

# **University College of Estate Management**

Report and financial statements for the year ended 31 July 2024

Charity number: 313223

Royal Charter number: RC000125

**University College of Estate Management**  
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**For the year ended 31 July 2024**

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**University College of Estate Management  
Reference and administrative information  
For the year ended 31 July 2024**

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**Charity number:** 313223 – registered in England and Wales

**Royal Charter number:** RC000125

**Registered office and operational address:**

Horizons  
60 Queen's Road  
Reading  
Berkshire  
RG1 4BS

The institution also operates using the abbreviated name "UCEM".

**Reference and administrative information**

**Trustees**

Trustees who served during the year and up to the date of this report were as follows:

**Professor Nicholas Braisby**

BA PhD CPsychol AFBPsS PFHEA

**Amanda Clack Dr. (hc)**

MSc BSc PPRICS FRICS FICE FAPM FRSA FIC  
CCMI CMC

Chair

**Christopher Costigan**

LLB (Hons), LLM, Barrister, FHEA, FCG

**Jyotveer Gill**

Appointed 1 September 2024

**Nicholas Hughes**

Appointed 1 July 2024

**Stephen Jackson Dr.**

FRGS FRSA

Vice Chair

**Professor Michelle Jones**

**Ros Kerslake**

CBE

Appointed 1 December 2023

**Alastair G Martin**

FRICS FAAV

Resigned 30 November 2023

**Peter McCrea**

OBE BSc DipArb FRICS FCI Arb FRSA

Appointed 1 May 2024

**Professor Kenneth Miller**

LLB LLM PhD FRSA FIOSH

Resigned 18 April 2024

**Dominic James O'Rourke**

**Jules Quinn**

Appointed 1 September 2024

**Gareth Ralphs**

**Graeme Scott**

ACA

Honorary Treasurer

**Misa Lane von Tunzelman**

FCIM

Resigned 11 July 2024

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**Chris Turley**  
LLB (Hons)

Resigned 27 September 2024

**Ashley P Wheaton**  
BA (Hons)

Member ex-officio

**Student Trustees**

Adam Denton

Ben McManus

Appointed 1 March 2024

**Staff Trustees**

Jon Hubert

Harps Kaur

Resigned 30 November 2023

Charlotte Thackeray  
BA (Hons) RG Cert MA FHEA

Appointed 1 June 2024

**Board Apprentice (no voting rights)**

Chrystal Augustine

Appointed 30 November 2023

Lucy Gaitskell

Appointed 30 November 2023

Laura Bell McMillan  
MA (Hons) MScRealEst MRICS

Resigned 30 November 2023

Rebekah Powley

Resigned 30 November 2023

**Key management personnel – Executive Team**

Ashley Wheaton	Vice Chancellor
Jane Fawkes	Deputy Vice Chancellor and University Secretary
Stephen Bartle	Pro Vice Chancellor (Business Development and Apprenticeships)
Lynne Downey	Pro Vice Chancellor (Student and Registry Services)
Dr Wendy Finlay	Pro Vice Chancellor (Education)
Aled Williams	Executive Director, Innovation and Partnerships

**Other Administrative Information:**

<b>Bank</b>	National Westminster Bank plc PO Box 78, 13 Market Place, Reading, Berkshire, RG21 2EP
<b>Solicitors</b>	DAC Beachcroft 100 Fetter Lane, London, EC4A 1BN  Field Seymour Parkes 1 London Street, Reading, Berkshire, RG1 4PN
<b>Auditor</b>	Forvis Mazars LLP 90 Victoria Street, Bristol, BS1 6DP
<b>Investment Managers</b>	Sarasin & Partners LLP Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU
<b>Insurance Adviser</b>	Jelf Insurance Brokers Limited 1 <sup>st</sup> Floor, Gail House, 5 Lower Stone Street, Maidstone, Kent, ME15 6NB

## **Trustees Report**

The trustees present their report and the audited financial statements for the year ended 31 July 2024.

Reference and administrative information are set out on pages 2 to 5 and form part of this report. The financial statements comply with current statutory requirements, the institution's Royal Charter and Byelaws and the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 applicable to Higher Education institutions preparing their accounts in accordance with FRS 102.

### **Objectives and activities, Purposes and Aims**

University College of Estate Management (UCEM) is concerned with education and training for all professions dealing with land, property, and construction. It was founded in 1919, incorporated by Royal Charter (RC000125) on 22 August 1922, and has been a registered independent charitable institution in England and Wales since 24 May 1963. In 1977, Her Majesty The Queen was graciously pleased to grant her patronage to UCEM. In 1998, His Majesty King Charles III (formerly His Royal Highness The Prince of Wales), became Patron of UCEM. UCEM is honored that in May 2024 King Charles III confirmed he would retain his Patronage of the institution.

The governing documents of UCEM are its Royal Charter and Byelaws. In June 2018, following a petition to the Privy Council, a third Supplemental Charter was granted. The Supplemental Charter reflects that UCEM has taught degree awarding powers, and that on 11 November 2015, the institution was granted University College title by the Privy Council. Shortly thereafter "The College of Estate Management" rebranded as "University College of Estate Management" or "UCEM" for short.

The opportunity was also taken to update the Byelaws to reflect best practice corporate and academic governance.

The purposes of the institution as outlined in the Charter are as follows:

- To provide training and educational facilities at any level, and facilities for research, for all or any of the professions of surveyor, auctioneer, land or estate agent, or any other profession in land, buildings or property,
- This includes within the objects and purpose of the Charter, the development of course curriculum, material examinations, and the conferring of awards,
- To undertake research that will assist those in professions, and vocations as relevant to land, property, and building; and
- The provision of continuing professional development for those in the built environment sector.

UCEM fulfils the objects of the Charter and furthers its charitable purposes for the public benefit through the provision of online educational programmes, research, continuing professional development courses, and student bursaries.

UCEM provides educational programmes from Levels 4 to 7 of the Frameworks for Higher Education Qualifications (FHEQ). All the programmes offered by UCEM sit within the core objective of the Charter, and are directly linked to the surveying and property professions. The programmes offered by UCEM are accredited by the relevant professional bodies, such as the Royal Institution of Chartered Surveyors (RICS) and the Chartered Institute of Building (CIOB).

UCEM is registered with the Office for Students (OFS) as a fee capped provider, and is subject to the regulation of the OFS, including meeting the Conditions of Registration. In 2021 UCEM applied to the Office for Students for Indefinite Degree Awarding Powers, and, following a review process, this was approved by the Privy Council effective from 1 September 2022. To reflect this change UCEM adopted nomenclature in December 2023 to reflect UCEM's status as a Higher Education Provider. This includes the Principal's job title changing to Vice-Chancellor. UCEM continues to develop the resources provided to students through the Digital Education Team working with the subject experts to ensure material is interactive and engaging to students. UCEM offers sixteen programmes, awarded by the institution, all of which are delivered online, so are accessible to students worldwide. This includes the delivery of the Level 6 and 7 Apprenticeship programmes, which are core to UCEM's purpose of providing vocational programmes accessible to all.

The depth and breadth of UCEM's research has continued to grow over the past year. Some key highlights include:

- UCEM co-hosted an international conference in the Philippines with Batangas State University: in November 2023, [UCEM was invited to co-host](#) the 6<sup>th</sup> International Research Conference on Innovations in Engineering, Science and Technology (IRCIEST).
- UCEM won an award for best paper at the international Sustainable Ecological Engineering Design for Society (SEEDS) conference: in August 2023, Dr James Ritson and Dr Graeme Larsen presented their latest research on 'energy performance certificate and historical buildings: a clash between method and context' at the [International SEEDS Conference](#) held at the University of Suffolk, Ipswich.
- UCEM won the Partnership of the Year Award for work with the King's Foundation: in June 2024, ongoing research with the King's Foundation helped to secure an award from King Charles III in his [inaugural ceremony to celebrate the work of the Foundation](#).
- UCEM signs 3 MOUs with leading international universities: to extend our collaboration and commitment to continue working in partnership, UCEM has signed 3 Memorandums of Understanding with Batangas State University (Philippines), Hashemite University (Jordan), and Philadelphia University (Jordan).
- UCEM awarded 5 new externally funded research projects, to the value of £122,000. In addition, 3 externally funded projects were successfully completed during this period – please visit [www.inclusivegypt.com](http://www.inclusivegypt.com) ; [Gender Equality in Jordanian Leadership | Safe4all \(leadjordan.com\)](#) ; [Gender Equality in Jordan | Safe4all \(upjordan.com\)](#). These projects involved leading workshops in Jordan and Egypt on Gender equality.
- UCEM's institutional repository, established in January 2023 as a public open-access database for research outputs, has seen significant engagement. To date, 95 outputs have been uploaded, 41 of which are directly research-related, and collectively garnering over 15,000 downloads in the past 16 months.



