



Bournemouth  
University

# Annual Report and Financial Statements 2024/25



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# Message from the Chair



Sir Martin  
Davidson

I am delighted and privileged to have joined Bournemouth University as the new Chair of the Board in July. As I begin my tenure as Chair, I would like to take this opportunity to thank my predecessor, David Furniss, for his unwavering commitment to the university over many years and for the way in which, during that time, he has safeguarded the long-term future of the university.



**Like so many UK higher education institutions, the university has over the past year had to grapple with the many challenges of changing demographics resulting in more difficult student recruitment; the financial problems facing all of us in the sector; and the tough international environment which has tested many assumptions about international student recruitment and international education partnerships. This has required the university to undertake significant restructuring to safeguard its long-term financial stability.**

I have been struck by the commitment and resilience of the university's staff. My thanks go to them in what has not been an easy year. Yet, they have continued to deliver exceptional outcomes for our students. I would like to recognise the contribution of all colleagues, whether they continue to work at Bournemouth University or are pursuing new directions in their career.

As part of building the future of the University, in the last academic year, the University introduced new opportunities for students to join us. An undergraduate intake in January 2025 was piloted for the first time and in September, we launched our two-year accelerated degrees in Business and Management, and Communications and Media, fast-tracking students into careers or further study. Alternatively, students can gain a Master's degree in three years through this accelerated route.

Our staff's research, too, has had tangible impacts, including by changing our understanding of Iron Age societies, enabling a future reduction in plastic waste through the development of self-healing plastic and supporting native species. I am excited to see the research breakthroughs during this coming year.

The Board together with the Vice Chancellor and her team are working on the development of the University's

new strategy, BU2035. Our intention is to continue to develop Bournemouth University as an institution embedded in our locality and wider region. We are committed to the education of the young people, the prosperity of the wider community and the economic development of our region and in creating connections of value with other regions of the UK and internationally. I very much look forward to being part of the new trajectory to become a leading institution for learning and inspiring innovation supporting the prosperity of all.

Throughout this period of change, our students will remain our first priority. It was, therefore, extremely encouraging to see this reflected in our students' feedback. Our postgraduate research students shared their experiences with us in the Postgraduate Research Experience Survey; we were delighted to score 5% ahead of the sector in terms of overall student satisfaction. In the National Student Survey for final year undergraduate students, our positivity scores improved in all seven themes and across 25 of the 27 individual questions. It is positive to see this improvement given the challenging circumstances across the sector and here at Bournemouth University. This is dependent upon the hard work and dedication of staff.

“ I have been struck by the commitment and resilience of the university's staff. ”

We know that students face many challenges during their time at university, whether academic, financial or health related. Amongst our fantastic support services, we were thrilled to win first place in the category of Mental Health and Wellbeing Support at the 2025 *Whatuni Student Choice Awards* for our University Retreat. The award recognises our ongoing commitment to creating a supportive, inclusive and health-focused environment for our students and the immense impact of the Retreat, a drop-in service for any student who is struggling to cope.

Further successes include our eighth place in the UK and 59th globally for sustainability in the Times Higher Education Impact Rankings 2025. These measure the work of universities against the United Nations' Sustainable Development Goals. With a big increase in the number of universities taking part in 2025, I am especially delighted to see that we retained a strong position in the top 3% of universities.

I am confident that the Board will continue to do all we can in the year ahead to support Professor Honour and her colleagues in leading this organisation into the next year and the development and delivery of our new strategic plan. I look forward to working with many of you in the year ahead.

Sir Martin Davidson  
Chair of the Board

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# Welcome

## from our Vice-Chancellor, Professor Alison Honour

**My first year as Vice-Chancellor of Bournemouth University has been one of fast-moving change. This has inevitably brought with it challenges alongside opportunities for new developments and avenues for growth.**

Change always creates uncertainty. However, throughout this year, I have been motivated and encouraged by the unwavering commitment of our staff to the students and to each other. I have been equally inspired by the research conducted here, which is working to change lives, increase our knowledge of the world around us and support the environment in which we live.

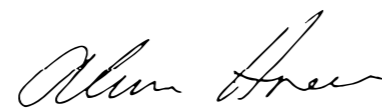
The past year has seen the implementation of a new structure for the University. This will enable us to harness the synergies between subject areas and be in a stronger position to meet future challenges while taking advantage of opportunities to diversify and adapt our offering to students to meet a changing world whilst ensuring we operate effectively and efficiently at the right size. I am immensely grateful for colleagues across the institution for engaging with the process and helping to shape our new organisational structure.

Our new strategy, BU2035, aims to define the next decade at Bournemouth University. It will set out our ambitions and future aspirations, giving vision, shape and direction to our work. Developed in partnership with over 800 staff and students, the strategy will outline our key priorities and sub-strategies required to support the delivery of our objectives. BU2035 will position us as a leading university and engine of innovation, research and education locally, nationally and regionally. It will also ensure that our students become equipped with skills for a digital future and to enable them to find solutions which support their communities around the globe.

Our first transnational education (TNE) partnership started in September, bringing Bournemouth University degree courses to students in Vietnam. Work is underway to deliver further TNE collaborations with universities in other countries, including our first joint institute in China due to commence in September 2026. These affiliations bring new income streams to the university but more importantly, they widen access to education globally, improving opportunities for social and economic mobility, increasing our reputation in strategic partner countries, and building knowledge within local workforces.

Closer to home, we continue to bolster our position as an anchor institution within the region. We will ensure that we are well positioned to respond to both the opportunities and the implications of the proposed reforms presented in the Post 16 Education and Skills White Paper published on 20 October 2025. Partnering with key industries, we are working to understand and respond to local challenges, deliver the skills which employers need, and apply our knowledge and research capacity to drive innovation and collaboration. I have had the pleasure of working alongside colleagues in the higher education and further education organisations locally to think about how together we can deliver the skills needs of the region. I've also had the chance to speak at events led by Dorset Chamber, at the Harmony Conference led by our new Pro Chancellor, Michael Dooley, to introduce Professor Sir Chris Whitty as he visited the University to speak to national health leaders about coastal health inequalities, to visit the BU archaeological 'Big Dig' and cheer on AFC Bournemouth's women's team as they won promotion last season.

I am very much looking forward to Graduation, which is always a highlight of the academic year for me. It is the chance to celebrate with our students, their families and friends, and colleagues, and it demonstrates the strength of community here at Bournemouth University. We, like many other universities, still need to focus on our financial sustainability with continuing cost pressures. We need to keep on providing the best possible student experience and attracting new students in the face of competition from other institutions and alternative career paths. That sense of community along with a new strategic direction will support us to achieve these ambitions and I start this new academic year with a deep and sustained commitment and a renewed sense of optimism and ambition for Bournemouth University.



**Professor Alison Honour**  
Vice-Chancellor and  
Chief Executive Officer



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# Our year at a glance



## We are a catalyst for growth, using our skills and experience to boost skill and advance the region

Bournemouth University's Business School is one of 50 centres around the country to deliver The Help to Grow: Management Course, which offers leaders of small and medium-sized enterprises support to boost their business' performance and long-term growth. Business leaders on the course benefit from the one-to-one mentorship from an experienced business leader and receive 50 hours of leadership and management training across 12 weeks.



## We help creative industries and cultural heritage to thrive

Every year, BU students get the chance to carry out excavations to understand more about life in southern Britain before, during and after the Roman Invasion of 43AD. This year, students returned to Winterborne Kingston, Dorset, to uncover more secrets from the Durotriges Tribes who lived there in the Iron Age. As well as uncovering pottery and other artefacts to shed light on people's daily lives, the students have excavated burial sites, Iron Age settlements and Roman houses to re-write our understanding of life in pre-historic Britain.



## We help to protect and preserve a sustainable environment

At the forefront of sustainability, BU joined 500 other educational institutions to pledge to be a **Nature Positive University** (NPU). Actions supporting nature on campus have included planting wildflowers, new trees and leaving some areas un-mowed. Bird and bat boxes and hedgehog homes have also been introduced. BU joined other regional partners in Bournemouth, Christchurch and Poole to sign a **Coastal Energy Partnership** Charter to commit to work together to support our environment.



## We challenge marginalisation, misinformation and under-representation

Led by Dr Gladys Yinusa, BU's Ageing & Dementia Research Centre (ADRC) launched the 'Tomato' project, which brings together home care staff, people with dementia and their family carers to provide better nutritional care for those living with dementia at home. Helping home care workers with the right tools can be critical in intervening early in the nutritional care for people with dementia, to improve their lives, while reducing carer burdens.



## We help to prepare for and recover from crisis

BU's Disaster Management Centre carried out a study, funded by Research England, into how prepared UK households are for the various hazards that they face – including severe weather, conflict, terrorism and accidents at home. The launch of the report was attended by representatives from the UK Cabinet Office and Ministry of Defence, and their findings highlighted the work that was needed to achieve the Government's "Whole of Society" approach to dealing with global threats.



## We help people live better, for longer

A recent published study by BU's Orthopaedic Research Institute revealed that static cycling can reduce NHS waiting lists for physiotherapy treatments for people suffering with hip osteoarthritis. The study was led by Professor Tom Wainwright, who worked alongside University Hospitals Dorset (UHD). Participants who took part in an eight-week, intensive cycling and education programme called **CHAIN** reported better recovery outcomes compared to participants who undertook regular physiotherapy.

# Key statistics

16,000+ students



1,550+ staff



£184.5m Total income

£5.0 million Access and Participation support for students



£58.9 million Cash holdings to provide future financial stability

89.5% of BU students completed their degree, 2.1% better than the average of all providers.

Source: Graduate Outcomes survey published by the Higher Education Statistics Agency (HESA)

401-500th in the World University Rankings.

Source: The Times Higher Education World University Rankings 2026

8th in the UK and 59th globally for sustainability.

Source: The Times Higher Education Impact Rankings 2025

1st

in the category of Mental Health and Wellbeing Support in the 2025 Whatuni Student Choice Awards for our University Retreat.

Source: Whatuni Student Choice Awards 2025

Winner of the 2025 WhatUni Student Choice award

for the best Students' Union in the Southwest for the second year running.

Source: Whatuni Student Choice Awards 2024/25

94%

of our research is rated as internationally recognised or higher, with 19% ranked as world leading by the UK's Research Excellence Framework (REF).

Source: REF 2021

# Our year in pictures



### September 2024

Sport Management student and Sports Scholar Leo McCrea won a gold medal in the SB5 100 metre final at the Paralympic Games in Paris.



### October 2024

Maritime archaeologists from BU finally identified a shipwreck off the coast of Dorset, over thirty years after it was discovered as an Admiralty mooring lighter, which was built in 1866.



### November 2024

BU hosted its first Sports Day for visually impaired (VI) children which took place on Talbot Campus. 16 VI children aged between 8 and 15 years old from across Dorset were invited to play goalball and VI cricket.



### March 2025

ITV's *This Morning* programme broadcast from Talbot Campus, where the presenter was joined by students studying film and television production who took part in live games and helped behind the scenes.



### April 2025

BU staff and students celebrated the new location of their Portsmouth Midwifery Campus with an opening event at the new facility at Lakeside, North Harbour.



### May 2025

BA (Hons) Communication and Media and BA (Hons) Business and Management are the first accelerated two-year degrees courses to be offered by BU.



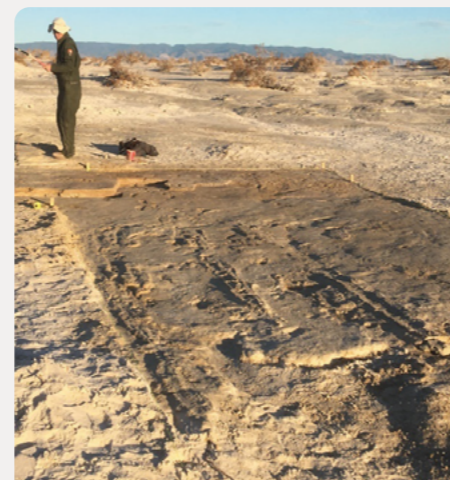
### December 2024

During his fieldwork, Master's student Wren Franklin discovered two great silver water beetles, one of Britain's largest species of beetle – the first recorded sightings of the species in Dorset for over 200 years.



### January 2025

Research into human remains excavated in Dorset as part of BU's Big Dig found evidence of a matriarchal society in Iron Age Britain, where land was inherited through the female line and men moved into their wives' tribes.



### February 2025

A BU-led study in White Sands National Park, New Mexico shed new light into the first inhabitants of the Americas, identifying tracks which appeared to be from the earliest known form of human transport.



### June 2025

From river-cleaning tech to robotic arms and pet gadgets, the next generation of problem-solvers were on display at the Festival of Design and Engineering (FODE) on Talbot Campus.



### July 2025

PhD student, Kavisha Jayathunge, developed an AI model that could support conservation work in Dorset by counting the number of baby barn owls without disturbing their nests.



### August 2025

BU's Dr Sam Walker led research into a cave in north Norway which discovered the 75,000-year-old remains of over 40 types of animals. The finding will help scientists learn more about how species respond to climate change.

# Operational review

## Our vision and values

The 2024/25 academic year marked the end of our BU2025 strategic plan. Work is underway to define the University's next decade through BU2035, with a focus on our core activities of learning:

- Research and innovation
- People and culture
- Community.

At the heart of the University's future vision will be our longstanding motto – *Discere Mutari Est* – 'to learn is to change' supporting the BU community to grow and develop through the power of learning.

The strength of the University – our people and our location – will be pillars of our future success and, therefore, key features of our new strategic plan.

## Summary of the year

Overall, 5,475 students successfully completed their programmes this year.

The proportion of students who have completed their degree improved to 89.5%, which is 2.1% better than the average of all providers. In addition, continuation has improved with the number of new full-time undergraduate students who continue their studies at 90.1%, from the latest OfS statistics. This is 2.4% better than the average of all providers. (Source: OfS Student Outcomes Dashboard)

Our students achieved strong graduate outcomes. This is evidenced by their full-time employment 15-months after graduation, which remains 4% above sector average at 63% (for students who

graduated in 2022/23). Additionally, 74% of our graduates entered work in highly skilled roles. The latest Longitudinal Education Outcomes dataset highlights the success of BU graduates, showing that a higher proportion are in further study, sustained employment, or both at one, three, and five years after graduation compared to the sector average. The data also shows BU graduates earn more on average across all three time periods than the sector average. (Source: DfE LEO dataset 2022-23).

For apprenticeships, Ofsted has rated our provisions as 'Outstanding' following their 2024 inspection; we are one of only seven universities to achieve this. An increasing number of our learners follow an apprenticeship route with 408 in progress and 208 now having completed their apprenticeship. Our qualification achievement rate is predicted to be 87.4% this year, up from 80% the year before. 100% of the apprentices passed their apprenticeship.



Our research and knowledge exchange (RKE) output has continued to improve, with 2024/25 delivering a six-year high in earned income, a £1.0m increase from 2023/24. The accounting period also saw £5.7m of newly awarded activity in-year as we continued to focus on areas of excellence that respond to societal and global challenges. Funders have been wide ranging and include Research Councils, significant charities, local authorities

and public bodies and impactful industry partnerships of regional to global scale. Our portfolio of Knowledge Transfer Partnerships (KTP) has also continued to grow with two further additions in 2024/25 funded by Innovate UK.

BU remains a catalyst for growth in the region and beyond, working collaboratively to embed our research in practice and support economic growth and innovation.

Our biggest challenge this year has been financial and the period under review has been challenging for the sector, especially for post-92 universities. The significant drop in international students coming to the UK and increasing costs, such as employer's NI, have put unprecedented pressure on the finances of universities across the UK which has led to increasingly competitive recruitment activity. BU has had to rise to this challenge and good financial management in recent years has put us in a decent position to do so, with cash and reserves at a level to manage short-term financial risks.

Our original projections for 2024/25, and the periods to 31 July 2029, were for student recruitment to decline by approximately 5%. However, the decline in overseas markets and the resultant competitiveness in recruitment has been much worse, with a reduction in the region of 11% on full-time students against the prior year and further decline in 2025/26. We undertook a financial recovery review in the year and put plans



in place to realign our cost base to match the cumulative effect of this lower income projection for this year and future years.

The change has been substantial with a complete re-shaping of the organisation, reducing Faculties from four to three, and Professional Service departments from 18 to 10. This has given an ongoing reduction in the staff cost base going into 2025/26 of circa £12m. The one-off cost of this re-organisation this year was £7.7m, leading to a total deficit of £8.4m and a decrease in cash of £6.2m.

The operating deficit is minimal at £1.0m thanks to the actions taken last year to reduce costs through the voluntary redundancy scheme and further cost reduction work this year, such as a pause to our discretionary pay progression and academic promotion processes. We have also rationalised non-pay activities and capital investment plans.

## Future plans

The development of the University's new strategy, BU2035, will define the next decade for BU, setting out ambitions and aspirations, as well as giving vision, shape and direction to the work.

In the shorter term, the outcomes and experience of our students, the strength of our strategic partnerships and the satisfaction of our staff are the basis of our success. These are the foundations of our future and remain at the heart of our decision making. Stabilisation of the staff base will be a critical factor in 2025/26 after the disruption of the financial recovery programme.

The 2025/26 academic year will continue to be one of change for us, as we finalise our next strategic plan and welcome new members of the Executive Team. We are well placed to capitalise on the opportunities we have with the excellence in our portfolio, Trans-National Education (TNE) delivery, apprenticeships, and strong regional partnerships, and we are confident that BU will continue to thrive in a stable and sustainable way.

