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# Annual Statements

## 2023-2024

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Plymouth Marjon University is a trading  
name of the University of St Mark & St John



**University of St Mark & St John**  
(a company limited by guarantee)

Report of the Members of the Board of  
Governors and Consolidated Financial  
Statements

Registered Number:

07635609

For the year ended

31 July 2024

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## Company Information

### Status

The University of St Mark and St John is a company limited by guarantee (referred to in these financial statements as the University or company).

### Group

The financial statements consolidate the results of the Company and its subsidiary, Marjon (South West) Limited.

### Secretary

Stephen Plant (January 2021 – present)

### External Auditor

Bishop Fleming LLP  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
Devon  
PL4 0BN

### Bankers

Barclays Bank Plc Corporate Banking  
3<sup>rd</sup> Floor  
3 Bedford Street  
Exeter  
Devon  
EX1 1LX

### Internal Auditor

TIAA Business Assurance  
Artillery House  
Fort Fareham Industrial Site  
Fareham  
Hants  
PO14 1AH

### Solicitors

Womble Bond Dickinson  
Ballard House  
West Hoe Road  
Plymouth  
Devon  
PL1 3AE

### Insurers

Zurich Municipal  
Zurich House  
2 Gladiator Way  
Farnborough  
Hants  
GU14 6GB

### Registered Office

University of St Mark & St John  
Derriford Road  
Plymouth  
Devon  
PL6 8BH

## Members of the University Board of Governors and Executive Leadership Team

Membership of the Board of Governors during the financial year ended 31 July 2024 is shown below. Governors are registered as Directors of the Company with Companies House and also perform the role of Trustee.

Biographies and declared interests can be viewed in the Board of Governors' area of the website, here: <https://www.marjon.ac.uk/about-marjon/governance--management/university-board-of-governors/our-governors/>

Membership information covers the period from 1 August 2023 up until the date on which the Financial Statements were approved by the Board of Governors.

Attendance covers the academic year from 1 August 2023 to 31 July 2024.

Governors	Category of Membership	Membership of Board Committees	Attendance~ Board (Committees)	Date Appointed	Current Term Due to End
Graham Raikes MBE, <b>Chair of Board</b>	Directly Appointed Independent Governor	Finance & Resources Committee; Governance & Nominations Committee; Remuneration Committee; People & Organisational Development Sub-Committee; Digital & Physical Infrastructure Group	<b>4/4</b> (15/15)	01/11/2017	01/11/2026 ***
Emma van der Lugt <b>Joint Deputy Chair of Board</b>	Directly Appointed Independent Governor	Audit Committee; Governance & Nominations Committee; Remuneration Committee; People & Organisational Development Sub-Committee	<b>4/4</b> (10/11)	01/07/2016	01/07/2025 ***
Prof Claire Taylor <b>Vice-Chancellor</b>	Ex-Officio Governor	Finance & Resources Committee; Digital & Physical Infrastructure Group; Governance & Nominations Committee; People & Organisational Development Sub-Committee	<b>4/4</b> (12/13)	09/05/2023	N/A
Steven Adjei	Bishop Nominated Independent Governor	N/A	<b>N/A</b>	01/11/2024	31/10/2027
Louise Bridgett	Directly Appointed Independent Governor	Audit Committee	<b>3/4</b> (3/3)	30/06/2023	29/06/2026

Kate Doodson <b>Joint Deputy Chair of Board</b> (01/12/2024)	Directly Appointed Independent Governor	Finance & Resources Committee; Digital & Physical Infrastructure Group; Governance & Nominations Committee (from 01/12/2024)	<b>3/4</b> (5/8)	01/01/2020	01/01/2026  **
Rt Rev'd James Grier	Bishop Nominated Independent Governor	Governance & Nominations Committee	<b>4/4</b> (2/2)	01/08/2023	31/07/2026
Victoria Hatton	The National Society Nominated Independent Governor	Audit Committee	<b>1/4</b> (3/3)	01/09/2022	31/08/2025
Prof Mark Llewellyn	Directly Appointed Independent Governor	Finance & Resources Committee; Remuneration Committee	<b>N/A</b>	01/12/2024	30/11/2027
Fiona Nicholls	Elected Academic Staff Governor	Digital & Physical Infrastructure Group	<b>2/4</b> (1/2)	01/11/2022	31/10/2025
Prof John Scott, CBE	Directly Appointed Independent Governor	Audit Committee; Remuneration Committee; People & Organisational Development Sub-Committee	<b>N/A</b>	01/12/2024	30/11/2027
Dr Laura Wallis	Senate Elected Academic Staff Governor	Finance & Resources Committee (attendee)	<b>N/A</b>	01/10/2023	30/09/2026
Pete Waterfield	Professional Services Staff Governor	Digital & Physical Infrastructure Group	<b>1/1</b>	01/07/2024	30/06/2027
Jackie Westerman	Directly Appointed Independent Governor	Remuneration Committee; People & Organisational Development Sub-Committee	<b>3/4</b> (3/4)	29/01/2021	28/01/2027 **
Liam Williams	Elected Student Governor; Marjon Student Union President	Digital & Physical Infrastructure Group; Finance & Resources Committee (attendee); People & Organisational Development Sub-Committee (attendee)	<b>1/1</b>	01/07/2024	30/06/2025
Rev'd Tatiana Wilson	Bishop Nominated Governor	N/A	<b>1/1</b>	01/01/2024	31/12/2026

<b>Governors whose tenure ended during this period*</b>					
<b>Governors</b>	<b>Category of Membership</b>	<b>Membership of Board Committees</b>	<b>Attendance~ Board (Committees)</b>	<b>Date Appointed</b>	<b>Date Term Ended</b>
Sarah Boyd	Elected Student Governor; Marjon Student Union President	Digital & Physical Infrastructure Group; Finance & Resources Committee (attendee); People & Organisational Development Sub-Committee (attendee)	<b>3/3</b> (2/3)	01/07/2023	30/06/2024
Matt Evans	Directly Appointed Independent Governor	Governance & Nominations Committee	<b>2/4</b> (3/3)	01/12/2018	25/11/2024 **
Alex Hawtin	The National Society Nominated Independent Governor	N/A	<b>1/4</b>	10/12/2018	01/08/2024 **
Prof Patricia Hind <b>Joint Deputy Chair of Board</b>	Directly Appointed Independent Governor	Finance & Resources Committee; Remuneration Committee; People & Organisational Development Sub-Committee	<b>4/4</b> (9/9)	01/11/2017	01/12/2024 ***
Ruth Mounstephen	Bishop Nominated Independent Governor	People & Organisational Development Sub-Committee; Digital & Physical Infrastructure Group	N/A	06/03/2020	12/09/2023 **
Duncan Swift	Directly Appointed Independent Governor	Finance & Resources Committee	<b>4/4</b> (4/4)	01/04/2023	02/12/2024
Esther Tonna-Morgan	Elected Professional Services Staff Governor	People & Organisational Development Sub-Committee (attendee)	<b>2/3</b>	18/11/2021	22/03/2024

## Co-optees

The following people served on the Board of Governors as a co-opted member during this period\*:

Name	Role	Date Appointed	End of Current Term
Guy Bolt	Co-optee	01/01/2023	31/12/2025
Rt Rev'd Dr Timothy Dakin	Co-optee	18/11/2021	01/12/2025**
Jennie Walker	Co-optee	01/04/2023	31/03/2026
<b>Co-optees whose tenure ended during this period*</b>			
Reena Bajaj	Co-optee	01/10/2023	02/12/2024
James Beckly	Co-optee	01/10/2023	09/10/2024
Katherine George	Co-optee	18/11/2021	17/11/2024
Prof Mark Llewellyn	Co-optee	01/04/2023	01/12/2024
Prof John Scott CBE	Co-optee	01/01/2023	01/12/2024

## Members of the Board

### Appointments to the Board (process)

The Governance & Nominations Committee is responsible for identifying vacancies, interviewing potential governors and recommending appointments to the Board of Governors for approval. The process for appointing new governors is outlined on the governance pages of the Plymouth Marjon University website. The CUC Higher Education Code of Governance, Charity Commission guidance, eligibility with regard to 'Fit and Proper Persons' and 'the Nolan Principles' established by the Committee on Standards in Public Life are all considered as part of any appointments to the Board. Skills gaps, equality and diversity are also considerations, with a view to promoting the effectiveness of the governance of the University.

\* From 1 August 2023 up until the date on which the Financial Statements were approved by the Board of Governors.

\*\* indicates second term of office

\*\*\* indicates third term of office

### Members of the Executive Leadership Team

Members of the Executive Leadership Team in the year ending 31 July 2024 and up to the date of approval of the financial statements, are shown below.



**Professor Claire Taylor**

Vice-Chancellor &  
Chief Executive



**Professor Michelle Jones**

Deputy Vice-Chancellor &  
Provost



**Ann Holman**

Chief Operating Officer  
(from June 2024)



**Karl Smith**

Interim Finance Director  
(from February 2025)



**Katy Willis**

Pro Vice-Chancellor  
Student Success



**Lucy Pengelly**

Executive Director of  
People & Culture



**Stephen Plant**

University Secretary  
& Registrar

Formerly during this period:



**Simon Arthurs**

Chief Operating Officer &  
Finance Director



**David Soutter**

Interim Chief Finance Officer

## Welcome by the Chair

It is with enormous pride that I introduce this set of financial statements for Plymouth Marjon University. This has been a challenging year financially for the whole higher education sector as has been widely reported nationally. Universities large and small, specialist and generalist all have battled to increase their income and manage their costs. This has been against a background of continued frozen tuition fees which has the effect of reducing the unit of resource combined with rising pay and pension, energy and materials costs and this has had a marked impact on our University.

We report a deficit for the year which masks some significant progress made in controlling our costs and starting to increase our income. In particular, through our strong partnerships with other institutions regionally, nationally and internationally we are looking to build our long term academic and financial sustainability.

Our new strategy to take us to 2030 and beyond has at its heart achieving financial strength and I am pleased to report that we have made marked progress on this front in the last year and have secured the financial support necessary to drive our institution forward. Further information on this is set out later in the strategic report and the notes to the accounts.

In the strategic report we also set out a summary of our Marjon 2030 strategy which includes our transformation programme Operation:Excellence. Through this programme we will change how we do what we do, but our mission remains the same.

The challenges of the year have been met and outcomes achieved with the full engagement of our Board and I am particularly proud of how our board members and the Executive Leadership Team have worked together. We have needed a number of additional Board and Committee meetings, to work through the steps on our journey, so that all understand and are fully behind the important decisions we have had to take.

We have been fortunate to recruit a number of additional members and have said farewell to others. I take the opportunity to thank staff, students and independent members of the Board for the giving of their time and their contributions, all of which have been valued enormously.

I look forward with confidence to the year ahead and beyond.



Graham Raikes MBE

Chair of the Board of Governors



## Welcome by the Vice-Chancellor

This year has been a challenging one for the UK higher education sector as it has responded to major financial challenges, and Plymouth Marjon University has not been immune. Against an ever-changing higher education back drop it is even more important that we focus on our strengths and retain clarity of purpose. Therefore, during 2023/24 the University invested time to develop its new strategy, working with colleagues, students and partner organisations to ensure that our direction of travel was the right one.

For over 180 years, Marjon staff and students have sought to make a difference for individual lives and communities. Our founders acted outrageously, challenging entrenched inequity by providing education for those on the very margins of society. Criticised for their work, they refused to apologise for the 'inconvenient excellence' of the education they provided, and this spirit of disruptive ambition is a hallmark of our new strategy, Marjon 2030.

The moral imperative for our work is tangible and urgent. We are a university driven by strong principles of social justice, rooted in our Church of England foundation, and committed to the common good. Over half a million additional graduate, postgraduate and doctoral degree holders will be required in the South West by 2035, representing greater increases in demand or higher qualifications than the UK average. However, progression of young people within our region into and through higher education is amongst the lowest in the UK. Therefore, Plymouth Marjon University has a critical role to play in addressing inequity, raising aspiration and providing graduates to fill higher level skills gaps. Our response is Marjon 2030 and our ambitions are clear. You can read more on page 14 of this report.