To make education and academic success accessible to all, and in the context of its charitable status, UCEM operates several bursary schemes to provide financial assistance to students from disadvantaged backgrounds, students made redundant during their course and students with other special circumstances. Awards range from discounts in one semester for temporary challenges through to 100% fee bursaries for the lifetime of a programme.

The trustees review the aims, objectives, and activities of the institution each year. This occurs through the monitoring of the institutional targets, which are set to support the delivery of the aims and objectives. The Board receive a report on what the institution has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the institution has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the institution's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the institution's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

### **Strategy**

UCEM's core purpose is to provide truly accessible, relevant, and cost-effective education, enabling students to enhance careers, increase professionalism and contribute to a sustainable Built Environment.

UCEM has an Institutional Strategy (2019-25) which sets out the strategic plan and goals to enable UCEM to realise its vision to be the 'Centre of Excellence for Built Environment Education'.

As the Centre of Excellence for Built Environment Education, UCEM will focus on maximising its Impact and Influence on both Education and Industry. In practical terms, this means a focus on delivering greater impact through; Student Outcomes, Widening Participation, Student Satisfaction and Reach, whilst increasing influence by offering a greater Depth and Breadth of Education, engaging more with Education and Industry partners, and actively Collaborating.

By maximising both our Impact and Influence; students, employers, Industry and the Higher Education Sector will regard UCEM as the obvious and best choice of institution for Built Environment qualifications.

In the context of the strategic plan, the Executive with the Senior Leadership Team set an annual plan for the year, which is approved by the Board of Trustees prior to the start of the financial year. This process occurs alongside budgetary planning, to ensure the appropriate resources are in place to deliver the plan for the forthcoming year.

The Board of Trustees meets four times per year, and as part of these meetings monitors delivery of the strategy, as well as holding an annual Strategy Session to review the strategy against the changing external context. In September 2024 the Board approved the institutional strategy 2025-2030, and this will be effective from 1 August 2025. Within the strategy the Vision to be 'the Centre of Excellence for Built Environment Education' will remain unchanged.

Performance of the plan is monitored against seven key institutional metrics and these key performance indicators (“the CX9”) are used to measure the success and achievements of the institution each year.

The metrics are defined in the following areas in the Strategic Plan 2019-25:

- Education; which focuses on achieving indefinite degree awarding powers, attaining a good Office for Standards in Education (Ofsted) rating, compliance with the Conditions of Registration with the Office for Students (OfS) and embedding & evaluating the student success project ‘Transform’.
- Student Outcomes: which is measured by student completion and module pass rates.
- Student Satisfaction; which is measured by satisfaction rates in the National Student Survey, Employer surveys, and the UCEM Student Experience Survey.
- Widening participation: to target increased access; success and progression for those from under-represented groups as part of UCEM’s commitment to increase diversity within the built environment sector.
- Employee Experience; which includes staff engagement, monitored through a confidential engagement survey in November and June each year, as well as a focus on employee wellbeing.
- Reach; measured by:
  - the target number of new students for each semester; and
  - the number of returning students for each semester.
- Financial health; measured by:
  - revenue *and*
  - operating margin.

These metrics are defined to ensure the institution meets its charitable aims and objectives to deliver education and training for the built environment sector in the long-term.

UCEM had an exceptional year and met its CX9 targets with significant achievements in Student Outcomes, Student Satisfaction and Financial Health. This is alongside the strategic goal to become the ‘world’s most sustainable university’ which is being driven through the ‘Globe’ project. This takes a holistic approach to sustainability, by looking at leadership and governance, what we teach, how we teach, how we operate and influence. This is integral as UCEM continues to grow and work towards its strategic vision of being the Centre of Excellence for Built Environment Education.

UCEM continued to support its subsidiary companies. UCEM approved a £514,000 grant in the year (2023: £518,390) to its wholly owned Hong Kong subsidiary, UCEM Asia Limited, to advertise UCEM’s courses, provide course registration assistance and teaching support to students in Hong Kong.

UCEM does not engage in social investment activities.

UCEM trustees are volunteers and while their influence is significant, they do not deliver UCEM services; UCEM makes no use of general volunteers to deliver its services.

### **Apprenticeships**

Apprenticeship provision in the Built Environment is central to the institution’s core purpose. UCEM supports the Government’s apprenticeship agenda and sees apprenticeship delivery as vital to its future and that of training the sector which the institution was founded to serve.

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UCEM is listed on the Apprenticeship Provider and Assessment Register as a Main Provider and is eligible to receive government funding to train apprentices. UCEM has contracts with the Education and Skills Funding Agency (ESFA) for the delivery of apprenticeships for levy-paying and non-levy paying employers.

The apprenticeship programmes offered in 2023-24 were:

- Level 6 Chartered Surveyor (Degree) Apprenticeship
- Level 6 Building Control Surveyor (Degree) Apprenticeship
- Level 6 Construction Site Management (Degree) Apprenticeship
- Level 4 Construction Site Supervisor Apprenticeship

In 2023-24 UCEM continued to deliver apprenticeships through subcontracting arrangements with Eastleigh College. Delivery under this subcontract is limited to completion of apprenticeships that commenced prior to November 2017.

UCEM subcontracts the delivery of Functional Skills Maths and English qualifications within apprenticeships to Runway Apprenticeships Limited, trading as Runway Training. Due to the level of the apprenticeships that UCEM delivers, most apprentices have acceptable prior or equivalent Maths and English qualifications at enrolment, and therefore the volume of subcontracting with Runway Training is low.

As of July 2024, there were 2,234 apprentices employed by over 500 different employers and business entities actively studying with UCEM, including 2,113 Level 6 Chartered Surveyor (BSc and MSc) apprentices, 66 Building Control Surveyor Degree apprentices, 31 Construction Site Manager Degree apprentices and 24 Construction Site Supervisor apprentices.

Over 99% (2,229) of apprentices actively studying with UCEM were funded through UCEM's direct contracts with the ESFA. The remaining 5 were funded via UCEM's contract with Eastleigh College.

During 2023-24 UCEM also received funding of £272,372 from the Office for Students to enhance and further develop its degree apprenticeship provision, in addition to the funding for apprenticeship delivery from ESFA.

UCEM includes apprenticeship course revenue on the face of the Consolidated Statement of Comprehensive Income and Expenditure within tuition fees and educational contracts.

### **Achievements and performance**

The year ending 31 July 2024 was a significant year for the institution's performance and achievements.

#### **Reach**

During 2023-24 UCEM enrolled 1,529 (2023: 1,561) new students in total. This outcome was 2% lower than the previous year due to fewer students in Hong Kong.

UCEM launched the Level 4 Construction Site Supervisor apprenticeship in 2023-24, achieving 26 enrolments and maintained its position as the largest provider of the Level 6 Chartered Surveyor apprenticeship in England. In total 726 (2023: 689) new apprentices started UCEM programmes in 2023-24, the highest number in any year to date. This growth was driven partly by the new Level 4 apprenticeship and by the Chartered Surveyor MSc route which attracted high levels of interest from employers interested in supporting their graduate trainees to achieve professional qualifications, producing 281 (2023: 245) new starts in the year.

UCEM continued to benefit from strong relationships with employers across property, construction, and related sectors. This resulted in sponsored students (including apprentices) being the largest segment, again representing 63% (2023: 63%) of total enrolments.

Away from the UK, Hong Kong continued to be the largest international market for UCEM, with 117 (2023: 142) enrolments in total.

