

LEEDS TRINITY UNIVERSITY

Annual Report and Financial Statements

For the year ended

31 July 2024

**Registered Company Number
06305220**

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2024

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DIRECTORS AND ADVISORS

Directors and Governing Body Members serving during the year and up to the date of approval of the annual report and financial statements were:

Mr Lawrence Bentley	Ms Sophia Milnes
Prof Charles Egbu (Vice-Chancellor)	Ms Ceri Nursaw (Chair of Academic Assurance and Student Experience Committee)
Ms Thelma Fforde-Escobar	Mr Kevin O'Connor (Chair of Finance and Resources Committee from 26 January 2024)
Ms Maddeleine Goodhand (from 1 July 2024)	Mr David Oldroyd (from 1 August 2023)
Fr Paul Grogan	Ms Emily Reed (Chair of Governance and Nominations Committee and Senior Independent Governor)
Mr Jamie Hanley (Board Chair)	Ms Susan Rix (resigned 31 July 2024)
Ms Susan Hogston (from 1 August 2023)	Mr Vijay Sharma (Chair of Remuneration Committee)
Mr Martin Holden (Chair of Audit Committee)	Ms Tara Smith (Chair of Finance and Resources Committee to 26 January 2024)
Ms Kelsey Howard-Matthews (retired 30 June 2024)	Rt Reverend Marcus Stock
Mr Denis Kobzev	Ms Amy Wilson
Mr Roland Maposa	
Mr Bill McCarthy (Chair of Partnerships Committee from 26 March 2024)	
Mr Stuart McLeod (from 1 April 2024)	

Clerk to the Board and Company Secretary

Ms Joanna Green

Chancellor

Mr John Studzinski

Pro Chancellors

Mr Ed Anderson

Rt Hon John Battle

Auditor

Grant Thornton UK LLP
No 1 Whitehall Riverside
Whitehall Road
Leeds
LS1 4BN

Solicitors

Eversheds Sutherland LLP
Bridgewater Place
Water Lane
Leeds
LS11 5DR

Registered Office

Leeds Trinity University
Brownberrie Lane
Leeds
LS18 5HD
ENGLAND

Company and Charity Numbers

Registered Company Number	06305220
Registered Charity Number	1120102

INTRODUCTION, STRUCTURE AND NATURE OF THE UNIVERSITY

Introduction

The Governors present their annual report, including the Strategic Report and the Directors' Report, and the audited financial statements for the year ended 31 July 2024. The financial statements comprise the results for the year for the University.

The Strategic Report has been prepared for the purpose of providing additional information to funders, financial supporters and other stakeholders to assess the University's strategies and the potential for those strategies to succeed and is not intended for use for any other purpose. The Strategic Report contains forward looking statements. These statements are based on the information available to the Governors up to the time of their approval of this report.

The University is both a company limited by guarantee and a registered charity. Each Governor is both a director of the Company and a trustee of the Charity. The Governors deem the principal activity of the University, in both the current and prior year, to be the advancement of education.

Nature of the University

Leeds Trinity University ("Leeds Trinity" or the "University") is an autonomous, teaching-led and research-informed higher education institution, inspired by Catholic values and based in Horsforth, Leeds.

The origins of Leeds Trinity can be traced back to two Catholic teacher training colleges, Trinity College and All Saints College, founded by the Cross and Passion Sisters and the Catholic Education Service in 1966. Their mission was to provide the best educational opportunities possible for the children of the poor and to actively support social justice – aspirations that Leeds Trinity still maintains.

Over the last half century, the institution has evolved and developed culminating in the award of university title in December 2012, but its Catholic faith foundation remains central to its activities and is enshrined within its legal objects which 'shall be the establishment, conduct and development of a Roman Catholic institution for the advancement of education for the benefit of the public'.

The University's origins and faith foundation continue to be reflected in its Mission, Vision and Values.

Our Mission

Leeds Trinity's mission is rooted in its Catholic foundation. We are a diverse and inclusive University welcoming students from all backgrounds and beliefs which exists to provide a transformational educational experience, forming students and learners whose lives will flourish and find wholeness in their work and world. Focused on the innate dignity and value of each person, we seek to provide our students with a distinctively supportive academic and professional community, empowering them to discover their unique gifts and talents, and so fulfil their personal and professional potential. Our leadership and governance are committed to promoting social solidarity and the common good through our commitment to social justice, enhancing opportunities, collaboration, and adding value to the lives of our students, staff, and University community.

Our Vision

We will be a leading career-led and applied university. Our students will achieve outstanding outcomes. Our well-rounded learners and graduates will be sought by employers. They will shape a rapidly changing world.

Our Values

Rooted in our Catholic heritage, our core values define us as a university, and we seek to uphold them in all that we do – Dignity and Care; Solidarity and Service; Honesty and Integrity; Respect and Inclusivity; Knowledge and Excellence.

STRATEGIC REPORT

Strategic Plan 2021-26

The University's current five-year Strategic Plan was approved in July 2021. Our hallmark will be as an enterprising anchor institution where social justice is at the core of who we are and what we learn. We commit to equality, diversity, and inclusion in all we do. We will create new ways of linking to our City Region. Partnering will help our students to thrive through work, volunteering and learning insights.

On our Horsforth campus, or through our partner colleges in the UK and around the world, we will develop rounded learners. Our learners will leave with skills passports to take into the many careers and quests they pursue. They will be ready and prepared for lifelong learning. They will contribute to a Leeds City Region which is creative, fun and caring. We will grow and sustain our Leeds campus base and expand student numbers through our partnerships. We expect to grow our international links and make this part of our students' learning journeys.

We will make our Strategic Plan work through four thematic pillars. Each will have an action plan linked to the University's enabling strategies and a set of key performance indicators to monitor progress. Each pillar has a clear role to play in achieving our Vision by 2026:

Education & Experience

- Leeds Trinity's student experience will be unrivalled in the higher education sector. Our students will engage in depth with their learning. Our approaches will stimulate curiosity and inquiry. Students who join us will always feel part of an extraordinary community. They will be more than a number. They will flourish as individuals and in cross-disciplinary teams. They will partner with us to co-create the curriculum. They will challenge us to innovate in our teaching and learning.

People & Sustainability

- We care about our people. We know that professional development helps people to feel fulfilled. Personal growth increases health and wellbeing. This leads to better outcomes for our learners. It creates a caring community. Our care for the environment means that our campus will be greener. The learning environments we offer, including through our partners, will put human connections first. This will happen through digital channels and through physical spaces. We will achieve all of this through being financially stable.

Research, Impact & Innovation

- We will advance knowledge to help people and society. Our social partners will challenge us to innovate and make an impact. We will enable our students to contribute to society through their own applied research, and our work will enrich our teaching. Our practice and our research will cross disciplinary boundaries as we collaborate. We will innovate as we grow our commercial partnerships. We will inform public debate, engaging and helping communities to make sense of the changing world around us.

Careers & Enterprise

- From a career-led university, our students will be sought by employers and society. Our graduates and staff will shine through skills that mark them out as both local and global citizens. They will be effective as social and cultural entrepreneurs as they build their careers.

Underpinning and supporting these four thematic pillars are two cross cutting themes:

Digital Futures

- Through all four of our strategic pillars, our use of digital technology will enable a cultural transformation of the way we work, study, and connect within the University and with our external stakeholders.

Leeds City Region

- We will engage with our partners and build our profile in the Leeds City Region. This will bring opportunities for our learners. It will also increase our influence and impact as an anchor institution.

STRATEGIC REPORT

Operating Environment

The higher education landscape continues to be a challenging one, with teaching income tied to student numbers in a competitive recruitment market; continued uncertainty as to the longer term future of the current fee and funding regime where the £9,250 fee is now worth around £6,000 in real terms after adjusting for inflation; increased competition for home undergraduate students, including higher tariff institutions trading down to secure additional numbers; lower numbers of international students as a result of the government's visa policy; an emergence of government questioning of the principle of continued increases in participation in higher education; and the impact of the regulatory regime led by the Office for Students (OfS) as it responds to various government priorities, in particular the introduction of the 'B3' outcome metrics and an increased regulatory focus on the franchise partnership segment of the sector.

Leeds Trinity is very reliant on student related income and has recently been seeking greater diversification of income streams through development of additional student provision to reduce its dependency on its traditional on-campus undergraduate market. These include the development of degree apprenticeships, where the market has been stimulated by the government's apprenticeship agenda, and the further consolidation of partnerships and collaborations.

The potential risks from the operating environment to both short term liquidity and longer-term financial sustainability have been considered in the going concern assessment which is discussed in the Going Concern section of the Strategic Report.

Principal Risks and Uncertainties

The major strategic and financial risk areas facing the University (which group together several linked risks) and its response to those risks are:

Financial Sustainability, Policy Environment and Partnerships:

Failure to adequately address the changeable environment brought about by the risks and uncertainties around student recruitment, together with uncertain political environment around fees & funding, government policy direction with regards to teacher education, increasing pressures from pension costs and the current inflation and energy costs environment, would mean the ability to respond to changes is restricted and financial sustainability is threatened. The increased regulatory focus on the franchise partner segment of the sector also brings increased risk to this area of the University's provision.

The University is managing these risks by careful management of the cost base to ensure value for money and to retain flexibility; by a financial strategy prioritising levels of liquidity which would enable downturns to be managed; by strategic investment into new facilities and subject areas to drive growth in undergraduate numbers, including opening a new campus in Leeds city centre; by diversification into recently developed income streams such as degree apprenticeship and partnerships; by a keen awareness of the additional risks of partnerships working and the need for a more robust approach to monitor quality; and by robust scenario planning and consideration of available options.

Student Recruitment, Experience, Progression and Employability:

As a teaching focussed University which derives most of its income from tuition fees, the ability to recruit and retain planned student numbers in an increasingly competitive market is fundamental to the University's success. The University's ability to provide an excellent student experience and enable students to succeed is central to its reputation and the risks of failure in these areas is that the University becomes less attractive in the student recruitment marketplace.

IT Infrastructure and Cyber Security

In addition to the grouped risk areas outlined above, the University continues to monitor and address significant risks associated with IT infrastructure and information security. The external cyber threat environment remains dynamic, with an increased frequency and sophistication of cyber-attacks in recent years. In response, the University has invested in upgrading its data storage infrastructure, deploying new hardware solutions that incorporate the latest technologies and provide enhanced resilience.

STRATEGIC REPORT

Ongoing cyber security assurance activities include monitoring outcomes from the Cyber Security Self-Assessment Questionnaire, which underpins the University's Microsoft Cyber Essentials accreditation. These activities inform continuous improvement in security posture and support the protection of institutional data assets.

Staff and Student Mental Wellbeing

Risks relating to staff and student mental health and wellbeing have remained elevated following the COVID-19 pandemic, where prolonged periods of home working and remote study contributed to increased pressures. These challenges have been compounded by the current cost of living crisis. The University remains committed to promoting a supportive environment, with a range of interventions and services designed to safeguard and enhance the mental wellbeing of its community.

Strategic Investment in Facilities and Subject Areas

The University's strategic investment programme, aimed at developing new facilities and expanding provision in emerging subject areas, underpins its ambitions for future growth. These initiatives, however, carry inherent risks relating to cost inflation, resource availability, and programme delivery timescales. To mitigate these risks, the University has embedded strong programme management disciplines and governance arrangements, ensuring that investments are delivered in a controlled and prioritised manner in support of its strategic objectives.

The University is managing these risks by ensuring the continued attractiveness of its portfolio through regular planning and review, including extension into new areas of identified market opportunity; by continuing and evolving the marketing approach of recent years; by the introduction of a personalised applicant approach to utilise the University's strengths and provide distinctiveness in the market; and through embedded student engagement, provision of integrated support for students, an enhanced focus on improvements in retention and progression, and strong employer engagement including placements on every undergraduate programme.

Significant Events and Performance in the Year

Following Board approval in 2022 of several business cases to support the University's strategic growth ambitions, implementation of these has continued during the year. These included entry into new areas of provision in Health & Life Sciences, including Nursing where the first cohort commenced in January 2024; and plans to establish a presence in Leeds city centre in addition to the existing Horsforth campus, where the University has leased a 50,000 square foot city centre premises and during the year commenced a £15m capital investment fit out ahead of welcoming the first students in October 2024.

Performance in the year is discussed under the various headings below and in the Financial Sustainability section.

Student Experience:

The attractiveness of Leeds Trinity to potential students is enhanced by its reputation for high quality learning and teaching, which is the product of a commitment to providing personalised, one-to-one support for students. This is reflected in traditionally high levels of student satisfaction. The most recent outcomes from the National Student Survey (NSS) placed the University 8th nationally for assessment & feedback, and in the top quartile of the sector for learning resources and student voice.

Student Recruitment:

Following a fall in undergraduate recruitment in September 2021, the cycle to September 2022 had seen a part recovery with a small increase in enrolments. The cycle to September 2023 saw a further uplift with enrolments now back above the 2021 position.

Learning and Teaching:

Attainment continues to be strong and when combined with an entry tariff profile that reflects the University's commitment to widening participation, this reflects the University's success in enabling students to achieve their potential. The University ranked 8th nationally for satisfaction with teaching and 3rd nationally for satisfaction with feedback in the latest Guardian University Guide. The University also continues to hold its silver rating in the Teaching Excellence Framework (TEF) outcomes.