Plymouth Marjon University is a place where a difference can be made and lives are transformed. Through a challenging year for the sector I have never been failed to be deeply impressed by the care and commitment showed by all members of the Marjon community to each other and to our partners across education, public services, industry and business. As we move forwards with Marjon 2030, I look forward to shaping the future together, further developing our incredible University as a beacon of opportunity and possibility for the people of Plymouth, our region, the UK and beyond.



Professor Claire Taylor

Vice-Chancellor & Chief Executive



## Operating and Financial Review

The members of the University Board of Governors have pleasure in presenting their report and the audited financial statements for the year ended 31 July 2024 following a further year of challenges and opportunity.

### Operating Review

The early part of academic year 2023/24 saw the University continue to reflect on and celebrate the 50th anniversary of our arrival in Plymouth in 1973, and the 100th anniversary of the merger between St Mark's, Chelsea, and St John's, Battersea. Shortly after that, the word Marjohn was first used by students, to refer to a student at the new college and it has stayed with us ever since.

We have continued to be recognised for our exceptional student experience, building upon our Gold ranking in the Teaching Excellence Framework 2023. In May 2024, Plymouth Marjon University was ranked as one of the top 10 institutions in the nation in the 2025 Complete University Guide (CUG), achieving top 3 in England for Student Satisfaction, marking the fourth consecutive year the University has secured a place within the country's top 5 for this category. The University demonstrated outstanding performance in various CUG subject categories, securing top 3 rankings for Speech and Language Therapy Student Satisfaction and top 4 for Education Student Satisfaction. Additionally, Marjon placed in the top 6 in England for Complementary Medicine, following the recent introduction of a range of new health-related courses, including nursing and assistant practitioner programmes. The University was also rated top 5 in the UK and number 1 in the South West for Career Prospects, top 7 for Lecturers and Teaching Quality, and top 9 for Student Support at the 2024 WhatUni Student Choice Awards (WUSCAs). We are grateful to our students who have once again rated us so highly – and our colleagues who continue to offer such a thoughtful and positive experience.

Plymouth Marjon University continues to demonstrate exceptional quality in its postgraduate provision. In the Postgraduate Research Experience Survey (PRES) 2024, the University achieved an excellent 87% overall satisfaction and 90% positive feedback on research skills development, placing Marjon in the top quarter of UK institutions. Marjon was also ranked in the top quartile for fostering a strong community, achieving 20 percentage points above the sector average. Building on this, we are expanding our research coaching and mentoring scheme to support early career researchers.

Marjon was ranked No. 1 in the UK for Assessment in the Postgraduate Taught Experience Survey for four consecutive years (2020-2023), reflecting the University's ongoing commitment to delivering an outstanding postgraduate experience for its students. In the 2023-24 survey, Marjon was ranked in the top 25% of institutions for overall satisfaction in Assessment, Dissertation Support and in the subjects of Education, Psychology, and Applied Psychology. In Education, Marjon's satisfaction rate was 100%, nearly 13% higher than the sector benchmark. Moreover, despite supporting a disability population twice the size of the sector, Marjon achieved a 12.8% higher satisfaction rate among students with declared disabilities, showcasing our commitment to delivering an outstanding postgraduate experience for all our students.

In November 2023, we launched the Marjon Doctoral College, marking a significant step forward in our commitment to research excellence. At the same time, we opened a new PGR Hub, providing a dedicated space for study, collaboration, and community-building. Our research reputation was further recognised through our invitation to join the South West Doctoral Training Partnership (SWDTP). This prestigious collaboration offers Marjon the opportunity to bid for ESRC-funded studentships in key fields. This year has also been one of significant growth for postgraduate research (PGR) at Marjon. Our thriving PGR community spans Education, Sport, Health, and Business & Social Science, with 80% of PhD students studying part-time, 44% from under-represented backgrounds, and 18% reporting a disability. Our research students excelled nationally, participating in the FameLab competition, showcasing their ability to communicate complex research in an engaging and accessible way, and earned a commendation in the Green Gown Awards for 'Student Sustainability Champion of the Year.'

Our researchers worked with regional partners to tackle real-world challenges in health, education, and sustainability, securing multiple awards, including two Advance HE awards, the Cornwall Rurality Matters award, and a collaborative Carl Zeiss award with Plymouth NHS Trust. Other funded projects explored mentoring for sex offenders, the role of school nurses, and the experiences of first-generation university students.

As we continue to grow, we remain committed to fostering an innovative, inclusive, and inspiring research environment.

In 2022 the University was successful in its bid for Office for Students (OfS) capital funding to create high quality and digitally enabled facilities for health-related programmes. Along with the £5.8m received from the OfS, the University will contribute a further £624,000 to the project. The work has entailed the extensive reconfiguration of an existing building and the purchase of specialist equipment. This will create a new health and wellbeing hub which will include; community facing health and wellbeing clinic facilities, well-resourced specialist teaching spaces and a staff neighbourhood. The project is due to be completed in June 2025 and be operational from September 2025.

The flagship Aspire programme, funded by Health Education England, offers funded places at Marjon for aspiring Learning Disability Nurses. The 'Aspire' programme is the first of its kind in England and is aimed at combating the decline in the number of registered professionals in this crucial field.

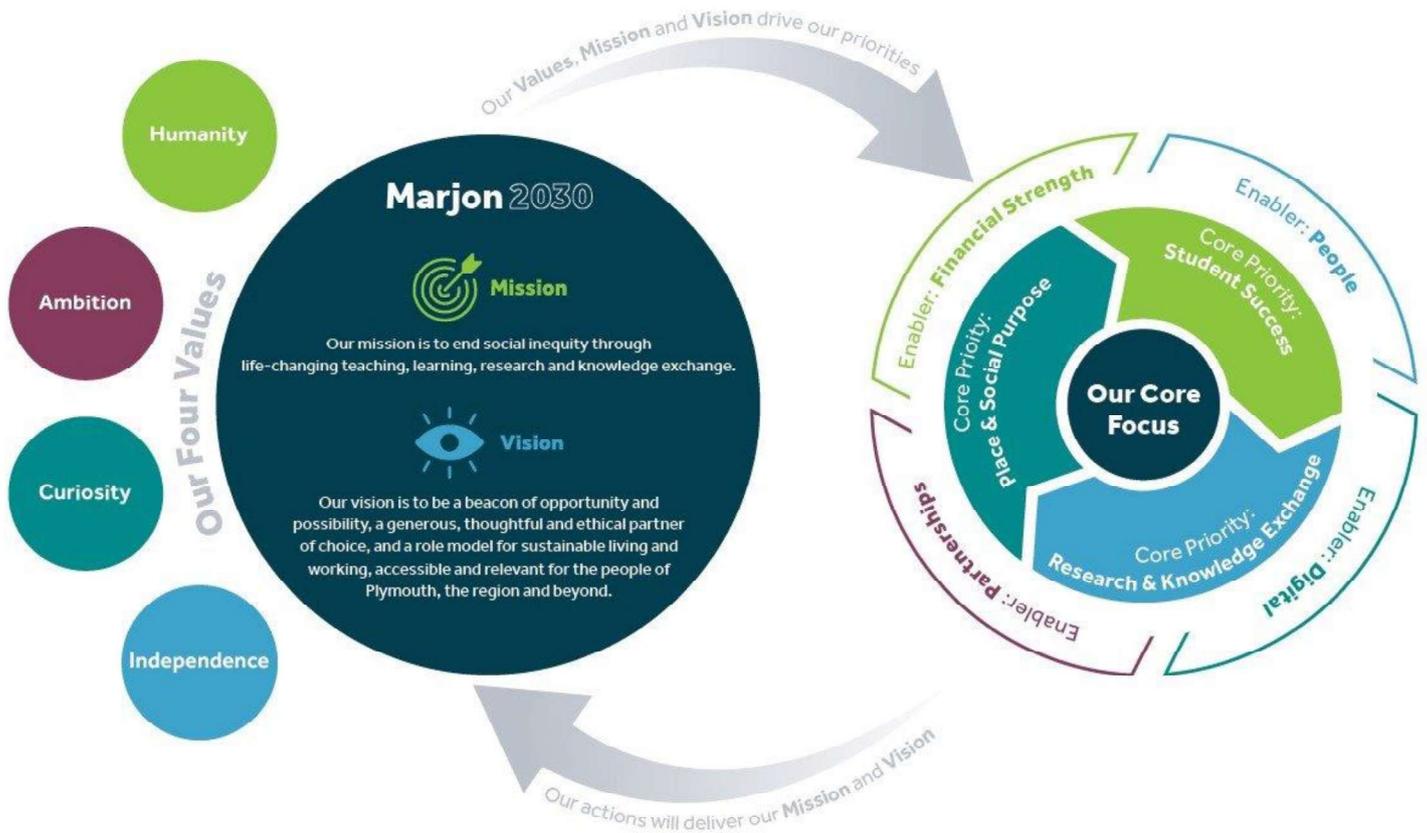
Many of our Marjon students enjoy sport and physical activity whilst with us. Over 550 are members of our Marjon Sports Federation, playing for Marjon sports teams and overall 1,000 students are involved in playing, officiating or enjoying sport and physical activity at Marjon. We sponsor 20 Sports Scholars to pursue their sport at an elite level and have introduced a sport bursary for students that need support to pursue their sport ambitions.

In 2023/24 the University went up seven positions in the BUCS table with 29 sport teams competing across the UK. We have 43% of male students and 56% of female students participating in sport teams and ensuring lifelong participation in sport and exercise. Many teams have had success on the field this season and one of the highlights has been the team cohesion and positive behaviours shown on and off the field with the help of introducing experienced coaches to netball, rugby and volleyball.

This year Marjon won four BUCS football and league and cup titles – three of which happened on the same day on campus. Our success across football is due to the hard work of our Marjon staff and working with our partner Plymouth Argyle Community Trust.

We continue to welcome many members of the local community to campus each week with 2,200 members using our facilities, including 500 students. More than 1,000 children take part in sports clubs and camps, over 550 enjoy swimming lessons and over 200 people take part in exercise classes each week. Our annual Varsity sports event versus the University of Plymouth raised £6,000 for Devon and Cornwall Food Action.

During the year, a key focus was the development of our new University strategy Marjon 2030. The strategy was approved by Board in July 2024 and officially launched in Autumn 2024. Going forwards, reporting will reflect the key themes of Marjon 2030, as outlined below. You can read more here: [Inconvenient Excellence : the Case for Marjon 2030](#).



## Public Benefit Statement

Plymouth Marjon University is both a company limited by guarantee and an exempt charity by Schedule 3 of the Charities Act 2011, regulated by the Office for Students (OfS). The Charities Act 2011 places an obligation on charities to demonstrate explicitly how they provide public benefit. Our primary purpose as set out in the company's Articles of Association, is to promote the advancement of further and higher education and the consequent work of the University in accordance with the principles of the Church of England.

In setting and reviewing the University's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit. The principal beneficiaries of the University's services are our students and the public at large.

Originally established as the first teacher training college in England, with the first students commencing in February 1840, teacher education remains an area of distinctiveness today and from these roots the University has developed a much wider range of provision including Sport, Health and Well-being, Arts and Humanities, Youth and Community, Early Years Education, Business and Enterprise.

The University has, from its origins, an emphatic commitment to widening participation and providing educational opportunities to all with the potential to succeed, irrespective of background.

Many of the University's students undertake work placements as an integral part of their programme of study and much of this will be in public sector and voluntary organisations such as schools, youth organisations, the NHS, drama groups and sports clubs. In addition to this the University has a strong culture of student and staff volunteering. Students also have the opportunity to act as 'student ambassadors' and mentors, working with current students, prospective students and the wider community.

Funded projects have offered further opportunities for students to contribute to the community through projects such as ASCENTS 121 Support for Science, a collaboration with six universities, in which university students are trained to be mentors and paired with year 11 pupils.

The health and well-being clinics continue to increase their partnership with the NHS and major employers, offering a range of rehabilitation programmes, including back pain, leg ulcer clinics and clinics for patients with cancer. We continue to work with our strategic partners and have invested in increasing the range of our clinics to include Osteopathy. These clinics contribute significantly to health and well-being for the University and the wider city. Further research opportunities are also explored and we continue to integrate overseas health professionals for the benefit of our city and region.