### **Education**

As a Higher Education Provider in England, UCEM in 2023-24 continued to meet the Conditions of Registration with the OfS, as a registered (fee cap) provider, and the ESFA. UCEM monitors the institution's compliance with the OfS Conditions of Registration and ESFA compliance through the Board of Trustees, Board Sub-Committees and the relevant Academic Deliberative Committees.

UCEM must also meet the requirements of Ofsted with regards to apprenticeship provision at all levels. UCEM achieved an overall Ofsted inspection outcome of 'Good' in November 2021, which related to UCEM's apprenticeships provision at the time, at Level 3, Level 6 and Level 7.

During 2023-24, UCEM saw a large increase in numbers of apprentices onto the apprenticeship programmes, with the Apprenticeships Team successfully onboarding and supporting these increased numbers of apprentices. The team have embedded feedback from the Ofsted Inspection and continued to strengthen the commitment to safeguarding apprentices by ensuring local risks, and mental health and wellbeing are discussed in every progress review.

The introduction of a new apprenticeship L4 programme in Autumn 23 has provided an opportunity for apprentices to access a lower entry point and achieve a Cert HE prior to progressing onto a L6 apprenticeship. In the published National Achievement Rates Tables (NARTS) in March 24, UCEM had achieved at least double the national average of every other provider delivering the Chartered Surveyor Programme, making UCEM the most successful provider in this sector. The QAR for 23/24 is set to be similar to this and therefore evidence of the continued hard work and performance of apprenticeships in UCEM.

### **Student Outcomes**

UCEM monitored module success rates against an overall target key performance indicator (KPI) of 87% in 2023-24 as part of its strategy to improve student outcomes, which supports UCEM's compliance with the OfS's condition of registration B3 (successful outcomes for all students). The 87% overall KPI was supplemented by the following KPIs at the different levels of study: Level 4 – 87%; Level 5 – 90%; Level 6 – 92%; Level 7 – 83%. Over the last four years, UCEM has focused on improving student outcomes through enhancements to academic provision, the delivery model, student support and associated regulations, policies, and procedures. In 2023-24, UCEM continued the implementation of a suite of initiatives to improve student outcomes.

These included addressing student workload challenges by re-evaluating UCEM's curriculum from a programme perspective and ensuring a streamlined learning journey by reducing module content without removing the content required to meet programme learning outcomes. Enhanced modules were delivered to students in Autumn 2023 and Spring 2024. This initiative, coupled with improved student engagement monitoring from Spring 2024 and improvements to a number of policies and procedures, has resulted in a positive uplift in student engagement and student outcomes overall.

In May 2024, the full module results for Autumn 2023 modules were reported at 89.4%, exceeding the KPI and representing a +2.2% change compared to Autumn 2022. Level-specific student outcomes all experienced an uplift on Autumn 2022, reporting: Level 4 – 93.2%; Level 5 – 90.3%; Level 6 – 89.2%; Level 7 – 86.6%. At the time of writing, the Spring 2024 resubmission period is still underway, therefore, the overall final module KPI outturn for 2023-24 is not available. However, in-year data from Spring 2024 indicates that the positive trends seen in the Autumn 2023 module outcomes will likely be maintained.

UCEM seeks continual improvements to achieve its KPIs. Upon completion of the modules, the Academic Team completes an Annual Review process for all modules, to ensure that the modules and the support offered to students remain fit-for-purpose each semester and success rates can continue to improve. In the coming year, module enhancements will continue alongside work to revalidate UCEM's postgraduate provision, which is expected to deliver further improvements to student outcomes, alongside the delivery of the Learning, Teaching and Assessment Strategy action plan. In addition, a strategic initiative will launch in Autumn 2024, which builds on the improved student engagement monitoring work from Spring 2024. This initiative, titled "Intake Retention Improvement Plan" deploys a suite of planned interventions to improve student engagement with learning materials and is expected to reduce student withdrawal rates in the first semester in particular.

### **Student Satisfaction**

Student satisfaction in 2023-24 was monitored by two surveys that covered largely the same questions. The National Student Survey (NSS) is open to all final year undergraduate students who are domiciled in the UK and the results are monitored by the OfS and publicly available. For the first time since participating in the survey UCEM NSS results have been published in the Times Higher Education Rankings. UCEM was ranked 58 out of 149 Providers.

The internally run survey is the Student Engagement Survey (SES) and is open to all other UCEM students.

UCEM exceeded the CX9 targets for Student Satisfaction for both apprentices and non-apprentices. Both surveys showed an increase in positivity scores from the previous year.

### **Widening Participation**

UCEM's commitment to widening participation is central to its core purpose, and the outworking of the Royal Charter to provide education and training to all. This is evidenced within the five-year Institutional strategy, of which Widening Participation is one of the core tenets. UCEM recognises the challenge of diversity and inclusion within the built environment sector, and as such is committed to working with the sector and employers in this area. This year UCEM published a new Widening Participation and Access and Participation Strategy which starts 2024-25.

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The metrics for Widening Participation are drawn from UCEM's OfS approved Access and Participation Plan. UCEM made good progress towards the objectives set out in its Access and Participation Plan by achieving the majority of its targets for increasing the proportion of underrepresented students entering its programmes in 2023-24. For example, 18.6% of new part-time Undergraduate students are recorded as ethnic minority against a target of 16% (note that these figures are subject to confirmation from OfS).

The challenge on Widening Participation remains a sector wide one, but UCEM is working closely with the sector to increase diversity within the Built Environment.

### **Employee Experience**

UCEM monitors employee satisfaction and employee experience twice a year through an Employee Engagement Survey. This is part of the on-going work throughout the year on listening to the staff voice and building engagement.

Overall staff engagement met the target of 4.2 (out of 5); the survey scored 4.3 in December 2023 and 4.1 in June 2024. In both surveys the participation rate was over 80%. Of particular note was 97% of respondents understood the importance and meaning of their job role at UCEM, and 92% of staff agreed with the statement "I can be myself in my team because I feel safe and respected."

### **Financial Health**

In the year ending 31 July 2024 UCEM achieved a consolidated income of £21,859,911 (2023: £19,035,735), an increase of 14.8% (2023: 11.5%) on the previous year. The increase in the level of income was predominantly due to increased tuition fees from the continued expansion of the apprenticeships programme, and through organic growth and partnerships with other providers and contractors.

Consolidated expenditure increased by 14.9% (2023: 11.3%) in the year to £20,407,331 (2023: £17,768,618). This increase reflects the addition of new staff to support the expanding student numbers as well as high UK inflation levels during the period.

After unrealised gains on investments of £777,806 (2023: unrealised losses £246,203) and actuarial gains in respect of pension schemes of £3,061,739 (2023: £242,181), neither of which are budgeted, the group made a surplus of £5,292,125 against a planned surplus of £35,309 (2023: £1,263,095 against a planned deficit of £636K).

### **Beneficiaries of our services**

The institution's main activity is the provision of education, and its beneficiaries are students, industry and the Built Environment sector worldwide. All its charitable activities focus on the sector and students developing careers in the sector and are undertaken to further UCEM's charitable purposes for public benefit.

UCEM added 1,529 new students during 2023-24 against its target of 1,490. This was a 2% year-on-year decrease compared to the 1,561 new students recruited in 2022-23 but still represented a strong performance given the prevailing market conditions.

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UCEM made 1,084 academic awards of which 976 were full academic awards and 108 were intermediate awards. Please note that this report was written prior to the final Examination Award Boards for 2023-24, so some of these awards are still to be ratified, which could alter this number marginally.

Despite the challenges faced by partner employers, UCEM maintained strong engagement with employers in the sector with 967 new students (including 726 on apprenticeship programmes) being sponsored by 323 employers.

UCEM allocated £73,333 bursaries in the year (2023: £56,719) as follows:

<b>Bursary</b>	<b>Number of Students</b>	<b>£</b>
New Student Bursary Fund	7	£11,158
Access & Participation Plan Fund	12	£25,550
Post Graduate Scholarship	15	£28,450
Port Graduate Scholarship - Sustainability	3	£8,175
<b>Total</b>	<b>37</b>	<b>£73,333</b>

In addition to the above, students were assisted with fee reductions or debt write offs for special circumstances enabling them to continue with their studies, for example, 9 awards were made from the Vice Chancellor's Discretionary Funds totalling £3,780 (2023: £4,877) and 2 award was made from the Redundancy Support Scheme totaling £2,635 (2023: £1,013).