External factors remain difficult for the sector, and student recruitment has been challenging for 2025/26, but we start from a sound financial position with a conservative approach to meet these challenges. The organisation continues to operate in transition given projections of lower student numbers, negative growth and a higher cost base.

Financial stability will, therefore, continue to be a key factor in our plans. Re-organisation work will continue, albeit to a smaller degree, in 2025/26, where the final elements of the restructuring plan will take effect, and it is likely that the University will need to continue to use some of its reserves

to help re-shape the organisation for future growth. Income growth is a priority, but this does take time to develop and introduce opportunities. Work is well underway to drive improvements in international recruitment, partnerships and apprenticeships for 2026/27 and beyond.

In the short term, earnings and cash generation will remain difficult as we work through the current financial challenges. However, it is an organisational priority to ensure our cash generation is strong in the medium term and this will be a key performance indicator of our future strategy as we are committed to ensuring we have sufficient funds to mitigate risks as they arise, and to invest in our future. In the longer term, we are planning to increase the levels of assets and reserves to ensure that the risks associated with our net pension obligations, such as decreasing returns on assets and lower discount rates, are effectively mitigated.

We continue to repay our term loans, and we have no plans to secure additional debt in the medium term. Accordingly, our borrowing as a percentage of income has reduced to 24.0% (2023/24: 24.3%).



Our students

Our student numbers (excluding Partner Colleges):

2024-25			2023-24				
	Undergraduate	Postgraduate	TOTAL		Undergraduate	Postgraduate	TOTAL
Full-time	11,716	1,871	13,587	Full-time	12,397	2,516	14,913
Part-time	939	1,721	2,660	Part-time	1,023	1,824	2,847
<b>TOTAL</b>	<b>12,655</b>	<b>3,592</b>	<b>16,247</b>	<b>TOTAL</b>	<b>13,420</b>	<b>4,340</b>	<b>17,760</b>

BU's 2024-25 full-time student number population reduced by 9%, from 14,913 in 2023-24 to 13,587 in 2024-25, while part-time student numbers fell by 7%. The overall student population, by headcount, decreased by 1,513 (9%) for the reasons outlined in the summary of the year.

Education and student experience

We want all students to thrive at BU and to gain the skills and knowledge that will enable them to make a positive impact once they graduate. To achieve this, employability is a core element of our programmes and all our undergraduate, full-time, first degrees offer students the opportunity to engage in a placement as part of their learning.

Research shows that students who consistently attend and engage do better in their studies. This year we implemented the Academic Engagement Framework to support students to engage with their studies so they can continue, achieve and thrive at BU. The framework follows a whole university wellbeing approach to supporting student engagement through humanising principles, personalisation, sense of belonging, autonomy and agency. This is supported through robust attendance monitoring and follow-up through periodic reviews of student engagement, which also ensures BU meets UKVI and other compliance requirements. The reviews enable early intervention and targeted communication to support students who are facing difficulties and support needs, leading to earlier referral and support.

The combination of evidence-informed intervention and student-centred follow-up is having a positive impact on student attendance and retention. For example, across 2024/25 we have seen an average 6% improvement in student attendance in taught sessions, increased engagement with learning materials in our virtual learning environment, and a reduction in students

withdrawing during the academic year. Further evaluation will take place in the following year to continue improving student continuation and outcomes.

Personalisation is key to our provision. We do this at a programme level through personal tutoring. All BU students have a named academic who acts as a personal tutor and facilitates discussion on students' academic progress and refers students to additional academic and pastoral support, as needed. To enhance this provision, this year we have provided additional resources for academics who carry out this role.

In 2024/25, the Graduate Skills Programme was fully aligned with BU's graduate competencies. We mapped resources and masterclass topics to the framework, introduced 'leadership' as a new competency for 2025/26, and created a new visual identity to help communicate the range of skills BU students gain throughout their degree. To ensure a consistent skills language, we worked with employers, placement teams and CareersBU staff. Employer engagement remained central to the programme, with 32 speakers from 29 organisations contributing to 31 workshops, and three industry insight days.

Our learning, teaching, and assessment priorities are aligned with the Office for Student's Key Performance Measure, driving excellence and impact in our provision. Inclusivity and equity are at the heart of our practice, and we are committed to continue removing barriers and to close opportunity gaps by providing tailored support and development opportunities for all students. As part of this, we work collaboratively to engage and support students holistically.



Inclusivity and widening access

Our ambition is to enable achievement for all our students in a diverse and inclusive environment as outlined in our Access and Participation Plans. The Office for Students approved our new plan this year, which covers the period from 2025/26 to 2028/29. The Access and Participation Plan defines our aims, objectives and targets to ensure equality of opportunity for students and explains how these will be achieved through our intervention strategies. Academic year 2024/25 was the final year of our existing plan and during the year we have continued to deliver our commitments in that plan whilst developing the intervention strategies through which we will deliver the new plan.

As part of our commitment to inclusivity, we provide financial support for groups for whom affordability may be an obstacle to studying at BU or affect their ability to fully engage with their studies and achieve outcomes that reflect their potential. Our outreach programme prioritises activities that support academic achievement and self-efficacy, along with attainment raising in local primary and secondary schools, and we seek ways to ensure that the benefits of this activity are visible and quantifiable.

As articulated in our Access and Participation Plans, we take a whole institution approach to access and participation. This means that all aspects of access, success and progression are considered holistically, integrated into provision, and fully embedded throughout our structures and processes. We aim to offer an excellent experience for all students, with targeted interventions to support under-represented groups and address our performance gaps. We continue to prioritise greater personalisation of the student academic and learning experience. This approach and our newly developed intervention strategies are aligned to the overall strategy being developed in BU2035.

Our financial support is designed to ensure that students can engage with their studies and university life, allowing them the best possible opportunity for success. Our aim for financial support is to promote the continuation and attainment of students from low-income households. Our bursaries are allocated automatically, and students do not need to apply. Our hardship criteria will ensure that the fund continues to support general financial hardship whilst giving the flexibility for more targeted support linked to our priority groups and strategic aims. In 2024/25, BU provided £2.4m financial support to students (Note 13).

Our financial support targets students with low-income households and 'care experienced' students, through two different bursaries:

- a. BU Maintenance Bursary (low household income): Eligible new students with household income below £16,000 will automatically receive a £2,400 bursary to support their learning and living costs; £800 to be paid in each year of full-time study.
- b. BU Care Leavers Bursary (Care experienced): All eligible care leavers will automatically receive a £9,000 bursary to support their learning and living costs; £3,000 will be paid in each year of full-time study.

Our financial support offer and demand for hardship funding will continue to be reviewed annually, alongside the evaluation of its impact. Starting in 2025/26, for the new Access and Participation Plan, our Financial Support offer has been extended, increasing the household income threshold for BU Maintenance Bursary eligibility to £25,000 and adding the new BU Estrangement Bursary on the same terms as the BU Care Leavers Bursary.

We recognise that wellbeing support generally, and mental health specifically, is a key student issue. We believe that wellbeing is the responsibility of university community members, and our Student Welfare Policy is based on this principle. Our wellbeing support measures also link directly to our strategic aims to reduce continuation gaps for students from underrepresented groups.

One of our key activities is to work with our external partners to ensure that support provided by BU, the NHS and other agencies is joined up and seamless. During 2024/25, counselling previously provided by the NHS moved in-house, providing a simpler and quicker referral process for students, and ensuring an integrated approach to additional learning skills development and reasonable adjustments. This was complemented by the establishment of an NHS assessment centre at BU enabling easier and quicker access to diagnosis for BU students. These two developments will help us to support our students to access the correct type and level of support for their individual needs and simplify the referral pathway with help from our partners.

**Our people**

Our people remain at the heart of all that we do. Our staff have continued to deliver an inspiring experience for our students through what continues to be a challenging year.

BU continued to implement cost saving measures this year, given our ongoing financial challenges. We embarked upon a significant change programme that has resulted in new organisational structures and a reduction to our staffing base. We have run a voluntary redundancy scheme for staff at risk of redundancy to help them leave on favourable terms as part of our aim to avoid compulsory redundancies. This was also extended across the organisation, and compulsory redundancies have been minimal this year as a result.

Through this period of change, the satisfaction and morale of our staff are key priorities for BU. We continue to look forward and have engaged extensively with our staff to shape our future and our new strategic plan for the next decade. The University is incredibly grateful to all our staff for their input into our future and for their professionalism, hard work and efforts with our students, colleagues and partners throughout the past year and this period of change.

**Equality and diversity**

BU is committed to ensuring it is open and accessible to all, and values people for what they bring as individuals. Our governance around inclusivity ensures continued compliance

with the Equality Act 2010 and Public Sector Equality Duties. This is fully embedded as set out in our Equality and Diversity Policy and supporting Equality Impact Assessment Procedure. We have a zero-tolerance approach to discrimination and seek to ensure our staff are aware of their personal obligations in eliminating all forms of what the university considers to be unacceptable behaviour.

BU is committed to ensuring our staff have a voice through regular engagement and from an Equality, Diversity and Inclusion (EDI) perspective our staff network groups are increasing. They are positively influencing our EDI agenda through commitment and hard work. We strive to ensure best practice and being recognised with the very best organisations in our sector. We have signed up to several equality charter marks and commitments including Athena SWAN charter (Bronze Award, AdvanceHE); Race Equality Charter (Bronze Award, Advance HE); AccessAble; Business Disability Forum; Stonewall Global Diversity Champion, Mindful Employer Charter, University Mental Health Charter (Student Minds); Disability Confident Employer; Sunflower Hidden Disabilities; Menopause Workplace Pledge. These charter marks and commitments provide a framework for self-assessment, by identifying good practice and areas for future work. They also provide evidence of our real commitment to equality and diversity.



**Research**

BU2025 outlined our vision to inspire learning, advance knowledge and enrich society through our education, the impact of our research, and our contribution to global challenges.

Our Research and Knowledge Exchange (RKE) output has continued to develop and recover from the significant impact of the Covid-19 pandemic on income generating projects, with 2024/25 delivering a six-year high in earned income of around £8.3m, including credit-bearing Continuing Professional Development. This represents a £1.0m improvement on 2023/24 RKE earnings.

Our research and associated enterprise awards in 2024/25 continued to be wide ranging in respect of both discipline and funder, with over 120 new projects at a combined value of approximately £5.7m, spanning funders from Research Councils to local and regional authorities and from small and medium-sized enterprises (SMEs) to commercial companies with a global reach. We also continued to support the next generation of researchers through providing fully funded studentships to attract high-calibre PhD researchers aligned to our areas of research strength.

Award highlights this year have included:

- Research Council activity on topics as diverse as combatting disability stigma in east Africa; new discoveries about Iron-Age southern Britain; the combatting of victimisation, racism and marginalisation in various settings; advances in face recognition techniques; rechargeable battery design; financial fraud analytics; and language interfaces in computer animation.
- Charity award successes from notable funders including the Leverhulme Trust and the British Council.
- Impactful partnerships with industry at various scales, from the provision of ecological advice and survey work regionally to the study of manual vs robotic hip replacement with potential global reach.

BU remains a catalyst for growth in the region and beyond, working collaboratively to embed our research in practice and support economic growth and innovation. In 2024/25, we also continued to grow our portfolio of Knowledge Transfer Partnerships (KTPs) - the longest running and most successful, government-funded innovation scheme to share university knowledge with UK businesses - with the award of two new KTP projects; one with **Nourish Care Systems Ltd** to build a digital knowledge base of social care best practices, and with **Yamayap Ltd** to develop a data-driven framework for assessing market demand and product feasibility.



In just over two years, BU has transformed its KTP position from having no live projects (as of 1 August 2022) to a current portfolio of six, worth more than £1.3m in total, with further proposals under assessment and a strong pipeline in development. This represents a step-change in our institutional performance and visibility.

Importantly, the value of KTPs extends well beyond the grant income itself. Based on the findings of the **KTP Evaluation report (August 2023)** – a well-run KTP can generate anywhere between £275k - 600k of additional value for a university, beyond the grant itself, accounting for impact case studies, follow-on research, consultancy, student recruitment, and further KTP projects.

As well as our new awards, 2024/25 has seen the continued delivery of around 270 ongoing projects, including:

- **MAGPIE**: a £1.6m UKRI-funded five-year project that critically engages with the challenges and complexities posed by mass graves across the world.
- **INSIGHT programme**: the first student recruits for a £1.4m grant from the National Institute for Health Research (NIHR) to build the research capacity and capability of those working across the health and care sectors, working with partners across the South-West Central region.
- **PRESERVE**: a £0.6m European-funded big data platform for supporting criminal investigations with partners from eight countries across Europe.

We are proud of the impact of our research, innovation and enterprise activities, which informs our education and provides solutions to real-world issues.

**Community engagement**

BU continues to develop its civic and community support and positively enhancing the lives of individuals in Dorset, as well as in southern and southwestern England. We foster local social development by partnering with charities and organisations in the third sector. Our collaborators include public institutions, businesses, educational establishments, cultural organisations, civil societies, and other key entities. Together, we continue in our commitment to address societal and environmental challenges on regional, national, and international scales, working in collaboration to drive positive change.

Community initiatives for this year include:

- **CHARM (Community Harmony and Respect Meeting) Group**: This is a multi-agency action group initiated and facilitated by BU to reduce anti-social behaviour by BU students in private residential settings and to strengthen relationships with the

local community. Meeting monthly, CHARM brings together the BU Community Partnerships Manager, BCP Environmental Health, Dorset Community Police, local councillors, local letting agencies, residents associations, SUBU Community Lead, community wardens, and SUBU Officers. Since its initiation, CHARM has delivered a sustained reduction in reported anti-social behaviour and the issuing of noise abatement notices (NANs). This continued progress has enabled BU to reduce its financial contribution to BCP Environmental Health, while still maintaining strong collaborative outcomes.

- **Community Catalyst Group (CCG):** BU continues to facilitate the Community Catalyst Group (CCG), a quarterly forum that brings together local charities, councillors, public services, community support groups, BU and SUBU staff. The group nurtures collaboration between the university and the wider community, creating an inspirational environment where knowledge, resources, and expertise are exchanged to drive meaningful local impact. Through these regular meetings, participants have shared facilities, staff, volunteers, joint events, evaluation tools, research, consultancy, and service activity promotion. BU serves as the catalyst for this collaboration, continuing to invite more organisations to join in the conversation.
- **Civic Consortia:** During 24/25, BU has been developing the foundation for The Civic Consortia, which represents a landmark collaboration between BU and regional education partners, established to harness the collective skills and strengths of further and higher education for the benefit of society. Its aim is to create a shared platform for civic engagement that drives social, economic, and environmental impact locally, regionally and potentially and globally, while positioning education as a cornerstone of community. Current members of the Consortia include Bournemouth University, Arts University Bournemouth, Health Sciences University, Bournemouth and Poole College, Coastlands College, Wiltshire College and University Centre, Yeovil College, and Bournemouth University International College. Together, these institutions are shaping a unified civic vision that will aim to support communities, develop skills, and generate knowledge exchange across the region and beyond.



- **Serving Futures (Armed Forces):** The Serving Futures Project is a pioneering feasibility initiative developed by BU in collaboration with regional partners to strengthen the lifelong connection between education and the British Armed Forces community. Its central aim is to create inclusive pathways that both introduce young people (students) to the Armed Forces, Reserves, and Cadet Forces as credible, value-driven career options, and support Regulars, Reservists, and Veterans as they transition into civilian employment. By aligning with the Pan-Dorset Growth and Devolution ambitions and the Local Skills Improvement Plan (LSIP), Serving Futures

provides targeted skills escalators, reskilling and upskilling opportunities, and recognition of prior learning. Through this dual-entry and exit pathway approach, the project not only enhances personal development and career opportunities but also positions the Armed Forces as a long-term civic partner, with education as the enabling force at every life stage. Serving Futures will also act as a collaboration framework for the Civic Consortia, enabling member colleges and universities to align their collective skills offer in direct response to the Pan-Dorset Framework for Economic Growth and the LSIP. By coordinating provision across institutions, the project will create clear pathways from entry-level training to advanced qualifications, ensuring Armed Forces personnel, veterans, and the wider community can access opportunities that meet regional growth priorities in sectors such as health, digital, sustainability, and advanced manufacturing.

- **BU Harmony Lab:** The BU Harmony Lab is being developed as an interdisciplinary centre of excellence dedicated to exploring and advancing the principles of harmony across society, the environment, and global systems. In collaboration with the King's Foundation, the University will co-design and deliver activities that translate harmony principles into practice through research, education, and community initiatives. A key element is the development of a Harmony Living Labs Network, a series of real-world testbeds where community partners, academics, students and policymakers work together to apply harmony-based approaches to challenges such as health, sustainability, climate resilience, and social cohesion. Through this combined model of research, innovation, and applied practice, the Harmony Lab will serve as a hub for knowledge exchange and impact, aiming to position BU and Dorset as a national and international leader in harmony-based innovation.



**Sustainability**

Everyone at BU has a role to play in addressing the climate and ecological crisis. Through our research we progress understanding on how to solve global problems including restoring natural habitats, responding to climate disasters, and engaging young people with climate issues. Our estates are managed in a way that minimises the impact of our students and staff on the planet, and through our educational programmes we help students leave BU understanding how their future careers can make a positive difference to the world.