Our sport provision makes an active contribution to the wider community, not only through the sports facilities being made available to community groups and schools locally, but through encouraging children across the City region to engage in active sport from a young age to keeping people active later in life. We continue to seek opportunities to increase accessibility within sport and physical activity. Through careful scrutiny the University also explores diversifying with new partnerships for the region and improve the nature of the partnerships with the city's elite clubs Plymouth Argyle, Plymouth Albion and Plymouth City Patriots.

The Chaplaincy provides regular opportunities for worship for members of the wider community, deliver lectures and events and undertakes an annual programme of work supporting assemblies in primary schools across the region with student volunteers.

The public benefits outlined above are funded largely through undergraduate tuition fees with some small community and partnership contributions. The charitable work of the University is also supported by the Governors, who give their time and wider support to the institution without payment, other than for expenses. The University will continue in this charitable role to provide a broad range of public benefit to our community.

### **Payments to Trustees**

No payments were made to the Governors as charity trustees during the year except in the reimbursement of expenses incurred on the University's business. These expenses amounted to £1,381. This represents travel and subsistence expenses incurred in attending Board, committee meetings and other events in their official capacity.

### **Financial Highlights**

With the University sector as a whole having experienced a very challenging financial year, the University's financial performance and position need to be taken in that context. Given that, the University's financial performance, while not cause for celebration, certainly will bear comparison with many others of its size and shape.

In the first year of working towards the 2030 strategy, the University achieved income of £29.3m, about 1% less than the previous year. Core tuition fees were £20.5m, £311k less than the previous year, so consistent. Funding body grants were increased with the Office for Students' contribution to the PAHC building reflected in income, with the costs showing as assets in the course of construction in the balance sheet. That project continues to progress on programme and on budget, towards opening in September 2025. Other income is reduced compared to previous years by £1.6m; a major factor in that was the deferral of Aspire project income to the following year to match better with the ongoing costs of the project, when the courses run, in partnership with the NHS.

Costs for the year reflect the first stage of actions to align costs with the revised income plans under the strategy. Staff costs therefore reduced in the year to £15.7m compared to £15.8m in the prior year. That process of progressive staff cost rebalancing continues, reflecting the priority given to it within the Marjon 2030 strategy to work towards financial sustainability. Non-staff costs also remained flat at £13m. Costs in academic departments remained consistent at £6.1m. This reflects, in particular, the continuing support of partner universities in extending the reach of the University regionally, nationally and internationally. Where efficiencies could be achieved on discretionary expenditure, this has been done.

Overall, the University has reported a deficit of £2.7m and EBITDA of £114k; excluding the grant related to the Peninsula Allied Health Centre (PAHC) building, the deficit on operations was £5m. With the aim to work towards financial sustainability, the University is planning for an ongoing programme of cost rebalancing and transformation while continuing to grow its income and extend its scale and scope of activity within its strategic framework.

The balance sheet shows the investment in the PAHC building, reflected in £1.5m in "Assets in the Course of Construction" and a positive cash balance of £6.8m. Net assets reduced overall by £2.5m.

The financial plans for the University are clear. The income will be increased through volume growth not only on campus but also through its network of partners. Its transformation programme, Operation Excellence, will deliver cost and service improvement and in the short term, further measures to make step reductions in costs to accelerate the move to financial sustainability. Investment to support growth and transformation will be made, but selectively.

Financial management will be focused on close monitoring of progress and working closely with partners including the University's lenders.

## **Going Concern**

In recognition of the challenging financial environment for universities, with no increase in fee levels for many years, and having had to adapt to these pressures, the University has increased its focus on financial stability and this is reflected in the attention given to it by the Executive and the Board.

The University has invested significant resource in the year in assessing risk and planning its response in order to assure itself and its stakeholders that it has the plans and resources to continue its operations and therefore assure itself that it is a going concern.

In relation to the period to January 2026, the principal risks that the University has considered in its stress testing are as follows:

- Recruitment of undergraduate students being below target, resulting in lower fee income in 2024/25 or 2025/26;
- Efficiencies through Operation Excellence not being achieved;
- Cash inflows from disposal and/or leasehold of assets not being achieved.

The University has assessed these risks and has contingency plans to address them and still maintain its financial improvement plan by use of the following mitigation measures:

Basing its budget and resource plans on conservative assumptions, not at the level of its stretch targets; applications for 2025 entry are tracking at the level expected in order to achieve budget entry targets.

It has identified scope for early wins in the transformation plan and in addition has a proven record over the last two financial years of making savings in non-staff expenditure as well as in staff costs through vacancy management and adjustments to its staff establishment.

The University has been in dialogue with its lender to secure adjusted, time-limited financial support arrangements. As part of an enhanced package, as well as a rescheduling of loan repayments, with a capital repayment holiday until May 2027, the University has access, from May 2025 to a £1.5m overdraft facility. Further information is set out in Note 26 on Subsequent Events.

In addition, the University has invested significant senior management time and effort in monitoring and forecasting of its cashflows in order to assess its position and prospects from a cash point of view. This includes a detailed rolling cashflow which has been, and will continue to be updated twice monthly. This information has also been shared throughout with the Board's Committees and with the full Board so that the Board is aware of, and supporting the work of the Executive.

With the support referred to above, the Board is confident in its strategy and the implementation and looks forward to the move towards a sustainable financial position to underpin the Marjon 2030 strategy. It is satisfied that it has sufficient cash and access to cash to continue to trade as a going concern.

## Environment and sustainability

Plymouth Marjon University is required to return data around energy consumption and carbon production to fulfil its obligations under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

All Marjon's energy is consumed within the UK and the University is reporting on its energy use, including gas, electric and fuel consumption for transportation and their associated carbon emissions. The University also will be using tonnes of CO<sub>2</sub>e per m<sup>2</sup> based on the Gross Internal Area (GIA) to enable an intensity ratio to be established. The GIA of the University for the reporting period is 34,988 m<sup>2</sup>. The GIA covers both the estate's academic and residential buildings.

The reporting periods all end on 31 July and the table beneath covers the reporting period 2023/2024 as well as the prior year. The prior year offers a comparative data set against which progress can be measured. The table provides insights into the energy used and carbon created to heat and power the University.

The recently acquired Studio School is not included in the GIA figure due to vacant possession during the reporting period. The PAHC building is included although it is noted that the building has been under refurbishment condition for the reporting period.

Solar production figures saw a downturn in the reporting period due to several, since rectified, defects in a number of arrays.

Emissions	Fuel Source	Current Year 2023/2024			Prior Year 2022/2023		
		Volume	Unit	TCO <sub>2</sub> e	Volume	Unit	TCO <sub>2</sub> e
<b>Total Emissions</b>							
Total energy & carbon		6,257,531	kWh	1,174.56	6,102,586	kWh	1224
<b>Scope 1</b>							
Heating	Natural gas	3,300,592	kWh	602.49	3,034,548	kWh	553.93
Plant	Diesel	5,300	kWh	1.28	5,300	kWh	1.28
<b>Scope 2</b>							
Electricity	National grid	2,770,037	kWh	535.67	3,068,037	kWh	593.3
Electricity	On site solar	181,602	kWh	<b>35.12</b>	332,842	kWh	<b>75.97</b>

Energy Intensity Ratios (S1 & S2)	GIA m <sup>2</sup>	Ratio	GIA m <sup>2</sup>	Ratio
Intensity Ratio GIA	34,988	0.03357	34,988	0.02284

### **Quantification and reporting methodology**

The University has followed the March 2019 HM Government Environmental Reporting Guidelines. We are therefore not obliged to report Scope 3. We have utilised the template devised by Hillside Environmental Services and EAUC which follows the GHG protocols corporate standards and SECR guidelines for College Corporations.

### **Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per m<sup>2</sup>, based on the Gross Internal Area (GIA), the recommended ratio for the sector.

### **Report of the Members of the University Board of Governors**

The Board of Governors, as the directors of the University of St Mark & St John, presents the University's annual report and audited financial statements for the year ended 31 July 2024.

### **Tax Status**

The University is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2012 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2012 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Fixed Assets**

Freehold property is included in the Balance Sheet at cost.

### **Employees**

Health, safety and security matters are given special attention by the members of the University, and it is their policy to ensure that continued employment is offered to employees who become temporarily or permanently disabled and to provide special facilities wherever possible. The University Board of Governors also recognises the need to provide information on matters of concern to employees which is satisfied through its consultative procedures.

### **Payment of Creditors**

The University's policy is to obtain the best terms for all business and, thus, there is no single policy as to the terms used in agreements negotiated with suppliers. The University endeavours to include and abide by specific payment terms.

### **Governors' Liability Insurance**

The University has purchased Governors' liability insurance for the members of the University Board of Governors for the year ended 31 July 2024.

### Members' Statement as to Disclosure of Information to Auditor

The members of the University Board of Governors at the time of approving this report are listed on pages 5 and 6. Having made enquiries of fellow members, each of these members confirm that:

- To the best of each member's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditor is unaware;
- Each member has taken all the steps a member of the University Board of Governors might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information; and
- Each member of the University Board of Governors has confirmed that they did not have any transactions with the University or its subsidiaries which would require disclosure in the accounts under FRS102.

### Auditor

Bishop Fleming LLP were appointed as external auditor for the year 2022/23 and won the competitive tender to remain the University's External Auditors for a further 5-year period from 2023/24.

The financial statements on pages 35 to 67 were approved by the Board of Governors of the University of St Mark & St John on 28 March 2025 and signed on its behalf by:



**Graham Raikes MBE**

Chair of the Board of Governors



**Professor Claire Taylor**

Vice-Chancellor

## Statement of Directors' Responsibilities

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of Corporate Governance

### Legal status

The legal name and address of the University is The University of St Mark & St John, Derriford Road, Plymouth, PL6 8BH. Plymouth Marjon University is a trading name of the University of St Mark & St John. The preferred name is Plymouth Marjon University, often also referred to as 'Marjon'.

The following statement is provided to enable readers of the annual report and accounts of the University to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2023 to 31 July 2024 and up to the date of approval of the annual report and financial statements.

The University conducts its business

- in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). In accordance with these principles the University maintains a publicly accessible Register of Governors' Interests and declared trusteeships or directorships. Provisions relating to declaration of interests are specified in the Articles of the University and members are asked to declare interests at every meeting.
- in full accordance with the guidance to Universities from the Committee of University Chairs (CUC) in:
  - The Higher Education Code of Governance 2020 ("The Code")
  - The Higher Education Audit Committees Code of Practice 2020 ("The Audit Code")
  - The Higher Education Senior Staff Remuneration Code 2021 ("The Remuneration Code")

and having due regard to

- the UK Corporate Governance Code 2018

insofar as it is applicable.

The University is committed to exhibiting best practice in all aspects of corporate governance. In the opinion of the members of the University Board of Governors, the University complies with all the provisions of "the Code" and it has complied throughout the year ended 31 July 2024. The CUC Codes continue to be adopted on a 'comply or explain' basis.

### Marjon Student Union

The Marjon Student Union is an unincorporated association. Under the Education Act 1994, the University's Board of Governors is responsible for general oversight. The Marjon Student Union's President is a Board member and the Board of Governors receives regular input and an annual report from the Marjon Student Union. The Marjon Student Union has its own Board of Trustees.

The University Board of Governors approved the updated Marjon Student Union constitution in July 2023.

## How the University is Governed

Members of the University's Board of Governors accept responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding public and other funds and assets for which they are responsible, in accordance with the Memorandum and Articles of Association of the University of St Mark & St John and the terms and conditions of funding for Higher Education Institutions from the Office for Students (OfS).

Governors take on two roles: one as trustee of the charity and one as (non-executive) director of the company. As a trustee, members are responsible for annually signing off the accounts for the company. The primary responsibility of members of the Board is to monitor and maintain the solvency of the University and to determine the educational character and mission of the University.