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Student Employability:

Leeds Trinity has also long been attractive for its employability record and figures from the Higher Education Statistics Agency (HESA) for the Graduate Outcomes (GO) Survey continue to show high levels of overall employment or further study. The latest release of figures, for 2021-22 graduates and surveyed 15 months after graduation in September – November 2023, showed 96.3% of graduates in employment or further study (up 1.5%) placing in the sector upper quartile. The outcome for graduates in highly skilled employment or further study showed a slight 0.6% drop to 74.2%, although this is still the second highest point across a five-year period.

Apprenticeships and Partnerships:

The University sees the government's policy push for more apprenticeships as an opportunity for those institutions which can respond quickly and is bringing its traditionally strong employer links to bear in this area. Over recent years, contracts secured with both public and private sector employers have seen numbers increase significantly each year since. The 2023/24 year saw an extension awarded of the University's significant partnership with West Yorkshire Police as policing moves towards being a graduate entry profession, with delivery of the Police Constable Degree Apprenticeship for non-graduates and the Degree Holder Entry Programme for those already holding a non-policing degree. The University also secured the contract for a similar partnership with West Midlands Police during the year. The University's successful partnership with the Unlocked leadership programme for new prison officers further expands the University's growing reputation in the criminal justice area.

The University has made significant progress in developing partnerships that help it reach its aim of providing wider access to higher education. Partnerships with six UK private providers, including two new partners in the 2023-24 year, saw student numbers across the six partners growing to over 10,000. The recruitment markets of all the partners have a significant element of ethnic communities that traditional higher education providers find difficult to access.

OfS Investigation

The University is in the final stages of agreeing the outcomes of the Office for Students (OfS) investigation into its franchised partnership arrangements. It is anticipated that the penalties and regulatory actions arising from this process will not have a material impact on the University's operational activities or financial position. The University remains committed to working closely with the OfS to ensure full compliance with all regulatory expectations and to strengthening its oversight of partnership arrangements going forward.

Financial Overview

Financial performance for the year ended 31 July 2024, together with the corresponding figures for the previous year, is summarised in the financial highlights shown below.

		2024	2023
		£'000	£'000
Tuition fees		57,300	53,319
Other Income		12,822	10,911
Total Income		70,122	64,230
Staff costs	*	43,106	35,574
Other costs	*	25,935	22,821
Total Expenditure	*	69,041	58,395
Operating surplus before pension actuarial adjustments		1,081	5,835
Pension actuarial adjustments:			
- Current service costs in excess of contributions		(795)	1,218

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- Net interest on pension liabilities	(77)	182
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Surplus for the year as per the Statement of Comprehensive Income & Expenditure

1,953	4,435
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* excluding pension actuarial adjustments

Cash generation and liquidity:

2024	2023
£'000	£'000

EBITDA for the year

5,491	9,441
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Operating cash flow

2,533	6,911
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Cash and short term investments

25,137	37,173
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Borrowings

(7,176)	(7,847)
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Net funds

17,961	29,326
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Total income increased by 9.2% and total expenditure (excluding pension actuarial adjustments) increased by 18.2%, leading to an operating surplus before pension actuarial adjustments of £1.1m, a reduction of £4.7m from prior year. Tuition fee income rose by 7.5% and now represents 81.7% of income (83.0% in 2023). However, within that the University's strategy to diversify its income streams away from a reliance on its traditional on-campus undergraduate provision is continuing to be successful with partnerships and degree apprenticeships now accounting for 53.1% of tuition fee income and 43.4% of all income (up from 49.0% and 40.6% respectively).

Within the operating cost base, staff costs were up 21.2% driven by a 15.0% increase in average staff numbers in order to deliver on strategic plan ambitions, note the in-year effect of the increase to Teachers Pension Contribution does account for the costs rising more than the staffing numbers. Other costs increased by 13.6%, as a result of increased costs of delivery associated with growth and support for cost-of-living pressures and hardship.

The pension actuarial adjustments were a credit figure of £872k taking an operating surplus £1,081k to a £1,953k surplus as per the Statement of Comprehensive Income & Expenditure.

The annual actuarial adjustments bear no relation to the actual cost of pension commitments made in the year. Accounting standards mandate that the current service cost is calculated using the prevailing (and currently much lower) corporate bond rate for investment returns rather than the long-term investment return assumptions which the fund actuary uses for the scheme valuation and the setting of employer contributions (which were 3.95% as per the 2019 valuation which produced a fully funded position for the University). The rate used for the annual actuarial adjustments has remained at 5% as per previous year having been 3.4% in 2021/22. The result has seen an increase of the fair value of the scheme assets and a decrease in the defined benefit obligation. The result is a surplus in the scheme of £5.1m albeit one that in line with accounting guidance has not been recognised. This means that the only liability shown on the balance sheet is that relating to the unfunded element of the pension scheme (£33k).

There was a reduction in cash and short-term investment balances of £8.7m, which together with borrowing repayments led to a decrease in net funds of £8.1m. Net assets increased by £1.1m due to an increase in fixed assets of £10m offset by the movement in cash and short term investment balances of £8.7m with minor movements on other receivables.

STRATEGIC REPORT

Financial Sustainability

The three main financial indicators are shown below with performance for the year, prior year and target. The indicators have targets generated internally in the financial strategy as appropriate for future financial sustainability and which may vary from year to year.

	Target 23/24	Actual 23/24	Actual 22/23
EBITDA	£6.7m	£5.5m	£9.4m
Operating Surplus (exc pension actuarial adjustments)	£2.3m	£1.1m	£5.8m
Staff costs as a % of income (exc pension actuarial adjustments)	59.0%	61.5%	55.0%

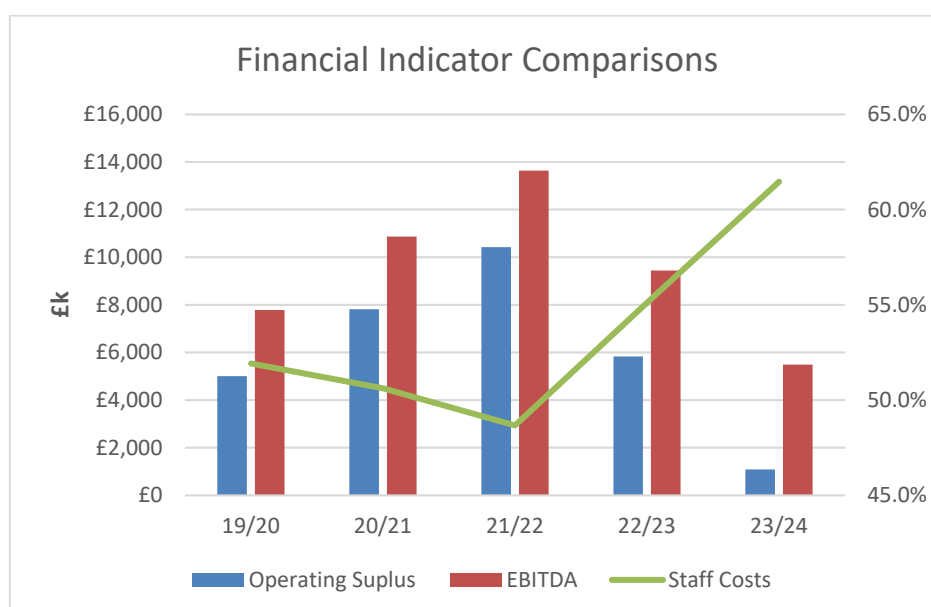
Earnings before Interest Tax Depreciation and Amortisation (EBITDA) is included as a proxy for cash generation. The targets are derived from the strategic plans of the University, the investment associated with this and the cash generation required to fund it.

Operating surplus excluding pension actuarial adjustments has a relatively close relationship to EBITDA but measures the same performance in a perhaps easier to understand concept. It is also the key loan covenant in terms of headroom and the target provides a comfortable level of headroom.

In both cases the EBITDA and the operating surplus showed a reduction due to increased staff costs representing recruitment ahead of profile and non pay pressures.

Staff costs as a % of income is a key indicator (excluding pension adjustments as with the operating surplus measure) reflecting the importance of staff costs to the University's financial health given that as a people business staff costs necessarily form by far the most significant part of the cost base. The target for this was 59.0% with an outturn percentage of 61.5% reflecting additional in year recruitment.

The graph below shows performance against the new indicators over the last few years. The operating surplus and staff cost % shown exclude exceptional restructuring costs as well as pension adjustments to facilitate comparison of underlying performance. The inflationary pressures over recent years on pay which is embedded year on year as a cost-of-living increase combined with a drop off in recruitment and therefore income in certain provisions has led to a deterioration overall of the staff cost as % of income. The University has been putting in plans actions to reduce the pay cost as it moves into the next financial year and beyond.



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Left hand scale – Operating Surplus and EBITDA

Right hand scale – Staff Costs excluding pension adjustments and restructuring as % of income.

Plans for Future Periods

The outlook over the next few years will remain a challenging one as outlined in the Operating Environment and Principal Risks & Uncertainties sections. The strategic plan for the period 2021-26 sets out how Leeds Trinity will distinguish itself in the market. The Governors believe Leeds Trinity's distinctiveness will enable it to continue to be able to compete successfully and to thrive. Our hallmark will be as an enterprising anchor institution where social justice is at the core of who we are and what we learn. We will create new ways of linking to our City Region. Partnering will help our students to thrive through work, volunteering and learning insights.

Undergraduate recruitment will continue to be central to the success of the University, with the expansion into new subject areas and expanding of its footprint via the new city centre campus. Recruitment to Health & Life Sciences courses commenced from 2023 entry with a first Nursing cohort in January 2024, with these subject areas planned to grow over the next few years.

The financial forecast for the current year indicates a deterioration in performance compared to the prior year, with the University projected to move into a position where net operating cash generation becomes negative. In response, the University has launched a comprehensive programme of cost-saving initiatives across both pay and non-pay expenditure areas.

To restore the University's net operating cash position to a sustainable level — targeting annual net operating cash generation equivalent to 10% of income — an £11 million savings target has been established. Progress has been made toward achieving this, with further work underway to review and restructure both academic and professional services functions, alongside targeted reductions in non-pay areas such as estates and IT.

This programme forms part of a broader "Reset" of the University's operating model, which aims not only to deliver financial sustainability but also to reallocate resources to better align with current and emerging institutional needs. In parallel, selective investment is being made in new areas where the University has identified critical gaps in capacity and expertise, supporting long-term strategic development.

During the year, the University successfully opened its new city centre campus at 1 Trevelyan Square, Leeds. This development marks a significant step in expanding the University's presence within the city, enhancing its accessibility for students, staff, and partners, and supporting future growth ambitions. The new campus offers high-quality facilities designed to deliver an outstanding learning environment and to strengthen the University's engagement with business and community stakeholders across the region. On our Horsforth campus, or through our partner colleges in the UK and around the world, we will develop rounded learners. Our learners will leave with skills passports to take into the many careers and quests they pursue. We will grow and sustain our Leeds campus base and expand student numbers through our partnerships. We expect to grow our international links and make this part of our students' learning journeys.

Through all four of our new strategic pillars, our use of digital technology will enable a cultural transformation of the way we work, study, and connect within the University and with our external stakeholders. We will seize the opportunities opened up by the pandemic's acceleration of longer-term changes which were already in play, in order to enable aspirations around agile working by staff and the combination of the digital and the personal by students.

Leeds Trinity is also targeting further growth in degree apprenticeships by using its outstanding employer links to build on the success of its existing partnership with West Yorkshire Police. Diversification of income streams will be continued by the franchised partnership provision.

STRATEGIC REPORT

Going Concern

The University's activities, together with the uncertainties arising and the factors likely to affect its future developments, performance and position are set out in the Operating Environment, Principal Risks and Uncertainties, and Plan for Future Periods sections. The financial position of the University is described in the Financial Overview and Financial Sustainability sections and in more detail within the financial statements and accompanying notes. The University has carried out analysis and stress testing on its going concern status to 31 July 2026.

The Board believes that the University is suitably placed to manage its risks successfully, with a good performance base in 23/24 and a liquidity position as at 31 July 2024 equal to 143 liquidity days. The University has put in place cost saving measures including a voluntary severance scheme, targeted reductions in non-pay spend and reviews of operating models to ensure there is a concentrated focus on value for money and efficiency as the operating environment for the University becomes more challenging. This is in response to a reduction in forecasted income for 2024//25 of £9m concentrated on a shortfall against planned recruitment for Leeds Trinity University delivered tuition fees and a fall in partner fee income.

The University notes that, aligned to its strategic plan, the completion and opening of Trevelyan Square has been funded through existing cash reserves in 23/24 and as a result means that the University's cash balances will be lower in the near future than previously experienced. It was always the intention of the University to obtain additional funding, however at the time of issuing the annual report and financial statements this facility is not in place. In order to cover short term working capital requirements the University has put in place an overdraft facility. The University's current gearing position is very low, both for the overall sector, and in comparison to Cathedral group peers, and this will reduce even further with the scheduled repayment of the Lloyds loan in June 2025 resulting in a borrowing to income ratio of 2.5% versus a sector average between 25% and 30%. This shows there is adequate gearing headroom to support borrowing to support the University's liquidity position after a period of extensive capital investment financed by reserves.