BU continues to make progress against its Climate and Ecological Crisis Action Plan (CECAP), which is a plan to achieve net zero greenhouse gas emissions by 2030/31 with a 50% reduction in emissions across all three scopes. The plan is publicly available on the BU website. We continue to track progress against the 94 actions across 15 themes. Our aim is to reduce greenhouse gas

emissions as rapidly as possible, with particular focus on energy consumption, transport and capital development, and investing in high-quality carbon offsets, where necessary.

BU has continued to make progress to reduce energy consumption through careful monitoring and controls of electricity and gas usage. This has been the first year of operation of our new low carbon heating for Dorset House, using air source heat pump technology, and it has reduced our fossil fuel gas consumption for this building. Our new solar array on Dorset House has added to our ability to generate renewable energy on site and the year 2024/25 has had more hours of sunlight so we have been able to reduce our grid electricity consumption (full data is reported in our annual CECAP report). We now have over 2,000 solar panels across our campuses and can generate 7% of our total electricity needs on site. This year we have trialled passive cooling technology in two more comms rooms to reduce our electricity consumption and we have replaced end-of-life boilers in our library with more efficient models. We have retained our certification to ISO14001 and ISO50001 for our Environment and Energy Management System. Our catering provision has retained the highest standard of three stars in the Sustainable Restaurant Association and BU is the only three-star Fairtrade University. We have a strong focus on Education for Sustainable Development and this year found that 97% of our programmes were aligned to at least one UN Sustainable Development Goal. More details about our work towards the UN SDGs is reported in our annual SDG progress report which is available on [www.bournemouth.ac.uk/about/sustainability](http://www.bournemouth.ac.uk/about/sustainability)

BU has continued to perform well in external benchmarking for our sustainability performance. In 2025, BU ranked joint 59th in the world, out of 2,318 institutions, in the Times Higher Impact Rankings and 8th best in the UK. BU also retained its First-Class position and is ranked 11th in the UK for environmental and ethical performance in the People and Planet League.

**Value for money**

At BU, delivering value for money means ensuring that our students receive a high-quality, future-focused education that is both impactful and sustainable. This year, we have placed particular emphasis on strengthening our financial stability to safeguard the student experience now and into the future.

We continue to maintain robust arrangements that balance the allocation of resources between meeting the immediate needs of our student body and investing in long-term institutional resilience. Our approach ensures that every pound spent contributes meaningfully to student outcomes, academic excellence, and societal benefit.

Key initiatives this year included:

- **Financial Stability Programme:** A university-wide initiative to optimise resource use and reinforce fiscal discipline, ensuring that BU remains agile and able to invest in areas that directly enhance the student experience.
- **Streamlined Research Funding Processes:** Significant improvements have been made to the pre-award process for research funding. These changes have eliminated a previously resource-intensive process, freeing up capacity and accelerating project delivery.
- **Cost-of-Living Support:** In response to rising living costs, BU and SUBU introduced a range of student-focused initiatives, free cooking demos, supper and breakfast clubs, student saver menus, and less than £4 meals at our Fusion building. These services help ensure that financial hardship does not hinder academic success or wellbeing.

- **Employer Engagement and Apprenticeship Innovation:** Through OfS-funded initiatives, BU advanced its degree apprenticeship offer across key sectors including Social Work, Midwifery, Biomedical Science, Digital Marketing, and Finance and Accountancy. A strategic collaboration from the apprenticeship development team, facilitated through external engagement, enabled alignment with broader business outreach efforts, maximising impact and resource efficiency. Activities included a collaborative business breakfast with Bournemouth and Poole College; a community-focused lunch event with You Are the Media; and BU's first employer-facing apprenticeship webinar. These engagements demonstrated value for money by leveraging partnerships, minimising duplication, and using scalable formats to reach diverse employer audiences—enhancing BU's reputation as a responsive, inclusive, and cost-effective training provider.
- **Accounts Payable (AP) Innovation:** As part of a continuous improvement initiative, the AP process was streamlined to enhance operational efficiency, reduce email traffic, improve stakeholder experience, and allow on-time payment. By fully leveraging existing systems and introducing clearer protocols for invoice submission and query handling, the initiative significantly reduced document backlog and improved processing times. These changes have resulted in a 52% increase in processing efficiency, with average document wait times significantly reduced. The initiative reflects BU's commitment to delivering value through low-cost, high-impact solutions that support inclusive and responsive service delivery.
- **Enhancing Student Experience Through Sport BU Collaboration:** Sport BU has partnered with the Sports Therapy programme to deliver on-site support for student athletes. This includes pre-performance preparation, pitch-side injury assessment, and rehabilitation services such as concussion clinics. Delivered at minimal cost, the initiative replaces external contractors with supervised student practitioners, offering enhanced care for athletes while providing Sports Therapy students with valuable hands-on experience that contributes to their professional qualification. This model exemplifies value for money by integrating academic expertise with real-world learning, benefiting both students and the wider university community.

These efforts reflect our commitment to providing students with an enriching, supportive, and forward-looking educational environment, while ensuring that BU remains a responsible steward of public and institutional resources.



## Financial review

### Financial highlights

The University posted a consolidated underlying operating deficit of £1.0m (2023/24: surplus £11.1m) for the first time in many years and an overall operating deficit of £8.4m (2023/24: surplus £6.0m) after restructuring charges and pension provisions. Losses on disposals of assets of £2.4m have increased the total deficit to £10.8m.

Total income has reduced by £9.2m, mainly due to the 9% reduction in full-time students this year. Total expenditure increased by £2.9m, excluding restructuring and pension provision costs. Staff costs have been kept under control because of the Voluntary Severance Scheme last year, helping to mitigate the increase in National Insurance (NI) costs and any cost-of-living increases. The overall cost increase is, largely, due to void payments on accommodation, where we have less students, and investment in IT as part of our digital strategy.

In reviewing our performance on expenditure, we have excluded non-cash pension costs and restructuring charges due to their variable and exceptional nature. A restructuring charge of £7.7m has been incurred this year related to the Financial Recovery Plan (FRP) to reduce staff numbers and costs and ensure financial stability for the future. This programme of change aims to address the challenges that we are facing and will ensure that the University is the right size and shape to maximise our future potential.

The pension provision is in credit this year by £0.3m as we have benefitted from some favourable assumptions in the Local Government Pension Scheme (LGPS).

Despite the operating deficit this year, and the additional cost associated with the FRP, the year-end cash position remained strong at £58.9m (2023/24 £65.1m). The University's consolidated total reserves have reduced by £6.2m to a net surplus position of £146.2m (2023/24: £152.4m).

### Key Performance Indicators (KPIs)

	2024-25 Actual	2023-24 Actual	BU2025 Target
(Deficit)/surplus from income and expenditure statement (excluding changes to the pension provisions, restructuring charge and loss on disposal of fixed assets as a % of income)	(0.5%)	5.7%	4.0-6.0%
Net cash from operating activity as % of income	2.0%	7.5%	11.0%
Borrowing as a % of income	24.0%	24.3%	36.0%

In terms of our Key Performance Indicators (KPIs), BU reported an operating deficit as a percentage of income of 1.8%, which was below the BU2025 target operating surplus of 4.0-6.0%, whilst net cash from operating activity was also below target at 2.0% (2023/24 7.5%). Both measures were impacted by the reduction in home and overseas tuition fee income. The borrowing to income percentage remained below the BU2025 target of 36.0%. There were no additional borrowings drawn in the 2024/25 financial year whilst capital repayments reduced long-term loans by £2.7m

### Trend analysis

Five-year financial summary £m	2024-25	2023-24	2022-23	2021-22	2020-21
Total income	184.5	193.7	184.6	169.7	162.5
Total expenditure	185.5	182.6	175.0	161.1	154.5
<b>(Deficit)/surplus from income and expenditure statement, excluding changes to the pension provisions and restructuring charge</b>	<b>(1.0)</b>	<b>11.1</b>	<b>9.6</b>	<b>8.6</b>	<b>8.0</b>
Pension provision (cost adj.)	(0.3)	(1.5)	5.1	15.3	11.9
Restructuring charge	7.7	6.6	0.3	0.1	1.0
(Deficit)/surplus before other gains	(8.4)	6.0	4.2	(6.8)	(4.9)
Operating (deficit)/surplus excluding pension adjustment and restructuring charge as a % of income	(0.5%)	5.7%	5.2%	5.1%	4.9%
Net assets excluding pension reserve	146.7	158.0	154.3	143.6	132.8

Total income has grown by 13.5% in the five-year period, despite the 4.7% reduction this year.

Total expenditure has grown by 20% in the same period, significantly more than income growth and a reflection of the increase in staff costs and utilities inflation, in particular.

The recent trend of a reducing LGPS pension provision has continued with 2024/25 provision reporting a credit of £0.3m, reflecting the increases made in annual pension contributions and increasing interest rates in recent years.

Restructuring charges of £7.7m this year and £6.6m last year have been incurred, reflecting the need for the organisation to change the way it operates to be fit for the future and reduce the increasing staff costs where income is now reducing.

Overall, net assets, excluding the pension reserve, have increased by £13.9m in the five-year period, although this year has seen its first decrease as we re-organise to a different income level and invest to diversify and grow income.

### Income

	2024-25 £m	2023-24 £m	Incr/(decr) £m
Funding body grants	14.7	14.7	0.0
Tuition fees and education contracts	144.4	152.9	(8.5)
Research grants and contracts	6.0	5.4	0.6
Other operating income	16.8	17.8	(1.0)
Donation and endowment income	0.1	0.1	0.0
Investment income	2.5	2.8	(0.3)
<b>Total income</b>	<b>184.5</b>	<b>193.7</b>	<b>(9.2)</b>

The financial year 2024/25 saw total income reduce by £9.2m (4.7%) from £193.7m in 2023/24 to £184.5m in 2024/25, driven primarily by reducing demand for undergraduate and postgraduate courses from home and overseas students. Research income increased by 11% as we continue to develop income-generating projects in the current environment. Other operating income decreased by £1.0m where some one-off capital grants were received last year, such as the 3G pitch at Chapel Gate. Investment income reduced marginally by £0.3m from the reduction in cash reserves and interest rate reductions.

### Expenditure

	2024-25 £m	2023-24 £m	Incr/(decr) £m
Staff costs (excluding pension provision)	102.3	101.8	0.5
Other operating costs	68.5	65.5	3.0
Depreciation	13.1	13.6	(0.5)
Interest payable and other finance costs (excluding pension provision)	1.6	1.7	(0.1)
<b>Total expenditure (excl. restructuring and pension provisions)</b>	<b>185.5</b>	<b>182.6</b>	<b>2.9</b>
Pension provision (cost adj.)	(0.3)	(1.5)	1.2
Restructuring charge	7.7	6.6	1.1
<b>Total expenditure</b>	<b>192.9</b>	<b>187.7</b>	<b>5.2</b>

Total expenditure, excluding restructuring and pensions, increased by £2.9m (1.6%) to £185.5m. Staff costs have been well controlled this year thanks to the Voluntary Severance Scheme (VSS) last year. There was an increase of only £0.5m (0.5%), despite increases in pension costs (£1.0m) and NI (£0.6m). Salary costs reduced by £1.0m, thanks to the VSS and with a general minimum pay increase of 2.5% that was phased to help control costs. Other operating costs increased by £3.0m, largely due to accommodation voids (£2.5m), including future commitments, and IT investment (£0.7m).

Restructuring charges of £7.7m were due to voluntary redundancy related to the FRP, with over 180 staff leaving the organisation as part of this plan. It is estimated that this will save over £12.0m per annum in staff costs to help support BU's financial position where student numbers have reduced significantly.

Pension provisions remained as a credit for the second financial year. It should be noted that the credit of £0.3m included the impact of the capitalised cost of the additional benefits for former employees entitled to unreduced early retirement benefits, known as curtailments. Curtailments were calculated at £2.1m and included within the scheme service cost. The pension provision cost adjustment credit of £0.3m is split between a staff cost credit of £0.4m (2023/24: cost £2.1m) and interest payable £0.1m (2023/24: £0.6m).

### Cash flow and borrowings

BU's net cash inflow from operating activities reduced from £14.5m in 2023/24 to £3.7m in 2024/25, predominately due to a reduction in home and overseas student fee income and the cost of the voluntary redundancy scheme. The University invested £8.4m (2023/24 £14.9m) in capital additions. Cash and cash equivalents reduced by £6.2m, from £65.1m in 2023/24 to £58.9m in 2024/25. This represented 125 cash days against a Board requirement of 110 days.

Loan capital repayments reduced borrowings by £2.7m from £47.0m to £44.3m (Note 19).

### Banking facilities and covenants

BU has access to an overdraft facility of £5.0m and a £20.0m Revolving Credit Facility (RCF). Our RCF and overdraft remained undrawn, and we were compliant with all our financial covenants during the 2024/25 financial year, though it should be noted that banks agreed to exclude exceptional costs, such as restructuring, from these financial covenants for 2024/25.

The budget and forecasts, agreed with the Board in July 2025, have been used to calculate the values of the banking covenants over the relevant period to ensure the University is compliant with them. As a result of the ongoing downturn in student

recruitment, there remains a risk that the University may not be compliant with some of the covenant conditions in the short-term around annual earnings and further negotiations will be required with banks.

### Capital investment

The University invested £8.0m in capital projects in 2024/25 (2023/24 £14.2m). The major projects this year were a continuation of the Talbot Campus and Poole House remodelling projects to create improved teaching space; new PC labs; new radio studios; and a new social collaboration space has been created in Weymouth House. In addition, the University continued to roll out our Audio Visual and Student Computer Refresh Programmes, as well as investment in the creation of an Intelligent Campus.

The asset losses of £2.3m this year largely relate to writing off old asset balances where the upgrade work this year has superseded the original work on the asset and it no longer exists.

### Pension provisions

During 24/25 BU held a pension provision on the balance sheet for the Local Government Pension Scheme (LGPS) which is administered by Dorset Council and is a multi-employer scheme where its assets and liabilities can be established for

individual employers and the Pension Enhancement liability which relates to previous members of staff, who receive pension enhancement payments.

The Universities Superannuation Scheme (USS) is also a multi-employer scheme with no basis to accurately identify employers' share of assets and liabilities and any surplus or deficit for BU. As set out in Notes 10 and 22, no deficit recovery plan was required under the USS 2023 valuation because the scheme was in surplus on a technical provisions basis and so there is no requirement to provide for deficit recovery contributions in 2024/25 (2023/24 Nil).

The University also participates in the Teachers' Pension Scheme (TPS) which is a defined benefits scheme. There is no pension provision recognised on the balance sheet for the TPS. In addition, the National Health Service Pension Scheme (NHSPS) is in operation for certain staff. The NHSPS is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution rates determined by HM Treasury.

The LGPS pension provision reported a further reduction, reducing from £5.0m in 2023/24 to £0.1m in 2024/25. It should be noted that because of significant gains arising from the

change in financial assumptions in the LGPS pensions provision, the balance of the University's assets in the scheme exceeded the liabilities associated with the funded defined benefit obligation, giving rise to a surplus. FRS102 allows an asset to be recognised for a defined benefit scheme in surplus only in so far as there is a realisable value in the asset. The maximum realisable value is the asset ceiling. In 2024/25 an asset ceiling of £34.1m was incorporated into the provision calculation.

### Statement of financial position

As at 31 July 2025, BU's statement of financial position is sound, with total net assets of £146.2m, £58.9m of which is in cash and cash equivalents.

Overall, the University is in a good financial position to manage the current financial risks, with a conservative outlook, and set out with an ambitious new strategy.



**Sir Martin Davidson**  
Chair of the Board



# Governance review

## Public benefit statement

The University is required to demonstrate how it meets its responsibilities as a charity and show that its activities are of 'public benefit'. University Board Members are charity trustees. The trustees are aware of their duties regarding acting for the public benefit and have had due regard to the Charity Commission's guidance on public benefit in exercising their duties.

Our students are our charitable beneficiaries. The education and research undertaken at the University also benefits other wider groups of the public; including, for example, those accessing health services who are cared for by staff educated at the University. However, these wider groups are not direct beneficiaries of the charity.

Our values throughout the BU2025 strategy have been excellence, inclusivity, creativity and responsibility. We strive for excellence in everything that we do. We value and respect diversity and act to ensure we are inclusive. We are imaginative, innovative and create solutions to problems. We take responsibility for the impact of our actions and focus our activity as a learning community on making a positive contribution to society. As we move to our new strategy in the work on BU2035 we will revisit these values for the future.