Specifically, the primary responsibilities in accordance with the Articles of Association are as follows:

- the determination of the educational character and objectives of the University and for the supervision of its activities;
- the effective and efficient use of resources, the solvency of the University and for safeguarding its assets;
  - approving annual estimates of income and expenditure;
  - the determination of which posts comprise Holders of Senior Posts, save that the Vice-Chancellor, Chaplain and University Secretary shall always be Holders of Senior Posts;
- the assignment of duties to the Vice-Chancellor;
- the approval of the appointment, discipline, suspension and dismissal and the determination of the grading, pay and conditions of service of the Holders of Senior Posts;
- the agreement of the policy for pay and general conditions of employment of the Staff who are not Holders of Senior Posts;
- the appointment of Auditors; and
- discharging all other duties of the directors of a charitable company limited by guarantee carrying on the business of the Company.

It is the Board's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board is provided with regular and timely information on the overall financial performance of the University together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety issues. The Board meets, as a minimum, four times a year.

## Board meetings and membership

The University Secretary maintains a register of financial and personal interests of the governors. The register is available for inspection at the registered office. All interests are included within the Governors' Handbook which is available to view on the Plymouth Marjon University website [here](#). Furthermore, each Board member's pen portrait includes their interests, displayed on the website [here](#). There are different categories of governors, defined by their routes to appointment, however all Governors are considered independent. Governors are asked to complete a statement of affirmation to confirm suitability ("Fit and Proper Persons") and eligibility on appointment and declare any interests regularly. Any queries of concerns would be referred to the Chair, Joint Deputy Chairs or University Secretary. Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings.

## Board Committees

The Board conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Board. Full minutes of all meetings, except those deemed to be confidential by the Board, are available from the University Secretary. Minutes of the Board, Audit Committee and Finance & Resources Committee are also displayed on the University's website, in an accessible format.

The committees of the Board of Governors are as follows:

### Finance & Resources Committee

This is a finance and general purpose committee that considers estates and finance. The Vice-Chancellor has been delegated authority from the Board of Governors for the running of the University on a day to day basis and the Finance & Resources Committee is responsible for authorising any new, strategically significant or commercial activities and in line with the limits outlined in the Financial Regulations. The committee also approves the financial plans and accounts before they are presented to the Board of Governors. The Finance & Resources Committee also monitors key statutory returns to the OfS, prior to approval by the Board of Governors.

The Finance & Resources Committee also delegates authority to the **Digital & Physical Infrastructure Group** to lead the development of strategies and plans relating to existing and future campus developments.

### Audit Committee

This committee provides assurance and reviews the risks management, internal controls and governance of the University by examining the University's processes and how they operate. The University's internal auditors are TIAA, the external auditors are Bishop Fleming and both report directly to the Audit Committee. The Audit Committee also produces an annual report for the Board of Governors on the effectiveness and compliance of the committee. The Audit Committee is responsible for reviewing the annual financial accounts. It operates in accordance with "the Audit Code".

### Governance & Nominations Committee

This committee is responsible for the appointment of governors and co-optees to the Board, fostering diversity, ensuring quoracy and monitoring the re-appointment of members into their second (or, exceptionally, third) term. The Governance & Nominations Committee also oversees the effectiveness of the Board, via a review of board effectiveness. The process is confirmed annually and its purpose is to provide assurance to the Board that effective governance arrangements are in place, providing an overview of the effectiveness of the Board, its Committees and Chair.

### Remuneration Committee

This committee monitors and reviews the salaries and any performance-related payment to the most senior staff of the University and also considers human resources related matters. It operates in accordance with "the Remuneration Code". The Chair of the Board is a member but does not chair this Committee. The Vice-Chancellor attends solely by invitation and is not present for discussions regarding their own performance or remuneration.

The Remuneration Committee also delegates authority to the **People & Organisational Development Sub-Committee** to seek to ensure that the University is managing its people issues effectively and monitoring how people strategies contribute to improved organisational performance.

## Senate

The Board of Governors has delegated its responsibility for maintaining and enhancing the University's academic performance at all levels to Senate. Senate provides regular reports to the Board of Governors so that it can be assured of the continuous improvement of the student academic experience and student outcomes, along with the methodologies used to measure them. It also ensures that the standards of the University's awards are appropriately set and maintained. Governors may be invited to attend meetings of Senate as observers, and receive confirmed minutes and regular reports from the committees that report to it.

## Student Engagement

The Board is committed to engaging with the student experience and to ensure accountability with regards to student experience, welfare and engagement. Marjon Student Union's (MSU) elected president, the Student Governor, attends Board of Governors' meetings and is a member of Digital & Physical Infrastructure Group, as well as attending meetings of the Finance & Resources Committee and People & Organisational Development Sub-Committee. The Deputy MSU President is invited to Board meetings as an attendee. The Pro Vice-Chancellor (Student Success) attends Board and committee meetings. A governor-student lunch is included in the annual cycle of business. The MSU Code of Practice was last discussed and confirmed by the Board in 2021/22.

The Student Experience Council (SEC) aims to facilitate student participation in order to enhance the student experience, as does the Teaching, Learning and Academic Quality Committee (TLAQC) which debates, reviews and recommends approaches to improve the quality of students' learning opportunities and their academic experience within the University. Students represent the student body as members of Programme Voice Panels and University committees such as Senate and contribute as panel members at validation and other quality events.

## Governance during the year

The University's Board of Governors held three full Board meetings, one Strategy Briefing Day and one Strategy Day. These events were held in person, on the Plymouth Marjon University campus.

Additionally, three extraordinary Board meetings were held, virtually. Following careful scrutiny by the Finance & Resources Committee, the matters brought to the Board's attention at these three meetings were as follows:

October 2023: The Vice-Chancellor highlighted key issues which had resulted in an adverse financial position compared with that anticipated previously. The Vice-Chancellor summarised key factors behind this and the proposed mitigation.

January 2024: The Vice-Chancellor updated the Board on the work which had been undertaken so as to finalise the financial statements, assuring the Board that the OfS and the bank were fully informed and supportive of the position. The audited financial statements 2022/23 were approved.

April 2024: An update on forecast, budget and savings was presented to the Board. Cashflow management was discussed, noting the bank's revised requirements. The approach and timeline for building the 2024/25 budget was discussed, with enhanced financial monitoring to take place through 2024/25.

The need for careful scrutiny and identification of further savings going forwards was consistent with the sector, noting that the pressure on HEIs has increased year-on-year as the relative unit of resource available per student had significantly decreased over the last decade. The OfS was now liaising regularly with institutions to directly monitor financial sustainability to reflect this sector-wide pressure.

The University Board of Governors' four committees, one sub-committee and one task group met as follows in 2023/24:

1. Finance & Resources Committee – four scheduled meetings and two extraordinary meetings, regarding approval of financial statements and the budget
2. Audit Committee – three scheduled meetings, one interim meeting to focus on Internal Audit review reports and recommendations, and one extraordinary meeting regarding approval of the financial statements.
3. Governance & Nominations Committee – three scheduled meetings
4. Remuneration Committee – two scheduled meetings
5. People & Organisational Development Sub-Committee – two scheduled meetings
6. Digital and Physical Infrastructure Group – three scheduled meetings

The Board of Governors considered and approved the revenue and capital budgets, annual monitoring statement and the financial forecasts. The Board also considered and approved the Annual Financial Return and Financial Regulations. The terms of an existing bank loan were reviewed; amended terms were approved.

The following statements were approved: Board Effectiveness Statement, Research Integrity Statement; Health and Safety Statement of Intent; Senior Remuneration Annual Statement.

All Board committees' terms of reference, including Senate, were reviewed and approved, as part of the annual cycle of business.

The University Board of Governors received reports at their meetings on:

- Local, national, regional, sector and political developments
- Updates from the Vice-Chancellor
- Marjon 2030 Strategy, Foundational Delivery Plan and Priority Actions
- Organisational Change Report
- Institutional KPIs Annual Report
- Academic matters
- Annual Quality Assurance Report;
- Reports regarding Office for Students, including Annual Financial Return (AFR), Transparent Costing (TRAC) Return; B3 Condition Mapping; Tackling Harassment and Securing Freedom of Speech
- Strategic Risk Register and Risk Management
- Student recruitment, retention, performance and student surveys
  - Access and Participation Update
- Updates from MSU President
- MSU Election report
- Minutes of MSU Annual General Meeting
  - Management accounts and other financial information
  - Report on Marjon Tenancies
  - Estates Update
  - Departmental updates
  - Annual Chaplaincy Report
  - Athena Swan Accreditation update
  - Gender and pay
  - HESA Staff Return
  - Data Protection and Freedom of Information
  - Annual Whistleblowing Report

- Summary assurance report (Reserved Business), incorporating any fraudulent incidents, legal activity, health and safety incidents, whistleblowing incidents, student casework, student welfare
- Board Effectiveness
- Governors' Handbook
- Board membership, skills audit, Register of Interests
- Chancellor's Tenure
- Minutes of the meetings of all Board Committees, the Sub-Committee, the task group and Senate. Annual review and approval of Terms of Reference. In addition to the minutes, the Chairs of the respective committees provided verbal reports and received and responded to questions from Board colleagues. Remuneration Committee provided an annual report to the Board in place of minutes, as per 'the Remuneration Code'.
- Data returns and statistics inclusive of annual data assurance report
- Marjon Futures Update
- Tackling Sexual Misconduct and Harassment
- Updates on University events and activities

The Board Strategy Day focused on the development of the Marjon 2030 Strategy.

Ahead of the autumn Board of Governors' meeting, a tour of the Health Simulation Suite was arranged, to develop Board members' understanding of the University's capability to deliver advanced simulated learning and teaching in nursing and allied health.

New members of the Board of Governors attended personalised induction meetings and training sessions, delivered by the Chair, Vice-Chancellor and Governance Secretariat during 2023/24. Introductions to the Audit Committee and F&R Committee were arranged for new members.

The Finance & Resources Committee examined financial plans and forecasts, financial regulations and procedures, the investment fund performance, fees and funding, student recruitment and retention figures and key financial risks. The Committee also considered Health & Safety, business planning and finance KPIs. Data returns and any financial implications were also considered. The University's OfS Annual Financial Return was scrutinised prior to Board approval and the Transparent Approach to Costing return was received and considered. The closure of Marjon Tenancies Limited was discussed and confirmed, as were asset disposal recommendations.

MSU Trustees' Report and Financial Statements were received and a recommendation made to the Board regarding MSU financial support.

Regular updates on estates, digital matters and capital planning were received via a task group, the Board's Digital & Physical Infrastructure Group (DPIG). DPIG convened three times during the year, discussing reports on the condition of the estate, opportunities for digital transformation and prioritisation of the capital programme.

The Audit Committee met with the Internal Auditors on four occasions during 2023/24. The Internal Auditors liaised with the Management Audit Group (MAG) in advance of these meetings. The Committee met to consider Internal Audit reports; review and plan forthcoming internal audit reviews; receive the Internal Auditors' annual report; review committee effectiveness with regard to the "The Audit Code".

The Committee met with the External Auditors three times in 2023/24 to consider the audit plan and to consider and receive the audit findings report and financial statements for the year.

A representative from the University attended all meetings but, at the request of the Chair of the Audit Committee, left the meeting as needed so that independent discussions could take place between members of the Audit Committee and the Internal and/or External Auditors. The Chair of the Audit Committee provided an annual report for the University Board of Governors which included reference to a report on value for money initiatives undertaken by the University.

During 2023/24, the Audit Committee received reports on the following reviews: student wellbeing; risk management; financial reporting and budgetary control; staff recruitment and retention including professional development; cyber-security (also covering cyber response plan, policy and actions from previous reviews). Reports on: new course development and portfolio review; health and safety; partnerships; staff wellbeing would be finalised in the autumn of 2024, the fieldwork having taken place in 2023/24. These were in addition to a follow-up review of any outstanding recommendations from 2023/24 audit reports. Advisory reviews of the following areas were also commissioned: budget outturn and financial monitoring; value for money.

Governance & Nominations Committee considered Board membership and succession planning; Chancellor succession planning; Board effectiveness; skills and diversity of the Board; Board members' induction and development training; committee terms of reference. A review of the University's alignment with "The Code" had been conducted by PricewaterhouseCoopers in 2022 and confirmed as effective. The Vice-Chancellor ensured that the Committee was briefed on strategic developments, providing updates on their early months in post and also the development of the Marjon 2030 Strategy. The approach to drafting this Statement of Corporate Governance was also considered.