Consideration has been given to the potential for interruptions to income streams in terms of the stress testing. These considerations have been applied in addition to the known downsides in 2024/25. The reasonable downside sensitivities cover reduced recruitment, progression and residential occupancy; changes to the fee and funding environment; and from other demands on the University's cash reserves including commitments on its strategic growth investments. The stress testing shows that the University would continue to have sufficient cash headroom throughout the period and would remain in a positive net cash / debt position indicating the continuing ability to service loan obligations from cash in hand. The stress testing includes the £5m overdraft agreed with Barclays with effect from the signing date of the accounts. This £5m overdraft is sufficient for working capital requirements up to 31 July 2026. From this point onwards, an additional facility will be required.

It is necessary to clarify that the funding currently secured to support the assertion above is a £5m overdraft that is renewable as of the 30th of June 2026 and is repayable on demand for the duration of the going concern period. The overdraft provides the University with access to working capital and its forecast shows that it maintains a minimum of 30 days liquidity which is a regulatory requirement. However due to the overdraft being repayable on demand for the going concern period, and the requirement to obtain further funding from the 31st July 2026, there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. This reflects the inherent uncertainty regarding the timing and confirmation of replacement funding rather than any concern about the University's underlying viability or financial sustainability. The University recognises that the source of long-term funding to replace the short-term overdraft is not yet finalised.

The Board of Governors considers that the University has adequate resources to continue in operational existence for the foreseeable future (to the end of the 2025/26 financial year). Accordingly, it continues to adopt the going concern basis in preparing the Annual Report and Financial Statements. The current position is the result of deliberate strategic investment in key transformation programmes and infrastructure, alongside a prolonged period of engagement with the Office for Students concerning franchise partnership arrangements. The Board remains confident in the University's ability to manage its working capital and secure longer-term financing.

STRATEGIC REPORT

S172 Statement

Context

In accordance with the requirements of section 172 of the Companies Act 2006, as applied to higher education institutions, the Board of Governors confirms that it has had due regard to the long-term success of the University, the interests of its students, staff and other key stakeholders, and the need to foster positive relationships with suppliers, partners, and the wider community. The following statement sets out how these duties have been discharged during the reporting period

Statement

Engagement with Key Stakeholders

The Board recognises that sustainable growth depends on understanding and responding to the views and needs of its stakeholders, including students, staff, partners, suppliers, and the wider community. The Board's decisions are informed by the University's mission, vision, and values, as set out in the Nature of the University section of this report. In particular, the Board is guided by the values of dignity and care, solidarity and service, honesty and integrity, respect and inclusivity, and knowledge and excellence, which are rooted in the University's Catholic heritage.

Board and committee agendas routinely include reports and presentations on operational performance, strategy, and people matters. Members of the executive team and functional leads attend meetings to ensure the Board remains closely connected to the operational realities of the institution. Staff and student representatives also serve on the Board and committees, ensuring these two key groups have a direct voice in governance processes.

Interests of Employees

The Board places a high priority on promoting the interests and wellbeing of University employees. During the year, the Board oversaw initiatives aimed at supporting staff through organisational change, particularly through the University's "Reset" programme designed to drive longer-term sustainability. These activities included engagement programmes, support for professional development, and maintaining a focus on health and wellbeing. Open and regular communication with staff is maintained through a variety of formal and informal channels, reflecting the Board's commitment to fostering an inclusive, supportive working environment.

Relationships with Suppliers and Partners

The Board recognises that suppliers and strategic partners are essential to the University's operations and growth. The University maintains responsible procurement practices that emphasise fairness, transparency, and value for money. Engagement with suppliers and partners is based on collaboration and a commitment to long-term, sustainable relationships that support both the University's objectives and broader economic development in the region.

Strategic Developments

During the year, the Board oversaw the implementation of previously approved strategic investments, including the expansion into Health and Life Sciences (notably through the introduction of new nursing programmes) and the establishment of a new city centre campus at 1 Trevelyan Square, Leeds. These developments involved the careful allocation of significant capital investment, aligned to the University's strategy of enhancing student opportunity, widening participation, and supporting regional needs.

Wider Community Impact

Further examples of the University's contribution to public good and wider community impact are outlined in the Charitable Purpose and Public Benefit section of this report, including the University's work in outreach, student success, and the Access and Participation Plan.

STRATEGIC REPORT

The Board considers that its decision-making processes during the year have been consistent with the principles set out in section 172 of the Companies Act 2006, promoting the success of the University for the benefit of its stakeholders and wider society.

Approval

The Strategic Report has been approved by the Board and is signed below on its behalf.

A handwritten signature in black ink, appearing to read 'JH', followed by a horizontal line.

Mr Jamie Hanley
On behalf of the Board of Governors and Board of Directors
30 April 2025

CHARITABLE PURPOSE AND PUBLIC BENEFIT

Charitable Purpose and Public Benefit

The University's charitable purpose is 'the advancement of education for the benefit of the public' as set out in its Articles of Association. It does this through the teaching of a diverse curriculum and by educating a broad range of students. Its students and potential students are the principal beneficiaries.

The Board of Governors has complied with its duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant. A principle of public benefit is that benefits must be balanced against any detriment or harm. The Governors consider that none of the University's activities causes detriment or harm.

The University has a successful history and strong track record in the recruitment of students from under-represented groups. The Catholic social mission of the University is played out in our desire to empower individuals, regardless of their background or route into higher education, to achieve their true potential and reach the highest standards possible. It is important to Leeds Trinity that access to education is offered in an open and affordable way to all who may benefit. Widening access and improving participation to higher education is actively promoted and this is reflected in the student profile, with 98% of students coming from state schools and 20% from low participation neighbourhoods (POLAR 2).

Outreach

Leeds Trinity has an excellent track record in terms of the extent and success of its outreach work, with a dedicated Student Recruitment and Outreach team supporting teachers, advisors and young people by raising aspirations regarding progression to higher education. Notable investment, activities and interventions include:

- Extensive reach with schools and colleges in West Yorkshire, with relationships with over 190 institutions, together with a highly-targeted approach to prioritise schools with high ratios of under-represented pupils.
- A structured programme of academic HE "subject focus days" and a number of residential summer schools.
- Care Leavers are offered an enhanced package of advice and guidance in both the pre and post application process and once they arrive. This includes a single point of contact. Adult learners are also offered a dedicated package of advice and guidance, as well as tailored financial advice and a dedicated 'return to learn' programme prior to induction.

Leeds Trinity is committed to Go Higher West Yorkshire (GHWY), established by twelve providers of higher education in West Yorkshire. It is also committed to the National Collaborative Outreach Programme (NCOP) secured by Go Higher West Yorkshire. Go Higher West Yorkshire's mission is to work in collaboration to act as a single point of contact for information on its HE provider partners, improving access to, and achievement in, Higher Education to enhance individual and economic development.

GHWY's activities are directed through two operational groups. The Business Engagement Planning Group has a remit to work in partnership to open up higher education options to underrepresented groups, with a particular focus on employers and their employees, and its partners have worked together to develop higher and degree apprenticeships which aim to appeal to a wide range of students, and seek to investigate the social mobility potential of this emerging area of work. The Widening Participation Planning Group has a focus on working with specific target groups which have been identified: looked-after young people and care leavers, estranged students, former National Networks for Collaborative Outreach (NNCO) schools (which do not form part of NCOP) in HE cold-spot areas, and current students from non-traditional backgrounds.

LEEDS TRINITY UNIVERSITY

CHARITABLE PURPOSE AND PUBLIC BENEFIT

Student Success

Leeds Trinity is committed to enabling all students to reach their full potential and succeed. Our model for widening participation is based upon the student's decision line through from thinking, applying, starting, progressing and succeeding. Notable investment, activities and interventions in place to support student success include:

- Learning Support – The dedicated Learning Hub offers personalised, one-to-one academic skills support to all students, working closely with academic departments to support and assist students who have been identified by progress and module tutors as being in danger of withdrawing or failing. The Learning Hub was commended by the QAA as an area of good practice in its most recent review.
- Personal Tutors – When students enrol on their course, a member of the lecturing staff will become their development tutor, offering students personalised academic support. Students have the same development tutor throughout the whole of their programme of study.
- Resident Mentors – Experienced and trained students live in all of our halls of residence on campus as Resident Mentors. They are available to support students as they make the transition to student life, they also play a crucial role in maintaining the community feel that the University is renowned for.
- Peer Learning Mentors (PLMs) – PLMs are level 5 and 6 students on track to achieve a first or upper second-class degree in each academic department and offer students advice on all aspects of academic work through one-to-one or group sessions.
- Professional Work Placements – Every degree course at Leeds Trinity includes two professional work placements. This helps students to gain degree-relevant employment experience and gain contacts and future work opportunities that often lead to further placements or on-going opportunities.
- Employability Focus – The University is proud of its employability focus which includes a blend of support and guidance that gives our graduates a head start in getting their first graduate job. Innovations include:
 - Employers are involved in the development of our degrees through involvement on approval panels and through tutor consultancy with a range of employers.
 - A focus on recruiting teaching staff with extensive professional experience in relevant areas.
 - Embedded employability skills and two credit-bearing placement modules in all our degree courses.
 - The opportunity to undertake a final-year consultancy-style project with an employer.
 - Opportunities for students to have direct contact with employers throughout their degree at events such as Professional Development Week, In-Leeds Days, Employer Challenge Days, and student-employer networking events.

Access and Participation Plan

The University's Access and Participation Plan (APP), approved by the Office for Students, covers its outreach and student success activities and also contains a range of financial support arrangements intended to complement the government's provision of loans and maintenance grants and are targeted at those identified as being most in need.

The University has an APP in place for the five year period from 2020/21 which includes the 2023/24 year. This ambitious plan targets the elimination of access and attainment gaps and identifies clear priorities, with those from low-participation areas and BAME ethnicities underachieving across the whole student lifecycle. The University was in the first wave of institutions to revise their plan in line with the new OfS approach and now has a new approved APP for the four year period 2024/25 to 2027/28.

Expenditure by the University during the year on its access and participation activities is shown within the note to the financial statements in note 25.

DIRECTORS' REPORT

Risk Management

The Accounts Direction from the Office for Students requires that the University embeds risk management within the organisation. The Board of Governors and its Audit Committee have carefully considered the risk management process within the institution and are of the opinion that this requirement has been met. The University reviews its risks and updates its corporate risk register on a regular basis. Key risk indicators and early warning mechanisms are highlighted and control arrangements established. If necessary, action plans to reduce the major risks are designed and implemented. The most significant risks are outlined in the Principal Risks and Uncertainties section of the Strategic Report.

Streamlined Energy and Carbon Reporting

As a company limited by guarantee, the University is covered by the government's policy on Streamlined Energy and Carbon Reporting, which aims to increase awareness of energy costs and help to prompt a reduction on the impact on climate change.

Greenhouse gas emissions and energy use data for the period:	2023/24	2022/23
Energy consumption used to calculate emissions (kWh)	7,662,862	7,725,707
Energy consumption break down (kWh) (optional):		
Gas	5,636,984	5,901,080
Electricity	2,025,878	1,824,627
Transport fuel*	24,917	16,203
Scope 1 emissions in metric tonnes CO ₂ e:		
Gas consumption	1,015	1,062
Owned transport	5.8	4
Total scope 1	1,021	1,066
Scope 2 emissions in metric tonnes CO ₂ e:		
Purchased electricity	420	353
Scope 3 emissions in metric tonnes CO ₂ e:		
Business travel in employee owned vehicles	14	5
Total gross emissions in metric tonnes CO ₂ e	1,455	1,424
Intensity ratio:		
Tonnes CO ₂ e per member of staff and students	0.25	0.24

*note prior year figure restated from 482,240

DIRECTORS' REPORT

Quantification and Reporting Methodology:

Leeds Trinity University has followed the 2023 HM Government Environmental Reporting Guidelines, has used the GHG Reporting Protocol – Corporate Standard, and has also used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement:

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per student and staff member, the recommended ratio for the sector. This is due to teaching and residencies being on campus and as such part of the consumption is student related.

Measures taken to improve energy efficiency:

Leeds Trinity University aims to improve energy efficiency at all opportunities and is continuing to implement energy reduction measures where practicable, such as: continuation of lighting upgrades to LED, which not only lasts longer, but is more efficient than existing; utilisation of automatic lighting controls (occupancy and absence detection) to avoid wastage; specification of new buildings to be electric only, reducing the demand for gas heating; utilisation of energy efficient boilers; percussion/sensor taps to avoid wastage; re-contracting with a provider of 100% sustainable/renewable electricity; installation & maintenance of CHP plant to provide heating and cooling from a single source of energy; utilisation of electrical sub-metering to further inform efficiency initiatives; implementing improvements in M&E design to reduce transmission losses; and provision of free EV charging points.

Employment Policy

The University is committed to ensuring that its workplaces are free from discrimination of any kind. Recruitment and employment decisions are made on the basis of fair and objective criteria. Pay and grading structures operate within a national pay framework designed to support the recruitment and retention of staff and to ensure equal pay for work of equal value, and equality impact assessments are conducted as appropriate.