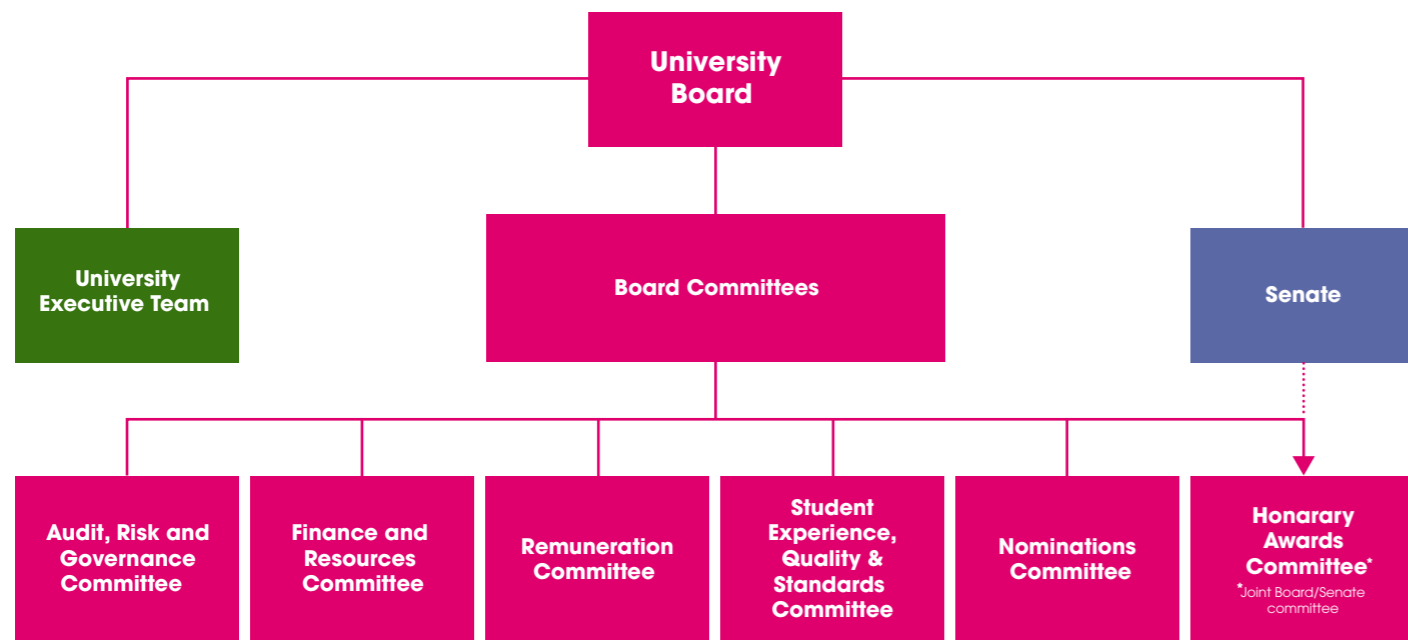
Illustrative examples of how the University has fulfilled its charitable public benefit purposes can be found in the Operational Review.

## Legal status

The University was created as a higher education corporation by an order of the Privy Council dated 26 April 1993 and derives its powers from section 123A and 123B of the Education Reform Act 1988 as amended by the Higher Education and Research Act 2017. Under section 123A, the principal powers of a higher education corporation include the power to provide higher education; to provide further education; and to carry out research and to publish the results of the research, or any other material arising out of or connected with it, in such manner as the corporation thinks fit. These are also the charitable objects of the University. The University is an exempt charity under the Charities Act 2011 and its principal regulator is the Office for Students.

## Governance structure

The overall Board and Committee structure is as follows:



The names of all our Board and Committee Members can be found on page 66.

### Independent audit is provided by the following suppliers:

#### External Auditor:

BDO LLP  
Arcadia House  
Maritime Walk  
Southampton  
Hampshire  
SO14 3TL

#### Internal Auditor:

PricewaterhouseCoopers LLP  
One Chamberlain Square  
Birmingham  
B3 3AX

## Principal risks and uncertainties

BU operates comprehensive corporate risk management and control arrangements to ensure the sustainability of its operations and its ability to continue to comply with all conditions of registration and that mitigating actions are deployed on a timely basis when a risk crystallises.

The Corporate Risk Register is maintained by the University Executive Team (UET) who identify and prioritise the key strategic risks and ensure that there are the necessary mitigations to manage these risks at an acceptable level. The Risk Register is scrutinised by the Audit, Risk and Governance (ARG) Committee and the University Board also receives the Risk Register as part of the report from each ARG Committee meeting. For the ARG review in October 2025 there were 13 strategic risks being actively managed.

The University recognises that the risk environment for the sector has worsened and there has been a concentration on the following critical risks and mitigations this year.

Risk	Mitigation
There is a risk that BU fails to have an appropriate portfolio, not attracting prospective students, meeting student expectation, or preparing them for their chosen profession.	<ul style="list-style-type: none"> <li>Ensure that investment and disinvestment decisions are informed by market data, and we can adapt rapidly to the market;</li> <li>Systematic review of under-recruiting and poor-quality provision to ensure alignment;</li> <li>Ensure portfolio is preparing students for their careers, and that it is aligned to professional bodies.</li> <li>Strengthen academic governance frameworks to streamline and expedite decision-making for portfolio development.</li> </ul>
There is a risk that, due to the pace of change in the external environment, BU is unprepared for or unable to respond to cyber security attacks.	<ul style="list-style-type: none"> <li>Cyber-attack prevention technologies in place and maintained;</li> <li>Continued investment in new cyber prevention and identification technologies;</li> <li>IT policies that ensure appropriate updates and patches are implemented;</li> <li>Training and awareness for all staff and students relating to types of possible attack and how to use IT safely to protect the University;</li> <li>Monitoring and reporting of potential attacks within IT;</li> <li>Continued development of Computer Emergency Response Team (CERT) to enable early warning and notification systems.</li> </ul>
There is a risk that the University is unable to maintain financial sustainability.	<ul style="list-style-type: none"> <li>Review and amend the cost base, as necessary, to reflect the future shape &amp; size of BU in terms of research and teaching;</li> <li>Horizon scanning to identify potential growth areas;</li> <li>Manage local, and international, relationships to improve student recruitment;</li> <li>Ensure flexibility over long-term planning, including academic time allocations, as part of BU2035 financial plan</li> <li>Budgets and business planning for future student numbers and research activity;</li> <li>Monitor UCAS applications, ONS for demographics; SLC pronouncements and government policy on student number volumes;</li> <li>Re-prioritising and re-phasing of capital and revenue programmes to ensure financial sustainability;</li> <li>Regularly review control metrics in place to track financial sustainability, including cash flow monitoring and regular forecasts, taking corrective action as needed.</li> <li>Prioritise all activity and spend, ensuring investments and assets are correctly allocated between academic areas of growth, contraction and steady state and releasing under-utilised assets to free up funds for re-investment.</li> <li>Maintain existing level of working capital funding to manage peaks and troughs in cash flow, including any revolving credit facility and/or overdraft, ensuring cash days are at the required level.</li> <li>Ensure reserves policy is fully complied with, especially in terms of unrestricted cash funds and the level required to manage short-term financial risks.</li> </ul>

Risk	Mitigation
<p>There is a risk that BU does not have the strategic and tactical capability to plan for, respond to and recover from incidents which may threaten business continuity in the short, medium, and long-term.</p>	<ul style="list-style-type: none"> <li>Major Incident Plan (MIP) in place, supported by experienced and trained Major Incident Group (MIG) led by the Chief Operating Officer (COO)</li> <li>MIG Exercises take place annually including internal and external stakeholders</li> <li>Business Continuity Steering Group (BCSG) overseeing Faculty, Service and activity Business Continuity Plans</li> <li>Monitoring risk of civil protest or disruption to our BAU, e.g. anti-immigration, or conflict in Gaza</li> <li>Horizon scanning and early consideration of potential issues</li> <li>BU is an active member of HEBCoN, BCI &amp; Dorset BC Forum, and engages with Dorset Local Resilience Forum, hosting and participating in exercises and professional development activities.</li> </ul>

As well as the overall Corporate Risk Register, there are also risk registers for all faculties and professional services to enable senior management to manage their risks in a structured way and give visibility and assurance to the UET that risk is being managed across BU.

**Statement of corporate governance**

The University is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the way the University has applied the principles set out in the Committee of University Chairs (CUC) Higher Education Code of Governance (Revised September 2020).

The University is registered with the Office for Students (OfS) and is responsible for ensuring that it satisfies all conditions of registration. The Audit, Risk & Governance Committee (ARG) monitors compliance with the conditions of registration and considers reports on compliance prior to their presentation to the Board. The University maps its current practice against all its obligations under the CUC Code and the OfS conditions of registration.

The CUC Code operates on an ‘apply or explain’ basis and the University applies all aspects except for element 5.3, where the University has agreed a recommendation from its 2020/21 independent governance review not to appoint a Senior Independent Governor role as recommended by the Code. Instead, this role is incorporated into that of the Deputy Chair.

The University also has due regard to, and is compliant with, the CUC’s Higher Education Senior Staff Remuneration Code. Disclosures regarding senior remuneration have been provided in the notes to this year’s accounts and the separate Remuneration Committee Annual Reports, published in tandem with the Financial Statements.

The members, who served on the Board during the year and up to the date of signature of this report, are listed on page 66. The Board’s Nominations Committee is responsible for monitoring skills gaps and making recommendations to the Board in respect of the recruitment and appointment of new Members.

Board Members are charitable trustees. As such, they ensure that the University carries out its activities for the public benefit; complies with its governing documents and the law; manages its resources responsibly and is accountable. As trustees, the University Board Members must always act with reasonable care and skill, and in the best interests of the University as a charity. The University must comply with the reporting and other requirements of the OfS as principal regulator under the Charities Act 2011. University Board Members must comply with the Board Members’ Code of Conduct, which consolidates these principles.

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 key performance indicators, academic governance, risk management and strategic planning.

All University Board Members can take independent professional advice in furtherance of their duties at the University’s expense and have access to the Clerk to the Board, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment and removal of the Clerk are matters for the Board as a whole. Formal agendas, papers and reports are supplied to Board Members in a timely manner, prior to Board meetings. Briefings on topics of

interest are also provided as required, and Continuing Professional Development opportunities, such as events run by Advance HE, are available to Board Members at the University’s expense.

The Board has a strong and independent non-executive element, and no individual or group dominates its decision-making process. The Board considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. Board Members are required to declare interests and to comply with the University’s Conflicts of Interest Policy and Procedures. The Board’s Register of Interests is published annually on the University’s website, together with details of any Board Members’ other trusteeships. There is a clear division of responsibility in that the roles of the Chair and Vice-Chancellor are separate.

Independent members of the Board are appointed for an initial three-year term of office. Re-appointment is not automatic and is subject to the approval of the Board on the recommendation of its Nominations Committee. The normal maximum term of office for Independent Members is three terms of three years. The total maximum term of office on the Board for an Independent Member (including the Chair and Deputy Chair) must not exceed nine years unless there is exceptional justification. Two members of the UET are currently appointed to the Board in an ex-officio capacity – the Vice-Chancellor and Finance Director. Other members of the UET attend Board meetings as appropriate. Other staff Board Members serve three-year terms subject to remaining in an appropriate post at the University and may be appointed for a maximum of two terms. The elected President of SUBU is an ex officio member of the Board and may serve a maximum of two, one-year terms. The additional

student member role is also appointed for a maximum term of two years (or less if they cease to be a student at the University).

**Legal and governance structure**

The institution is an independent corporation, established as a Higher Education Corporation under the terms of the Education Reform Act 1988 and the Further and Higher Education Act 1992 as amended by the Higher Education and Research Act 2017. Its objects and powers and framework of governance are set out in section 123A of the Education Reform Act 1988 as amended by the Higher Education and Research Act 2017 and the Instrument and Articles of Government. These constitutional documents, together with the University Board’s full Statement of Primary Responsibilities are published at [www.bournemouth.ac.uk/about/financial-information/our-charitable-status](http://www.bournemouth.ac.uk/about/financial-information/our-charitable-status) Key institutional policies and procedures, including the Scheme of Delegation and the Financial Regulations, remain subject to regular review by the Board.

The Articles of Government at the University require the institution to have a Board of Governors (the University Board) and a Senate, each with clearly defined functions and responsibilities, to oversee and manage its activities.

The University Board is the governing body responsible for matters including the finance, property and staffing of the institution. It is specifically required to determine the educational character and mission of the institution and to set its general strategic direction.

The Instrument of Government requires that at least half of all the members of the Board are independent members. The University Board has determined that a majority of its members shall be independent members. The Chair of the Board is an independent Board Member. There is also provision for the appointment of co-opted members, and members of the academic and professional service staff, and the student body.

Subject to the overall responsibility of the governing body and to responsibilities of the Vice-Chancellor, Senate has oversight of the academic activities of the institution and draws its membership from the staff and the students of the institution. It is particularly concerned with general issues relating to research, education and professional practice as well as student experience.

The Vice-Chancellor and Chief Executive Officer is the head of the institution with a general responsibility to the University Board for the organisation, direction and management of the institution. Under the OfS’ regulatory framework, the Vice-Chancellor is the accountable officer and, in that capacity, can be summoned to appear before the Public Accounts Committee of the House of Commons.

Although the University Board normally meets at least five times each academic year, much of its detailed work is initially handled by sub-committees, as detailed below. The activities of these sub-committees are formally reported to the governing body

**Audit, Risk and Governance Committee (ARG)** is responsible for overseeing the University’s management of risk; monitoring the effectiveness of the University’s governance arrangements; value for money; internal control and advising the Board on the appointment of internal and external auditors. Membership is comprised exclusively of Independent Members. The Committee meets normally four times a year and internal and external audit representatives attend each meeting. At every meeting, Committee Members can meet with audit representatives without members of the Executive present and do so at least once every year. External auditors undertake the audit of the financial statements of the University and its subsidiaries and give an independent opinion of the financial statements and the use of public funds; and the internal auditors provide independent assurance on systems of internal control, risk management, data assurance, governance and arrangements to promote value for money. Members of the UET attend meetings of Audit, Risk and Governance Committee, but are not members of the Committee.

**Finance and Resources Committee (FRC)** considers, on behalf of the University Board, matters concerning the effective and efficient use of physical and human resources and provides assurance, advice, and makes recommendations to the Board as appropriate. It advises the Board on the University’s overall financial strategy, financial sustainability and financial forecasting. The Committee reviews the University’s management accounts and cash flow forecasts at each meeting, oversees all major investments and advises the Board on the University’s annual budget. It oversees the treasury activities of the University, including its borrowings. On human resources, the Committee sets the framework for the pay and conditions of employment

of staff; considers the University’s equality and diversity activities and monitors progress against the people elements of the University’s strategy (including leadership, recruitment and performance management).

**Student experience, Quality and Standards Committee (SQS)** is responsible, on behalf of the Board, for maintaining oversight of student experience and the quality of that experience and to provide assurance, advice and make recommendations to the Board as appropriate. The Committee was established to strengthen the Board’s oversight of academic matters in recognition of its ultimate responsibility for academic governance, quality and standards.

**Remuneration Committee** determines the pay and conditions of service of the holders of senior posts. This Committee has regard to, and is compliant with, the CUC Higher Education Senior Staff Remuneration Code (November 2021) and Guidance on decisions taken about severance payments in HEIs. An annual report to the Board from the Remuneration Committee, containing further details of its membership, processes and decision-making, is published separately alongside these Financial Statements.

**Nominations Committee** is responsible to the University Board for agreeing, and subsequently overseeing, the process for the appointment of all Board Members, the Chancellor, the Pro-Chancellors, the Vice-Chancellor and other holders of senior posts. It is responsible for ensuring that the Board has the necessary skills available to it and for deploying those effectively. It also monitors and oversees Board members’ attendance at meetings. A focus of the Nominations Committee’s activity this year has been the search for a new Chair of the University Board to succeed David Furniss whose term of office came to an end on 11 July. An executive search agency were commissioned to support the search under the leadership of the Deputy Chair of the Board and the Committee members. Stakeholder groups, including students, were also involved in the selection process. The Board was pleased to appoint Sir Martin Davidson to the role of Chair of the Board from 12 July 2025.

**Honorary Awards Committee** is a joint Senate and University Board Committee which makes annual recommendations to the Board on the Honorary Awards to be conferred at the University’s awards ceremonies.

Members of the University Board are also entitled to attend, as observers, meetings of Senate and its standing committees.

The institution maintains a register of interests of members of the University Board and UET which is published on the University's website annually. A hospitality register is also maintained in accordance with anti-bribery legislation.

In accordance with the Articles of Government, the Board has appointed a Clerk to the University Board. Following the resignation of the Clerk to the Board during the year, an Acting Clerk to the Board has been appointed pending the formal appointment of a successor. The Clerk provides independent advice on matters of governance to all members of the University Board.

No independent member of the University Board receives payment for being on the Board or for the work they do as trustees, but reasonable expenses incurred as part of their duties are reimbursed. £8,013 was claimed in 2024/25 by 14 members (2023/24 £9,191). A record of expenses paid to members of the UET is also published on the University's website quarterly and monitored by the Remuneration Committee.

#### Statement of internal control

1. The University Board is responsible for the establishment and monitoring of systems of internal control. These control systems are embedded in the process of identifying and managing risks, and risk management is a key element of the operational, financial and project management systems within the University. These systems are subject to review by internal audit which is carried out by the internal auditors on a risk basis.
2. The UET has delegated responsibility for performance monitoring and management across the University, including the management of risk, and regularly reviews the University Risk Register. The Risk Register covers business, operational and compliance risk as well as financial risk. The review of the Risk Register is an ongoing process, and risks are rated and prioritised according to probability and possible impact alongside the prescribed control measures to address the risk.
3. The University Risk Register (as discussed and agreed with the UET) is presented for discussion and review to the ARG at each of its meetings with new or changing risks highlighted. The Risk Register is a key element

in informing the internal auditor's work programme. The Risk Register is submitted to the Board along with the minutes of the ARG meeting. In addition, the ARG annually review the risk management process to ensure its ongoing effectiveness. The University Board, on the recommendation of the Committee, has approved a set of Risk Appetite Statements for the University's key business areas, to help inform the assessment of tolerable risk levels.