Remuneration Committee met to discuss matters relating to the terms and conditions of service and the emoluments of the holders of "Senior Posts" as defined in the Articles of Association. The Committee's effectiveness was reviewed, in the context of "The Remuneration Code". The Vice-Chancellor was not present for any discussion regarding their own performance or remuneration.

People & Organisational Development Sub-Committee considered in detail the University's People Strategy action plan and other human resources matters. These included an update and discussion on Athena Swan accreditation, which was being progressed as a key initiative across the institution.

### **Statement of Responsibilities of the Board of Governors**

The Companies Act 2006 and the Office for Students require the Board of Governors to ensure that financial statements are prepared for each financial year which give a true and fair view of the state of affairs of the University, and of the income and expenditure, cash flows and recognised gains and losses of the group for that period.

In preparing these financial statements, the Board has to ensure that they:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

To assist the members of the Board of Governors in discharging its ultimate responsibility, the University's Finance & Resources Committee and the Audit Committee are responsible for ensuring that proper accounting records are kept which 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 Companies Act 2006 and the Accounts Direction issued by the OfS.

The Board of Governors is also responsible under the Terms and Conditions of Funding for Higher Education Institutions for:

- ensuring that funds from OfS and other funding bodies are used only for the purposes for which they have been given and in accordance with the Terms and Conditions of funding for Higher Education Institutions and any other conditions which OfS may from time to time prescribe;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Internal Control

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 likelihood, nature and extent of those risks, aim to reduce the impact of the risks whilst seeking to ensure that all risks, and opportunities, are managed efficiently, effectively and economically. The continuous review of risk includes business, operational and compliance risk as well as financial risk. This process has been in place for the year ended 31 July 2024 and up to the date of approval of the financial statements and accords with OfS guidance.

The process for risk assessment is embedded in the ongoing operation of the University. The strategic risk register is updated throughout the year and reviewed at the main committees of the Board of Governors. The Executive Leadership Team review the risks at their meetings throughout the year, providing regular reports on internal control and risk and highlighting any changes to the Board. The Audit Committee reviews risk identification, evaluation and management reporting to the Board of Governors which is ultimately responsible for ensuring that a sound system of internal control is maintained. Its terms of reference align with "The Audit Code". A Management Audit Group (MAG) has been established comprising Internal Auditor, Finance Director/ Chief Financial Officer and University Secretary to provide oversight of the internal audit process.

Throughout the year, internal control systems have been maintained, with assurance including through the regular, scheduled work of the internal auditors. Reports have been reviewed and systematically considered by the Audit Committee, including recommendations, proposed management actions, implementation timescales and follow up reports. The review of the effectiveness of the system of internal control is informed by the work of the executive managers within the institution, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their reports. The External Auditors have provided a highlights memorandum and management letter in connection with the 2023/24 financial statements.

The Board, through the Audit Committee, has reviewed the effectiveness of the system of control operating in 2023/24 and up to the date of approval of these financial statements.

## Going Concern

The Board of Governors has a responsibility to assess the ability of the University to continue trading and present its financial statements on a going concern basis.

The higher education sector as a whole is experiencing financial strain from years of static funding for home undergraduates, now compounded by cost inflation on goods and services and significant increases in pension costs and now national insurance contributions. So, the University is not alone in facing a challenging financial outlook. However, the University has taken some significant steps in the year just completed to reduce its costs to move towards a sustainable basis of operation. That process is continuing over the next few years with its transformation programme "Operation Excellence". The University has updated and enhanced its financial forecasts to enable the executive and governors to make effective decisions in a more unstable environment and that includes the testing of sensitivities and scenarios.

Recruitment has been on target for on-campus students and recruitment by partner institutions is running ahead of plan. The University is progressing with its transformation but there is a two-year period needed to bring costs into line with the rising income. For that period, the University has worked constructively with its bankers to have in place liquidity support and is confident that the support provided is at a level sufficient to cover off potential risks and changes within that period. Further information is contained in Note 26 on Subsequent Events.

Risks to the plans have been identified and quantified and the executive and governors are satisfied that the University has identified and can implement mitigation measures, if needed, sufficient to comply with facility terms and meet all financial obligations.

For these reasons, the Board of Governors of the University is pleased to confirm that it is content to use the going concern basis for its financial statements.



**Graham Raikes MBE**

Chair of the Board of Governors

## Independent auditors' report to the Members of The University of St Mark & St John (a company limited by guarantee)

### Opinion

We have audited the financial statements of the University of St Mark & St John (the 'University') and its subsidiaries (the 'Group') for the year ended 31 July 2024 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated and Institute Statement of Changes in Reserves, the Consolidated and Institute Statement of Financial Position, the Consolidated Statement of Cash Flows and the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: Accounting for Further and Higher Education (the 'FE HE SORP') and the Office for Students' Accounts Direction (OfS 2019.41).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024 and of the Group's deficit of income against 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 FE HE SORP and the Office for Students' Accounts Direction (OfS 2019.41).
- 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.

### Conclusion relating to going concern

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

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

Our responsibilities and the responsibilities of the members 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 Report of the Members of the Board of Governors and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. The Board of Governors are responsible for the other information. 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.

## **Independent auditors' report to the Members of The University of St Mark & St John (a company limited by guarantee) - continued**

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

We have nothing to report in this regard.

### **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 Report of the Members of the University Board of Governors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Report of the Members of the University Board of Governors have been prepared in accordance with applicable legal requirements.

### **Opinion on other matters prescribed by the Office for Students' Accounts Direction (OfS 2019.41)**

In our opinion:

- funds from whatever source administered by the University for the specific purposes have been applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by the Office for Students ('OfS'), UK Research and Innovation (including Research England), the Education and Skills Funding Agency and Department for Education have been applied in accordance with the relevant terms and conditions attached to them.

We have nothing to report in respect of the following matters in relation to which the Office for Students' Accounts Direction requires us to report to you if, in our opinion:

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

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

In the light of our 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 and the Report of the Members of the University Board of Governors.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Independent auditors' report to the Members of The University of St Mark & St John (a company limited by guarantee) - continued

### Responsibilities of the Board of Governors

As explained more fully in the Statement of Responsibilities of the Board of Governors, the directors 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 directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- the nature of the sector, control environment and the University's performance;
- results of our enquiries of management and the members, including the committees charged with governance over the University's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the University's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- how the University ensured it met its obligations arising from it being financed by and subject to the governance requirements of the OfS, and as such material compliance with these obligations is required to ensure the University will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure; and
- the matters discussed among the audit engagement team and involving relevant internal University specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the University for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries and these were identified as having the greatest potential for fraud.

## Independent auditors' report to the Members of The University of St Mark & St John (a company limited by guarantee) - continued

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the University operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Office for Students' Accounts Direction (OfS 2019.41), the Companies Act 2006, Financial Reporting Standard 102 and the FE HE SORP.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the University's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of the University's management and members concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the OfS;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of the members and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Independent auditors' report to the Members of The University of St Mark & St John  
(a company limited by guarantee) - continued**

**Use of our report**

This report is made solely to the University's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Nathan Coughlin FCA (Senior statutory auditor)  
for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
PL4 0BN

Date: 28 March 2025

Signed: 

**Consolidated Statement of Comprehensive Income and Expenditure**  
**Year Ended 31 July 2024**

	Notes	Year ended 31 July 2024 <b>Consolidated</b>	Year ended 31 July 2023 Consolidated
		£'000	£'000
<b>Income</b>			
Tuition fees and education contracts	1	20,453	20,764
Funding body grants	2	3,594	2,057
Research grants and contracts	3	270	94
Other income	5	4,933	6,580
Investment income	6	13	85
<b>Total income</b>		<b>29,263</b>	<b>29,580</b>
<b>Expenditure</b>			
Staff costs	7	15,753	15,822
Restructuring costs	7	248	277
Other operating expenses	9	13,275	13,134
Depreciation and amortisation	10	2,221	2,257
Interest and other finance costs	8	487	547
<b>Total expenditure</b>		<b>31,984</b>	<b>32,037</b>
<b>(Deficit) before other gains/(losses)</b>		<b>(2,721)</b>	<b>(2,457)</b>
		(8%)	(8%)
Gain/(Loss) on investments		26	(118)
<b>(Deficit) before tax</b>		<b>(2,695)</b>	<b>(2,575)</b>
		8%	8%
<b>(Deficit) for the year</b>		<b>(2,695)</b>	<b>(2,575)</b>
		8%	8%
<b>Other comprehensive income</b>			
Actuarial profit in respect of pension schemes	23	8	9,459
<b>Pension Surplus not recognised</b>		<b>309</b>	<b>(7,069)</b>
<b>Total comprehensive income for the year</b>		<b>(2,378)</b>	<b>(185)</b>
<b>(Deficit) for the year attributable to:</b>			
Institution		<b>(2,695)</b>	<b>(2,575)</b>

All items of income and expenditure relate to continuing activities.  
Notes on pages 44-65 form part of these financial statements.

**Consolidated and Institute Statement of Changes in Reserves  
Year Ended 31 July 2024**

Consolidated	Income and expenditure reserve	Revaluation reserve	Total
	Unrestricted		
	£'000	£'000	£'000
<b>Balance at 1 August 2022</b>	<b>34,050</b>	<b>3,699</b>	<b>37,749</b>
Surplus/(deficit) for the year	(2,575)	-	(2,575)
Other comprehensive income	9,459	-	9,459
Pension surplus not recognised	(7,069)		(7,069)
<b>Total comprehensive income for the year</b>	<b>(185)</b>	<b>-</b>	<b>(185)</b>
<b>Balance at 1 August 2023</b>	<b>33,865</b>	<b>3,699</b>	<b>37,564</b>
Surplus/(deficit) for the year	(2,695)	-	(2,695)
Other comprehensive income	8	-	8
<b>Pension Surplus not recognised</b>	<b>309</b>	<b>-</b>	<b>309</b>
<b>Total comprehensive income for the year</b>	<b>(2,378)</b>	<b>-</b>	<b>(2,378)</b>
<b>Balance at 31 July 2024</b>	<b>31,487</b>	<b>3,699</b>	<b>35,186</b>

Institution	Income and expenditure reserve	Revaluation reserve	Total
	Unrestricted		
	£'000	£'000	£'000
<b>Balance at 1 August 2022</b>	<b>34,157</b>	<b>3,699</b>	<b>37,856</b>
Surplus/(deficit) for the year	(2,575)	-	(2,575)
Other comprehensive income	9,459	-	9,459
Pension surplus not recognised	(7,069)		(7,069)
<b>Total comprehensive income for the year</b>	<b>(185)</b>	<b>-</b>	<b>(185)</b>
<b>Balance at 1 August 2023</b>	<b>33,971</b>	<b>3,699</b>	<b>37,670</b>
Surplus/(deficit) for the year	(2,695)	-	(2,695)
Other comprehensive income	8	-	8
Pension surplus not recognised	309	-	309
<b>Total comprehensive income for the year</b>	<b>(2,378)</b>	<b>-</b>	<b>(2,378)</b>
<b>Balance at 31 July 2024</b>	<b>31,594</b>	<b>3,699</b>	<b>35,293</b>

**Consolidated and Institute Statement of Financial Position (Balance Sheet)  
Year Ended 31 July 2024**

	Notes	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>Non-current assets</b>					
Tangible assets	10	36,858	36,875	37,637	37,654
Investments	11	314	314	894	894
		<u>37,172</u>	<u>37,189</u>	<u>38,531</u>	<u>38,548</u>
<b>Current assets</b>					
Stock	13	1	1	1	1
Trade and other receivables	1	3,492	3,492	5,694	5,783
Cash and cash equivalents		6,771	6,771	5,769	5,769
		<u>10,264</u>	<u>10,264</u>	<u>11,464</u>	<u>11,553</u>
Less: Creditors: amounts falling due within one year	15	<u>(5,398)</u>	<u>(5,398)</u>	<u>(5,231)</u>	<u>(5,231)</u>
<b>Net current assets</b>		<u>4,866</u>	<u>4,866</u>	<u>6,233</u>	<u>6,322</u>
<b>Total assets less current liabilities</b>		<u>42,038</u>	<u>42,055</u>	<u>44,764</u>	<u>44,870</u>
Creditors: amounts falling due after more than one year	16,17	(6,828)	(6,828)	(7,175)	(7,175)
Pension provisions	18,24	(24)	(24)	(25)	(25)
<b>Total net assets</b>		<u>35,186</u>	<u>35,203</u>	<u>37,564</u>	<u>37,670</u>
<b>Unrestricted Reserves</b>					
Income and expenditure reserve - unrestricted		31,487	31,504	33,865	33,971
Revaluation reserve		3,699	3,699	3,699	3,699
<b>Total Reserves</b>		<u>35,186</u>	<u>35,203</u>	<u>37,564</u>	<u>37,670</u>