Remuneration Committee and Policy

The aim of the remuneration policy is to attract, retain and continue to motivate talented Executives within an overall remuneration strategy for the Institution that supports the achievement of the Strategic Plan. The Board has an established Remuneration Committee which comprises five independent members of the Board. The Vice-Chancellor and HR Director attend parts of meetings by invitation to provide advice to the Committee and the Clerk to the Board also attends the meetings. Executives are not in attendance when their own remuneration is being considered. The Committee operates under Terms of Reference agreed by the Board. An annual report is made to the Board and a readily accessible annual statement is published on the University website based on this.

Staff and Student Involvement

Leeds Trinity believes good communication with staff and students to be very important. There is an effective communication strategy which includes staff newsletters, meetings and regular updates. Staff are encouraged to participate through formal and informal consultations at various levels and through membership of formal committees. There is also a regular staff perceptions survey that is considered by senior management, governors and the Joint Consultative Committee. There are two elected staff members of the Board of Governors.

The Trade Union (Facility Time Publication Regulations) 2017 require the University to publish information on trade union facility time which allows employees to act as trade union representatives. For the year to 31 March 2024, 12 FTE employees acted as trade union representatives each spending 1-50% of their hours on facility time. The total cost of facility time was £13,417 which was 0.03% of the total pay bill and no time was spent on paid trade union activities.

The President of the Students' Union is a member of the Board of Governors (which the Vice President of the Students' Union also attends as an observer) and the Academic Board. Students are represented on departmental committees and their views are sought through various means including student surveys and at least one annual student forum. The deliberative structures allow for both academic and support staff and for students to be represented throughout.

DIRECTORS' REPORT

Equal Opportunities

The University is an equal opportunities organisation and is committed to an environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability. The University operates an Equal Opportunities Policy and is committed to equal opportunities for both staff and students, ensuring that all individuals are always treated with respect and are given equality of opportunity in all activities.

The policy of the University is that applications from disabled persons should receive equal consideration for posts for which they are suitable applicants. Where an existing employee becomes disabled, they will be retained in employment wherever reasonably possible and will be given help with any necessary rehabilitation and training. Disabled employees are provided with the same opportunities as other employees.

Strategic Report

Further information on the University and its activities can be found in the Strategic Report, including its strategy and progress against the strategy, its operating environment and principal risks, likely future plans and developments and significant research and development activities.

Going Concern

Consideration of going concern is contained within the Going Concern section of the Strategic Report. As a result of that consideration, the Board of Governors considers that the University has adequate resources to continue in operational existence for the foreseeable future (to the end of the 2025/26 financial year). Accordingly, it continues to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Conclusion

The Governors believe that the University has a sound base from which to meet the likely challenges that will face the higher education sector over the short to medium term. The Governors are confident that the University, through sustainable investment in the future and very careful management of the risks, has the necessary plans and strategies in place to help ensure that the targets set for the coming years can be achieved.

Directors

The Directors who served in the period and up to the date of approval of the financial statements are set out on page 1 of these financial statements. Attendance at Board and committee meetings during 2023-24 was 89.3% of possible attendance.

The Chair is the only director remunerated for being a director. The remuneration is set at £10,000 per annum. During 2023-24, remuneration of £20,000 was paid which included delayed payment of the remuneration due for 2022-23.

Three other directors are paid in respect of their employment by the University (the Vice Chancellor and two elected staff governors) and not in respect of any duties for acting as directors (see note 7 to the financial statements).

Disclosure of Information to Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Approval

The Directors' Report has been approved by the Board and is signed below on its behalf.



Mr Jamie Hanley
On behalf of the Board of Governors and Board of Directors
30 April 2025

CORPORATE GOVERNANCE

Responsibilities of the Board of Governors

In accordance with the Companies Act 2006 and the University's Articles of, the Board of Governors of Leeds Trinity University is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year. The Board of Governors is also responsible for preparing the Strategic Report and Directors' Report, and the financial statements in accordance with applicable laws and regulations.

Company law requires the Board of Governors to prepare financial statements for each financial year. Under that law, the Board of Governors is required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". In addition, the Board of Governors is required to prepare the financial statements in accordance with the Office for Student ('OfS') Accounts Direction (issued October 2019), the OfS Terms and conditions of funding for higher education institutions (issued July 2023) and the terms and conditions of its the funding agreement with UK Research and Innovation (including Research England), the Education & Skills Funding Agency and the Department for Education through its accountable officer. Under company law, the Board of Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the University and of the surplus or deficit, gains and losses, changes in reserves and cash flows of the University for that year.

In causing the financial statements to be prepared, the Board of Governors has ensured that:

- suitable accounting policies are selected and applied consistently.
- judgements and estimates are made that are reasonable and prudent.
- applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation.
- The Board of Governors is responsible for keeping adequate accounting records that are sufficient to show and explain the University's transactions and disclose with reasonable accuracy at any time the financial position of the University and enable it to ensure that the financial statements comply with the OfS Terms and conditions of funding for higher education institutions (issued July 2023), the Statement of Recommended Practice - Accounting for Further and Higher Education, 2019 Edition, the OfS Regulatory Advice 9: Accounts Direction (issued October 2019) and the Companies Act 2006. They are also responsible for safeguarding the assets of the University and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Governors has taken reasonable steps to:

- ensure that funds from the Office for Students are used only for the purposes for which they have been given and in accordance with the Terms and Conditions of Funding and any other conditions which may be prescribed;
- ensure that funds from UK Research and Innovation (UKRI, including Research England), the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA), are used only for the purposes for which they have been given and in accordance with any conditions which may be prescribed;
- safeguarding the assets of the University and taking reasonable steps to prevent and detect fraud and other irregularities;
- ensure that the University has a robust and comprehensive system of risk management, control and corporate governance, which includes the prevention and detection of corruption, fraud, bribery and irregularities;
- ensure that there is regular, reliable, timely and adequate information to monitor performance and to track the use of public funds;
- plan and manage the University's activities to remain sustainable and financially viable;
- ensure that it informs the OfS of any material change in its circumstance, including any significant developments that could impact on the mutual interests of the University and the OfS

CORPORATE GOVERNANCE

- ensure that there are adequate and effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, the OfS, the ESFA, UKRI and other funding or regulatory bodies;
- ensure an effective framework, overseen by the University's Academic Board, to manage the quality of learning and teaching and to maintain academic standards; and
- consider and act on the OfS assessment of the University's risks, specifically those in relation to funding purposes.

The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the University's website.

The Board of Governors confirm that:

- so far as each member is aware, there is no relevant audit information of the University's auditor is unaware; and
- the members have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the University's auditor is aware of that information.
- Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement on Internal Control

The Board of Governors is responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible, in accordance with the Articles of Association and the Terms and Conditions of Funding from the Office for Students (OfS). The system of internal control covers business, operational and compliance risks as well as financial risks.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. The Board of Governors is of the opinion that this process has been in place for the year ended 31 July 2024 and up to the date of approval of the financial statements, is in accordance with OfS guidance, and that there were no significant internal control weaknesses that should be disclosed.

The Board of Governors has responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The Board receives periodic reports from the Chair of the Audit Committee concerning internal control and requires regular reports from managers on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects.
- The Board of Governors formally approves the risk register at least annually.
- The Executive acts as the Risk Management Group. The Risk Management Co-ordinator reports regularly, on behalf of the group, to the Audit Committee who oversees the risk management process on behalf of the Board of Governors.
- Risk management processes are embedded throughout the University.
- A robust risk prioritisation methodology based on likelihood and significance has been established.
- An organisation wide risk register is maintained and reviewed regularly as a key tool for the management of risk

CORPORATE GOVERNANCE

The University has an outsourced internal audit service with an annual programme approved by the Audit Committee and whose head provides the Board of Governors, through the Audit Committee, with a report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the University's system of internal control, including risk management, control, governance processes and the arrangements in place to secure economy, efficiency, and effectiveness.

The review of the effectiveness of the system of internal control by the Board of Governors is informed by the work of the internal auditors and the executive managers within the University who have responsibility for the development and maintenance of the internal control framework and by comments made by the external auditors in their management letter and by other reports.

The Audit Committee has adopted the CUC Code for Audit Committees and undertakes an annual self-assessment against the Code. The Audit Committee complies with the Code.

Governors' Statement on Corporate Governance

The following statement is provided to enable readers of the annual report and financial statements to obtain a better understanding of the governance and legal structure of Leeds Trinity University.

Leeds Trinity University is a company limited by guarantee, formally established in 2007 as an incorporated body under the Companies Act. It is registered in England and Wales and has no subsidiaries. It is also a registered charity and regulated by the Charity Commission. Its objects, powers and framework of governance are set out in its Memorandum and Articles of Association. Members of the Board of Governors are Directors of the Company and Trustees of the Charity. As a Catholic foundation established in 1966, the institution operated under a Trust Deed until its incorporation in 2007. The current Memorandum and Articles of Association of Leeds Trinity University state: 'The objects of Leeds Trinity University shall be the establishment, conduct and development of a Roman Catholic institution for the advancement of education for the benefits of the public.' The Board of Governors approves the Strategic Plan of the institution. The Articles of Association require the University to have a governing body and an academic board, each with clearly defined functions and responsibilities, to oversee its activities.

The Board of Governors

The Board of Governors is the governing body and comprises external independent members, together with staff and student members, appointed in accordance with the Articles of Association. There is a majority of independent, non-executive members.

The Board of Governors is responsible for the overall direction of Leeds Trinity University; its specific powers and responsibilities are set out in the Articles of Association and in the Terms and Conditions of Funding of the Office for Students (OfS). The Chair of the Board of Governors is separate from the role of the Vice-Chancellor and Chief Executive. The Catholic Bishop of Leeds is ex-officio Chair of the Board of Governors, but the Articles of Association contain provision, at the discretion of the ex-officio Chair, for another member to act as nominated Chair of the Board, subject to the agreement of the Board, and this arrangement has been in operation since incorporation in 2007. Permission to remunerate the Chair was secured from the Charity Commission in 2021-22 to start from 1st August 2022 for an initial period of three years.

The Academic Board

The Board of Governors has established an Academic Board, which is responsible for the oversight of the academic work and activities of the institution, and for safeguarding and enhancing academic standards and which plays a significant leadership role in the strategic academic development of the University. The Vice-Chancellor chairs the Academic Board, which comprises ex-officio and elected staff and students. The Board of Governors receives reports from Academic Board. The Chair of the Board's Academic Assurance & Student Experience Committee attends meetings of Academic Board.

CORPORATE GOVERNANCE

The Vice-Chancellor

The Vice-Chancellor is Chief Executive of the institution and has general responsibility for the organisation and management of Leeds Trinity University. Under the terms of the Terms and Conditions of Funding of the Office for Students (OfS), the Vice-Chancellor is the designated officer and, in that capacity, can be summoned to appear before the Public Accounts Committee of the House of Commons. The Vice-Chancellor makes reports to Board of Governors meetings on developments in the higher education sector and their potential impact on Leeds Trinity University.

The Clerk to the Board

The Clerk to the Board and Company Secretary is appointed by the Board of Governors under the Articles of Association to act as Clerk to the Board and its committees. All Governors have access to the advice and services of the Clerk to the Governors and may seek independent advice if they wish. Some company secretarial work is undertaken for the Directors by an external firm.

The Structure of Governance

Leeds Trinity University endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life and with best practice derived from advice from the Committee of University Chairs (CUC) and from the corporate sector. The University complies in all material respects with the CUC Governance Code of Practice. The exception to this is the role of the Chair, which is ex-officio rather than appointed by the governing body from amongst its independent members. However as noted above, the Articles of Association contain provision, at the discretion of the ex-officio Chair, for another member to act as nominated Chair of the Board, subject to the agreement of the Board, and this arrangement has been in operation since incorporation in 2007. The Board has in place a Statement of Primary Responsibilities. The University maintains and publishes on the website a Register of Interests of members of the Board and senior officers which is updated annually and whenever new interests occur.

The Articles of Association do not permit the Board of Governors to delegate any matter relating to:

- The determination of the educational and Catholic character and objects of the University;
- The approval of annual estimates of income and expenditure;
- Ensuring the solvency of the University, and ensuring the safeguarding of its assets;
- The appointment of senior post-holders, including the Vice-Chancellor; and
- The termination of the membership of any Governor.

The Board receives regular reports from the Vice-Chancellor and other senior officers on the work of the University. In line with good practice and CUC guidance, the Board conducts rigorous reviews of its effectiveness, of the effectiveness of the University's structure of corporate and academic governance, and of the performance of the Chair and members. The effectiveness reviews include the use of independent external expertise. The most recent such review took place in 2023 and is published on the University website.

The Board of Governors meets six times each year with typically an away day meeting to consider strategy and governor development matters. The Board has established committees to support its work. All of these committees are formally constituted with terms of reference and membership approved by the Board. Their membership comprises independent members of the Board and in some cases staff and student members. Some committees also have co-opted committee members from outside the Board to further strengthen the work of the committees and to support effective succession planning for Board membership. The standing committees are:

- Academic Assurance and Student Experience Committee
- Audit Committee
- Finance and Resources Committee
- Governance and Nominations Committee
- Partnerships Committee
- Remuneration Committee

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All of these committees, together with the Academic Board, report and make recommendations to the Board of Governors, either in the form of a written report or their approved minutes.