4. The ARG is also responsible for providing assurance to the University Board and the Vice-Chancellor on the effectiveness of the University's wider systems of governance which it does through its consideration of the University's accounts, risk management framework, data quality, internal and external audit reports, business continuity planning and other internal control processes.
5. The University Board reviews and approves the University's Financial Regulations annually. The University Board and the ARG also regularly review the University's policies and procedures in respect of internal control measures including conflicts of interest, anti-fraud, anti-bribery, financial sanctions, freedom of speech, prevent, modern slavery, safeguarding and public interest disclosure. The ARG has a standing agenda item under which it receives reports of any incidents arising under these, or any other, policies relating to serious incidents and all reports made to the OfS under the reportable events regime.
6. The Board periodically contracts with appropriate consultants to conduct an independent review of its own effectiveness and governance arrangements in addition to internal reviews of effectiveness. An independent external review of governance effectiveness was commissioned in 2024/25 and the outcomes are due to be reported to the Board for consideration by the end of 2025.
7. In addition to the independent reviews, the University Board's committees periodically review their own effectiveness and Board members and are subject to an ongoing cycle of individual annual reviews.
8. The statement of internal control covers the financial year to 31 July 2025 and the period after the year end and up to the date the financial

statements are signed. The internal control framework arrangements of the University are deemed adequate and effective.

#### Responsibilities of the Board

The University Board is required to present audited financial statements for each financial year.

In preparing the financial statements, the University Board, ensure that:

- a. suitable accounting policies are selected and applied consistently.
- b. judgements and estimates are made that are reasonable and prudent.
- c. applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- d. the going concern basis is used unless it is inappropriate to presume that the University will continue in operation for the foreseeable future.

The University Board is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the University, and which enable it to ensure that the financial statements are prepared in accordance with the University's Articles of Government. The University Board are responsible for preparing an Annual Report and financial statements which show a true and fair view, are prepared in accordance with UK GAAP and comply with the Further and Higher Education SORP 2019 (2019), Charities Act 2011, the Accounts Direction as issued by the Office for Students (OfS) and the Statement of Recommended Practice: Accounting for Further and Higher Education. It is responsible for taking steps that are reasonably open to it to safeguard the assets of the University and to prevent and detect fraud and other irregularities.

The University Board is responsible for ensuring that funds from the OfS are used only for the purposes for which they have been given and in accordance with the OfS Terms and Conditions of Funding for Higher Education (and any other conditions which the OfS may from time to time prescribe). The University Board must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and to ensure they are used properly. In addition, the University Board is responsible for securing economical, efficient and effective management of the University's resources and expenditure, so that the benefits that should be derived from the application of public funds are not put at risk.

The University has several mechanisms in place that it uses to ensure compliance with its obligations when utilising public funds, specifically around regularity and propriety. It has in place a set of financial regulations that all staff must comply with, that includes provisions covering procurement; use of funds for the means they have been provided for; value for money considerations and financial controls. The latter includes schemes of delegation and financial authority levels. The University has detailed processes around contracting to ensure that proper due process has been followed, and authorisation limits complied with. It also has several policies such as fraud prevention that support these measures. In total these give a control environment that means public funds are utilised correctly, for the purpose they were intended and in an efficient and effective manner, so satisfying compliance with regularity and propriety requirements.

The operation of these controls and the overall control framework is reviewed and checked in several ways especially by internal and external audit work. Internal auditors carry out checks on the financial systems and controls on a cyclical basis each year. External audit also checks that funds have been applied for the purposes they were intended and in accordance with the conditions of funding, with specific reference made to that in their report.

Further to this, the University Board has adopted this Statement as a summary of its responsibilities. The Statement conforms to the model Statement of Responsibilities published by the Committee of University Chairs.

1. To approve the mission and strategic vision and values of the institution, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
2. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the strategy and plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
3. To delegate authority to the head of the institution (known as the Vice-Chancellor), as Chief Executive Officer, for the academic, corporate, financial, estate and human resource management of the institution. And to establish and keep under regular review the policies, procedures and limits within such management

functions as shall be undertaken by and under the authority of the Vice-Chancellor.

4. To promote equality and diversity throughout the institution, including in relation to its own operation, and to promote a culture that reflects the university's vision and values.
5. In accordance with the Office for Students' (OfS) Condition E3, the University Board must:
  - (i) accept responsibility for the interactions between the University and the OfS and its designated bodies.
  - (ii) ensure the University's compliance with all its conditions of registration and with the OfS's accounts direction; and
  - (iii) nominate to the OfS a senior officer as the 'accountable officer' who has the responsibilities set out by the OfS for an accountable officer from time to time.
6. To oversee and monitor the University's compliance with ongoing conditions of registration that the Office for Students has in place from time to time relating to student experience, quality and standards, and access and participation.
7. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, value for money arrangements and procedures for handling internal grievances and for managing conflicts of interest.
8. To establish processes to monitor and evaluate the performance and effectiveness of the University Board itself. To receive assurance that appropriate processes are in place to monitor and evaluate the performance and effectiveness of Senate.
9. To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
10. To safeguard the good name and values of the institution.
11. To appoint the Vice-Chancellor as Chief Executive Officer, and to put in place suitable arrangements for monitoring his/her performance.
12. To appoint a Clerk to the University Board and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
13. To be the employing authority for all staff in the institution and to be responsible for establishing a human resources strategy.
14. To be the principal financial and business authority of the institution, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the institution's assets, property and estate.
15. To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name. This includes responsibilities for health, safety, security as well as equality, diversity and inclusion.
16. To receive assurance that adequate provision has been made for the general welfare of students and that the institution has met all requirements of ongoing condition of registration E6 to protect students from harassment and/or sexual misconduct.
17. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution.
18. To ensure that the institution's constitution is always followed, and that appropriate advice is available to enable this to happen.
19. To maintain and protect the principle of academic freedom as enshrined in freedom of speech legislation.
20. To ensure that all students have opportunities to engage with the governance of the University, and that this allows for a range of perspectives to have influence.

The University Board Members who held office at the date of approval of this report, confirm that so far as they are each aware, there is no relevant audit information of which the University's auditor is unaware; and each University Board Member has taken all the steps that he or she ought to have taken to be cognisant of any relevant audit information and to establish that the University's auditor is aware of that information.

**Sir Martin Davidson**  
Chair of the Board

**Professor Alison Honour**  
Vice-Chancellor and Chief Executive Officer



# Independent auditors report

## Opinion on the financial statements

In our opinion, the financial statements:

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

We have audited the financial statements of Bournemouth University ("the University") and its subsidiaries ("the Group") for the year ended 31 July 2025 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Group and the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board 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 Group and the University's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

## Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such

material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

## Opinion on other matters required by the Office for Students ("OfS") [and UK Research and Innovation (including Research England), the Education and Skills Funding Agency (now part of the Department for Education) and the Department for Education]

In our opinion, in all material respects:

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

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

- The University's grant and fee income, as disclosed in Note 6 to the accounts, has been materially misstated.
- The University's expenditure on access and participation activities for the financial year, as has been disclosed in Note 13 to the accounts, has been materially misstated.

## Responsibilities of the Board members

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

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

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

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

## Extent to which the audit was capable of detecting irregularities, including fraud

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

## Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance, including the Audit, Risk and Governance Committee;

- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Direct representation from the Accountable Officer;

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

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example, through the imposition of fines or litigations. We identified such laws and regulations to be registration with the Office for Students and their ongoing conditions of registration.

Our procedures in respect of the above included:

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

## Fraud

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

- Enquiry with management and those charged with governance, including the Audit, Risk and Governance Committee, regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting inappropriate journals to manipulate financial results and management bias in accounting estimates.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias and risk of fraud, including the assumptions in estimating pension liabilities.

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

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

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

**Use of our report**

This report is made solely to the Board, as a body, in accordance with Section 75 of the Higher Education Research Act 2017 and the charters and statutes of the University. Our audit work has been undertaken so that we might state to the University's Board 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 Board members as a body, for our audit work, for this report, or for the opinions we have formed.

**David I'Anson  
(Senior Statutory Auditor)**

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

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



# Financial statements

## Consolidated and university statement of comprehensive income and expenditure

	Note	2025	2025	2024	2024
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Income</b>					
Funding body grants	3	14,695	14,695	14,663	14,663
Tuition fees and education contracts	4	144,355	144,355	152,924	152,924
Research grants and contracts	5	6,048	6,048	5,430	5,430
Other operating income	7	16,840	16,828	17,830	17,826
Donations and endowments	8	65	65	82	82
Investment income	9	2,468	2,468	2,777	2,777
<b>Total Income</b>		<b>184,471</b>	<b>184,459</b>	<b>193,706</b>	<b>193,702</b>
<b>Expenditure</b>					
Staff costs	10	101,865	101,865	99,659	99,659
Restructuring costs	10	7,723	7,723	6,645	6,645
Other operating costs	11	68,443	68,442	65,534	65,519
Interest payable and other finance costs	12	1,787	1,787	2,340	2,340
Depreciation	14	13,084	13,084	13,557	13,557
<b>Total Expenditure</b>		<b>192,902</b>	<b>192,901</b>	<b>187,735</b>	<b>187,720</b>
<b>Operating (deficit)/surplus before other gains and losses</b>		<b>(8,431)</b>	<b>(8,442)</b>	<b>5,971</b>	<b>5,982</b>
Loss on disposal of tangible assets	14	(2,334)	(2,334)	(12)	(12)
Gain on valuation of non-current investments	15	0	0	1	1
<b>(Deficit)/surplus for the year before taxation</b>		<b>(10,765)</b>	<b>(10,776)</b>	<b>5,960</b>	<b>5,971</b>
Taxation		0	0	(50)	(50)
<b>(Deficit)/surplus for the year</b>		<b>(10,765)</b>	<b>(10,776)</b>	<b>5,910</b>	<b>5,921</b>
Fair value loss in respect of interest hedge	20	(95)	(95)	(610)	(610)
Actuarial gain in respect of pension schemes	26	4,623	4,623	9,271	9,271
<b>Total comprehensive(deficit)/surplus for the year</b>		<b>(6,237)</b>	<b>(6,248)</b>	<b>14,571</b>	<b>14,582</b>
Represented by:					
Endowment comprehensive income for the year		2	2	3	3
Restricted comprehensive (expenditure)/income in the year		(25)	(25)	194	194
Unrestricted comprehensive (expenditure)/income in the year		(6,214)	(6,225)	14,374	14,385
		<b>(6,237)</b>	<b>(6,248)</b>	<b>14,571</b>	<b>14,582</b>

All items of income and expenditure relate to continuing activities.  
The notes on pages 40 to 65 form part of these financial statements.

## Consolidated and university statement of changes in reserves

For the year ended 31 July 2025

Consolidated	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
Balance at 1 August 2023	54	109	137,731	137,894
Surplus from income and expenditure statement	3	194	5,713	5,910
Other comprehensive income	-	-	8,661	8,661
<b>Total comprehensive surplus for the year</b>	<b>3</b>	<b>194</b>	<b>14,374</b>	<b>14,571</b>
Balance at 31 July 2024	57	303	152,105	152,465
Surplus/(deficit) from income and expenditure statement	2	(25)	(10,742)	(10,765)
Other comprehensive income	-	-	4,528	4,528
<b>Total comprehensive surplus/(deficit) for the year</b>	<b>2</b>	<b>(25)</b>	<b>(6,214)</b>	<b>(6,237)</b>
<b>Balance as at 31 July 2025</b>	<b>59</b>	<b>278</b>	<b>145,891</b>	<b>146,228</b>

University	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
Balance at 1 August 2023	54	109	137,639	137,802
Surplus from income and expenditure statement	3	194	5,724	5,921
Other comprehensive income	-	-	8,661	8,661
<b>Total comprehensive surplus for the year</b>	<b>3</b>	<b>194</b>	<b>14,385</b>	<b>14,582</b>
Balance at 31 July 2024	57	303	152,024	152,384
Surplus/(deficit) from income and expenditure statement	2	(25)	(10,753)	(10,776)
Other comprehensive income	-	-	4,528	4,528
<b>Total comprehensive surplus/(deficit) for the year</b>	<b>2</b>	<b>(25)</b>	<b>(6,225)</b>	<b>(6,248)</b>
<b>Balance as at 31 July 2025</b>	<b>59</b>	<b>278</b>	<b>145,799</b>	<b>146,136</b>

The notes on pages 40 to 65 form part of these financial statements.

## Consolidated and university statement of financial position

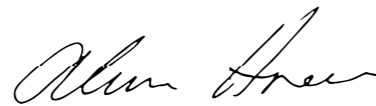
As at 31 July 2025

	Note	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
<b>Non-current assets</b>					
Tangible assets	14	162,400	162,400	169,773	169,773
Investments	15	50	50	50	50
		<b>162,450</b>	<b>162,450</b>	<b>169,823</b>	<b>169,823</b>
<b>Current Assets</b>					
Stocks		1	1	-	-
Trade and other receivables	16	11,518	11,494	12,095	12,243
Cash and cash equivalents	17	58,908	58,667	65,061	64,763
		70,427	70,162	77,156	77,006
Creditors: amounts falling due within one year	18	(39,272)	(39,099)	(40,311)	(40,242)
Net current assets		<b>31,155</b>	<b>31,063</b>	<b>36,845</b>	<b>36,764</b>
Total assets less current liabilities		193,605	193,513	206,668	206,587
Creditors: amounts falling due after more than one year	19	(41,609)	(41,609)	(44,327)	(44,327)
Pension provisions	22/26	(474)	(474)	(5,486)	(5,486)
Other provisions	23	(5,294)	(5,294)	(4,390)	(4,390)
<b>Total net assets</b>		<b>146,228</b>	<b>146,136</b>	<b>152,465</b>	<b>152,384</b>
<b>Restricted Reserves</b>					
Income and expenditure - endowment reserves	25	59	59	57	57
Income and expenditure - restricted reserve	24	278	278	303	303
<b>Unrestricted Reserve</b>		<b>145,891</b>	<b>145,799</b>	<b>152,105</b>	<b>152,024</b>
Total Reserves		<b>146,228</b>	<b>146,136</b>	<b>152,465</b>	<b>152,384</b>

The financial statements were approved by the Board and authorised for issue on 12 December 2025 and signed on its behalf by:



**Sir Martin Davidson**  
Chair of the Board



**Professor Alison Honour**  
Vice-Chancellor and Chief Executive Officer

The notes on pages 40 to 65 form part of these financial statements.

## Consolidated statement of cash flows

For the year ended 31 July 2025

	Note	2025 £'000	2024 £'000
<b>Cash flow from operating activities</b>			
(Deficit)/Surplus for the year		(10,765)	5,910
<b>Adjustment for non-cash items</b>			
Depreciation	14	13,084	13,557
Difference between net pension expense and cash contribution	26	(389)	(1,612)
(Increase)/Decrease in stock		(1)	3
Decrease/(Increase) in debtors	16	483	(121)
Decrease in creditors	18,19	(681)	(1,214)
Increase/(Decrease) in other provisions	23	904	(528)
<b>Adjustment for investing or financing activities</b>			
Capital grant income	3,7	(407)	(2,372)
Investment income	9	(2,468)	(2,777)
Interest payable	12	1,649	1,727
Loss on the disposal of tangible assets	14	2,334	1,923
Disposal of non-current asset investment	15	-	20
(Loss) on non-current and current investments	15	-	(1)
<b>Net cash inflow from operating activities</b>		<b>3,743</b>	<b>14,515</b>
<b>Cash flows from investing activities</b>			
Capital grant receipts		407	2,372
Investment income		2,468	2,777
Payments made to acquire fixed assets		(8,434)	(14,881)
<b>Net cash outflow from investing activities</b>		<b>(5,559)</b>	<b>(9,732)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(1,649)	(1,727)
Repayments of amounts borrowed	20	(2,688)	(2,658)
<b>Net cash outflow from financing activities</b>		<b>(4,337)</b>	<b>(4,385)</b>
(Decrease)/Increase in cash and cash equivalent in the year		(6,153)	398
Cash and cash equivalents at beginning of the year	17	65,061	64,663
<b>Cash and cash equivalents at the end of the year</b>	<b>17</b>	<b>58,908</b>	<b>65,061</b>

The notes on pages 40 to 65 form part of these financial statements

## Notes to the accounts

### 1. Statement of Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### a. Legal status

Bournemouth University was created as a higher education corporation by an order of the Privy Council dated 26 April 1993 and derives its powers from section 123A and 123B of the Education Reform Act 1988 as amended by the Higher Education and Research Act 2017. The University is an exempt charity established in England and Wales for the purposes of the Charity Act 2011.

#### b. Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): the Further and Higher Education SORP 2019 (SORP 2019) and in accordance with Financial Reporting Standards (FRS102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention.

#### c. Going concern

The financial statements have been prepared on a going concern basis based on forecasts of financial performance and cash flows for the period to 31 December 2026, being a period of at least 12 months from the approval of the financial statements, which demonstrate that the University and the Group have sufficient liquidity to pay liabilities as they fall due and comply with banking covenant requirements during this period.

In July 2025, the University Board approved a budget for the year to 31 July 2026 and plans for the year to 31 July 2027. Since the budget and plans were approved, student recruitment for 2025/26 has been less than budgeted but still within the contingency levels that were approved in the budget. The Board has taken comfort from the delivery of the Financial Recovery Plan to reduce operating costs as student numbers have fallen. The University Board have also reviewed reasonable actions that could be implemented to reduce pay and non-pay costs to reflect any further shortfall in recruitment and mitigate the overall financial impact of lower than anticipated income.