### **Financial review**

In the year ended 31 July 2024, UCEM achieved an increase in total consolidated income of £2,824,176, which was an increase of 14.8% on the previous year. Student income grew by 15.1% (2023: 10.0%) to £20,033,785 compared to the previous year. Costs, so far as possible in what was an inflationary economic environment for a large part of the year, have been controlled and a healthy operating surplus has been generated before investment revaluation and pension scheme actuarial adjustments.

Investment income increased in the year with all funds invested in the Sarasin & Partners Climate Active Endowment Fund throughout the year. During the year unrealised gains on investments were £777,806 (2023: unrealised losses £246,203).

### **Group expenditure**

Group expenditure was higher than the previous year, which was driven by the need to recruit additional staff to support the increase in student numbers, as well as the inflationary economic climate.

Staff costs increased in the year by 9.8% to £15,297,228 (2023: increase of 11.2% to £13,934,865) and still remain the largest single expense to the business making up 75.0% (2023: 78.4%) of total expenditure, reflecting the nature of UCEM's online education provision. The increase in costs reflects the increase in staff numbers from 259 to 277 (full time equivalent). Further details of staff costs can be found in Note 5 to the financial statements.

Other operating expenses reflect an increase in the cost of academic and related expenditure, administration and central services, and premises costs as set out in Note 7 to the financial statements.

### **Summary**

In summary, income has continued to grow with a corresponding increase in the cost base. Before accounting for investment valuation movements and actuarial valuation changes in respect of pension schemes, UCEM has far exceeded its budgetary targets for 2023-24. In the current year the actuarial gain in respect of pension schemes of £3,061,739 is a major factor in the overall surplus for the year and needs to be considered in any direct comparison with the prior year's performance. Further information on the pension scheme can be found in Note 18: Provision for Liabilities.

UCEM's consolidated Balance Sheet at 31 July 2024 shows an increase in value of 26.1% to £25,541,331, driven by the operational performance and the actuarial gain in respect of pension schemes. UCEM continues to retain a strong Balance Sheet and reserves position.

### **Pensions**

UCEM is a member of the Universities Superannuation Scheme (USS), a defined benefit pension scheme with mutual employer membership. Following the latest actuarial valuation the scheme is no longer in deficit and a liability pooled amongst employer members is not required. UCEM's previous obligation to fund the past deficit of the scheme was reflected on the balance sheet and has now been released. Further details can be found in Note 18: Provision for Liabilities.

UCEM also participates in three defined contribution pensions schemes. A Group Personal Pension scheme (GPP), operated by Prudential (closed to new members), the People's Pension auto-enrolment scheme, for employees not eligible for participation in USS, and a Manulife scheme compulsory for all staff at UCEM Asia Limited in Hong Kong.

More detail on UCEM's pension arrangements can be found in Note 22: Pension Schemes.

### **Other factors**

The focus as part of driving income during 2023-24 has been to increase the breadth of the UCEM offer to the built environment, with the launch of several new programmes for autumn 2024, and more planned for 2026, all to fulfil the objects of the Royal Charter. This is concurrent to the continued work on business optimisation, to improve efficiency and value for money.

The growth of the apprenticeship provision continued to be an important part of UCEM's offer, and the Business Development Team work very closely with the employers, who are key stakeholders for UCEM, both in terms of influence and impact.

UCEM is in a strong position having made a surplus in 2023-24, but it does not intend to be complacent against the on-going challenges within the Higher Education Sector related to financial sustainability.

### **Investments**

UCEM seeks to invest funds in an ethical and sustainable manner, paying regard to environmental considerations and aligning the policy with the United Nations Sustainable Development Goals, alongside the institution's own sustainability agenda.



## **Investment policy**

Following a full review of investment policy in 2021 Trustees approved the reinvestment of UCEM's portfolio into the Sarasin & Partners Climate Active Endowment Fund. Trustees continue to review the institution's investment policy annually, and some minor amendments were made this year to refresh the policy. The policy has strong ethical and sustainable objectives, aligning with both the United Nations Sustainable Development Goals and the institution's own sustainability agenda.

The Sarasin & Partners Climate Active Endowment Fund aims to bring about, and benefit from, action by businesses to strengthen their resilience to climate change. Further information about the fund can be found at <https://sarasinandpartners.com/fund/sarasin-climate-active-endowments/>

UCEM's equity holdings are held on a discretionary basis in the form of charity units and as such enjoy favorable tax and charging structures. The equity holdings are held in three separate pools: Main, Bursary and Restricted. At the year-end these funds were valued at £6,387,949, £2,248,397 and £510,076 (2023: £5,844,722, £2,057,195 and £466,699) respectively.

The objective of these funds is to outperform the Consumer Price Index (CPI) plus 3% over a rolling three-year period. The combined total return achieved by these funds in the year ended 31 July 2024 was 12.20% (2.91% income and 9.29% capital) against the target return of 5.22%. In the previous year, total return was -0.04% against a target of 9.86%. The fund's performance is also measured against the ARC Steady Growth Charity Peer Group which produced a return of 10.50% for the year.

With inflation and interest rates falling globally over the last year, and the funds significant exposure to large US technology companies alongside a prudent diversification across a range of high-quality companies in multiple sectors, the fund has increased in value returning unrealised gains of £777,806. The inflationary economic climate impacted performance in the previous year with the valuation of the fund falling by £246,203.

## **Principal risks and uncertainties**

The Board regularly considers the risks to which it believes the institution may be exposed. This is principally done by assessing the Institutional Risk Register. The register monitors and assesses the likelihood, impact and proximity of the risk, as well as risk mitigation and controls. Specific risks are identified under five main headings in the Risk Register and summarised here:

### **Strategic Risks**

These are risks that emerge from UCEM's external environment (political, economic, social, technological, legal and environmental) which may impact UCEM's ability to achieve its organisational objectives and/or strategic plan. This includes any potential changes to the apprenticeship levy by the government which could adversely affect UCEM, as well as the on-going threat of recession. In Hong Kong the situation remains politically unstable, which remains a strategic risk to UCEM Asia Ltd.

### **Compliance / Regulatory Risk**

The regulatory burden on all Higher Education Providers has increased with UCEM required to meet the regulatory frameworks set by the OfS, ESFA and Ofsted. Risks are identified that would expose UCEM to penalties or loss resulting from failure to comply with legal or other regulatory requirements. As part of this area of risk UCEM's compliance with safeguarding is monitored.

### **Operational Risk**

As an online Higher Education Provider UCEM is particularly reliant on technology for its business operations. Operational risk focusses on risks that will impact UCEM services, both internally and externally. This includes the increasing risk related to cyber-security, which continues to be mitigated both through systems resilience and training, and staff awareness.

### **Financial Risk**

Risks identified are those that could lead to either a loss of income, or an increase in costs. This includes the potential impact to student registrations due to the cost-of-living crisis. Of particular significance is the cash flow related to any potential delay to completion of the End Point Assessment by apprentices, resulting in a delay of income to UCEM from the ESFA.

Fraud and financial loss are addressed by the internal control environment and backed with insurance. Recent challenges in the economy have increased risk in relation to inflation which may increase UCEM's costs. Long term financial planning, review of performance against plan and an appropriate reserves policy protects against insolvency risk.

### **Investment risk**

Investment risk comprises currency, custody, market and liquidity risk and is managed through an appropriate investment policy and choice of investment manager.

### **Reputational Risk**

These are risks that would impact UCEM's reputation with external stakeholders, including students, employers, partners and industry. Overall risk in this area is deemed to be low, but the ongoing reputational risk in the Higher Education Sector related to disability, welfare and the provision of mental health support to students is closely monitored.