Statement of Primary Responsibilities

The Board of Governors adopts the following Statement of Primary Responsibilities, which are based upon the Memorandum and Articles of Association and recommended good practice. This statement is based on the Model Statement contained in the Governance Code of Practice published by the Committee of University Chairs, adapted to reflect the powers and responsibilities that the Board of Governors of Leeds Trinity University has that derives from the University Statutes.

The Board of Governors is the governing body of the University. The Board of Governors has ultimate responsibility for the affairs of the University. It is responsible for reviewing the work of the University and taking such steps as it thinks proper for the purpose of advancing the interests of the University, maintaining its efficiency, encouraging teaching, the pursuit of learning and research and providing for the recreation and wellbeing of students.

Consistent with the University's constitution, the primary responsibilities of the Board of Governors are:

- a) The determination of the educational and Catholic character and objectives of Leeds Trinity and for the supervision of its activities. This is achieved by the approval of the University's mission, values and vision as part of the approval and ongoing monitoring of the strategic plan;
- b) To approve the mission and strategic vision of the institution, long-term academic and business plans and key performance indicators, and to monitor these on an ongoing basis to ensure that these meet the interests of stakeholders;
- c) To delegate authority to the head of the institution as Chief Executive for the academic, corporate, financial, estate and personnel management of the institution. And to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the head of the institution;
- d) To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest;
- e) To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators, which should be – where possible and appropriate – benchmarked against other comparable institutions;
- f) To establish processes to monitor and evaluate the performance and effectiveness of the governing body itself;
- g) To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life;
- h) To safeguard the good name and values of the institution;
- i) To appoint the head of the institution as Vice-Chancellor and Chief Executive, and to put in place suitable arrangements for monitoring her/his performance;
- j) To appoint a secretary to the governing body and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability;
- k) To ensure that appropriate systems are in place with regards to the employment of staff;
- l) To be the principal financial and business authority of the institution, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the institution's assets, property and estate;
- m) To ensure that appropriate systems are in place for meeting all the institution's legal obligations;
- n) To make such provision as it thinks fit for the general welfare of students, in consultation with the academic board;
- o) To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution; and

CORPORATE GOVERNANCE

- p) To ensure that the institution's constitution is followed at all times and that appropriate advice is available to enable this to happen.

This Statement shall be published widely, including on the internet and in the annual report, along with identification of key individuals (that is, Chair, Vice Chair, Senior Independent Governor, Vice-Chancellor, and Chairs of all committees).

The description of the responsibilities that the governing body delegates to the Vice-Chancellor is that outlined in Article 14 of the Articles of Association

Independent auditor's report to the governing body members of Leeds Trinity University

Opinion

We have audited the financial statements of Leeds Trinity University (the 'University') for the year ended 31 July 2024, which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that there are uncertainties inherent in the University obtaining further funding facilities ahead of 31 July 2026 and its reliance on an overdraft of £5m that is repayable on demand and renewable as of the 30th of June 2026 to meet its working capital requirements in this period. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the University's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Our responsibilities

We are responsible for concluding on the appropriateness of the governing body members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the University to cease to continue as a going concern.

In our evaluation of the governing body members' conclusions, we considered the inherent risks associated with the University's business model including effects arising from macro-economic uncertainties such as continued higher inflation, we assessed and challenged the reasonableness of estimates made by the governing body members and the related disclosures and analysed how those risks might affect the University's financial resources or ability to continue operations over the going concern period.

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

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

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The governing body members are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report prepared for the purposes of company law, included in the Report of the governing body members for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the strategic report and the directors' report included in the Report of the governing body members have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the University and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included in the Annual Report and Financial Statements.

Opinion on other matters prescribed by the Office for Students ('OfS') Accounts direction (issued October 2019) (the 'OfS Accounts direction')

In our opinion, in all material respects:

- funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS, the Education & Skills Funding Agency and the Department for Education have been applied in accordance with the OfS Terms and conditions of funding for higher education institutions (issued July 2023), the Education and Skills Funding Agency and the Department of Education, and any other terms and conditions attached to them; and
- the requirements of the OfS Accounts direction have been met.

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the governing body member's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters where the OfS Accounts direction requires us to report to you where:

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

Responsibilities of governing body members

As explained more fully in the Statement of responsibilities of governing body members set out on page 16, the governing body members (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governing body members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the University and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), FEHE SORP 2019, the Companies Act 2006, OfS Accounts Direction (October 2019), Relevant OfS regulatory notices and advices and the Charities Act 2011;
- We understood how the University is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of relevant committee minutes and through our legal and professional expenses review;
- We assessed the susceptibility of the University's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Evaluating the design and implementation of processes and controls established to address the risks related to irregularities and fraud;
 - Identifying and testing journal entries, in particular journal entries relating to management estimates and journal entries deemed to relate to unusual transactions;
 - Challenging assumptions and judgements made by management in its significant accounting estimates;
 - Identifying and testing related party transactions; and
 - Completion of audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the client

operates in and understanding of, and practical experience through training and participation with audit engagements of a similar nature; and

- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to an indications of fraud or noncompliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Governing body member's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the University's governing body members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the University's members 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's governing body members as a body, for our audit work, for this report, or for the opinions we have formed.

Katy Doherty

Katy Doherty
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

Date: 30/04/2025

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 July 2024

1. Basis of preparation

These financial statements have been prepared in accordance with both the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education published in October 2019 and in accordance with applicable United Kingdom laws and Accounting Standards including FRS102. The financial statements are prepared in accordance with the historical cost convention, as modified by the revaluation of certain land and buildings for which a cost is not readily ascertainable. The financial statements have been prepared on the going concern basis. The financial statements are presented in sterling (£).

The principal accounting policies are summarised below. They have been applied consistently throughout the current and prior years.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

2. Going concern

The University's activities, together with the uncertainties arising and the factors likely to affect its future developments, performance and position are set out in the Operating Environment, Principal Risks and Uncertainties, and Plan for Future Periods sections. The financial position of the University is described in the Financial Overview and Financial Sustainability sections and in more detail within the financial statements and accompanying notes. The University has carried out analysis and stress testing on its going concern status to 31 July 2026.

The Board believes that the University is suitably placed to manage its risks successfully, with a good performance base in 23/24 and a liquidity position as at 31 July 2024 equal to 143 liquidity days. The University has put in place cost saving measures including a voluntary severance scheme, targeted reductions in non-pay spend and reviews of operating models to ensure there is a concentrated focus on value for money and efficiency as the operating environment for the University becomes more challenging. This is in response to a reduction in forecasted income for 2024/25 of £9m concentrated on a shortfall against planned recruitment for Leeds Trinity University delivered tuition fees and a fall in partner fee income.

The University notes that, aligned to its strategic plan, the completion and opening of Trevelyan Square has been funded through existing cash reserves in 23/24 and as a result means that the University's cash balances will be lower in the near future than previously experienced. It was always the intention of the University to obtain additional funding, however at the time of issuing the annual report and financial statements this facility is not in place. In order to cover short term working capital requirements the University has put in place an overdraft facility. The University's current gearing position is very low, both for the overall sector, and in comparison to Cathedral group peers, and this will reduce even further with the scheduled repayment of the Lloyds loan in June 2025 resulting in a borrowing to income ratio of 2.5% versus a sector average between 25% and 30%. This shows there is adequate gearing headroom to support borrowing to support the University's liquidity position after a period of extensive capital investment financed by reserves.

Consideration has been given to the potential for interruptions to income streams in terms of the stress testing. These considerations have been applied in addition to the known downsides in 2024/25. The reasonable downside sensitivities cover reduced recruitment, progression and residential occupancy; changes to the fee and funding environment; and from other demands on the University's cash reserves including commitments on its strategic growth investments. The stress testing shows that the University would continue to have sufficient cash headroom throughout the period and would remain in a positive net cash / debt position indicating the continuing ability to service loan obligations from cash in hand. The stress testing includes the £5m overdraft agreed with Barclays with effect from the signing date of the accounts. This £5m overdraft is sufficient for working capital requirements up to 31 July 2026. From this point onwards, an additional facility will be required.

It is necessary to clarify that the funding currently secured to support the assertion above is a £5m overdraft that is renewable as of the 30th of June 2026 and is repayable on demand for the duration of the going concern period. The overdraft provides the University with access to working capital and its forecast shows that it maintains a minimum of 30 days liquidity which is a regulatory requirement. However due to the overdraft being repayable on demand for the going concern period, and the requirement to obtain further funding from the 31st July 2026, there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. This reflects the inherent uncertainty regarding the timing and confirmation of replacement funding rather than any concern about the University's underlying viability or financial sustainability. The University recognises that the source of long-term funding to replace the short-term overdraft is not yet finalised.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 July 2024

The Board of Governors considers that the University has adequate resources to continue in operational existence for the foreseeable future (to the end of the 2025/26 financial year). Accordingly, it continues to adopt the going concern basis in preparing the Annual Report and Financial Statements. The current position is the result of deliberate strategic investment in key transformation programmes and infrastructure, alongside a prolonged period of engagement with the Office for Students concerning franchise partnership arrangements. The Board remains confident in the University's ability to manage its working capital and secure longer-term financing.

3. Basis of consolidation

The financial statements do not include those of Leeds Trinity Students' Union as it is a separate organisation over which the University does not have control or significant influence.

The University holds a £1 guarantee in respect of Yorkshire Universities, a company limited by guarantee. As the University does not have control or significant influence and holds less than 10% of the total guarantee the results have not been included in these financial statements.

4. Recognition of income

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

Fee income is credited to the statement of comprehensive income and expenditure over the period in which students are studying. Fee income includes the fee per student receivable from its franchise partners which is accounted for on an agency basis. Fee remissions are deducted from income. Bursaries and scholarships are accounted for as expenditure and not deducted from income.

Recurrent income from grants, contracts and other services rendered are accounted for on an accruals basis and included to the extent of the completion of the contract or service concerned; any payments received in advance of such performance are recognised on the balance sheet as liabilities.

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in

line with such restrictions at which point the income is released to general reserves through a reserve transfer. Donations with no restrictions are recognised in income when the University is entitled to the funds. Non-recurrent grants from the Office for Students, the Department for Education or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants. Such grants are credited to deferred capital grants and an annual transfer made to the income and expenditure account over the useful economic life of the asset, at the same rate as the depreciation charge on the asset for which the grant was awarded.

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

5. Agency arrangements

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

The University's arrangements with franchise partners are accounted for as agency arrangements with the income recognised being the fees due from the franchise partner, on the basis that the franchise partner retains the risks and rewards of the student income. The income is recognised with fee income as mentioned above.

6. Accounting for retirement benefits

The University contributes to the Teachers' Pension Scheme (TPS) for academic staff (lecturing staff and holders of some senior posts) and to the Local Government Pension Scheme administered by the West Yorkshire Pension Fund (WYPF) for other staff. Both schemes are defined benefit schemes.

The TPS is a multi employer scheme and it is not possible to identify the assets of the scheme which are attributable to the University. In accordance with FRS102, this scheme is accounted for on a defined contribution basis and contributions to the scheme are included as expenditure in the period in which they are payable.

For WYPF the University is able to identify its share of assets and liabilities and thus the University fully adopts the recognition and disclosure requirements of FRS102 "Retirement Benefits".

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 July 2024

For WYPF the cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the period in which they occur. They are recognised in the Statement of Comprehensive Income and Expenditure. In accordance with FRS102 any surplus on the scheme is restricted to nil.

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The pensions deficit / surplus recognised in the Balance Sheet represents the present value of the defined benefit obligation adjusted for unrecognised past service cost, and the pension asset represents the fair value of the scheme assets. Where there is a surplus in the scheme the value of this surplus is restricted.

7. Land and buildings

Land and buildings are stated at valuation or cost; the basis of valuation is depreciated replacement cost. Valuations are carried out by independent Chartered Surveyors.

On adoption of FRS15, the Institution followed the transitional provision to retain the book value of land and buildings, which were valued on 31 July 1995 by Gerald Eve, Chartered Surveyors, but not to adopt a policy of revaluations of these properties in the future. On transition to FRS102, these values were retained and the policy continued of non-revaluation of these properties.

Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, 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 cost of any such enhancements are added to the gross carrying amount of the tangible fixed asset concerned.

Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful life of 50 years and extensions to buildings over 20-30 years on the amount at which the tangible fixed asset is included in the balance sheet. Depreciation is on a straight line basis.

Where buildings are acquired with the aid of specific grants they are capitalised and depreciated. The related grants are credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the buildings on a basis consistent with the depreciation policy.

8. Equipment, furniture, vehicles, fixtures and fittings

Equipment, including computers, software and furniture costing less than £5,000 per individual item or group of related items is written off to the income and expenditure account in the year of acquisition. All other tangible assets are capitalised at cost.

All assets are depreciated on a straight line basis over their useful economic life as follows:

Equipment, furniture and fittings	3-10 years
Motor vehicles	4-6 years

Assets under construction are not depreciated until completed and brought into use.

Where equipment has been acquired with the aid of specific grants, it is capitalised and depreciated in accordance with the policy set out above, with the related grant credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

9. Cash and cash equivalents / Investments

Cash includes cash in hand, cash at bank, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are available within 48 hours without penalty. No other investments, however liquid, are included as cash.

Term deposits held as cash but not available within 48 hours without penalty are shown as investments. Other current asset investments, which may include listed investments, are shown at fair value.