The UET has worked closely with the banks to give assurance and review banking covenant requirements to ensure compliance.

The budget and plans demonstrate that the University and Group would have sufficient liquidity within its agreed facilities to meet all anticipated liabilities as they fall due and comply with banking covenant requirements during the going concern assessment period. There is also sufficient headroom, and mitigations, to accommodate variations to the forecast that could occur from any reasonable financial risks.

At the date of approval of these financial statements, and having considered the matters referred to above, the Board of Governors consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

#### d. Basis of consolidation

The consolidated financial statements show the position of the University and all its wholly owned subsidiary undertakings for the financial year ended 31 July 2025. Intra-group sales and profits are eliminated on consolidation. The consolidated financial statements do not include those of the Bournemouth University Students' Union as it is separately constituted, and the University does not exercise control or significant influence over the Union.

#### e. Revenue recognition

Fee income is stated gross of any expenditure which is not a discount or fee waiver and credited to the Consolidated Statement of Comprehensive Income and Expenditure. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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 customer, or the terms of the contract have been satisfied.

Investment income is credited to the Consolidated Statement of Comprehensive 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.

#### f. Grant funding

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

Grants (including research grants) from non-government sources are recognised in 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.

#### g. Capital grants

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

#### h. Donations and endowments

Donations and endowments are non-exchange transactions with no performance-related conditions. All donation and endowment income (restricted or otherwise) is recognised in the Statement of Comprehensive Income (and Expenditure) when the University is entitled to the funds. All donation and endowment income, where the donor states that the fund is to be used for a specific activity or purpose, is identified, and retained in separate Restricted reserves until such time that they are utilised (expended), at which point the restricted income reserve is released (transferred) to the unrestricted (general) reserve.

Investment income and movements in fair value of endowments are recorded as income in the year in which they arise, according to the terms and nature of the endowment.

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

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

#### i. Research & Development

Research & development expenditure is written off in the year incurred.

#### j. Maintenance of premises

The University charges maintenance costs to the Consolidated Statement of Comprehensive Income and Expenditure as they are incurred.

#### k. Borrowing costs

Borrowing costs are recognised in the Consolidated Statement of Comprehensive Income and Expenditure in the period in which they are incurred.

#### l. Foreign currencies

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the Consolidated Statement of Comprehensive Income and Expenditure.

#### m. Hedge accounting

The University uses variable to fixed rate interest swap to manage its exposure to interest rate cash flow risk on its variable rate debt. The derivative is measured at fair value at each reporting date. To the extent the hedge is effective; movement in its fair value is recognised in other comprehensive income. Any ineffective portions of those movements are recognised in the Consolidated Statement of Comprehensive Income and Expenditure for the period.

#### n. Tangible assets

As a consequence of the Education Reform Act 1988, the freehold interest in the land and buildings occupied by the University was transferred from Dorset County Council with effect from 1 April 1989. On 1 April 1989, the inherited property was valued at £17.2m by a firm of chartered surveyors using the depreciated replacement cost basis. The land was valued at transferred debt. The property is recorded in the financial statements at these values, as adjusted for subsequent disposals.

The de minimis threshold for the capitalisation of tangible assets is £5,000.

The initial cost recognition of a tangible asset is its purchase cost plus any directly attributable costs to bring the asset to its intended operating location and condition.

Assets under construction are accounted for at cost, based on the value of direct costs incurred to 31 July. As these assets become complete and operational, they are transferred to the appropriate asset category. They are not depreciated until the accounting period in which they are brought into use. Depreciation is not provided on freehold land. On other assets depreciation is provided on cost or revalued amounts in equal annual instalments over the estimated useful life of the assets. The rates of depreciation are as follows:

Asset type	Years
Freehold buildings	15 – 50
Leasehold improvements	25 (or period of lease if shorter)
Computers	5
Other equipment	5 – 15 *

\* the majority of other equipment is depreciated over five years unless the economic life is substantially different.

Where tangible assets are acquired with the aid of government-specific grants, they are capitalised and depreciated as above.

**o. Finance leases and operating leases**

Tangible assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term to produce a constant periodic rate of interest on the remaining balance of the liability. Rental costs under operating leases are charged to the Consolidated Statement of Comprehensive Income and Expenditure in equal annual amounts over the periods of the leases.

**p. Financial instruments****(i) Financial assets**

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price.

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the surplus or deficit.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**(ii) Financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires

**(iii) Investments**

Listed investments are stated at market value or cost where no market value is available. Investments in subsidiaries are carried at cost less impairment in the University accounts.

**q. Cash and cash equivalents**

Cash is represented by cash and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**r. Stocks**

Stocks are stated at the lower of cost and net realisable value.

**s. 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. Redundancy costs paid to employees predominately represent cash redundancy payments, pension contributions and payments in lieu of notice which are charged to the Consolidated Statement of Comprehensive Income and Expenditure when the redundancy is confirmed with the employee.

**t. Pension scheme**

Retirement schemes for employees of the University are provided by the Teachers' Pension Scheme (TPS), the Universities Superannuation Scheme (USS) and the Local Government Pension Scheme (LGPS) Dorset Council Pension Fund. These are defined benefit schemes and the USS and LGPS are externally funded. The TPS is a statutory unfunded, defined benefit occupational scheme. The USS and LGPS are valued every three years by professionally qualified actuaries, the TPS is valued by the Government Actuary not less than every four years.

In addition, the National Health Service (NHS) Pension Scheme is in operation for certain staff. The NHS scheme is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution rates determined by HM Treasury.

**Universities Superannuation Fund**

The University participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual universities, and a scheme-wide contribution rate is set. The University 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.

The University accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme.

**Defined Contribution Plan**

A defined contribution plan is a post-employment benefit plan under which the organisation 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 University should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University can recover the surplus either through reduced contributions in the future or through refunds from the plan.

**u. Provisions**

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

The University has recognised its future estimated obligation to return leasehold properties to the required state on the termination of the lease arrangement.

**v. Taxation**

The University is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 (formerly schedule 2 of the Charities Act 1993) and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the institution is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 287 CTA2009 and sections 471, and 478-488 CTA 2010 (formerly s505 of ICTA 1988) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

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

Deferred tax is provided in full on timing differences that exist at the reporting date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the reporting date. Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted.

**w. Reserves**

Reserves are classified as restricted or unrestricted, with the following reserve types:

- (i) Restricted endowment reserves** - where the donor has specified that the funds be permanently invested to generate an income stream for the University's benefit. Endowed reserves may be permanent or expendable, depending on the donor's wishes.
- (ii) Restricted reserves** - where the donor has specified a specific purpose and use. These funds must be spent in line with the donor's wishes.
- (iii) Unrestricted reserves** - these are reserves that are freely available for general use. These reserves support the financial sustainability of the University by maintaining sufficient resources to manage risks, and any significant commitments.

**2. Key sources of estimation uncertainty**

In preparing these financial statements, the University has made the following estimates:

**a. LGPS**

The LGPS net defined benefit obligation (liability) and pension cost is assessed in accordance with the advice of independent actuaries based upon latest actuarial valuations and assumptions determined by the actuaries. These assumptions are documented in Note 26. Variations of these assumptions can significantly influence the value of the liability (or asset) recorded.

**b. Tangible assets**

Tangible assets are depreciated over their useful economic lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

**c. Receivables**

The University has exposure to the collection of trade and tuition fee receivables. The provision for bad and doubtful debts is based on our estimate of the expected recoverability of debts. The assumptions underlying our estimate for bad debt provision are driven by the nature of debtor, as well as by the age profile of the component debts.

**d. Dilapidations**

Leasehold property dilapidations are recognised based on future estimated obligation to return properties to their required state on the termination of the lease arrangement, based on the market works cost estimate.

**3. Funding body grants**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Office for Students recurrent grant	6,610	6,610	6,738	6,738
Research England recurrent grant	6,421	6,421	6,407	6,407
Office for Students non-recurrent specific grant	591	591	117	117
Research England non-recurrent specific grant	224	224	483	483
Higher Education Innovation Funding	561	561	623	623
Capital grants	288	288	295	295
	<b>14,695</b>	<b>14,695</b>	<b>14,663</b>	<b>14,663</b>

The analysis of funding body grants has been amended from the prior year to more clearly identify the nature and source of funding received. There is no impact on the total amount of funding body grants received.

**4. Tuition fees and education contracts**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Full-time home and EU students	99,874	99,874	105,728	105,728
Full-time international students	37,335	37,335	41,451	41,451
Part-time students	2,411	2,411	1,996	1,996
Other teaching contract course fees	4,068	4,068	3,288	3,288
Research training support grants	237	237	117	117
Short course fees	430	430	344	344
	<b>144,355</b>	<b>144,355</b>	<b>152,924</b>	<b>152,924</b>

**5. Research grants and contracts**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Research Council	2,509	2,509	1,601	1,601
UK-based charities	466	466	620	620
European Commission	224	224	312	312
Other grants and contracts	2,849	2,849	2,897	2,897
	<b>6,048</b>	<b>6,048</b>	<b>5,430</b>	<b>5,430</b>

**6. Grant and fee income source**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Grant income from OfS	7,201	7,201	6,905	6,905
Grant income from other bodies	13,969	13,969	15,474	15,474
Fees income from taught awards	140,073	140,073	149,565	149,565
Fees income from research awards (exclusive of VAT)	3,455	3,455	2,788	2,788
Fees income from non-qualifying courses (exclusive of VAT)	827	827	571	571
	<b>165,525</b>	<b>165,525</b>	<b>175,303</b>	<b>175,303</b>

**7. Other operating income**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Residences	7,560	7,560	7,526	7,526
Other services rendered	217	217	177	177
Other income	8,944	8,932	8,050	8,046
Other capital grants	119	119	2,077	2,077
	<b>16,840</b>	<b>16,828</b>	<b>17,830</b>	<b>17,826</b>

**8. Donations and endowments**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Donations with restrictions	58	58	66	66
Unrestricted donations	7	7	16	16
	<b>65</b>	<b>65</b>	<b>82</b>	<b>82</b>

**9. Investment income**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Income from investments	2,466	2,466	2,774	2,774
Income from endowment investments	2	2	3	3
	<b>2,468</b>	<b>2,468</b>	<b>2,777</b>	<b>2,777</b>

**10. Staff cost**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Salaries and wages	76,281	76,281	77,303	77,303
Social security costs	8,923	8,923	8,350	8,350
Other pension costs	17,099	17,099	16,144	16,144
The financial effects of the LGPS	(438)	(438)	(1,004)	(1,004)
Reversal of USS pension provision (Note 26)	-	-	(1,134)	(1,134)
Restructuring costs	7,723	7,723	6,645	6,645
	<b>109,588</b>	<b>109,588</b>	<b>106,304</b>	<b>106,304</b>

**Compensation for the loss of office:**

Compensation paid for the loss of office in the financial year was £7.7m (2024: £6.6m) relating to 177 (2024: 112) members of staff. These costs are almost all as a result of the in-year Voluntary Redundancy Scheme.

**Group and University average staff numbers by major category (full-time equivalent)**

	2025	2024
Academic (excluding part-time lecturers)	685	697
Administrative, professional, technical and clerical staff	850	889
Manual and maintenance staff	24	29
<b>Total average number of staff</b>	<b>1,559</b>	<b>1,615</b>

**10. Staff cost (continued)****Key management personnel compensation**

The University considers that key management personnel are the nine individuals (full-time equivalent 7.2) (2024: eight individuals, full-time equivalent of 7.1) who serve as members of the UET having authority and responsibility for planning, directing, and controlling the activities of the Institution. Total compensation includes basic salary, allowances, all taxable benefits, employer's national insurance costs, employer's pension costs and severance costs. No performance bonuses were paid in the financial year.

	2025 £'000	2024 £'000
Key management personnel compensation	1,700	1,728

	2025 £'000	2024 £'000
<b>Professor John Vinney</b>		

**Emoluments of the Vice Chancellor****01 August 2024 to 31 August 2024**

Basic salary	26	308
Benefits-in-kind	-	4
	<b>26</b>	<b>312</b>
Pension contributions	-	-
Payments in lieu of pension contributions	6	60
	<b>32</b>	<b>372</b>

	2025 £'000	2024 £'000
<b>Professor Alison Honour</b>		

**Emoluments of the Vice Chancellor****26 August 2024 to 31 July 2025**

Basic salary	252	-
Benefits-in-kind	-	-
	<b>252</b>	<b>-</b>
Pension contributions	72	-
Payments in lieu of pension contributions	-	-
	<b>324</b>	<b>-</b>

The remuneration of the Vice-Chancellor is set by the Remuneration Committee, which comprises independent members of the University Board and co-opted Independent Committee members who possess relevant knowledge and expertise. The Vice-Chancellor is not in attendance for, and does not play any part in, the discussions and decisions of their own remuneration.

There were no benefits in kind paid for the Vice-Chancellor in 2024/25. The University's pension contributions on behalf of the Vice-Chancellor are paid at the same rate as for other academic staff.

The Vice Chancellor's basic salary is 6.3 times (2024: 7.4 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries and wages paid by the University.

The Vice Chancellor's total remuneration is 6.6 times (2024: 7.6 times) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total paid by the University.

**Justification for the total remuneration package for the Vice-Chancellor****Context in which the University operates**

The University operates in a highly competitive national and international market and retention of effective and successful leadership is key to the University's continued success. BU2025 included the vision that BU will be recognised worldwide as a leading university for inspiring learning, advancing knowledge and enriching society.

**Value and performance delivered by the Vice-Chancellor**

The remuneration reported for the Vice-Chancellor and Chief Executive Officer (VC), Professor Alison Honour, was approved by the Remuneration Committee by written resolution on 12 March 2024 recognising her broad range of skills and extensive leadership experience. At its 3 October 2024 meeting, the Remuneration Committee confirmed that the salary accepted at the time of appointment would continue to apply for the academic year 2024/25. The salary on appointment was based on detailed benchmarking data in accordance with the Committee's Operating Framework as approved by the University Board.

**Process for judging performance of the Vice-Chancellor**

Objectives are developed and agreed with the VC by the Chair of the University Board based on the agreed strategic plan. These contain both short-term (one year) and long-term (multiple year) objectives with underpinning key performance indicators. The Remuneration Committee is presented with an appraisal report by the Chair of the University Board, based on the objectives set and agreed at the start of the academic year. Performance is assessed annually against delivery of these objectives using performance definitions for the VC approved by the Remuneration Committee.

**Processes and oversight arrangements involved in making remuneration decisions**

The Remuneration Committee has delegated authority on behalf of the University Board to approve the total remuneration package for the VC. The Remuneration Committee operates within the University Board approved Terms of Reference and an Operating Framework which sets out the comparative data that must be considered together with key comparator institutions as well as the principles underlying remuneration decisions. The Remuneration Committee also has due regard to the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs (CUC) and applies it in full.

Further details about Remuneration Committee decisions and processes are published in the Annual Remuneration Reports, which are available on the University website here: [www.bournemouth.ac.uk/about/governance/transparency](http://www.bournemouth.ac.uk/about/governance/transparency).

**Justification of the level of remuneration and the total remuneration package**

The VC's remuneration package is bench-marked against the UCEA all institutions remuneration data and the CUC survey of Vice-Chancellors' remuneration, including the more detailed analysis of the comparator set of institutions. The Remuneration Committee also considers the wider context of pay ratio data and the cost-of-living awards to other staff. The Committee will commission its next three-yearly external review of the benchmarking of the VC's remuneration in 2026. The last review concluded that: 'Overall, the current pay benchmarking approach of BU is considered to be well thought through and reasonable for the roles under review.'

With effect from 26 August 2024 the Committee awarded a salary to the VC of £270,000 which is the salary disclosed in the notes to these Financial Statements. This decision reflected her broad range of skills and extensive leadership experience. The VC does not have health insurance (or the equivalent value).

Information regarding the remuneration of the VC, Professor Alison Honour, is contained in the Remuneration Committee's Annual report, available on [BU's website](#), and will be further reported on in next year's Financial Statements.

**Trade Union facility time**

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the University to publish information on Trade Union facility time. The number of employees who were relevant union officials for the period 1 April 2024 to 31 March 2025 was 21 (3.7 FTE). The total cost of Trade Union facility time was £0.216M, or 0.2% of the University's total pay bill.

**Percentage of time spent on facility time:**

Percentage of time	Number of employees
0%	4
1-50%	16
51-99%	1
100%	-

Remuneration of higher paid staff	2025	2024
	FTE	(Restated) FTE
£100,000 to £104,999	2	3
£105,000 to £109,999	10	10
£110,000 to £114,999	2	2
£115,000 to £119,999	-	1
£125,000 to £129,999	2	1
£135,000 to £139,999	1	1
£155,000 to £159,999	1	-
£160,000 to £164,999	1	-
£165,000 to £169,999	-	1
£180,000 to £184,999	-	1
£270,000 to £274,999	1	-
£305,999 to £309,999	-	1
	<b>20</b>	<b>21</b>

The above table excludes the FTE salary of staff who joined or left the University part way through the year who did not receive a basic salary of £100,000 or above. The comparative numbers have been restated due to the omission of two staff member in 2024.

**10. Staff cost (continued)**

Remuneration of higher paid staff represents basic salary and excludes employer's pension costs. Remuneration is calculated for the period from 1 August 2024 to 31 July 2025.

Remuneration of other higher paid staff includes the emoluments of the Vice-Chancellor.

No independent governors received remuneration apart from reimbursement of expenses incurred in the course of their duties.

