note 13 Land and Buildings, Plant & Machinery, Fixtures, Fittings and Equipment	270,017	271,389
Post implementation PPE		-	-
Vehicles		-	-
Furniture		-	-
Computers		-	-
Construction in Progress	Note 13 Assets in the Course of Construction	17,073	7,135
Post implementation PPE		-	-
<b>Post implementation PPE</b>		<b>287,090</b>	<b>278,524</b>
<b>Long term debt for long term purposes</b>			
Pre-implementation LTD	Note 20 Unsecured loans	12,670	13,806
Post implementation LTD		-	-
		<b>12,670</b>	<b>13,806</b>









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