Notes on pages 44-65 form part of these financial statements



**Graham Raikes MBE**

Chair of the Board of Governors

Date: 28 March 2025



**Professor Claire Taylor**

Vice-Chancellor & Chief Executive

**Consolidated and Institute Statement of Cash Flows**  
**Year Ended 31 July 2024**

	Notes	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
<b>Cash flow from operating activities</b>			
(Deficit)/Surplus for the year before tax		(2,695)	(2,575)
<b>Adjustment for non-cash items</b>			
Depreciation	10	2,221	2,257
Decrease/(increase) in stock	12	-	8
Decrease/(increase) in debtors	13	2,202	(1,696)
Write-off of assets		69	-
Revaluation (gain)/loss on investments		(25)	243
Actuarial movement on pension		317	2,390
Pension Notional Interest		-	33
(Decrease)/Increase in creditors	14,16	405	1,659
Increase/(decrease) in pension provision	23	(1)	(1,389)
<b>Adjustment for investing or financing activities</b>			
Investment income	6	(13)	(85)
(Gain)/Loss on the sale of tangible assets		-	145
Interest payable	8	487	514
<b>Net cash inflow from operating activities</b>		2,967	1,496
<b>Cash flows from investing activities</b>			
Purchase of investments	11	(105)	(164)
Sale of investments	11	710	545
Investment income	5	13	85
Payments made to acquire tangible assets	10	(1,511)	(3,197)
Interest received		-	-
		(893)	(2,731)
<b>Cash flows from financing activities</b>			
Interest paid	8	(487)	(514)
Repayments of amounts borrowed	17	(585)	(537)
		(1,072)	(1,051)
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		1,002	(2,286)
Cash and cash equivalents at beginning of the year		5,769	8,055
Cash and cash equivalents at end of the year		6,771	5,769

Notes on pages 44-65 form part of these financial statements

## Statement of Accounting Policies Year Ended 31 July 2024

### 1. General Information

The University of St Mark & St John is a company limited by guarantee, incorporated in England. Its registered address is as disclosed on page 4 of the financial statements.

### 2. Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS 102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention.

### 3. Basis of Consolidation

The consolidated financial statements include the University and its subsidiary (Marjon (South West) Limited) for the financial year to 31 July 2024. Intra-group transactions are eliminated on consolidation. In the Company's accounts, investment in subsidiaries are stated at cost less amounts written off.

In accordance with section 408 of the Companies Act 2006 the University of St Mark & St John is exempt from the requirement to present its own income and expenditure account.

### 4. Income Recognition

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

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced by a discount, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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

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

#### Grant Funding

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

#### Capital Grants

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

### 5. Going Concern

The University has sufficient financial resources together with continued funding. As a consequence, the directors believe that the University is well placed to manage its business risk successfully whilst we restructure the University to manage within resource limits in a challenging sector environment. We continue to examine the longer term horizon and run scenarios and explore fee diversification resulting from new opportunities in response to changes

in the student population. The University monitors applicant and conversion rates and is working on measures to improve continuation. The University has also been reducing its residual debt finance. Details of its revised loan funding package are set out in the Strategic Report and in note 26. The directors have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

## 6. Accounting for Retirement Benefits

The 4 principal pension schemes for the University are:

1. Universities Superannuation Scheme (USS)
2. Local Government Pension Scheme (LGPS) - *administered by the London Pensions Fund Authority (LPFA)*
3. Teachers' Pension Scheme (TPS)
4. Church of England Funded Pension Scheme (CoEFPS)

The schemes are defined benefit schemes which are externally funded and contracted out of the State.

Each fund is valued regularly by professionally qualified independent actuaries.

The USS, TPS and CoEFPS schemes are all multi-employer schemes for which it is not possible to identify the assets and liabilities to University members due to the mutual nature of the scheme and therefore these schemes are accounted for as defined contribution retirement benefit schemes.

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

### Defined Contribution Plan

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

### Defined Benefit Plan

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

The institution participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set.

The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

## 7. Employment Benefits

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

## 8. Operating Leases

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

## 9. Fixed Assets

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

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

### Buildings and Integral Fixtures and Fittings

Depreciation has been provided at 2% on buildings and on fixtures and fittings that form an integral part of the buildings in which they have been installed.

No depreciation is charged on freehold land.

Costs incurred in relation to land and buildings after initial purchase or construction, are capitalised to the extent that they increase the expected future benefits to the University.

### Other Fixtures and Fittings and Equipment

Assets costing less than £5,000 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised.

Assets funded on a replacement basis by means of maintenance grants receivable from the OfS are written off in the year in which they are purchased.

Assets qualifying for special capital grants receivable from the OfS and all other new assets purchased are capitalised in the financial statements and written off in equal instalments over their estimated useful lives as follows:

Temporary classrooms and other modular buildings:	between 10 and 20 years
All other equipment:	between 3 and 5 years

## 10. Capitalisation of Interest

Interest on loan finance in relation to the construction of new buildings has been capitalised as tangible fixed assets and is written off over the useful life of the assets to which it relates.

## 11. Finance Costs

The finance cost of loans is allocated on an effective interest rate basis over the term of the individual loans.

## 12. Investments

Fixed asset investments are carried at market value and the movement in market values is taken to the Statement of Comprehensive Income. Diminution in value is also charged to the Statement of Comprehensive Income.

### 13. Stock

Stocks of food, catering items and stationery are valued at the lower of cost and net realisable value.

All other consumables are written off in the year of purchase.

### 14. Cash and Cash Equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 15. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the financial statements when:

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

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

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

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

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

### 16. Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Statement of Comprehensive Income.

### 17. Taxation Status

The University is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2014 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2014 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 18. Maintenance Costs

The cost of routine maintenance is charged to the Statement of Comprehensive Income in the period it is incurred. The University has a planned maintenance programme which is reviewed on an annual basis. Actual expenditure on planned maintenance is charged to the income and expenditure account in the period in which it is incurred.

## 19. Financial Instruments

The University only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the School and their measurement basis are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

## 20. Judgements in Applying Accounting Policies and Key Sources of Estimation of Uncertainty

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

**Pension assumptions:** Included in the financial statements is an asset in respect of the University's share of the LGPS pension balance. This is calculated by an independent actuary who predict the potential outlay required pensions become payable to retired employees. This prediction is based on a large number of estimates driven by market data. The University in agreement with the auditors decided not to recognise this as an asset on the balance sheet.

**Bad debt provision:** Included in the financial statements is a provision for expected bad debts. This provision is calculated by the University based on their knowledge of the industry and prior year experience when recovering debtors.

## Notes to the Accounts

### Year Ended 31 July 2024

	Year Ended 31 July 2024		Year Ended 31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>1 Tuition fees and education contracts</b>				
Full-time home and EU students	19,921	19,921	20,289	20,289
Full-time international students	-	-	87	87
Part-time students home and EU students	532	532	388	388
Research Training Support Grant	-	-	-	-
	<b>20,453</b>	<b>20,453</b>	20,764	20,764
<b>2 Funding body grants</b>				
Recurrent grant	884	884	1,168	1,168
Office for Students				
Office for Students Capital Grant	2,393	2,393	426	426
Research England	130	130	463	463
Other	187	187	-	-
	<b>3,594</b>	<b>3,594</b>	2,057	2,057
<b>3 Research grants and contracts</b>				
Research councils	-	-	-	-
Government (UK and overseas)	-	-	-	-
Industry and commerce	-	-	-	-
Other research grants and contracts	270	270	94	94

**Notes to the Accounts**

**Year Ended 31 July 2024**

	Year Ended 31 July 2024		Year Ended 31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>4 Details of Grant and Fee Income</b>				
Grant Income from the OfS	884	884	1,168	1,168
Grant Income from Other Bodies	317	317	463	463
Fee Income for Taught Awards (exclusive of VAT)	19,981	19,981	20,091	20,091
Fee Income for Research Awards (exclusive of VAT)	51	51	94	94
Fee Income from Non Qualifying courses (exclusive of VAT)	421	421	1,099	1,099
<b>Total Grant and Fee Income</b>	<b>21,704</b>	<b>21,704</b>	<b>22,915</b>	<b>22,915</b>
<b>5 Other income</b>				
Residences, catering and conferences	3,015	3,015	2,945	2,945
Sports Centre	840	840	733	733
Other capital grants	-	-	-	-
Other income	1,078	1,078	2,902	2,902
	<b>4,933</b>	<b>4,933</b>	<b>6,581</b>	<b>6,581</b>
<b>6 Investment income</b>				
Other investment income	13	13	85	85
<b>Total income</b>	<b>29,263</b>	<b>29,263</b>	<b>29,580</b>	<b>29,580</b>

**Notes to the Accounts**  
**Year Ended 31 July 2024**

**7. Staff costs**

	Year Ended 31 July 2024		Year Ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Staff Costs				
Salaries	12,251	12,251	11,577	11,577
Social security costs	1,054	1,054	1,139	1,139
Other pension costs	2,448	2,448	3,106	3,106
Sub-total	<b>15,753</b>	<b>15,753</b>	15,822	15,822
Restructuring costs	248	248	277	277
Total	<b>16,001</b>	<b>16,001</b>	16,099	16,099

A further breakdown of pension costs has been included in note 23.

	31 July 2024	31 July 2023
	£'000	£'000
<b>Total remuneration of the head of the institution</b>		
Basic salary	180	199
Performance-related pay and other bonuses	-	5
Employer's NI	31	31
Pension Contributions and payments in lieu of contributions	46	44
Other Benefits – Relocation allowance	6	-
	<b>263</b>	<b>279</b>

The emoluments of the Vice-Chancellor are shown on the same basis as for higher paid staff and include salary, bonus and other taxable benefits.

The remuneration package provided to the Vice-Chancellor includes salary and pension costs only. The salary for the Vice-Chancellor was set in November 2022 by Remuneration Committee, without the Vice-Chancellor in attendance. The salary is determined by taking account of the size of the institution and the considerable improvement in performance seen within the year. The Remuneration Committee seeks comparative information on salaries and other emoluments and conditions in the sector from the Universities and Colleges Employers' Association (UCEA) to inform decisions and ensure that all arrangements are unambiguous and diligently recorded. Comparative data is also taken from post 92 universities and Higher Education Corporations (HECs) by institutional income in the £24m – £70m bracket. Mission group data from Guild HE is also used as a comparator, where available.

## Notes to the Accounts

### Year Ended 31 July 2024

#### 7. Staff costs (cont)

- a. The Vice-Chancellor's basic salary is 4.7 times the median pay of staff (2023 6.2 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by a provider to its staff.
- b. The Vice-Chancellor's total remuneration is 4.9 times the median total remuneration of staff (2023 8.4 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

The members of the Board of Governors do not receive any remuneration in their capacity as directors. Certain members are employed by the University as academic and administrative staff.

The number of staff with a basic salary of over £100,000 per annum has been included below.

Basic salary per annum	31 July 2024		31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	No.	No.	No.	No.
£110,000 - £114,999	-	-	1	1
£120,000 - £124,999	1	1	-	-
£180,000 - £184,999	1	1	-	-
£190,000 - £194,999	-	-	1	1
	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>

Staffing numbers reflect all staff within the University who are under an hourly paid contract of service, be it full time or part time. A large proportion of hourly paid staff are on either annualised hours contracts or zero-hours contracts, which span 6 months/the academic year. However, the hours actually worked under these contracts vary on a monthly basis (and these staff do not necessarily work every month), which is reflected in the headcount being significantly higher than the FTE.