**11. Analysis of other operating expenses by activity**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Staff development	651	651	710	710
Contingent workers and staff secondments	4,385	4,385	4,046	4,046
Other staff costs	519	519	307	307
Travel costs	965	965	959	959
Consumables and laboratory costs	327	327	502	502
Office expenses	118	118	227	227
Books, periodicals and information services	2,327	2,327	2,205	2,205
Non-capitalised equipment and software	7,702	7,702	6,666	6,666
Rent and rates	11,449	11,449	8,457	8,457
Heat, light, water and electricity	3,178	3,178	4,704	4,704
Repairs, refurbishments and maintenance	3,585	3,585	3,969	3,969
Students' Union grant	1,188	1,188	1,250	1,250
Student welfare	2,514	2,514	2,613	2,613
Bursaries and scholarships	5,349	5,349	6,486	6,486
Franchise costs (paid to partner colleges)	501	501	519	519
Promotion costs	4,609	4,609	3,388	3,388
Legal and professional	5,971	5,971	5,749	5,735
Audit of University's annual financial statements	118	118	96	96
Audit of Subsidiary companies' annual financial statements	4	4	8	8
Non-audit services	4	4	14	14
Tax advisory services	14	14	12	12
Internal auditors' remuneration	163	163	166	166
Insurance	549	549	558	558
Research and development	3,185	3,185	3,024	3,024
Other expenses	9,068	9,067	8,899	8,898
	<b>68,443</b>	<b>68,442</b>	<b>65,534</b>	<b>65,519</b>

**Other operating expenses include:**

Vehicle operating leases	68	68	65	65
Governing Board's independent members' expenses	8	8	13	13

**12. Interest payable and other finance costs**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Bank loans interest	1,649	1,649	1,727	1,727
Net charge on pension schemes (Note 22)	138	138	613	613
	<b>1,787</b>	<b>1,787</b>	<b>2,340</b>	<b>2,340</b>

**13. Access and participation expenditure**

	2025 £'000	2024 £'000
Access investment	827	798
Financial support provided to students	2,356	2,495
Support for disabled students	1,398	1,282
Research and evaluation expenditure	432	414
	<b>5,013</b>	<b>4,989</b>

BU's Access and Participation Plan for the period 2020-21 to 2024-25 is available on the following link: [Bournemouth University Access and Participation Plan 2020-21 to 2024-25](#)

Access and participation expenditure includes £2.0m (2024: £1.4m) staff costs included under Note 10.

Overall Access and Participation (A&P) expenditure in 2024-25 is approximately £623k (11.1%) lower than our forecasts. This underspend to forecast is within the Access investment, Financial Support investment and support for Disabled Students categories.

**Access investment**

Access underspent to forecast by £155k (15.8%) but was 3.6% up on 2024 expenditure. The underspend is within non-salary expenditure, relating to outreach.

**Financial Support (including hardship)**

Financial support reported an underspend to forecast of £357,691 (13.2%) in 2024-25. Within this figure, hardship funding underspent by £122,401 (17.5%) and bursaries underspent by £235,290 (11.7%).

A new lower rate of bursary was introduced for new entrants from 2020-21, restricted to household income under £16,000 (previously £25,000). To accommodate the potential increase in demand for hardship funding due to this change, additional funds were allocated to hardship expenditure. In 2024-25 all current bursary holder students were in receipt of the lower rate of bursary and the budget provision for hardship funding reached the target level of £700,000.

In respect of bursary expenditure, 85% of the underspend related to fewer students in receipt of a bursary, with 15% relating to students who withdrew or interrupted part way through the year and so only received less than their full bursary. In 2024-25, 2,097 students received BU Maintenance Bursary (forecast 2,320) and 43 students received BU Care Leavers Bursary (forecast 51). Of these, 76 Maintenance Bursary holders and five Care Leavers Bursary holders withdrew or interrupted during the year and so received less than their full bursary.

Hardship expenditure was below forecast, and very slightly down on 2023-24 expenditure. This was likely due to lower recruitment of students compared to forecast, resulting in lower demand on hardship funding. In addition, investment in laptops for loan during 2023-24 resulted in lower demand on the laptop support fund in 2024-25.

**Support for Disabled Students**

Overall expenditure was £160,559 (10.3%) below forecast. Forecast expenditure was increased in 2024-25 due to anticipated higher costs of supporting more students with complex needs and increasing numbers of new entrants reporting mental health issues.

Expenditure on supporting students' mental health issues including mental health advisers and counselling was lower than forecast by approximately 8.7%. This is largely due to savings on previous provider's overheads and some contracted staff not transferring over to BU when the counselling services moved in-house during the year.

Expenditure on disability in the Additional Learning Support (ALS) service was lower than forecast by approximately 13%. The underspend was in part due to staff turnover. The introduction of new platforms in the year also streamlined ALS support, reducing the administrative costs whilst at the same time improving the service and level of support provided to students.

**Research and Evaluation Forecast**

Expenditure for Research and Evaluation was approximately 13.1% above forecast. This is largely due to higher than forecast expenditure on delivering and evaluating A&P project activity to address continuation and degree awarding gaps. Staff time to support development of and preparing to deliver the new A&P has also contributed to the overspend compared to forecast.

**14. Tangible assets Consolidated and University**

	Freehold and Leasehold Land & Buildings £'000	Leasehold Improvements £'000	Equipment £'000	Assets in the course of construction £'000	Total £'000
<b>Cost or valuation</b>					
At 1 August 2024	241,391	1,891	50,767	3,650	<b>297,699</b>
Additions	4,183	171	3,266	426	<b>8,046</b>
Transfers	2,038	-	1,267	(3,305)	-
Disposals	(7,924)	-	(868)	-	<b>(8,792)</b>
<b>At 31 July 2025</b>	<b>239,688</b>	<b>2,062</b>	<b>54,432</b>	<b>771</b>	<b>296,953</b>
<b>Accumulated depreciation</b>					
As at 1 August 2024	89,790	1,844	36,292	-	<b>127,926</b>
Charge for the year	7,683	84	5,317	-	<b>13,084</b>
Disposals	(5,589)	-	(868)	-	<b>(6,457)</b>
<b>At 31 July 2025</b>	<b>91,884</b>	<b>1,928</b>	<b>40,741</b>	-	<b>134,553</b>
<b>Net book value</b>					
At 31 July 2024	151,601	47	14,475	3,650	<b>169,773</b>
<b>At 31 July 2025</b>	<b>147,804</b>	<b>134</b>	<b>13,691</b>	<b>771</b>	<b>162,400</b>

As at 31 July 2025, freehold and leasehold land and buildings included £6.9m (2024 £6.9m) in respect of freehold land that is not depreciated.

- (i) As a result of the Education Reform Act 1988, the interests in freehold properties occupied by the University, previously held by Dorset Council (DC), were formally transferred, under the direction of the Education Assets Board (EAB), to the University itself with effect from 1 April 1989. Similarly, the University also acquired unrestricted title to those moveable assets acquired from funds previously paid by the DCC.

Assets inherited upon incorporation:	£000s
Land valued at transferred debt	122
Property valued at depreciated replacement cost	17,170
	<b>17,292</b>
Assets valued on an open market basis in 1990	150
	<b>17,442</b>

**15. Non-current investments Consolidated and University**

	Investment in CVCP Properties Limited £'000	Endowment Investment £'000	Total £'000
As 1 August 2024	28	22	50
Gain on valuation	-	-	-
<b>At 31 July 2025</b>	<b>28</b>	<b>22</b>	<b>50</b>

**CVCP Properties plc**

The University is a shareholder in CVCP Properties plc together with other university members of Universities UK, CVCP Properties plc's principal asset is Universities UK's headquarters, Woburn House.

**Endowment investment**

The University holds Treasury 4.125% Index Linked Gilts, redeemable on 22 July 2030, acquired from Bournemouth University Foundation in July 2013 in relation to the Hilary Williams Memorial Travel Award permanent restricted endowment with an original transferred value of £19,498.

**Subsidiary companies**

The University is the beneficial owner of the entire issued share capital of the subsidiary companies, BU Innovations Limited and BU Community Business Limited, which are registered in England. The subsidiary companies undertake activities which, for legal and commercial reasons, are more appropriately channelled through limited companies.

BU Innovations Limited (BUI) is a UK incorporated company, a wholly owned subsidiary of the University. The results of BUI have been consolidated into the Financial Statements of the University. The company holds and exploits the University's Intellectual Property Rights. The investment in BUI is £2. The University owns 100% of the ordinary shares of BUI. In the financial year to 31 July 2025, BUI made a profit of £11k (2023/24 £11k Loss).

BU Community Business Limited (BUCBL) is a UK incorporated company, a wholly owned subsidiary of the University. The results of BUCBL have been consolidated into the Financial Statements of the University. The company provides sport facilities to the University and general public. The investment in BUCBL is £1. The University owns 100% of the ordinary shares of BUCBL. In the financial year to 31 July 2025, BUCBL made a zero profit/loss (2023/24 zero profit/loss).

**16. Trade and other receivables due within one year**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Trade receivables before impairment	3,318	3,302	3,205	3,193
Impairment	(1,055)	(1,055)	(952)	(952)
	<b>2,263</b>	<b>2,247</b>	<b>2,253</b>	<b>2,241</b>
Amounts owed by Group companies	-	164	-	223
Other receivables	47	47	62	62
Prepayments	5,190	5,190	5,939	5,939
Accrued income	2,116	1,944	1,845	1,782
Interest rate cash flow hedge	1,902	1,902	1,996	1,996
	<b>11,518</b>	<b>11,494</b>	<b>12,095</b>	<b>12,243</b>

**17. Cash and cash equivalents**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Cash	10,249	10,008	13,426	13,128
<b>Cash equivalents</b>				
Short-term deposits	2,000	2,000	2,000	2,000
Money market funds	46,659	46,659	49,635	49,635
	<b>58,908</b>	<b>58,667</b>	<b>65,061</b>	<b>64,763</b>

**18. Creditors: amounts falling due within one year**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Trade payables	4,872	4,872	2,903	2,903
Social security and other taxation payable	3,195	3,193	3,231	3,228
Other creditors (i)	3,197	3,197	3,281	3,281
Employee leave entitlement accrual	2,014	2,014	2,405	2,405
Accruals	11,506	11,341	8,364	8,304
Deferred income (ii)	11,771	11,765	17,440	17,434
Unsecured bank loans	2,717	2,717	2,687	2,687
	<b>39,272</b>	<b>39,099</b>	<b>40,311</b>	<b>40,242</b>

**(i) Other Creditors**

The Turing Scheme is a UK government programme to provide funding for international opportunities in education and training across the world. In the financial year 2024/25 the University received £1,161k (2024: £296k) grant funding and expended £467k (2024: £450k) with £450k reported under creditors (2024: nil)

**(ii) Deferred Income**

Included in deferred income are the following items of income which have been deferred until specific performance-related conditions have been met.

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Tuition fees	7,189	7,189	12,342	12,342
Other income	4,582	4,576	5,098	5,092
	<b>11,771</b>	<b>11,765</b>	<b>17,440</b>	<b>17,434</b>

**19. Creditors: amounts falling due after more than one year**

	2025 £'000	2024 £'000
<b>Group and University</b>		
Unsecured bank loans	41,609	44,327
	<b>41,609</b>	<b>44,327</b>

	2025 £'000	2024 £'000
Repayable with one year	2,717	2,687
Repayable within two to five years	11,237	11,103
Repayable after five years	30,372	33,224
	<b>41,609</b>	<b>44,327</b>
	<b>44,326</b>	<b>47,014</b>

All bank loans are unsecured and include the following:

Lender	Type	Repayable by	Interest rate%	Borrower	Loan £'000	2025 £'000	2024 £'000
Lloyds	Fixed	2037	2.9	University	25,000	15,625	16,875
Lloyds (i)	Fixed	2039	Base Rate + 1.52	University	15,000	10,500	11,250
Lloyds	Fixed	2043	3.5	University	5,600	4,017	4,178
Lloyds	Fixed	2043	3.6	University	6,400	4,563	4,745
Lloyds	Fixed	2043	4.2	University	3,000	2,183	2,267
Lloyds	Fixed	2043	4.9	University	5,000	3,743	3,877
Lloyds	Fixed	2043	5.3	University	5,000	3,695	3,822
						<b>44,326</b>	<b>47,014</b>

(i) In respect of the £15.0m loan with an interest rate of base +1.52%, the Group has entered into floating to fixed interest rate swaps with a fixed leg of 1.042% and a variable rate leg GBP 3 Month SONIA.

**20. Analysis of net debt**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Cash and cash equivalents	58,908	58,668	65,061	64,763
Loans: amounts falling due within one year	(2,717)	(2,717)	(2,687)	(2,687)
Loans: amounts falling due after more than one year	(41,609)	(41,609)	(44,327)	(44,327)
Interest rate swap	1,902	1,902	1,996	1,996
<b>Net debt</b>	<b>16,484</b>	<b>16,244</b>	<b>20,043</b>	<b>19,745</b>

**Group and University: reconciliation of net debt**

	Consolidated £'000	University £'000
Net debt at 1 August 2024	20,043	19,745
Movement in cash and cash equivalents	(6,153)	(6,095)
Repayment of unsecured loans	2,688	2,688
Other non-cash changes (Interest rate swap)	(94)	(94)
<b>Net Debt at 31 July 2025</b>	<b>16,484</b>	<b>16,244</b>

**21. Financial Instruments**

	2025 Consolidated £'000	2025 University £'000	2024 Consolidated £'000	2024 University £'000
Financial assets that are investments measured at fair value – Treasury Gilts	21	21	22	22
Derivative financial instruments designated as hedges of variable interest rate risk	1,902	1,902	1,996	1,996

**22. Pension provision: Group and University**

	LGPS fund obligations (Note 26) £'000	Obligation to fund pension enhancements £'000	2025 Total Pension Provision £'000	2024 Total Pension Provision £'000
At 1 August	5,002	484	5,486	16,369
Utilised in year	(7,942)	(89)	(8,031)	(6,559)
Additions/(reductions)	2,881	-	2,881	(4,937)
Discount rate changes	138	-	138	613
At 31 July	79	395	474	5,486

**23. Other provision: Group and University**

	2025 Leasehold Property Dilapidations £'000	2024 Leasehold Property Dilapidations £'000
At 1 August	4,390	4,918
Charge in the year	904	(528)
At 31 July	<b>5,294</b>	<b>4,390</b>

**24. Restricted reserve: Group and University**

	Donations / other restricted funds £'000	2025 Total Restricted reserves £'000	2024 Total Restricted reserves £'000
At 1 August	303	303	109
New donations / other restricted fund	229	229	382
Expenditure	(254)	(254)	(188)
Total restricted (expenditure)/income in year	<b>(25)</b>	<b>(25)</b>	<b>194</b>
At 31 July	<b>278</b>	<b>278</b>	<b>303</b>
Analysis of donations / other restricted funds by purpose			
Research activities		272	296
Student financial support		6	7
At 31 July		<b>278</b>	<b>303</b>

**25. Endowment reserve: Group and University**

	Restricted Permanent £'000	Restricted Expendable £'000	2025 Total Endowment Reserves £'000	2024 Total Endowment Reserves £'000
At 1 August – Capital	42	-	42	42
Accumulative income	7	8	15	12
New endowments	-	-	-	-
Investment Income	2	1	3	4
Expenditure	-	(1)	(1)	(1)
Total income	2	-	2	3
Capital valuation loss	-	-	(-)	(-)
As 31 July – Capital	42	-	42	42
Accumulative income	9	8	17	15
<b>Total endowment reserve</b>	<b>51</b>	<b>8</b>	<b>59</b>	<b>57</b>

Analysis of endowments by asset type	2025	2024
Investments - Treasury Gilts	22	22
Cash and cash equivalents	37	35
At 31 July	<b>59</b>	<b>57</b>

Analysis of endowments by purpose	2025	2024
Prizes	59	57
At 31 July	<b>59</b>	<b>57</b>

**26. Pensions**

The University's employees belong to three principal pension schemes: the Teachers' Pensions Scheme (TPS), the Universities Superannuation Scheme (USS), and the Dorset County Superannuation Scheme (Local Government Pension Scheme - (LGPS)). The University also has a small number of staff in the National Health Service Pension Scheme (NHSPS).

Pension costs	Year to 31 July	
	2025 £'000	2024 £'000
(i) TPS	10,242	9,493
(ii) USS	182	220
USS – Deficit Recovery Movement	-	(1,135)
(iii) LGPS	6,199	5,398
NHSPS	38	30
At 31 July	<b>16,661</b>	<b>14,006</b>

**Risks associated with pension schemes**

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

**Investment risk.** The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.

**Interest rate risk.** The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way.

**Inflation risk.** All the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and

**Longevity risk.** In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

## 26. Pensions (continued)

In addition, as many unrelated employers participate in the LGPS, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employer.

### (i) Teachers' Pension Scheme (TPS)

Bournemouth University is a member of the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014.

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

### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

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

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

The employer's pension cost paid to TPS in the period amount to £10.2m (31 July 2024: £9.5m). Employer's contributions amounting to £0.9m were payable to the scheme at 31 July 2025 (31 July 2024: £0.9m) and are included within creditors.

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

### (ii) Universities Superannuation Scheme

The University participates in Universities' Superannuation Scheme (USS). 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 University is therefore exposed to actuarial risks associated with other universities' 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 University therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

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 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Notes 10 and 22, 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 and accordingly released the outstanding provision to the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method. Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole. The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The total cost/(credit) (released)/charged to the statement of comprehensive income is £297k (2023/24 £890k credit).