Each individual risk in the Intuitional Risk Register (RAR) shows the assessed scores for the likelihood, impact and proximity. Detail is provided on each risk, with commentary on the evidence of controls in place, and identification of the early warning signs of heightened risk. Net likelihood/impact scores of 10 or over are deemed to be of more significant risk and a focus is given to these areas.

The responsibility for mitigating each of the assessed risks has been delegated by the Board to the Vice Chancellor and to individual members of the SLT.

The Board believes the Risk Register to be comprehensive and that the assessed risks are appropriately mitigated by the procedures and systems in place, which are also reviewed regularly. These are further mitigated by the policies and practices which help define the institution's strategy and determine its activities.

The review and approval process includes the Risk Register being reviewed by the SLT. The Board has delegated to the Audit Committee the detailed review of the content of the RAR (and development of the appropriate control processes). The Audit Committee reviews the Risk Register twice a year, with further discussion once a year at the full Board meeting. Consequently, the trustees consider that arrangements are in place to ensure satisfactory, effective internal control and risk management.

On systemic risk, the Board continues to be very mindful of the domestic and global built environment sector from which the institution draws its student base, and economic situation. This has included consideration of risk in Hong Kong due to the ongoing political situation in the region. The Board continues to closely monitor the numbers of new student registrations, as well as the potential impact on existing students striving to continue their studies.

### **Reserves policy and going concern**

UCEM's general reserves arose from the original donations of £55K made when UCEM (formerly the College) was set up in 1919, and its subsequent retention of modest surpluses on its activities, plus further small donations over the years.

The education sector, in general, operates on a long-term cycle, with none of UCEM's programmes lasting less than two years and many students taking five or more years to complete their studies. The sectors in which UCEM is permitted to apply its funds are land and property. These sectors are subject to considerable cyclical movement.

The trustees continue to monitor the use of reserves, in conjunction with the setting of annual budgets, and development of long-term strategies for delivering public benefit in distance learning projects to meet the changing nature of demand. The present policy is to budget for operating surpluses sufficient to build reserves to meet the needs of UCEM's long-term strategy, and to designate funds for specific projects as and when available and identified within that strategy.

The current Strategic Plan covers the period 2019-25 and sets out goals that will enable UCEM to realise its vision to be the Centre of Excellence for Built Environment Education. The trustees recognise that further funds will probably be needed to drive the current Strategic Plan and that reserves may be the appropriate source of these funds.

UCEM's income sources are closely aligned to its core purposes of providing truly accessible, relevant and cost-effective education, enabling students to enhance careers, increase professionalism and contribute to a sustainable Built Environment. The reserves policy seeks to balance spending the amount of income raised in providing such education across the academic period to which it relates, whilst maintaining the minimum level of reserves required to ensure uninterrupted operation and provide time to adjust to any change in financial circumstances. Trustees consider that general reserves should be held in a range of a minimum of three months and a maximum of twelve months operating expenditure. This would allow the time and space necessary to consider the practicalities of providing the appropriate resources to enable existing courses to be completed without any disadvantage to students.

Total UCEM group reserves on 31 July 2024 were represented by total unrestricted reserves of £25,042,025 (2023: £19,791,112). £8,982,026 of this sum has been allocated to Designated Funds, of which £6,744,147 was in Fixed Assets and £2,237,879 has been allocated to a Bursaries Fund set up for the exclusive purpose of generating an income to provide bursaries to assist and support students and to otherwise encourage new entrants to the profession. The remaining unrestricted funds were in general reserves of £16,059,999 representing approximately nine months' operating expenditure. It is the trustees' view that this level of reserves is appropriate to provide for UCEM's normal educational commitment to students.

Accordingly, the trustees consider that UCEM is a going concern and have prepared the accounts on this basis.

## **Plans for the future**

In August 2025 UCEM will launch its new five-year strategy, which is building on the current strategy to deliver the vision that UCEM is the 'Centre of Excellence for Built Environment Education'. This includes a continued focus on expanding the breadth of programmes offered within the built environment, developing professional training, as well as looking for opportunities for collaborative partnerships.

UCEM Apprenticeship provision will continue to be a core part of our offering, and as part of this the Board and Senior Team are watching the announcements of the new Government carefully, particularly related to Apprenticeship Levy Funding, and the opportunities and challenges this will provide for UCEM in the future.

It continues to be a challenging time for the Higher Education Sector, particularly related to financial sustainability. Whilst UCEM has achieved a surplus for the last two years it is not complacent and has appointed a Chief Operating Officer to focus on improving productivity, efficiency and value for money.

Finally, following a resolution of the Board in July 2024 UCEM applied to the Office of Students to change its name to 'University of the Built Environment' (UBE), and whilst there is no indication at present for the timescale of this decision it is hoped that this significant change can occur during 2025-2026. The proposed new name continues to fulfil the Charitable Objectives, aligns with the vision and provides greater clarity externally on our purpose and remit. It is anticipated that the Office for Students will hold a public consultation on the proposed new name during 2024-2025.

## **Structure, governance and management**

The strategic direction for UCEM is determined by the Board of Trustees, which meets four times a year.

The Board is guided in its educational strategy by an Academic Board which also meets four times a year to assess matters such as changes in the regulatory environment (or best practice) regarding the provision of education. They are the supreme deliberative committees relating to educational matters. The Vice Chancellor is also an ex-officio trustee as required by the Royal Charter.

The Board delegates some of its power to five standing sub-committees, established to consider in detail various issues on its behalf. The sub-committees have detailed terms of reference which are reviewed annually by the Board. They debate matters within their sphere and then make recommendations for the Board to consider for approval. Details of the sub-committees and their main functions are:

### **The Academic Review Committee**

An independent sub-committee that acts as the advisory body for all aspects of UCEM's academic delivery. Its primary responsibility is to be the final auditor of all UCEM's academic review processes and performance data. This sub-committee meets a minimum of twice a year.

### **The Audit Committee**

The committee's remit is to review the adequacy and effectiveness of the institution's system of audit related to financial reporting, internal control and risk management. In fulfilling this function, the Audit Committee adheres to the guidance and best practice for Audit Committees outlined in the

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Committee of University Chairs (CUC) Higher Education Code for Governance, and the CUC Handbook for Members of Audit Committees in Higher Education Institutions. This sub-committee meets a minimum of twice a year.

### **The Finance Committee**

This committee is responsible for the management and oversight of UCEM's finances. It considers in detail the financial results against plan for the current year, the forecast results for the current and following year, the cash position and the performance of investments. This committee also assesses the policies relating to Investments, Treasury and Reserves. This sub-committee meets a minimum of twice a year.

### **The Nominations and Governance Committee**

This committee considers and recommends to the Board all prospective appointments to the Board having assessed the type of skills and experience deemed necessary for the Board to function as effectively as possible. This committee will also recommend to the Board all candidates considered for Honorary Fellow status, as well as all nominations for the annual UCEM Property Award. This sub-committee is also charged with ensuring that the governance practice is adhered to by UCEM as a registered charity in the higher education sector. This sub-committee meets a minimum of twice a year.

### **The Remuneration Committee**

This sub-committee meets annually, or as required, to consider the remuneration package for the Vice Chancellor, the Executive and those earning an FTE salary in excess of £100,000 and receive a report on the annual pay review for staff.

### **Executive Team**

The Executive Team, whose responsibility is to focus on the strategic approach for UCEM, monitor the external environment, horizon scan, planning accordingly. This group is Chaired by the Vice Chancellor.

### **Senior Leadership Team**

The day-to-day management and delivery of the institution is entrusted to the Vice Chancellor, supported by a SLT whose role is to deliver the strategic objectives set by the Board of Trustees, and ensure operational oversight.

### **Trustee recruitment**

The terms of appointment for the Independent and Staff Trustees (other than those who are ex-officio) is three years. At the end of each three-year period these trustees are eligible for reappointment for one further term of three years.

Under the Royal Charter there is provision for two Staff Trustees, and two Student Trustees. Student Trustees are appointed for a one-year term which may be renewed for a further one-year term. The Board aims to have a Student Trustee representing undergraduate students, and a Student Trustee representing postgraduate students to ensure the UCEM Student Community is represented at Board level.