Average staff numbers by major category	Year ended 31 July 2024		Year ended 31 July 2023	
	No	FTE	No	FTE
Academic	267	117	269	122
Management & specialist	6	6	6	6
Technical	20	20	35	19
Other	413	163	440	179
Total Number of staff	<b>706</b>	<b>306</b>	<b>750</b>	<b>326</b>

'Other' staff consists of all Professional Services support staff across the University.

**Notes to the Accounts**  
**Year Ended 31 July 2024**

**7. Staff costs (cont)**

**Key Management Personnel**

The key management personnel of the University comprise the Executive Leadership Team as listed on page 9. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for services to the University was as follows:

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
<b>Key management personnel compensation</b> (this represents pay including employer pension contributions and employer national insurance contributions)	<b>927</b>	966

	Notes	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>8 Interest and other finance costs</b>					
Loan interest		487	487	514	514
Unwind of discount on USS pension provision		-	-	-	-
Net cost on pension scheme	23	-	-	33	33
		<b>487</b>	<b>487</b>	547	547

**Notes to the Accounts**  
**Year Ended 31 July 2024**

**9 Analysis of other operating expenditure by activity**

	Consolidated	Institution	Consolidated Institution	
	£'000	£'000	£'000	£'000
Academic Departments	6,100	6,100	5,816	5,816
Administration and central services	1,343	1,343	1,381	1,381
Premises (including service concession cost)	2,611	2,611	2,696	2,696
Residences, catering and conferences (costs)	1,375	1,375	1,417	1,417
Other expenses	1,846	1,846	1,824	1,824
	<b>13,275</b>	<b>13,275</b>	13,134	13,134
Other operating expenses include:				
Operating lease rentals				
Land and buildings	8	8	63	63
Other	33	33	34	34
External auditors remuneration in respect of audit services	48	48	48	48
<b>Access and Participation</b>				
Access Investment	996	996	832	832
Financial Support	228	228	231	231
Disability Support	-	-	-	-
Research and Evaluation	93	93	63	63
Total Access and Participation costs	<b>1,317</b>	<b>1,317</b>	1,126	1,126

*£851k (2023 £721k) of these costs are already included in the overall staff costs figures included in the financial statements, see note 7. This is allocated:*

	Year Ended 31 July 2024	Year Ended 31 July 2023
Access Investment	851	672
Disability Support	-	-
Research and Evaluation	93	49
	<b>941</b>	<b>721</b>

*The University Access and Participation Plan can be viewed at:  
<https://www.marjon.ac.uk/about-marjon/governance--management/university-strategies--policies/>*

**Notes to the Accounts**  
**Year Ended 31 July 2024**

**10 Tangible Assets**

Consolidated	Freehold Land and Buildings	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
At 1 August 2023	32,779	30,591	1,924	65,294
Additions	-	-	1,511	1,511
Transfers	-	818	(818)	-
Disposals	-	-	(69)	(69)
<b>At 31 July 2024</b>	<b>32,779</b>	<b>31,409</b>	<b>2,548</b>	<b>66,736</b>
<b>Depreciation</b>				
At 1 August 2023	11,292	16,365	-	27,657
Charge for the year	593	1,628	-	2,221
Disposals	-	-	-	-
<b>At 31 July 2024</b>	<b>11,885</b>	<b>17,993</b>	<b>-</b>	<b>29,878</b>
<b>Carrying amount</b>				
<b>At 31 July 2024</b>	<b>20,894</b>	<b>13,416</b>	<b>2,548</b>	<b>36,858</b>
At 31 July 2023	21,487	14,226	1,924	37,637

**Notes to the Accounts**  
**Year Ended 31 July 2024**

	Year Ended 31 July 2024		Year Ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
<b>Institution</b>				
<b>Cost and valuation</b>				
At 1 August 2023	32,796	30,501	1,923	65,220
Additions	-	-	1,511	1,511
Transfers	-	818	(818)	-
Disposals	-	-	(69)	(69)
<b>At 31 July 2024</b>	<b>32,796</b>	<b>31,319</b>	<b>2,547</b>	<b>66,662</b>
<b>Notes to the Accounts</b>				
<b>Year Ended 31 July 2024</b>				
<b>Depreciation</b>				
At 1 August 2023	11,291	16,275	-	27,566
Charge for the year	593	1,628	-	2,221
Disposals	-	-	-	-
<b>At 31 July 2024</b>	<b>11,884</b>	<b>17,903</b>	<b>-</b>	<b>29,787</b>
<b>Carrying amount</b>				
<b>At 31 July 2024</b>	<b>20,912</b>	<b>13,416</b>	<b>2,547</b>	<b>36,875</b>
At 31 July 2023	21,504	14,227	1,923	37,654

At 31 July 2024 freehold land and buildings included £3,884k (2023 £3,884k) in respect of freehold land and is not depreciated. A full valuation of the University's land and buildings was carried out on 27 April 2015 by Vickery Holman who are an independent valuation firm. This valuation was carried out in accordance with RICS Appraisal and Valuation Standards issued by the Royal Institution of Chartered Surveyors. The valuation has been taken as deemed cost as at 1st August 2014, this is permitted under FRS102 as a transition exemption and a policy of revaluation does not need to be adopted going forward.

## Notes to the Accounts

### Year Ended 31 July 2024

#### 11 Non-Current Investments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Investment in subsidiaries	-	-	-	-
Other investments (a)	314	314	894	894
	<b>314</b>	<b>314</b>	894	894

The University holds 100 Ordinary shares of £1 each, which represents 100% of the share capital of Marjon (South West) Limited, a company incorporated in England. The principal activity of Marjon (South West) Limited in 2013-14 was the provision of catering services. In 2014/15 these activities were carried through the University. Since then Marjon (South West) Limited has not traded.

Marjon (South West) Limited has net liabilities of £88k (2023 £88k) and the results have been consolidated into these financial statements.

#### (a) Other investments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
At 1 August 2023	894	894	1,522	1,522
Additions	105	105	164	164
Disposals	(710)	(710)	(545)	(545)
Fair Value adjustments	25	25	(247)	(247)
<b>At 31 July 2024</b>	<b>314</b>	<b>314</b>	894	894

The historic cost of the quoted investments was £228k (2023 £807k).

## Notes to the Accounts

### Year Ended 31 July 2024

#### 12 Stock

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
General consumables	1	1	1	1

#### 13 Trade and other receivables

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Amounts falling due within one year:	2,834	2,834	2,999	2,999
Other trade receivables	-	-	-	89
Amounts due from subsidiary companies				
Other receivables	2	2	512	512
Prepayments and accrued income	656	656	2,183	2,183
	<b>3,492</b>	<b>3,492</b>	5,694	5,783

#### 14 Creditors: amounts falling due within one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Secured loans	227	227	565	565
Trade payables	1,092	1,092	1,333	1,333
Social security and other taxation payable	520	520	588	588
Other creditors	249	249	430	430
Accruals and deferred income	3,310	3,310	2,315	2,315
	<b>5,398</b>	<b>5,398</b>	5,231	5,231

**Notes to the Accounts Year  
Ended 31 July 2024**

**15 Deferred income**

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

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Research grants received on account	-	-	41	41
Other income	2,205	2,205	1,079	1,079
	<b>2,205</b>	<b>2,205</b>	1,120	1,120

**16 Creditors: amounts falling due after more than one year**

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Deferred income	-	-	120	120
Secured loans	6,828	6,828	7,496	7,496
	<b>6,828</b>	<b>6,828</b>	7,616	7,616

**17 Loans**

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Analysis of secured and unsecured loans:				
<b>Due within one year or on demand</b>	<b>227</b>	<b>227</b>	561	561
Due between one and two years	-	-	465	465
Due between two and five years	1,470	1,470	1,543	1,543
Due in five years or more	5,358	5,358	5,047	5,047
<b>Due after more than one year</b>	<b>6,828</b>	<b>6,828</b>	7,055	7,055
<b>Total secured and unsecured loans</b>	<b>7,055</b>	<b>7,055</b>	7,616	7,616
Investors loan repayable by 2023	-	-	120	120
Secured loan repayable by 2022	-	-	-	-
Secured loans repayable by 2036	7,055	7,055	7,496	7,496
	<b>7,055</b>	<b>7,055</b>	7,616	7,616

**Notes to the Accounts**  
**Year Ended 31 July 2024**

	Amount	Term	Interest rate	Borrower
Loan / Lender	£'000		%	
Investors loan / Marjon Tenancies 1 Ltd	7,520	2023	*10.3	Institution
Capital development loan / Barclays	3,950	2022	5.50	Institution
Estates development loan / Barclays	11,500	2036	6.65	Institution
Total	22,970		<i>*effective rate</i>	

The estate development and capital development bank loan was secured on the Peninsula Allied Health Centre (PAHC). The investors' loan was secured on 36 rooms within University accommodation buildings.

The capital development loan carried interest at 5.5% and was repayable over 15 years commencing November 2005. The repayment and interest costs associated with this loan were completely covered by rental income received from Plymouth University for use of the premises built with the capital development loan. This loan was cleared during the year ended 31 July 2022.

The investors' loan carried interest at an effective rate of 10.3% per annum and was repayable over 25 years commencing in December 1998. The loan was also secured on a bank deposit account holding £201k (2022 £235k) included in cash at bank and in hand. The bank deposit account was a fund for the repayment of the BES loan (see note 17) which was the nature of the security. The University cannot access these funds without the consent of Magarch Ltd. The loan was cleared during the year ended 31 July 2024.

The Barclays estate development loan carries interest at a rate of 6.65% and is repayable over 25 years commencing in 2011. The Barclays loan finance is secured on the legal mortgage over the entirety of the main campus.

Since the end of the financial year, the Barclays loan has been revised and repayments rescheduled as explained in note 26.

### 18 Business Expansion Scheme

In 1994 the University raised finance from Marjon Tenancies 1 Limited ("Tenancies"), a company formed under the Business Expansion Scheme, by the sale of leasehold interests in 36 of its student accommodation rooms (in houses in the campus area known as "the village"). Tenancies in turn have let the rooms under assured tenancies and the income generated will be set aside to provide return to its investors. The University is committed to the purchase of the shareholdings of investors in Tenancies at predetermined amounts starting in December 1998 and annually thereafter for a further 25 years. Penalty provisions apply in the event of default by the University, but in the opinion of the Board of Governors the possibility of these being invoked is remote.

The University is now the only shareholder of Marjon Tenancies 1 Limited however the results of this entity have not been included in these consolidated financial statements. This is because the University considers that the substance of the relationship is to raise finance for the construction of student accommodation, therefore the University make repayments each year to repurchase the shares in Tenancies. These payments were treated as the repayment of the loan balance. As of December 2023, Marjon owned 100% of Marjon Tenancies 1 Limited.

The net proceeds raised by the issue of shares in Tenancies have been treated in these financial statements as an investor's loan. The loan has been settled and the company is scheduled to be dissolved.

**Notes to the Accounts**  
**Year Ended 31 July 2024**

**19 Provision for Liabilities**

<b>Consolidated</b>	<b>Obligation to fund deficit on USS Pension</b>	<b>Defined Benefit Obligations (Note 21)</b>	<b>Total Pensions Provisions</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2023	(25)	-	(25)
Additions in 2023/24	-	6,760	<b>6,760</b>
Pension Surplus not recognised	-	(6,760)	<b>(6,760)</b>
Adjustment	1	-	<b>1</b>
<b>At 31 July 2024</b>	<b>(24)</b>	<b>-</b>	<b>(24)</b>

<b>Institution</b>	<b>Obligation to fund deficit on USS Pension</b>	<b>Pension scheme provision under FRS102</b>	<b>Total Pensions Provisions</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2023	(25)	-	(25)
Additions in 2023/24	-	6,760	6,760
Pension Surplus not recognised	-	(6,760)	<b>(6,760)</b>
Adjustment	1	-	<b>1</b>
<b>At 31 July 2024</b>	<b>(24)</b>	<b>-</b>	<b>(24)</b>

## Notes to the Accounts

### Year Ended 31 July 2024

#### 20 Consolidated reconciliation of net debt

	<b>Year Ended 31 July 2024</b>	Year Ended 31 July 2023
	<b>£'000</b>	£'000
Net debt 1 August 2023	(1,847)	(98)
Movement in cash and cash equivalents	1,002	(2,286)
Other non cash changes	55	4,035
Net debt 31 July 2024	<u>(282)</u>	<u>(1,847)</u>
Change in net debt	<u>1,563</u>	<u>1,749</u>

#### Analysis of debt

	<b>Year Ended 31 July 2024</b>	Year Ended 31 July 2023
	<b>£'000</b>	£'000
Cash and cash equivalents	6,771	5,769
Borrowings: amounts falling due in one year		
Secured loans	(227)	(561)
Borrowings: amounts falling due after one year		
Secured loans	<u>(6,828)</u>	<u>(7,055)</u>
Net debt	<u>(284)</u>	<u>(1,847)</u>

#### 21 Lease obligations

<b>Consolidated and Institution</b>	<b>Year ended 31 July 2024</b>				31 July 2023
	<b>Land and Buildings</b>	<b>Plant and Machinery</b>	<b>Other leases</b>	<b>Total</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>Payable during the year</b>	8	-	33	41	97
<b>Future minimum lease payments due:</b>					
Not later than 1 year	-	-	5	5	43
Later than 1 year and not later than 5 years	-	-	10	10	12
Later than 5 years	-	-	-	-	-
<b>Total lease payments due</b>	<u>-</u>	<u>-</u>	<u>15</u>	<u>15</u>	<u>55</u>

#### 22 Capital Commitments

There were Capital Commitments as at 31 July 2024 (2023 none).