10. Stock

Stock represents goods held for resale and is stated at the lower of purchase cost or estimated selling price less costs to complete and sell.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 July 2024

11. Operating Leases

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

12. Taxation status

The University is registered under the Charities Act 2011 and as such is a charity within the meaning of section 506(1) of the Income and Corporation Taxes Act 1988 (ICTA 1988). Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of ICTA 1988 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax. 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.

13. Financial Instruments

Financial assets and financial liabilities are recognised when the University becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs). Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Basic financial instruments are initially recognised at the transaction price, adjusted for transaction costs, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts/ payments discounted at a market rate of interest. Such assets/liabilities are subsequently carried, at the end of each reporting period, at amortised cost using the effective interest rate method.

14. Provisions

Provisions are recognised in the financial statements when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

15. Cash flows and liquid resources

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, cash at bank, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are available within 24 hours without penalty. No other investments, however liquid, are included as cash. Liquid resources comprise assets held as readily disposable store of value. They include term deposits, government securities and loan stock held as part of the University's treasury management activities. They exclude any such assets held as endowment asset investments.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 July 2024

16. Accounting for charitable donations

Charitable donations are recognised in the financial statements when the charitable donation has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming resources can be measured with sufficient reliability. Where charitable donations are to be retained for the benefit of the University as specified by the donors, these are accounted for as endowments. The University's endowments are restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University can convert the donated sum into income.

17. Significant accounting estimates and judgements

Preparation of the financial statements requires management to make significant estimates and judgements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a. Estimates in pension costs

The University has obligations to pay pension benefits to certain employees who are members of the West Yorkshire Pension Fund (WYPF), a scheme accounted for as a defined benefit plan. The cost of these benefits and the present value of the obligation depend on a number of factors including: life expectancy, salary increases, asset valuations, the duration of liabilities and the discount rate on corporate bonds. Management estimates these factors, using external professional advice, in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. Estimates arising from the impact of recent court cases on the pension liabilities are discussed in note 21.

b. Judgements in agency arrangements

The University has judged that its arrangements with franchise partners should be accounted for as agency arrangements after consideration of the agent / principal test, with the University receiving a fixed fee per student whilst the partners have primary responsibility for providing services to students, have latitude in establishing pricing and bear any credit risk.

c. Judgements in fixed assets and depreciation

Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, are capitalised to the extent that they increase the expected future benefits to the University from the asset beyond its previously assessed standard of performance. The assessment of these factors requires management's judgement. The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Depreciation methods, useful economic lives and residual values are reviewed by management at the date of preparation of each Balance Sheet and amended where necessary. The assessment of these factors requires management's judgement.

STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 31 July 2024

	Note	Year ended 31 July 2024 £	Year ended 31 July 2023 £
INCOME			
Tuition fees and education contracts	1	57,300,229	53,319,295
Funding body grants	2	6,151,265	4,711,114
Research grants and contracts	3	160,231	102,309
Other income	4	4,578,544	4,570,251
Investment income	5	1,931,693	1,521,908
Donations and Endowments	6	-	5,000
Total income		<u>70,121,962</u>	<u>64,229,877</u>
EXPENDITURE			
Staff costs	7,8	42,310,355	36,792,402
Other operating expenses	8	21,290,010	18,991,524
Depreciation	8,9	4,123,455	3,414,982
Interest and other finance costs	8	444,768	595,768
Total expenditure	8	<u>68,168,588</u>	<u>59,794,676</u>
Surplus for the year		<u>1,953,374</u>	<u>4,435,201</u>
Actuarial gain in respect of pension schemes	15	10,195,000	13,706,000
Restriction in the recognition of the scheme surplus		<u>(11,061,000)</u>	<u>(5,703,000)</u>
Total Comprehensive income for the year		<u>1,087,374</u>	<u>12,438,201</u>
Represented by:			
Unrestricted comprehensive income for the year		<u>1,087,374</u>	<u>12,438,201</u>
		<u>1,087,374</u>	<u>12,438,201</u>

The Statement of Comprehensive Income and Expenditure is in respect of continuing operations.

The notes to the financial statements are included on pages 37-55

LEEDS TRINITY UNIVERSITY

STATEMENT OF CHANGES IN RESERVES

For the year ended 31 July 2024

	Income and Expenditure Account			Revaluation Reserve	Total
	Endowment	Restricted	Unrestricted		
	£	£	£	£	£
Balance at 1 August 2022	6,272	318	51,017,395	4,492,592	55,516,577
Surplus from income and expenditure statement	-	5,000	4,430,201	-	4,435,201
Other comprehensive expense	-	-	8,003,000	-	8,003,000
Transfer between revaluation and income and expenditure reserve	-	-	(144,094)	144,094	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income / (expense) for the year	-	5,000	12,289,107	144,094	12,438,201
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 August 2023	6,272	5,318	63,306,502	4,636,686	67,954,778
Surplus from income and expenditure statement	-	-	1,953,374	-	1,953,374
Other comprehensive expense	-	-	(866,000)	-	(866,000)
Transfer between revaluation and income and expenditure reserve	-	-	220,231	(220,231)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income / (expense) for the year	-	-	1,307,605	(220,231)	1,087,374
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 July 2024	6,272	5,318	64,614,107	4,416,455	69,042,152
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The notes to the financial statements are included on pages 37-55.

BALANCE SHEET

As at 31 July 2024

	Note	31 July 2024 £	31 July 2023 £
NON CURRENT ASSETS			
Fixed Assets	9	54,847,657	44,481,011
CURRENT ASSETS			
Stock		17,529	13,986
Trade and other receivables	10	7,731,451	6,182,174
Investments	11	14,424,790	13,630,530
Cash and cash equivalents		10,712,938	23,542,618
Receivables: Amounts falling due after more than one year	12	3,300,000	-
Less:		36,186,708	43,369,308
Creditors: amounts falling due within one year	13	(16,892,856)	(9,201,036)
NET CURRENT ASSETS		19,293,852	34,168,272
Total assets less current liabilities		74,141,509	78,649,283
Creditors: amounts falling due after more than one year	14	(4,817,786)	(10,374,360)
Provisions for pensions	15	(281,571)	(320,145)
TOTAL NET ASSETS		69,042,152	67,954,778
Restricted Reserves			
Income and expenditure reserve – endowment reserve	16	6,272	6,272
Income and expenditure reserve – restricted reserve	16	5,318	5,318
Unrestricted Reserves			
Income and expenditure reserve		64,614,107	63,306,502
Revaluation reserve	17	4,416,455	4,636,686
TOTAL RESERVES		69,042,152	67,954,778

The notes to the financial statements are included on pages 37-55.

The financial statements of the University (registered company number 06305220) on pages 28 to 55 were approved by the Board of Governors on 30 April 2025 and were signed on its behalf by:

Mr Jamie Hanley
Chair of the Board of Governors

Prof Charles Egbu
Vice-Chancellor and Chief Executive

CASH FLOW STATEMENT

For the year ended 31 July 2024

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Cash flow from operating activities		
Surplus for the year	1,953,374	4,435,201
Adjustment for non-cash items		
Depreciation (note 8)	4,123,455	3,414,982
Deferred capital grants released to income (note 2)	(235,193)	(223,322)
(Increase) in stock	(3,542)	(840)
(Increase) in debtors	(1,549,278)	(1,190,066)
Increase in creditors	558,490	181,314
(Decrease) in provisions	(32,574)	(32,094)
Current and past service cost in excess of contributions (note 8)	(795,000)	1,218,000
Adjustment for investing or financing activities		
Investment income (note 5)	(1,931,693)	(1,526,908)
Interest and other finance costs (note 8)	444,768	595,768
Loss on write-off and disposal of fixed assets	-	39,395
Net cash inflow from operating activities	<u>2,532,807</u>	<u>6,911,430</u>
Cash flows from investing activities		
Payments made to acquire fixed assets	(12,024,078)	(9,106,264)
Movement on deposits	(4,094,260)	(436,929)
Deferred capital grant received	50,000	100,000
Other interest received	1,905,873	1,198,947
	<u>(14,162,464)</u>	<u>(8,244,246)</u>
Cash flows from financing activities		
Interest paid	(529,435)	(383,957)
Repayment of previous loan borrowings	(670,588)	(670,588)
	<u>(1,200,023)</u>	<u>(1,054,545)</u>
(Decrease) in cash in the year (note 18)	<u>(12,829,680)</u>	<u>(2,387,361)</u>

The notes to the financial statements are included on pages 37-55.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

1. TUITION FEES AND EDUCATION CONTRACTS

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Full-time home and EU students	55,285,160	51,661,582
Full-time international students	775,500	507,500
Part-time home and EU students	1,239,569	1,150,213
	<u>57,300,229</u>	<u>53,319,295</u>

Included within tuition fee income above, is £21,313,712 (2023: £19,315,108) relating to income from the University's arrangements with its franchise and validation partners.

2. FUNDING BODY GRANTS

	OfS £	DofE £	UKRI £	Year ended 31 July 2024 Total £	Year ended 31 July 2023 Total £
Recurrent grant	5,525,491	-	267,929	5,793,420	3,900,416
Specific grants	52,652	-	70,000	122,652	587,376
Releases of deferred capital grants, Buildings	235,193	-	-	235,193	223,322
Total	<u>5,813,336</u>	<u>-</u>	<u>337,929</u>	<u>6,151,265</u>	<u>4,711,114</u>

Note: The source of grant and fee income included within notes 1 and 2 is as follows:

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Grant income from the OfS	5,812,336	4,089,889
Grant income from other bodies	338,929	621,225
Fee income for taught awards	57,223,764	53,179,263
Fee income for research awards	31,310	25,600
Fee income from non-qualifying courses	45,155	86,685
	<u>63,451,494</u>	<u>58,002,662</u>

3. RESEARCH GRANTS AND CONTRACTS

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Research councils and charities	45,593	81,624
Government	68,115	20,685
Other	46,523	-
	<u>160,231</u>	<u>102,309</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

4. OTHER INCOME

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Residences, catering and conferences	3,396,096	3,502,975
Other income	1,182,448	1,067,276
	<u>4,578,544</u>	<u>4,570,251</u>

5. INVESTMENT INCOME

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Income from short term investments	<u>1,931,693</u>	<u>1,526,908</u>

6. DONATIONS AND ENDOWMENTS

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Restricted donations	<u>-</u>	<u>5,000</u>

7. STAFF COSTS

	Year ended 31 July 2024 Number	Year ended 31 July 2023 Number
The average number of persons (including senior post-holders) employed by the University during the year, expressed as full-time equivalents, was:		
Lecturing staff, holders of senior posts, staff paid on academic scales and part-time lecturers	316	283
Administrative, professional and technical staff	376	318
Other	51	45
	<u>743</u>	<u>646</u>

	Note	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Staff costs for the above persons:			
Wages and salaries		32,710,668	27,251,246
Social security costs		3,389,176	2,851,974
Contributions to pension schemes	21	6,763,118	5,374,879
Pension enhancement costs	21	28,046	33,818
Restructuring costs		214,347	62,485
Service cost in excess of contributions	21	(795,000)	1,218,000
Total		<u>42,310,355</u>	<u>36,792,402</u>

A further breakdown of pension costs have been included in note 21 Pension Schemes.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

7. STAFF COSTS (CONTINUED)

	Year ended 31 July 2024	Year ended 31 July 2023
Severance payments included within staff costs:		
	£	£
Total severance and other compensation paid	214,347	62,485
	Number	Number
The number of people that this relates to	8	3

The numbers of staff, including the Vice-Chancellor and other key management personnel, who received emoluments (excluding pension contributions) in the following ranges were:

	Year ended 31 July 2024 Number	Year ended 31 July 2023 Number
£100,001 to £105,000	2	-
£105,001 to £110,000	1	2
£110,001 to £115,000	5	1
£115,001 to £120,000	1	-
£135,001 to £140,000	-	1
£195,001 to £200,000	-	1
£205,001 to £210,000	1	-

Directors' remuneration	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Emoluments	335,305	317,447
Pension contributions	81,517	72,796
	416,822	390,243

The number of directors who:	Year ended 31 July 2024 Number	Year ended 31 July 2023 Number
Are members of a defined benefit pension scheme	3	3

The amount shown for Directors' remuneration represents amounts paid to three (2022/23: three) directors in respect of their employment by the University (the Vice Chancellor and two elected staff governors) and not in respect of any duties for acting as directors. During the year three directors (2022/23: three) were members of a defined benefit scheme.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

7. STAFF COSTS (CONTINUED)

Remuneration of the Vice Chancellor (being the highest paid director):

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Salary	205,602	197,657
Bonus	-	-
Supplement in lieu of pension contributions	-	-
	<u>205,602</u>	<u>197,657</u>
Pension contributions	52,113	46,805
	<u>257,715</u>	<u>244,462</u>

Ratio of the remuneration of the Vice Chancellor to the median for the whole workforce:

	Year ended 31 July 2024	Year ended 31 July 2023
Basic Salary	5.8:1	5.4:1
Total Remuneration	6.5:1	6.0:1

In line with the Committee of University Chairs (CUC) guidance, the remuneration package of the Vice-Chancellor is reviewed annually by the Remuneration Committee, with a full external benchmarking exercise undertaken every three years. This process is conducted independently of the Vice-Chancellor, who is not a member of the Committee and withdraws from any discussions relating to their own remuneration. The benchmarking exercise uses independent advice and sector data to assess the Vice-Chancellor's pay against a defined comparator group of higher education institutions of a similar size and scale.