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The Board also operates a Board Apprentice Scheme, to provide an opportunity for up to two UCEM alumni to gain experience at Board level for up to two years. The Board Apprentice(s) have full access to Board papers but do not have voting rights.

When vacancies arise for new trustees, the Nominations and Governance Committee run an open and transparent recruitment process, with the aim that the Board is comprised of 50% independent trustees who bring knowledge of the built environment sector, and 50% who bring knowledge of Higher Education. As part of the recruitment process consideration is given to diversity, to ensure that the Board maintains its current levels of diversity, as a member of the 30% Club. Due regard is also given to succession planning of future trustees with an aim to ensure there remains an appropriate blend of experience for future years.

All trustees, other than the Vice Chancellor and Staff Trustees, give their time voluntarily and receive no benefits from the institution. Any expenses reclaimed from the institution are set out in Note 5: Staff Costs.

### **Appointment of trustees**

It is a requirement of the role that the Vice Chancellor of UCEM is a trustee.

The details of all prospective new trustees identified by the Nominations and Governance Committee are presented to the Board for approval. The details presented will consist of the individual's Curriculum Vitae and include highlights of any achievements and specialisms gained.

Should the individuals proposed be approved to join the Board they are invited to attend the next Board meeting. Appointments normally run from the Board meeting at which the nomination is approved. No other person or body is entitled to appoint trustees.

### **Trustee induction and training**

Each new trustee is sent a comprehensive briefing pack on appointment. This includes background reading about UCEM, the Royal Charter and Bye-Laws, and the most recent set of statutory accounts. All new trustees are then invited to an Induction with the University Secretary and given the opportunity to discuss any queries they may have with the Vice Chancellor and the Executive Team. UCEM promotes trustee training by providing all trustees with relevant Charity Commission guidance on serving as a trustee, as well as funding attendance at appropriate courses and seminars that are organised by third parties. In addition, new trustees are allocated a mentor from one of the existing members of the Board.

Once appointed, all trustees are subject to an annual appraisal with either the Chair or Vice Chair. UCEM is committed to meeting all relevant training needs identified by this process.

### **Related parties and relationships with other organisations**

The consolidated accounts include UCEM together with its subsidiaries, UCEM Courses Limited and UCEM Asia Limited. UCEM Courses Limited is a wholly owned subsidiary that delivers bespoke course content to corporate clients. UCEM Asia Limited is a wholly owned subsidiary incorporated in Hong Kong that supports UCEM's marketing and teaching in Hong Kong.

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The activities (professional training), assets and liabilities of UCEM Courses Limited were transferred to UCEM as of 31 July 2023 (Note 14: Subsidiary undertakings). Income in respect of this income stream increased by 49.8% from £68,367 to £102,413 in the year largely as a result of a number of bespoke training events, as well as CPD and short courses offerings.

UCEM Asia Limited received £514,000 grant income from UCEM, its parent institution, (2023: £518,390), which led to a loss of £1,126 (2023: profit £1,994) in the year (Note 14: Subsidiary undertakings).

In 2023-24 UCEM continued to deliver teaching for Level 6 Apprenticeships as a subcontractor of Eastleigh College.

The programmes offered by UCEM are validated by relevant professional bodies, such as the Royal Institution of Chartered Surveyors (RICS) and the Chartered Institute of Building (CIOB).

### **Remuneration policy for key management personnel**

UCEM's Remuneration Committee considers the remuneration package for the Vice Chancellor, those employees earning an FTE salary over £100,000, as well as the total pay rises and discretionary bonus pool for all other staff. The Remuneration Committee has adopted the CUC Remuneration Code and uses industry statistics and remuneration surveys (e.g. UCEA) to inform the committee's decisions.

### **Statement of corporate governance and internal control**

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

The institution has adopted the CUC Higher Education Code of Governance, and endeavors to conduct its business aligned to the core values, objectives, and expectations of the Code. Nominations and Governance Committee review UCEM's values and objectives to governance with the CUC Code annually, or as and when the Code is updated.

Readers are referred to the Structure, Governance and Management section of this report for further details on the institution's governance.

In addition, UCEM meets the OFS Conditions of Registration related to governance (E2), and these governance requirements are also monitored by the Nominations and Governance Committee.

A key part of UCEM's internal control mechanism is the ongoing review by the Board, led by the Audit Committee, of the RAR, as detailed on pages 17-18 above. Further, Audit Committee reviews particular areas of the business according to the agreed audit plan. In addition to this, UCEM's Finance Director provides regular updates to the Vice Chancellor and Treasurer on the management accounts, and the budget is reforecast where necessary. Audit Committee also takes responsibility for monitoring UCEM general compliance activities, reporting to the full Board if there are areas of concern.

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The trustees also regularly review UCEM's compliance with the OfS conditions of registration. Updates on UCEM's compliance with the OfS conditions of registration are also provided at deliberative committee meetings. UCEM has two conflicts of interest policies (one for members of the Board of Trustees and one for members of deliberative committees) and the declaration of any conflicts of interests forms the first agenda item on all Board meetings, has an approved anti-bribery policy, and a register of interests that every trustee must review and sign annually.

UCEM has reported on its Corporate Governance arrangements by drawing upon best practice available, including those aspects of the codes that the institution considers relevant to the higher education sector and the Charity Governance Code.

The institution has adopted the Higher Education Code of Governance published by CUC in September 2020. In the opinion of the trustees, the institution meets with the provisions of the CUC Code in all material respects. The trustees recognise that, as a charity and higher education institution, UCEM has a duty to observe the highest standards of corporate governance at all times.

The institution is a registered charity within the meaning of Part 3 of the Charities Act 2011. The trustees confirm that they have had due regard for the Charity Commission and that the required statements appear elsewhere in these financial statements.

The Audit Committee considers reports, recommendations, and reviews on the effectiveness of the University's arrangements for risk management, internal control and governance and it has expressed itself satisfied that the systems and controls are effective, including for public funding received from the OfS, UK Research and Innovation, including Research England and other public funding bodies ensuring:

- a. regularity in the use of this public funding
- b. propriety in the use of public funding

### **Statement of responsibilities of the trustees**

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the institution's and group's financial activities during the period and of their financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Further and Higher Education SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the institution will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the institution and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the institution and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



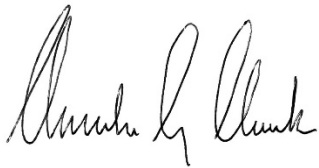
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The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the institution's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Trustee's annual report for the year ended 31 July 2024**

The trustees' annual report has been approved by the trustees on 4 December 2024 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Amanda Clack', written in a cursive style.

**Amanda Clack Dr. (hc) MSc BSc PPRICS FRICS FICE FAPM FRSA FIC CCMi CMC**  
**Chair of the Board of Trustees**

**University College of Estate Management**  
**Independent auditor's report to the Board of Trustees of UCEM**  
**For the year ended 31 July 2024**

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**Independent auditor's report to the Board of Trustees of UCEM**

**Opinion**

We have audited the financial statements of University College of Estate Management (the 'University') and its subsidiary ('the Group') for the year ended 31 July 2024 which comprise the Consolidated and University Statement of Comprehensive Income and expenditure, the Consolidated and UCEM Statement of Changes in Reserves, the Consolidated and University Balance Sheets, 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 FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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**Independent auditor's report to the Board of Trustees of UCEM**  
**For the year ended 31 July 2024**

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

**Other information**

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

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

We have nothing to report in this regard.

**Responsibilities of the Board of Trustees**

As explained more fully in the Statement of Responsibilities of the Board of Trustees set out on page 23 and 24, the Board of Trustees 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 they 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 of Trustees are responsible for assessing the Group and University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees either intend to liquidate all or part of the University Group 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 the financial statements.

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The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. 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.

Based on our understanding of the University Group and its operations, we considered that noncompliance with the following laws and regulations might have a material effect on the financial statements: OfS requirements, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the University Group which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as pensions legislation and OfS Accounts Direction.

In addition, we evaluated the Board of Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to defined benefit pension obligations, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Board of Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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**Independent auditor's report to the Board of Trustees of UCEM**  
**For the year ended 31 July 2024**

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There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.