## Notes to the Accounts

### Year Ended 31 July 2024

#### 23 Pensions

Different categories of staff were eligible to join one of four different schemes:

- Universities Superannuation Scheme (USS)
- Local Government Pension Scheme (LGPS) - administered by London Pensions Fund
- Teachers' Pension Scheme (TPS)
- Church of England Funded Pension Scheme (CoEFPS)

The total charge to the consolidated income and expenditure account (excluding finance expense) is noted below:

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Contributions paid to:		
USS	17	17
LGPS	597	785
TPS	1,520	1,312
CoE	7	7
Total contributions	<b>2,141</b>	2,121
Pension FRS102 Charge	<b>307</b>	985
Total Pension Costs for the year within staff costs	<b>2,448</b>	3,106

#### (i) The Universities Superannuation Scheme

The total cost charged to the profit and loss account is £17k.

The latest available complete Actuarial Valuation of the Retirement Income Builder is at 31 March 2023 (the valuation date), which was carried out using the projected unit method. The main purpose of this report, required by the Pensions Act 2004, is to set out the results of and outcomes from the valuation. Scheme members will receive a Summary Funding Statement relating to the valuation in due course.

The Trustee is responsible for the choice of assumptions for the valuation and for then setting an appropriate level of future contributions (having taken actuarial advice from me), in consultation with Universities UK ("UUK"), the body nominated for these purposes under the Scheme rules to act as the representative of the employers who sponsor the Scheme. The Joint Negotiating Committee ("JNC") is responsible for deciding how any change to the required overall contribution rate will be addressed, whether by way of change to member and employer contributions, changes to the benefit structure, or both.

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 to 31 March 2024, at which point the rate would increase to 6.3%. As set out in the table below, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024.

## Notes to the Accounts

### Year Ended 31 July 2024

#### 23 Pensions (cont)

Summary of agreed contributions	Employer contributions	Member contributions
From 1 October 2022	21.4% of Salary	9.8% of Salary
From 1 April 2022 in the event that the JNC recommendation is not implemented	23.7% of Salary increasing thereafter every 6 months up to 38.2% of Salary from 1 October 2025	11.0% of Salary increasing thereafter every 6 months up to 18.8% of Salary from 1 October 2025

Further details about the current position in relation to the USS pension scheme can be found in the *Actuarial Valuation Report at 31 March 2023*

#### (ii) The Local Government Pension Scheme (administered by the London Pensions Fund)

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

For LGPS, the employer's contribution rate was set, following the 2019 actuarial variation at 16.5% from April 2021 and remained in place until April 2023. The actuarial valuation in 2023 set the contributions from April 2023 to March 2026 at 10.1%. Contributions are generally set to a target of achieve a 100% funding level.

Under the definitions set out in FRS102, the LGPS is a multi-employer defined benefit pension scheme. In the case of the LGPS, the actuary of the scheme has identified the University's share of its assets and liabilities as at 31 July 2023.

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.

#### Assumptions

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	2024	2023
	%pa	%pa
Discount Rate	<b>5.00%</b>	<b>5.20%</b>
Pension increases	<b>2.85%</b>	<b>2.85%</b>
Salary increases	<b>3.85%</b>	<b>3.85%</b>
RPI inflation	<b>3.20%</b>	<b>3.25%</b>

**Notes to the Accounts**  
**Year Ended 31 July 2024**

**23 Pensions (cont)**

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65.

	<b>2024</b>	2023
	<b>Years</b>	Years
Current Pensioners		
Males	<b>19.7</b>	19.7
Females	<b>23.2</b>	23.1
Future Pensioners		
Males	<b>20.6</b>	20.6
Females	<b>24.6</b>	24.5

**Scheme assets and expected rate of return for LGPS**

The assets in the scheme, measured at fair value, were:

	<b>2024</b>	2023
	<b>£000</b>	£000
Equities	<b>22,168</b>	20,374
Target Return Portfolio	<b>6,014</b>	6,181
Infrastructure	<b>3,949</b>	4,332
Property	<b>3,290</b>	3,281
Cash	<b>1,185</b>	523
<b>Total</b>	<b>36,606</b>	34,691

	<b>2024</b>	2023
	<b>£000</b>	£000
Estimated assets share for the University	<b>36,606</b>	34,691
Present value of scheme liabilities	<b>(29,846)</b>	(27,622)
Pension Surplus not recognised	<b>(6,760)</b>	(7,069)
<b>Net pension liability</b>	<b>-</b>	-

## Notes to the Accounts

### Year Ended 31 July 2024

#### 23 Pensions (cont)

An analysis of the defined profit and loss cost attributes to the University for the year 31 July 2024 is as follows :

	2024	2023
	£'000	£'000
Current and Past Service cost	841	1,781
Administrative expenses	10	17
Net interest on the defined liability	-	33
<b>Total</b>	<b>851</b>	<b>1,831</b>

**Analysis of amounts that are recognised in Other Comprehensive Income (OCI) of the University:**

	2024	2023
	£'000	£'000
Changes in assumptions underlying the present value of scheme liabilities	(1,039)	10,389
Return on assets less interest	840	(141)
Experience (loss) on defined benefit obligation	146	(3,660)
Other actuarial gain	-	600
Change in demographic assumption	61	2,271
<b>Movement in Pension Surplus not recognised</b>	<b>-</b>	<b>(7,069)</b>
<b>Remeasurement of the net assets/(defined benefit liability)</b>	<b>8</b>	<b>2,390</b>

Investment expenses are included in return on Fund assets in excess of interest

**Movement in the deficit attributable to the University during the year**

	2024	2023
	£'000	£'000
Reconciliation of the defined benefit obligation		
<b>Opening defined benefit obligation</b>	<b>27,622</b>	<b>34,356</b>
Service cost	841	1,774
Interest cost	1,414	1,157
Actuarial losses/(gains)	1,039	(10,389)
Estimated benefits paid net of transfers in	<b>(1,193)</b>	<b>(1,016)</b>
Contributions to the scheme participants and other employees	<b>332</b>	<b>346</b>
Unfunded pension payments	<b>(2)</b>	<b>(2)</b>
Change in demographic assumption	(61)	(2,271)
Past service costs, including curtailment	-	7
Experience (gain)/loss on defined benefit obligation	(146)	3,660
<b>Closing defined benefit obligation</b>	<b>29,846</b>	<b>27,622</b>

**Notes to the Accounts**  
**Year Ended 31 July 2024**

**23 Pensions (cont)**

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Reconciliation of the fair values of the scheme assets		
<b>Opening fair value of scheme assets</b>	<b>34,691</b>	33,001
Interest on assets	<b>1,414</b>	1,124
Return on assets less interest	<b>840</b>	(141)
Administrative expenses	<b>(10)</b>	(17)
Contributions by the employer including unfunded	<b>534</b>	796
Contributions to the scheme participants and other employees	<b>332</b>	346
Estimated benefits paid plus unfunded net to transfer in	<b>(1,195)</b>	(1,018)
Other actuarial gain/(loss)	<b>-</b>	600
<b>Closing fair values of fund assets</b>	<b>36,606</b>	34,691

## Notes to the Accounts

### Year Ended 31 July 2024

#### 23 Pensions (cont)

##### (iii) Teachers' Pension Scheme

Teachers' Pension contributions to the Scheme are set at rates determined by the Secretary of State for Education, taking advice from the Scheme's actuary. Employers and members contribute on a "pay as you go" basis with contributions received used to offset payments to current pensioners with the balance of funding provided by Parliament. The Scheme's administrative expenses are borne by Scheme employers, payable as a percentage of pensionable earnings. It is envisaged that this charge will be reviewed alongside scheme valuations, to ensure that the income raised is equal to the cost.

The Scheme is governed by statutory regulations (currently statutory instruments), these being: *The Teachers' Pensions Regulations 2010* (as amended) and *The Teachers' Pension Scheme Regulations 2014* (as amended).

The Scheme is managed by the Department for Education (Department) and administered under contract by Capita Business Services Ltd (Capita).

As a result of the latest scheme valuation, employer contributions were increased in April 2024 from a rate of 23.6% to 28.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary to cover administration expenses.

A copy of the latest valuation report can be found by on [www.teacherspensions.co.uk](http://www.teacherspensions.co.uk)

The key results of the valuation were:

- employer contribution rates were set at 28.6% of pensionable pay, in line with current regulations, plus an additional 0.08% of pensionable pay for the cost of scheme administration

- at 31 March 2020, total Scheme liabilities for service of £262.0 billion, and notional assets of £222.2 billion, giving a notional past service deficit of £39.8 billion.

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- employer contribution rates were set at 28.6% of pensionable pay, in line with current regulations, plus an additional 0.08% of pensionable pay for the cost of scheme administration

- at 31 March 2020, total Scheme liabilities for service of £262.0 billion, and notional assets of £222.2 billion, giving a notional past service deficit of £39.8 billion.

- Member contributions vary between 7.4% - 11.7% dependent upon salary.

The next valuation is expected to take effect in 2027, the Department for Education has advised.

##### (iv) The Church of England Funded Pension Scheme (CEFPS)

The University of St Mark & St John participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

## Notes to the Accounts

### Year Ended 31 July 2024

#### 23 Pensions (cont)

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £1,868m, assessed using the following assumption

An average discount rate of 2.7% p.a.;

RPI inflation of 3.6% p.a. (and pension increases consistent with this);

Increase in pensionable stipends of 3.4% p.a.;

Mortality in accordance with 90% of the S3NA\_VL tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2021	April 2022 to December 2022	From January 2023
Deficit repair contributions	11.9%	7.1%	-

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

The legal structure of the scheme is such that if another Responsible Body fails, The University of St Mark & St John could become responsible for paying a share of that Responsible Body's pension liabilities.

**Notes to the Accounts**

**Year Ended 31 July 2024**

**24 Related Party Transactions**

During the year the group entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into and balances outstanding at 31 July 2024 are as follows:

	Income from related party	Expenditure to related party	Balance due from related party	Balance due to related party
	£'000	£'000	£'000	£'000
Marjon Student Union				
2023/24	-	169	-	-
2022/23	-	135	-	-

**25 Governors**

No Governor has received any remuneration/waived payments from the group during the year (2023 none).

The total expenses paid to or on behalf of 20 Governors was £1.4k (2023 £2.1k to 21 Governors). This represents travel and subsistence expenses incurred in attending Board meetings, Committee meetings, University and charity events in their official capacity.

**26 Subsequent Events**

Since the end of the financial year, in March 2025, the University revised its loan agreement with Barclays Bank plc to revise its repayment profile, retaining the existing maturity date, providing a two-year capital repayment holiday from April 2025 to April 2027. Repayment of the deferred sum is spread over the remaining term of the loan. In addition, the University has access to a £1.5m overdraft facility at a margin of 2.25%.



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Plymouth Marjon University is a trading name of the University of St Mark & St John