Deficit recovery contributions due within one year for the institution are £NIL (2023/24 £NIL).

The key financial assumptions used in the 2023 valuations are described below.

<b>CPI assumption</b>	Terms dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
<b>Pension increases</b> (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps. Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%) CPI assumptions minus 3bps
<b>Discount rate</b> (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post-retirement: 0.9% p.a.

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

<b>Mortality base table</b>	101% of S2PMA "light" for males and 95% of S3PFA for females
<b>Future improvements to mortality</b>	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

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

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

### (iii) Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website and the Fund's membership booklet.

The administering authority for the Fund is Dorset Council. The Pension Fund Committee oversees the management of the Fund whilst the day-to-day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers.

Dorset Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years from the actuarial valuation of the Fund required by the Regulations. The actuarial valuation of the Fund was carried out as at 31 March 2022 and set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS, but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

On the Employer's withdrawal from the Fund, a cessation valuation will be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which will determine the termination contribution due by the Employer, on a set of assumptions deemed appropriate by the Fund Actuary.

**26. Pensions (continued)****Asset ceiling**

As a result of significant gains arising from the change in financial assumptions, the balance of the University's assets in the scheme exceeds the liabilities associated with the funded defined benefit obligation, giving rise to a surplus. FRS102 allows an asset to be recognised for a defined benefit scheme in surplus only in so far as there is a realisable value in the asset. The maximum realisable value is the asset ceiling.

The asset ceiling is the present value of any economic benefit available to the Employer in the form of refunds or reduced future employer contributions.

The asset ceiling calculations in this report assume that:

- The employer does not have a right to a refund or surplus at the level required by the accounting standard. Any surplus recognised is based on the economic benefit from a reduction in contributions.
- The employer is a scheduled body and assumed to participate indefinitely.
- The requirement for the employer to make contributions to the Fund is considered to be a minimum funding requirement (MFR).

In broad terms the asset ceiling analysis shows that:

- The potential economic benefit from the reduction in future contributions has been calculated to be nil. Since this is less than the unadjusted net asset of £34,137k, the initial impact of the asset ceiling is £34,137k.
- Under FRS102, there is no additional liability from an onerous funding commitment.
- The unadjusted funded surplus is £34,137k. There is an impact from an asset ceiling of £34,137k. The final funded surplus to be recognised is nil.
- In addition, there is an unfunded liability of £79k. The final deficit to be recognised is £79k.

**Reconciliation if change in impact of asset ceiling opening impact of asset ceiling**

	31 July 2025 £'000	31 July 2024 £'000
Opening impact of asset ceiling	-	-
Interest on impact of asset ceiling	-	-
Actuarial losses	34,137	-
<b>Closing impact of asset ceiling</b>	<b>34,137</b>	<b>-</b>

**Assumptions as at:**

	31 July 2025	31 July 2024
Salary growth to year ending 31 July 2025	2.50%	4.00%
Salary growth to year ending 31 July 2028	2.50%	3.00%
Salary increases thereafter	2.50%	3.00%
Pension increases	2.65%	2.70%
Discount rate	5.90%	5.05%

**Life expectancies from age of 65 (years):**

	2025	2024
<b>Retiring today:</b>		
Males	22.0	21.7
Females	24.0	23.9
<b>Retiring in 20 years:</b>		
Males	23.3	23.0
Females	25.4	25.3

The estimated asset allocation for Bournemouth University as at 31 July is as follows.

Asset class	Asset allocation 31 July 2025		Asset allocation 31 July 2024	
	£'000	%	£'000	%
Equities	129,642	64%	115,957	63%
Other Bonds	13,070	7%	12,003	6%
Diversified Growth Fund	12,938	6%	12,062	7%
Property	13,469	7%	14,163	8%
Cash	4,743	2%	2,940	2%
Liability Driven Investment	0	0%	1	0%
Infrastructure	15,044	7%	13,670	7%
Multi Asset Credit	14,262	7%	12,862	7%
<b>Total</b>	<b>203,168</b>	<b>100%</b>	<b>183,658</b>	<b>100%</b>

**Expected return on assets and estimated asset allocation**

The return on the Fund (on a bid to bid value basis) for the year to 31 July 2025 is calculated to be 8.05% (2023/24: 10.49%). The Employer's share of the assets of the Fund is approximately 4.73% (2023/24: 4.60%).

**Reconciliation of pension liability recognised in balance sheet**

	31 July 2025 £'000	31 July 2024 £'000
Fair value of scheme assets (bid value)	203,168	183,658
Present value of funded obligation	(169,031)	(188,570)
Surplus/(Deficit)	34,137	(4,912)
Impact of asset ceiling	(34,137)	-
Present value of unfunded obligation	(79)	(90)
Pension liability in balance sheet	(79)	(5,002)

**The amounts recognised in the operating surplus / (deficit) before other gains and losses**

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Service Cost	7,370	5,338
Net interest on defined liability	138	587
Administration expenses	134	98
<b>Total cost</b>	<b>7,642</b>	<b>6,023</b>

**Asset and benefit obligation Reconciliations for the year to 31 July 2025****Reconciliation of opening and closing balances of the fair value of scheme assets**

	31 July 2025 £'000	31 July 2024 £'000
Opening fair value of scheme assets	183,658	161,943
Interest on assets	9,392	8,375
Return on assets less interest	5,568	8,853
Other actuarial gains	-	-
Contributions by employer including unfunded	7,942	6,440
Contribution by scheme participants	2,266	2,429
Estimated benefits paid including unfunded net of transfers in	(5,524)	(4,284)
Administration expenses	(134)	(98)
<b>Closing fair value of scheme assets</b>	<b>203,168</b>	<b>183,658</b>

**26. Pensions (continued)****Reconciliation of opening and closing balances of the present value of the defined benefit obligation**

	31 July 2025 £'000	31 July 2024 £'000
Opening defined benefit obligation	188,660	176,633
Service cost	5,253	5,337
Interest cost	9,530	8,962
Change in financial assumptions	(34,047)	(486)
Change in demographic assumptions	855	718
Contribution by scheme participants	2,266	2,429
Estimated funded benefits paid net of transfer in	(5,512)	(4,272)
Past service costs, including curtailments	2,117	1
Unfunded pension payments	(12)	(12)
Experience (loss) on defined benefit obligation	-	(650)
<b>Closing defined benefit obligation</b>	<b>169,110</b>	<b>188,660</b>
<b>Composition of defined benefit obligation</b>		
Funded obligations	169,031	188,570
Unfunded	79	90
	<b>169,110</b>	<b>188,660</b>

**Reconciliation of opening and closing balances of the net pension deficit**

	31 July 2025 £'000	31 July 2024 £'000
Deficit at the beginning of the year	(5,002)	(14,690)
Service cost	(5,253)	(5,338)
Curtailments	(2,117)	-
Employer's contributions	7,930	6,428
Unfunded pension payments	12	12
Net interest cost	(138)	(587)
Administration expenses	(134)	(98)
Actuarial valuation gain	4,623	9,271
<b>Deficit at the end of the year</b>	<b>(79)</b>	<b>(5,002)</b>

**Analysis of actuarial gain in other comprehensive income**

	31 July 2025 £'000	31 July 2024 £'000
Return on scheme assets in excess of interest	5,568	8,853
Other actuarial gains on assets	-	-
Change in financial assumptions	34,047	486
Change in demographic assumption	(855)	(718)
Experience gain on defined benefit obligation	-	650
Actuarial valuation (loss)	(34,137)	-
	<b>4,623</b>	<b>9,271</b>

**Sensitivity analysis**

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the life expectancy assumption.

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	Base	-0.1%
Present value of total obligation	166,073	169,110	172,230
Projected service cost	3,565	3,712	3,864
Adjustment to long-term salary increase	+0.1%	Base	-0.1%
Present value of total obligation	169,308	169,110	168,913
Projected service cost	3,712	3,712	3,712
Adjustment to pension revaluation	+0.1%	Base	-0.1%
Present value of total obligation	172,129	169,110	166,172
Projected service cost	3,871	3,712	3,558
Adjustment to life expectancy	+1 year	Base	-1 year
Present value of total obligation	173,750	169,110	164,604
Projected service cost	3,850	3,712	3,577

	£'000
<b>Projected pension expense for the year to 31 July 2026</b>	
Service cost	3,712
Net interest on defined liability	(198)
Administration expenses	138
<b>Total cost</b>	<b>3,652</b>
<b>Employer Contribution</b>	<b>6,962</b>

These projections are based on assumptions as at 31 July 2025. The figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 July 2025.

**27. Operating lease obligations**

As at 31 July 2025, the University was committed to making the following payments during the forthcoming years in respect of operating leases:

**Future minimum lease payments due:**

	Land and buildings £'000	Other £'000	Total 2025 £'000	Land and buildings £'000	Other £'000	Total 2024 £'000
Within one year	5,640	63	5,703	5,258	28	5,286
Between one and five years	9,373	136	9,509	13,183	21	13,204
More than five years	261	0	261	517	-	517
<b>Total lease payments due</b>	<b>15,274</b>	<b>199</b>	<b>15,473</b>	<b>18,958</b>	<b>49</b>	<b>19,007</b>

**28. Capital commitments****Group and University**

Provision has not been made for the following capital commitments at 31 July 2025

	2025 £'000	2024 £'000
<b>Capital commitments</b>		
Commitments contracted for	729	4,642

### 29. Related party transactions

The University has taken advantage of the exemption within FRS102 Section 33 (Related Party disclosures) and has not disclosed transactions with wholly owned subsidiary companies.

The University has a close working relationship with Bournemouth University Students' Union which remains a separate entity. The Bournemouth University Students' Union President is a member of the University's Board of Governors. During the year ended 31 July 2025 the University gave Bournemouth University Students' Union a block grant and payments for services totalling £1.19m (2023-24: £1.25m).

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

The University maintains a Register of Interests of members of the Board and senior officers to determine where a Board member or senior officer holds a position of significant influence in both the related party and the Institution. For 2024/25, there were no individuals with such influence over any transactions in the year.

### 30. Federal Loans program

The University has an obligation as part of our participation in the US Federal Loans program to include Supplemental Information which complies with Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations. This data has been prepared using UK GAAP and does not include any adjustments required to comply with US GAAP.

Reference	Expendable net assets	2025 £'000	2024 £'000	Note
Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions	145,891	152,105	
Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions	337	360	
Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and unsecured related party receivable	-	-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	-	-	
Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	162,400	169,773	14
Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation	Property, plant and equipment - pre-implementation	114,431	122,621	14
Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation with outstanding debt for original purchase	Property, plant and equipment - post-implementation with outstanding debt for original purchase	-	-	
Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post-implementation without outstanding debt for original purchase	47,198	43,502	14
Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress	771	3,650	14

### 30. Federal Loans Program (continued)

Reference	Expendable net assets	2025 £'000	2024 £'000	Note
Statement of Financial Position - Lease right-of-use assets, net	Lease right-of-use asset, net	-	-	
Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation	-	-	
Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset post-implementation	Lease right-of-use asset post-implementation	-	-	
Statement of Financial Position - Goodwill	Intangible assets	-	-	
Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities	474	5,486	22
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long-term) and Line of Credit for Construction in process	Long-term debt - for long-term purposes	44,326	47,014	19
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long-term) and Line of Credit for Construction in process	Long-term debt - for long-term purposes pre-implementation	44,326	47,014	19
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long-term) and Line of Credit for Construction in process	Long-term debt - for long-term purposes post-implementation	-	-	
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long-term) and Line of Credit for Construction in process	Line of Credit for Construction in process	-	-	
Statement of Financial Position - Lease right-of-use asset liability	Lease right-of-use asset liability	-	-	
Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases	-	-	
Statement of Financial Position - Lease right-of-use asset liability post-implementation	Post-implementation right-of-use leases	-	-	

## 30. Federal Loans Program (continued)

Reference	Expendable net assets	2025 £'000		2024 £'000		Note
Statement of Financial Position - Annuities	Annuities with donor restrictions		-		-	
Statement of Financial Position - Term endowments	Term endowments with donor restrictions		-		-	
Statement of Financial Position - Life Income Funds	Life income funds with donor restrictions		-		-	
Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		337		360	24
<b>Reference</b>	<b>Total expenses and losses</b>					
Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		192,202		187,735	
Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		-6,996		-11,439	
Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Net investment losses		-2,468		-2,778	9
Statement of Activities - Pension-related changes other than periodic pension	Pension-related changes other than net periodic costs		-		-	
<b>Reference</b>	<b>Modified Net Assets</b>					
Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		145,891		152,105	
Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		337		360	24,25
Statement of Financial Position - Goodwill	Intangible assets		-		-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-		-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		-	

## 30. Federal Loans Program (continued)

Reference	Expendable net assets	2025 £'000		2024 £'000		Note
<b>Reference</b>	<b>Modified Assets</b>					
Statement of Financial Position - Total Assets	Total Assets		232,877		246,979	
Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation		-		-	
Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases		-		-	
Statement of Financial Position - Goodwill	Intangible assets		-		-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-		-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		-	
<b>Reference</b>	<b>Net Income Ratio</b>					
Unsecured related party receivable	Change in Net Assets Without Donor Restrictions		-6,214		14,374	
Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue Gains		179,669		190,917	

# Board & committee members

**University Board Membership throughout the year and as at the date of signing the accounts:**

## University Board

### Independent

David Furniss (Chair – to 11 July 2025)  
 Sir Martin Davidson (Chair – from 12 July 2025)  
 Karima Fahmy (Deputy Chair)  
 Dr David Crosby  
 Maggie Frost  
 Nicolas Frost  
 Nicholas Golding (to 14 March 2025)  
 Karl Hoods  
 Simon Jackson  
 Andrew Johnson (from 1 July 2025)  
 Joe Jones (from 1 March 2025)  
 Stuart Jones (to 28 February 2025)  
 Sara Luder (to 30 June 2025)  
 Anthony Murphy (to 30 September 2024)  
 Dr Joanne Pretty  
 Paul Shearer (from 1 April 2025)  
 David Smith  
 Deborah Warman  
 Robert Williams (to 2 August 2025)  
 Tobias Wright (from 1 April 2025)

### Executive, Staff and Students

Jim Andrews (Chief Operating Officer – to 31 August 2024)  
 Prof Lois Farquharson (Academic Staff Member – to 31 August 2025)  
 Prof Alison Honour (Vice-Chancellor and Chief Executive Officer – from 1 September 2024)  
 Esther Isaiah (President Students' Union at Bournemouth University)  
 Joyce Napa (Professional & Support Staff Member – to 18 August 2025)  
 Susie Reynell (Finance Director – to 31 October 2025)  
 Josephine Scott (Student Member – from 12 July 2025)  
 Dr Carly Stewart (Senate Member)  
 Prof John Vinney (Vice-Chancellor – to 31 August 2024)

**Committee Membership as at the date of the signing of the accounts:**

## Audit, Risk & Governance Committee (ARG)

### Independent

Tobias Wright (Chair – from 31 October 2025)  
 Maggie Frost (Deputy Chair – from 31 October 2025)  
 Dr David Crosby  
 Andrew Johnson

## Finance & Resources Committee (FRC)

### Independent

Nicolas Frost (Chair – from 3 August 2025)  
 Sir Martin Davidson (Chair of the University Board – from 12 July 2025)  
 Karl Hoods  
 Simon Jackson  
 Claire Jepras (Co-opted)  
 Abimbola Johnson (Co-opted – from 1 April 2025)  
 Joe Jones  
 Paul Shearer  
 Deborah Warman

### Executive

Prof Alison Honour (Vice-Chancellor and Chief Executive Officer – from 1 September 2024)

## Student experience, Quality and Standards Committee

### Independent

Dr Joanne Pretty (Chair)  
 Sir Martin Davidson (Chair of the University Board – from 12 July 2025)  
 Deborah Warman

### Executive and Students

Prof Alison Honour (Vice-Chancellor and Chief Executive Officer – from 1 September 2024)  
 Esther Chinenye Isaiah (President Students' Union at Bournemouth University)  
 Josephine Scott (Student Member)

## Remuneration Committee

### Independent

Deborah Warman (Chair)  
 Karl Hoods (Deputy Chair)  
 Sir Martin Davidson (Chair – Chair of the University Board - from 12 July 2025)  
 Claire Jepras (Co-opted)  
 David Smith

## Nominations Committee

### Independent

Sir Martin Davidson (Chair – Chair of the University Board – from 12 July 2025)  
 Karima Fahmy (Deputy Chair – Deputy Chair of the University Board)  
 Nicolas Frost (Chair of FRC – from 3 August 2025)  
 Deborah Warman (Chair of the Remuneration Committee)  
 Tobias Wright (Chair of ARG – from 31 October 2025)

### Executive

Prof Alison Honour (Vice-Chancellor and Chief Executive Officer – from 1st September 2024)

## Honorary Awards Committee

### Independent

Sir Martin Davidson (Chair – Chair of the University Board – from 12 July 2025)  
 Deborah Warman  
 Dr Joanne Pretty

### Executive, Staff and Students

Prof Alison Honour (Vice-Chancellor and Chief Executive Officer – from 1 September 2024)  
 Esther Chinenye Isaiah (SUBU President, Board and Senate member)  
 Josephine Scott (Student Member)  
 Dr Carly Stewart (Staff Board Member)  
 Prof Christos Gatzidis (Senate Member and Staff Member)