The most recent benchmarking review took place during 2023 to inform the remuneration package effective from 1 August 2023. The Vice-Chancellor's basic salary is set by reference to the median of the agreed comparator group, with clear performance expectations attached. Performance is assessed annually by the Remuneration Committee against a set of individual and institutional objectives agreed at the start of each year.

The ratios for both basic salary and total remuneration are below the guideline ratio of 8.5 above which CUC guidance suggests that an institution should be prepared to justify why this is desirable.

Key Management Personnel	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Emoluments	889,720	703,311
	<u>889,720</u>	<u>703,311</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University, here defined as the University's Executive Team and comprising seven people (2023: six people). Emoluments includes compensation paid to key management personnel, excluding any employer's pension contribution.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

8. ANALYSIS OF 2023/2024 EXPENDITURE BY ACTIVITY

	Staff costs	Depreciation	Other operating expenses	Interest and other finance costs	Total Year ended 31 July 2024	Total Year ended 31 July 2023
	£	£	£	£	£	£
Academic departments	21,910,677	82,805	6,324,384	84	28,317,950	23,800,938
Academic services	4,174,994	1,423,691	2,967,652	1,366	8,567,703	6,981,800
Residences and catering	747,634	451,634	982,095	379	2,181,742	2,179,527
Research grants and contracts	9,642	-	57,963	-	67,605	127,475
Premises	1,790,145	2,148,348	2,221,254	-	6,159,747	5,062,821
Administration and other	14,262,917	16,977	8,747,679	519,939	23,547,512	20,145,234
Exceptional restructuring cost	209,346	-	-	-	209,346	57,485
(Profit)/Loss on w/off of fixed assets	-	-	(11,017)	-	(11,017)	39,396
Service cost in excess of contributions	(795,000)	-	-	-	(795,000)	1,218,000
Exceptional past service cost	-	-	-	-	-	-
Net interest on pension liabilities	-	-	-	(77,000)	(77,000)	182,000
Total per income and expenditure account	42,310,355	4,123,455	21,290,010	444,768	68,168,588	59,794,676

Other operating expenses include:

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
External auditor's remuneration for auditing of the financial statements	94,740	72,000
External auditor's remuneration for other assurance services	19,200	18,720
External auditor's remuneration for taxation compliance services	-	-
Payments under operating leases in respect of equipment	428,010	203,913

Services are inclusive of VAT for the University

Prior year auditor costs restated to include VAT.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

9. TANGIBLE FIXED ASSETS

	Assets in the course of construction £	Freehold land and buildings £	Furniture, equipment, fixtures and fittings £	Motor vehicles £	Total £
Cost/valuation					
At 1 August 2023 at cost	4,708,828	67,218,454	9,962,254	57,558	81,947,094
Additions during the year	9,671,565	2,995,083	1,763,597	59,856	14,490,101
Completed during the year	(3,977,705)	3,430,803	546,902	-	-
Disposals during the year	-	(105,880)	(404,019)	-	(509,899)
	<u>10,402,688</u>	<u>73,538,460</u>	<u>11,868,734</u>	<u>117,414</u>	<u>95,927,296</u>
At 31 July 2024	10,402,688	73,538,460	11,868,734	117,414	95,927,296
At cost	<u>10,402,688</u>	<u>73,538,460</u>	<u>11,868,734</u>	<u>117,414</u>	<u>95,927,296</u>
At 31 July 2024	<u>10,402,688</u>	<u>73,538,460</u>	<u>11,868,734</u>	<u>117,414</u>	<u>95,927,296</u>
Accumulated depreciation					
At 1 August 2023	-	30,351,573	7,056,952	57,558	37,466,083
Charge for the year	-	2,557,414	1,551,077	14,964	4,123,455
Disposals	-	(105,880)	(404,019)	-	(509,899)
	<u>-</u>	<u>32,803,107</u>	<u>8,204,010</u>	<u>72,522</u>	<u>41,079,639</u>
At 31 July 2024	-	32,803,107	8,204,010	72,522	41,079,639
Net book value					
At 31 July 2024	<u>10,402,688</u>	<u>40,735,353</u>	<u>3,664,724</u>	<u>44,892</u>	<u>54,847,657</u>
At 31 July 2023	<u>4,708,829</u>	<u>36,866,880</u>	<u>2,905,302</u>	<u>-</u>	<u>44,481,011</u>

Land and Buildings

The transitional rules set out in FRS 15 Tangible Fixed Assets were applied on implementing FRS 15. Accordingly, the book values at implementation were retained. Land and buildings were last valued in 1995 at depreciated replacement cost by a firm of independent chartered surveyors at a valuation of £12,907,355. This treatment has been continued during the transition to FRS 102.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

10. TRADE AND OTHER RECEIVABLES

	31 July 2024	31 July 2023
	£	£
Amounts falling due within one year:		
Trade debtors	5,339,260	4,281,970
Prepayments and accrued income	2,392,191	1,900,204
	<u>7,731,451</u>	<u>6,182,174</u>

11. INVESTMENTS

	31 July 2024	31 July 2023
	£	£
Deposits maturing:		
In one year or less	14,424,790	13,630,530
	<u>14,424,790</u>	<u>13,630,530</u>

12. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 July 2024	31 July 2023
	£	£
Cash guarantee in respect of Trevelyan Square Lease	3,300,000	-
	<u>3,300,000</u>	<u>-</u>

The lease agreement for Trevelyan Square required a sum of £3.3m to be placed in a cash guarantee account with the lessor as beneficiary to be accessed in the event of default on the lease.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 July 2024	31 July 2023
	£	£
Trade creditors	2,223,719	2,425,160
Bank loan repayable in less than one year	5,376,470	670,588
Payments received in advance	7,246	215,638
Social security and other taxation payable	854,668	833,085
Pensions and similar obligations	841,199	707,710
Deferred capital grants	243,599	248,687
Accruals and other deferred income	7,238,217	3,976,830
Amounts owing to funding councils	107,738	123,338
	<u>16,892,856</u>	<u>9,201,036</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 July 2024	31 July 2023
	£	£
Bank loan	1,800,000	7,176,470
Deferred capital grants	3,017,786	3,197,890
	<u>4,817,786</u>	<u>10,374,360</u>

The bank loans are repayable as follows:	31 July 2024	31 July 2023
	£	£
Due within one year	5,376,470	670,588
Due between one and two years	200,000	5,376,470
Due between two and five years	600,000	600,000
Due in five years or more	1,000,000	1,200,000
Due after more than one year	<u>1,800,000</u>	<u>7,176,470</u>
Total bank loans	<u>7,176,470</u>	<u>7,847,058</u>

All bank loans are unsecured.

One of the two bank loans is a 25 year term loan of £4m split into four equal portions, each with a fixed interest rate period of between 5 years and 20 years before reverting to a floating rate. Repayments are by quarterly instalments which commenced August 2014. Half of the loan has now reverted to the floating rate (which was 1.7% above LIBOR), with the other half remaining on the fixed interest rate of 7.27%. Interest is payable on a quarterly basis. Following the cessation of LIBOR as a reference rate from 1 January 2022, the loan agreement was varied to change the reference rate to be the Bank of England Base Rate. The applicable portion now has an interest rate of 1.83% above Bank of England Base Rate. As at 31 July 2024 the outstanding balance on this loan was £2.0m.

Following a 3 year revolving credit period, a term loan of £8m was drawn down in June 2018 for a 7 year period with quarterly repayments over a 17 year profile and a residual balance remaining at the refinancing point. At 31 July 2020 the loan was split into a £5m floating portion at 1.1% above LIBOR and a fixed portion of £3m at 2.88%. Interest is payable on a quarterly basis. Following the cessation of LIBOR as a reference rate from 1 January 2022, the loan agreement was varied to change the reference rate to be the Bank of England Base Rate. The applicable portion now has an interest rate of 1.18% above Bank of England Base Rate. As at 31 July 2024 the outstanding balance on this loan was £5.2m

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

15. PROVISIONS FOR PENSIONS

	Defined benefit provision under FRS102 £	Pension enhancement £	Total £
At 1 August 2023	39,000	281,145	320,145
Utilised in year	-	(46,540)	(46,540)
Transfer from income and expenditure account	-	13,966	13,966
Current service cost in excess of contributions	(795,000)	-	(795,000)
Net interest on liabilities	(77,000)	-	(77,000)
Actuarial gain	866,000	-	866,000
At 31 July 2024	<u>33,000</u>	<u>248,571</u>	<u>281,571</u>

The pension enhancement provision relates to pension enhancements which the University has awarded to former staff members. The provision will be utilised over the period to which these individuals are entitled to their pensions, which is estimated to be over the next 25 years.

See note 21 for further pension disclosures.

16. ENDOWMENT RESERVES

	Restricted Reserve £	Expendable Endowments £	2024 Total £	2023 Total £
Balances at 1 August				
Capital	5,318	6,272	11,590	6,590
New Restricted Donation	-	-	-	5,000
Investment income	-	-	-	-
Expenditure	-	-	-	-
	-	-	-	-
At 31 July	<u>5,318</u>	<u>6,272</u>	<u>11,590</u>	<u>11,590</u>
Represented by				
Cash	5,318	6,272	11,590	11,590
Analysis by type of purpose				
Scholarships and bursaries	5,318	4,965	10,283	10,283
Prize funds	-	1,307	1,307	1,307
	<u>5,318</u>	<u>6,272</u>	<u>11,590</u>	<u>11,590</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

17. REVALUATION RESERVE

	31 July 2024	31 July 2023
	£	£
At 1 August	4,636,686	4,492,592
Transfer from revaluation reserve to general reserve in respect of:		
Depreciation on revalued assets	(220,231)	144,094
At 31 July	<u>4,416,455</u>	<u>4,636,686</u>

The increase in the revaluation reserve relates to an adjustment to correct the cumulative position as identified in the prior year audit.

18. ANALYSIS OF CHANGES IN NET FUNDS AND RECONCILIATION OF CASH FLOW TO STATEMENT OF FINANCIAL POSITION

	At 31 July 2023	Cash flows	Non Cashflow	At 31 July 2024
	£	£	£	£
Cash at bank and in hand	23,542,618	(12,829,680)	-	10,712,938
Current asset investments	<u>13,630,530</u>	<u>794,260</u>	<u>-</u>	<u>14,424,790</u>
Total short term funds	37,173,148	(12,035,420)	-	25,137,728
Debts due within one year	(670,588)	-	(4,705,882)	(5,376,470)
Debts due after one year	<u>(7,176,470)</u>	<u>670,588</u>	<u>4,705,882</u>	<u>(1,800,000)</u>
Total	<u>29,326,090</u>	<u>(11,364,832)</u>	<u>-</u>	<u>17,961,258</u>

19. LEASE OBLIGATIONS

	31 July 2024	31 July 2023
	£	£
Rentals payable under operating leases		
Future minimum lease payments due:		
Due within one year	2,259,150	228,047
Due between two and five years	7,974,756	304,119
Due in five years or more	<u>18,510,633</u>	<u>-</u>
Total lease payments due	<u>28,744,539</u>	<u>532,166</u>

On 4 March 2024 the University entered into a lease agreement for a premises in Leeds City Centre. The lease is for a term of 15 years with a tenant break at 12 years, at a rent of £2m (net of VAT) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2024

20. CAPITAL COMMITMENTS

Provision has not been made for the following capital commitments:

	31 July 2024	31 July 2023
	£	£
Commitments contracted for	<u>10,475,147</u>	<u>2,771,172</u>

This represents commitments entered into by 31 July 2024 for expenditure as part of the following year's capital programme.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2024

21. PENSION SCHEMES

The two pension schemes for the University's staff are the Teachers' Pension Scheme (TPS) for academic staff and the Local Government Pension Scheme administered by the West Yorkshire Pension Fund (WYPF) for support staff.

The total pension cost for the University was:

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Contributions to TPS	3,560,241	2,808,740
Contributions to WYPF	3,202,877	2,566,139
	<u>6,763,118</u>	<u>5,374,879</u>
Pension enhancements costs	28,046	33,817
Service cost in excess of contributions	(795,000)	1,218,000
Net interest on pension liabilities	(77,000)	182,000
	<u>5,919,164</u>	<u>6,808,696</u>

Teachers' Pension Scheme

TPS is valued not less than every four years by the Government Actuary. Contributions are paid by the University at the rate specified. The Scheme is unfunded and contributions are made to the Exchequer. The payments from the Scheme are made from funds voted by Parliament. The contribution rate payable by the employer during the year was 23.6% until April 2024 and then 28.68% onwards.

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is a multi-employer defined benefit pension scheme. The University is unable to identify its share of the underlying assets and liabilities of the scheme due to the nature of the scheme. Accordingly, the University has taken advantage of the exemption in FRS 102 and has accounted for its contributions as if it were a defined contribution scheme. The University is not liable for any obligations other than the regular contributions.

The estimate for the contribution to the TPS for the 2024/25 year is c.£4.0m.

West Yorkshire Pension Fund

WYPF is valued every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. In the intervening years, the WYPF actuary reviews the progress of the WYPF scheme.

For WYPF, the actuary has indicated that the resources of the scheme are likely, in the normal course of events, to meet the liabilities as they fall due at the level specified by the WYPF Regulations. The most recent valuation in 2022 showed the University to be in a small surplus position with a funding level of 101%. The employer contribution rate payable by the University during the year was 19.20%.

Under the definitions set out in FRS 102, the WYPF is a multi-employer defined benefit pension scheme. In the case of the WYPF, the actuary of the scheme has identified the University's share of its assets and liabilities as at 31 July 2024.

The pension scheme assets are held in a separate Trustee-administered fund to meet long-term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interests of the fund's beneficiaries. The appointment of trustees to the fund is determined by the scheme's trust documentation. The trustees are responsible for setting the investment strategy for the Scheme after consultation with professional advisers.

The FRS102 disclosures below relate only to the University's pension costs in respect of the WYPF.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

21. PENSION SCHEMES (continued)

The material assumptions used by the actuary for FRS102 at 31 July 2024 were:

	31 July 2024	31 July 2023
Rate of increase in salaries	3.85%	3.85%
Liability discount rate	5.00%	5.00%
Inflation assumption	2.60%	2.60%

The assumed life expectations on retirement at age 65 are:

	31 July 2024	31 July 2023
<i>Retiring today</i>		
Males	20.8	21.0
Females	24.0	24.1
<i>Retiring in 20 years</i>		
Males	21.7	22.2
Females	24.7	25.1

The asset allocation of the defined benefit scheme is shown below:

Value	31 July 2024 £'000	31 July 2023 £'000
Equities	53,968	46,921
Property	1,837	1,933
Government Bonds	5,989	4,335
Other Bonds	2,722	2,636
Cash/liquidity	1,837	2,285
Other	1,701	469
Total	<u>68,054</u>	<u>58,579</u>

The following amounts at 31 July 2024 were measured in accordance with the requirements of FRS102.

Analysis of the amount shown in the balance sheet	31 July 2024 £'000	31 July 2023 £'000
The University's estimated asset share	68,054	58,579
Present value of the University's Scheme liabilities	(56,993)	(52,876)
Restriction in the recognition of the scheme surplus	(11,061)	(5,703)
Deficit in the Scheme - Net pension liability	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

21. PENSION SCHEMES (continued)

Analysis of the amount charged to staff costs within operating surplus	31 July 2024 £'000	31 July 2023 £'000
Current service cost	(2,410)	(3,785)
Past service cost	-	-
Total operating charge	<u>(2,410)</u>	<u>(3,785)</u>
 Analysis of amount that is charged to other finance costs	 31 July 2024 £'000	 31 July 2023 £'000
Interest income on pension scheme assets	2,965	1,890
Interest on pension scheme liabilities	<u>(2,603)</u>	<u>(2,072)</u>
Net charge	<u>362</u>	<u>(182)</u>
 Analysis of the amount recognisable in the Statement of Comprehensive Income and Expenditure (SOCl)	 31 July 2024 £'000	 31 July 2023 £'000
Actuarial gain in response of pension Schemes	10,195	13,706
Restriction in the recognition of the scheme surplus	<u>(11,061)</u>	<u>(5,703)</u>
Net gain/(loss)	<u>(866)</u>	<u>8,003</u>
 Analysis of the movement in the present value of the scheme liabilities	 31 July 2024 £'000	 31 July 2023 £'000
At beginning of year	52,911	60,953
Current service cost	2,410	3,785
Interest cost	2,603	2,072
Contributions by scheme participants	1,135	923
Actuarial gain/(loss)	924	(13,866)
Benefits paid	<u>(2,961)</u>	<u>(956)</u>
Past service cost	-	-
At end of year	<u>57,022</u>	<u>52,911</u>
 Analysis of the movement in the market value of the scheme assets	 2024 £'000	 2023 £'000
At beginning of year	58,579	54,311
Expected rate of return on scheme assets	2,965	1,890
Actuarial gain/(loss)	5,131	(156)
Contribution by employer	3,205	2,567
Contribution by scheme participants	1,135	923
Benefits paid	<u>(2,961)</u>	<u>(956)</u>
At end of year	<u>68,054</u>	<u>58,579</u>

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For the year ended 31 July 2024

21. PENSION SCHEMES (continued)**History of experience gains and losses:**

	Year ended 31 July				
	2024	2023	2022	2021	2020
	£'000	£'000	£'000	£'000	£'000
Funded	(56,993)	(52,876)	(60,907)	(80,866)	(76,620)
Unfunded	(29)	(35)	(46)	(55)	(64)
Restriction in recognition of the scheme surplus	(11,061)	(5,703)	-	-	-
Fair value of scheme assets	68,054	58,579	54,311	50,898	41,127
Deficit in the scheme	(29)	(35)	(6,642)	(30,023)	(35,557)
Actuarial gain on scheme assets					
Amount (£'000)	5,131	156	1,187	8,347	(3,152)
Percentage of Scheme assets	7.5%	0.3%	2.2%	16.4%	(7.7)%
Total amount recognised in SOCI					
Amount (£'000)	(866)	8,003	27,227	8,811	(15,362)
Percentage of present value of scheme liabilities	1.3%	13.7%	44.7%	10.9%	20.0%

The expected return on assets is determined with regard to various factors impacting each class of asset. The bond return is based on the prevailing return available on bonds. The return on equities, property and other assets is based on a number of factors including the income yield at the measurement date, the long term growth prospects for the economy in general, the long term relationship between each asset class and the bond returns and the movement in the market indices since the previous measurement date.

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

The estimate for the contribution for the defined benefit scheme for the year 2024/25 is c.£3.6m.

Guaranteed Minimum Pension

Defined benefit pension schemes will be affected by the equalisation of benefits for men and women in relation to Guaranteed Minimum Pension provisions. The method of equalisation has increased the University's pension liabilities in respect of the West Yorkshire Pension Fund and the fund actuary calculated an estimated liability which was recognised during 2018/19. Any changes to the estimated liability in 2023/24 have been recognised through actuarial gains / losses.

Transitional Protection Arrangements (McCloud)

Following the loss of a court case (the McCloud judgement) which found that transitional protections put in place when public sector pension schemes were reformed were age discriminatory, the government has committed to seeking a remedy across all public sector schemes. The University's pension liabilities in respect of the West Yorkshire Pension Fund have increased due to this although the method of remedy and hence the amount of the increase in liabilities is not yet known. The fund actuary calculated an approximate estimated liability which was recognised during 2018/19. Any changes to the estimated liability in 2023/24 have been recognised through actuarial gains / losses.

Contracted-out Benefits (Virgin Media Ltd)

The Directors are aware of the 'Virgin Media Ltd v NTL Pension Trustees II Ltd(and others)' case. There is potential for the outcome of the case to have an impact on the UK pension scheme. The case affects defined benefit schemes that provided contracted-out benefits before 6 April 2016 based on meeting the reference scheme test. Where scheme rules were amended, potentially impacting benefits accrued from 6 April 1997 to 5 April 2016, schemes needed the actuary to confirm that the reference scheme test was still being met by providing written confirmation under Section 37 of the Pension Schemes Act 1993. In the

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2024

Virgin Media case the judge ruled that alterations to the scheme rules were void and ineffective because of the absence of written actuarial confirmation required under Section 37 of the Pension Schemes Act 1993. The case taken to the Court of Appeal in June 2024 and the original ruling was upheld.

As a result, there may be a further liability to the West Yorkshire Pension Fund for benefits that were reduced by previous amendments, if those amendments prove invalid (i.e. were made without obtaining s37 confirmation). The trustees and their legal advisors have started reviewing the records of the scheme to look for evidence of having obtained the necessary written actuarial confirmation where relevant. The trustees will continue to investigate the possible implications with their advisors, but it is not possible at present to estimate the potential impact, if any, on the scheme and consequently the defined benefit obligation in the financial statements.

Widower Benefits (Goodwin)

Following a recent Employment Tribunal ruling that a female member in an opposite sex marriage is treated less favourably than a female in a same sex marriage or civil partnership, and that treatment amounts to direct discrimination on the grounds of sexual orientation, the government announced in July 2020 that it believed changes would be required to all public sector schemes with similar arrangements. For the University, this will increase the liability in respect of the West Yorkshire Pension Fund, but no allowance has been made in the accounting figures as it is expected that the impact on the liabilities will be immaterial and there is currently insufficient data available to estimate a cost.

Sensitivity Analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 July 2024 and the projected service cost for the period ending 31 July 2025 is set out below.

Adjustment to discount rate	+0.1% p.a	-0.1% p.a
Present value of total obligation (£m)	55.91	58.076
% Change in present value of total obligation	-1.9%	1.9%
Projected service cost (£m)	2.339	2.59
Approximate % change in projected service cost	-5.0%	5.2%
 Rate of general increase in salaries	 +0.1% p.a	 -0.1% p.a
Present value of total obligation (£m)	57.107	56.879
% Change in present value of total obligation	0.2%	-0.2%
Projected service cost (£m)	2.462	2.462
Approximate % change in projected service cost	0.0%	0.0%
 Rate of increase to pensions and rate of revaluation of pension accounts	 +0.1% p.a	 -0.1% p.a
Present value of total obligation (£m)	57.962	56.024
% Change in present value of total obligation	1.7%	-1.7%
Projected service cost (£m)	2.59	2.339
Approximate % change in projected service cost	5.2%	-5.0%
 Post Retirement mortality assumption	 +1 year	 -1 year
Present value of total obligation (£m)	58.418	55.568
% Change in present value of total obligation	2.5%	-2.5%
Projected service cost (£m)	2.556	2.368
Approximate % change in projected service cost	3.8%	-3.8%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2024

22. RELATED PARTY TRANSACTIONS

During the year the University's transactions with Yorkshire Universities, a company limited by guarantee in which the University holds a £1 guarantee and where the Vice Chancellor is a director, were as summarised below:

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Purchases from Yorkshire Universities	10,400	10,400

The above transactions were undertaken on normal trading terms. At 31 July 2024 the amount owed to Yorkshire Universities was £Nil (2023: £Nil). The results of Yorkshire Universities have not been included in the results of the University.

During the year the University's transactions with Leeds Learning Alliance, a company limited by guarantee in which the University holds a £10 guarantee and where the Vice Chancellor is a director, were as summarised below:

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Purchases from Leeds Learning Alliance	8,250	7,500

The above transactions were undertaken on normal trading terms. At 31 July 2024 the amount owed to Leeds Learning Alliance was £Nil (2022: £Nil). The results of Leeds Learning Alliance have not been included in the results of the University.

The President of the Leeds Trinity Students' Union (LTSU) is a member of the governing body of the University. During the year the University's transactions with Leeds Trinity Students' Union were as summarised below:

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Subvention paid to LTSU	409,578	314,000
Other payments to LTSU	91,788	77,167
	<u>501,366</u>	<u>391,167</u>

At 31 July 2024 the amount owed to LTSU was £Nil (2023: £Nil). The results of Leeds Trinity Students' Union have not been included in the results of the University.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2024

The Catholic Bishop of Leeds is a member of the governing body of the University. During the year the University's transactions with the Catholic Diocese of Leeds were as summarised below:

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Visiting Lecturers	12,718	12,643

At 31 July 2024 the amount owed to the Diocese of Leeds was £nil (2023: £9,693). The results of the Diocese of Leeds have not been included in the results of the University.

During the year the University's transactions with Universities UK, a company limited by guarantee where the Vice Chancellor is a director, were as summarised below:

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Purchases from Universities UK	25,998	-

The above transactions were undertaken on normal trading terms. At 31 July 2024 the amount owed to Universities UK was £Nil (2023: £Nil). The results of Universities UK have not been included in the results of the University.

All transactions involving organisations in which a member of the Board of Governors may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

23. EVENTS AFTER THE REPORTING PERIOD

None to report.

24. AMOUNTS DISBURSED AS AGENT OF THE DEPARTMENT OF EDUCATION (FORMERLY NATIONAL COLLEGE FOR TEACHING AND LEADERSHIP (NCTL))

	31 July 2024	31 July 2023
	£	£
Funds received	2,004,000	775,000
Disbursed to students	1,966,000	734,800
Balance unspent at 31 July	38,000	40,200

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2024

These funds are available solely for students, with the University acting only as a paying agent. The income and related disbursements are therefore excluded from the Income and Expenditure Account. Within the cash flow they appear within the movement on creditors/debtors.

25. ACCESS AND PARTICIPATION

	31 July 2024	31 July 2023
	£	£
Access Investment	2,812,634	1,914,052
Financial Support	1,944,580	1,800,447
Disability Support	134,967	223,456
Research and Evaluation	-	-
	<hr/>	<hr/>
	4,892,181	3,937,955
	<hr/> <hr/>	<hr/> <hr/>

£1,150,925 of these costs are included in the overall staff costs figure included within these financial statements (note 7).

The University's approved Access and Participation Plan included for 2023/24 a commitment to expenditure of £1,480,000 across the above activities, of which £833,000 was funded by higher fee income and the balance from other sources. The University is committed to widening participation and typically spends more than the commitments in its Access and Participation Plan.

The University's approved Access and Participation Plan for the five year period 2020/21 to 2024/25 can be accessed here:

[Access and Participation Plans - Public information - About - Leeds Trinity University](#)