### **Other Required Reporting**

#### **Opinion on other matters prescribed in the OfS Audit Code of Practice issued under the Further and Higher Education Act 1992**

In our opinion, in all material respects:

- funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the OfS's accounts direction have been met.

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

In light of the knowledge and understanding of the group and University and its environment obtained in the course of the audit, we have not identified material misstatements in the Board of Trustees' Report.

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

- the provider's grant and fee income, as disclosed in the notes to the accounts, is materially misstated; or
- the provider's expenditure on access and participation activities, as disclosed in the accounts, has been materially misstated.


**University College of Estate Management**  
**Independent auditor's report to the Board of Trustees of UCEM**  
**For the year ended 31 July 2024**

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**Use of the audit report**

This report is made solely to the Board of Trustees as a body in accordance with paragraph 4 of the University's Royal Charter and Bye-Law and section 124B of the Education Reform Act 1988

Our audit work has been undertaken so that we might state to the Board of Trustees 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 Group and University and the Board of Trustees as a body for our audit work, for this report, or for the opinions we have formed.

  
[Helen Knowles \(Dec 11, 2024 07:33 GMT\)](#)

For and on behalf of Forvis Mazars LLP  
Chartered Accountants and Statutory Auditor  
90 Victoria Street  
Bristol  
BS1 6DP

**University College of Estate Management**  
**Consolidated and UCEM Statement of Comprehensive Income and Expenditure**  
**For the year ended 31 July 2024**

	Notes	2024 Consolidated £	2024 UCEM £	2023 Consolidated £	2023 UCEM £
<b>Income</b>					
Tuition fees and educational contracts	1	20,033,785	20,033,785	17,403,678	17,403,678
Other income	2	1,401,697	1,401,696	1,325,524	1,257,158
Investment income	3	373,045	372,781	306,533	306,392
		<b>21,808,527</b>	<b>21,808,262</b>	<b>19,035,735</b>	<b>18,967,228</b>
Donations	4	51,384	51,384	-	-
<b>Total income</b>		<b>21,859,911</b>	<b>21,859,646</b>	<b>19,035,735</b>	<b>18,967,228</b>
<b>Expenditure</b>					
Staff costs	5	15,297,228	15,067,319	13,934,865	13,633,047
Other operating expenditure	7	4,743,067	4,986,390	3,499,531	3,724,508
Depreciation and impairment	10	354,627	351,349	323,027	321,313
Interest and finance costs	6	12,409	885	11,195	758
<b>Total expenditure</b>		<b>20,407,331</b>	<b>20,405,943</b>	<b>17,768,618</b>	<b>17,679,626</b>
<b>Surplus on operating activities</b>					
Gain/(loss) on investments	13	1,452,580	1,453,703	1,267,117	1,287,602
Gain/(loss) on revaluation of subsidiaries	14	777,806	777,806	(246,203)	(246,203)
		-	153,357	-	(250,100)
<b>Surplus before taxation</b>		<b>2,230,386</b>	<b>2,384,866</b>	<b>1,020,914</b>	<b>791,299</b>
Taxation	8	-	-	-	-
<b>Surplus after taxation</b>		<b>2,230,386</b>	<b>2,384,866</b>	<b>1,020,914</b>	<b>791,299</b>
<b>Other comprehensive income:</b>					
Actuarial gain in respect of pension schemes		3,061,739	3,061,739	242,181	242,181
<b>Total comprehensive income for the year</b>		<b>5,292,125</b>	<b>5,446,605</b>	<b>1,263,095</b>	<b>1,033,480</b>
Represented by:					
Restricted comprehensive income for the year		41,212	41,212	(14,499)	(14,499)
Unrestricted comprehensive income for the year		5,250,913	5,405,393	1,277,594	1,047,979
<b>Surplus for the year attributable to UCEM</b>		<b>5,292,125</b>	<b>5,446,605</b>	<b>1,263,095</b>	<b>1,033,480</b>

All items of income and expenditure relate to continuing activities.

**University College of Estate Management**  
**Consolidated and UCEM Statement of Change in Reserves**  
**For the year ended 31 July 2024**

**Consolidated**

Income and expenditure account

	Restricted £	Unrestricted £	Total £
<b>Balance at 31 July 2022</b>	<b>472,593</b>	<b>18,513,518</b>	<b>18,986,111</b>
<b>Total comprehensive income for the year</b> Surplus/(deficit) from the income and expenditure statement	(14,499)	1,277,594	1,263,095
<b>Balance at 31 July 2023</b>	<b>458,094</b>	<b>19,791,112</b>	<b>20,249,206</b>
<b>Total comprehensive income for the year</b> Surplus/(deficit) from the income and expenditure statement	41,212	5,250,913	5,292,125
<b>Balance at 31 July 2024</b>	<b>499,306</b>	<b>25,042,025</b>	<b>25,541,331</b>

**UCEM**

Income and expenditure account

	Restricted £	Unrestricted £	Total £
<b>Balance at 31 July 2022</b>	<b>472,593</b>	<b>18,671,009</b>	<b>19,143,602</b>
<b>Total comprehensive income for the year</b> Surplus/(deficit) from the income and expenditure statement	(14,499)	1,047,979	1,033,480
<b>Balance at 31 July 2023</b>	<b>458,094</b>	<b>19,718,988</b>	<b>20,177,082</b>
<b>Total comprehensive income for the year</b> Surplus/(deficit) from the income and expenditure statement	41,212	5,405,393	5,446,605
<b>Balance at 31 July 2024</b>	<b>499,306</b>	<b>25,124,381</b>	<b>25,623,687</b>



**University College of Estate Management**  
**Consolidated and UCEM Balance Sheets**  
**As at 31 July 2024**

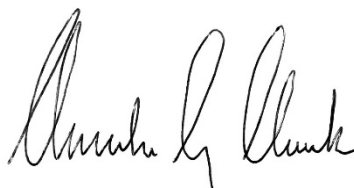
		31 July 2024	31 July 2024	31 July 2023	31 July 2023
	Notes	Consolidated	UCEM	Consolidated	UCEM
		£	£	£	£
<b>Fixed assets</b>					
Intangible fixed assets	10	143,494	143,494	198,216	198,216
Tangible fixed assets	11	6,600,653	6,592,478	6,684,262	6,674,073
Investment properties	12	1,700,000	1,700,000	1,700,000	1,700,000
Investments	13	9,146,422	9,147,421	8,368,616	8,369,615
		<b>17,590,568</b>	<b>17,583,392</b>	16,951,094	16,941,904
Debtors: amounts falling due after more than one year	15	2,412,596	2,412,596	1,910,261	1,910,261
<b>Current assets</b>					
Debtors	15	3,866,902	3,955,466	3,304,248	3,272,935
Cash at bank and in hand		4,671,386	4,654,936	4,022,295	3,940,219
		<b>8,538,288</b>	<b>8,610,402</b>	7,326,543	7,213,154
Creditors: amounts falling due within one year	16	(2,420,764)	(2,403,346)	(2,365,071)	(2,314,616)
<b>Net current assets</b>		<b>6,117,524</b>	<b>6,207,056</b>	4,961,472	4,898,538
<b>Total assets less current liabilities</b>					
		<b>26,120,688</b>	<b>26,203,044</b>	23,822,827	23,750,703
Creditors: amounts falling due after more than one year	17	(579,357)	(579,357)	(564,171)	(564,171)
Provisions	18	-	-	(3,009,450)	(3,009,450)
<b>Total net assets</b>					
		<b>25,541,331</b>	<b>25,623,687</b>	20,249,206	20,177,082
Represented by:					
<b>Restricted reserves</b>					
Income and expenditure		499,306	499,306	458,094	458,094
<b>Unrestricted reserves</b>					
Income and expenditure		16,059,999	16,150,530	10,848,418	10,776,294
Designated		8,982,026	8,973,851	8,942,694	8,942,694
		<b>25,042,025</b>	<b>25,124,381</b>	19,791,112	19,718,988
<b>Total reserves</b>					
	20	<b>25,541,331</b>	<b>25,623,687</b>	20,249,206	20,177,082

The accompanying notes and policies on pages 34 to 51 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 4 December 2024 and were signed on its behalf on that date:



**A Wheaton**  
Vice Chancellor  
Hon RICS



**A Clack**  
Chair  
MSc BSc PPRICS FRICS FICE FAPM FRSA FIC CCMI CMC

**University College of Estate Management**  
**Consolidated Statement of Cash Flow**  
**For the year ended 31 July 2024**

		Year ended 31 July 2024 £	Year ended 31 July 2023 £
<b>Cash flow from operating activities</b>			
Surplus for the year		2,230,386	1,020,914
<b>Adjustment for non-cash items</b>			
Depreciation and impairment	10	354,627	323,027
(Gains)/losses on investments	12	(777,806)	246,203
(Increase)/decrease in trade and other receivables	15	(1,064,989)	(338,686)
Increase/(decrease) in trade and other payables	16 & 17	70,883	305,859
Increase/(decrease) in pension provision	18	(3,009,450)	(155,154)
Increase/(decrease) in actuarial gain in respect of pension provision		3,061,739	242,182
<b>Adjustment for investing or financing activities</b>			
Investment income	3	(373,045)	(306,533)
Interest and other finance costs	6	12,409	11,195
Net cash inflow from operating activities		504,754	1,349,006
<b>Cash inflows from investing activities</b>			
Investment income	3	373,045	306,533
Payments made to acquire fixed assets	10	(216,299)	(252,649)
Payments made to acquire investments	12	-	(34,223)
Proceeds from sale of investments	12	-	34,167
		156,746	53,828
<b>Cash flows from financing activities</b>			
Interest and other finance costs	6	(12,409)	(11,195)
<b>Increase in cash and cash equivalents in the year</b>		649,091	1,391,639
Cash and cash equivalents at beginning of the year		4,022,295	2,630,656
Cash and cash equivalents at end of the year		4,671,386	4,022,295
<b>Cash and cash equivalents</b>			
	At 31 July 2023 £	Cash flows £	At 31 July 2024 £
Cas at bank and in hand	4,022,295	649,091	4,671,386

# University College of Estate Management

## Statement of Accounting Policies

### For the year ended 31 July 2024

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#### **(a) Statutory information**

University College of Estate Management is a Royal Charter charity registered with the Charity Commission for England and Wales.

The registered office address and principal place of business is Horizons, 60 Queens Road, Reading, RG1 4BS.

#### **(b) Basis of preparation**

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS)102. UCEM is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. These financial statements have also been prepared in accordance with the Accounts Direction issued by the Office for Students (OfS 9, the Terms and Conditions of Funding for Higher Education Institutions) and the Terms and Conditions of Grant by the British Council.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

#### **(c) Basis of consolidation**

These financial statements consolidate the results of UCEM and its subsidiary entities as detailed in note 14 on a line-by-line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the charity's balance sheet.

Performance is closely monitored against budget, and budgets are set annually with reference to the institution's long-term strategy, assumptions on student numbers and income, and the teaching and administrative support required.

The trustees set policies on reserves designed to balance the spending required in providing education across the academic periods to which the income relates, whilst maintaining the minimum level of reserves required to ensure uninterrupted operation and provide time to adjust to any changes in financial circumstances. General reserves are held in the range of between three to twelve months operating expenditure.

#### **Going concern**

The trustees consider that UCEM is a going concern and have prepared the financial statements on this basis.

Further information can be found in the Trustees Annual Report under the heading reserves policy and going concern.

#### **(d) Exemptions under FRS 102**

The Institution has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the Institution in its separate financial statements.

#### **(e) Income recognition**

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

Fee income is stated gross of any expenditure and credited to the consolidated statement of comprehensive income and expenditure over the period in which students are studying. Discounts, bursaries and scholarships provided by UCEM are shown as expenditure.

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

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

#### **(f) Grant funding**

Grant funding from ESFA apprenticeships is recognised as income when UCEM 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.

**University College of Estate Management**  
**Statement of Accounting Policies**  
**For the year ended 31 July 2024**

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**(g) Donations**

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

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

Investment income is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms.

The main types of donations identified within reserves are:

- a) Restricted donations - the donor has specified that the donation must be used for a particular objective.
- b) Unrestricted donations - the donor has not specified that the donation must be used for a particular objective.

**(h) Accounting for retirement**

**Defined benefit plan**

The group participates in the Universities Superannuation Scheme (USS), a defined benefit scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the consolidated statement of comprehensive income and expenditure represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's recovery plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustees of the scheme must agree a recovery plan that determines how each employer within the scheme will fund an overall deficit. The institution recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related movements being recognised through the consolidated statement of comprehensive income and expenditure. Further disclosures relating to the pension schemes can be found in Note 22 to the financial statements.

**Defined contribution plan**

The group also operates a Group Personal Pension (GPP) and an Auto-Enrolment Compliant (AE) defined contribution scheme. The assets of these schemes are individually held by their members. Contributions to these schemes in the year were charged to the consolidated statement of comprehensive income and expenditure as incurred.

**(i) 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 UCEM. Any unused benefits are accrued and measured as the additional amount UCEM expects to pay as a result of the unused entitlement.

**(j) Leases**

**Finance leases**

Leases in which UCEM assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Assets held under finance leases are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation, and impairment losses. Minimum lease payments are apportioned between a finance charge and a reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**Operating leases**

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

**(k) Foreign currency**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

**University College of Estate Management**  
**Statement of Accounting Policies**  
**For the year ended 31 July 2024**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income.

**(l) Fixed assets**

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

**Intangible assets**

Third party software is capitalised where the purchase price exceeds £5,000. Amortisation costs are allocated on the basis of estimated useful life up to the maximum period of the supplier warranty. All other costs are amortised over 5 years on a straight-line basis.

**Tangible assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives in use are as follows:

Freehold buildings	50 years
Leasehold improvements	20-40 years
Fixtures and fittings	10 years
Plant and machinery	15 years
Telephone systems	10 years
Furniture	10 years
Plant and equipment	5 years
Motor vehicles	4 years
Computers	3 years

No depreciation is provided on freehold land as it is deemed to have an infinite life.

**(m) Investment properties**

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services. Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the statement of comprehensive income and expenditure. Properties are not depreciated but are revalued or reviewed annually according to market conditions as at 31 July each year.

**(n) Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of comprehensive income and expenditure. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments". UCEM does not acquire derivatives or other complex financial instruments.

Investments in associates and subsidiaries are carried at cost less impairment in UCEM's accounts.

Current asset investments are held at fair value with movements recognised in the statement of comprehensive income and expenditure.

**(o) Bursaries**

UCEM holds a designated bursary fund as part of its reserves. This fund is invested in UK common investment funds in order to generate income from which bursaries are paid. Bursaries, in the context of UCEM's operations, include fee waivers that effectively discount the cost of study for students with special circumstances and only in very limited cases are these sums paid directly to students.

**(p) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**University College of Estate Management**  
**Statement of Accounting Policies**  
**For the year ended 31 July 2024**

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**(q) Cash and cash equivalents**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**(r) Provisions, contingent liabilities and contingent assets**

Provisions are recognised in the financial statements when:

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

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

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

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

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

**(s) Taxation**

UCEM is a charity within the meaning of Paragraph 1 of Schedule 6 to the Finance Act 2010 and accordingly is exempt from UK Corporation Tax in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

**(t) Reserves**

Reserves are classified as restricted or unrestricted.

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**(u) Critical accounting estimates and judgements**

The preparation of the Institution's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

**Critical accounting estimates**

Recoverability of debtors

The provision for doubtful debts is based on estimates of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the consumer, the age profile of the debt and the nature of the amount due.

**Retirement Benefit Obligations**

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in Note 22 of the financial statements.

Management are satisfied that the Universities Superannuation Scheme meets the definition of a multi- employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and

**University College of Estate Management**  
**Statement of Accounting Policies**  
**For the year ended 31 July 2024**

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represents (typically) an industry-wide scheme such as the USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the consolidated statement of comprehensive income and expenditure in accordance with Section 28 of FRS 102.

**Critical judgements and assumptions**

**Income recognition**

Judgement is applied in determining the value and timing of certain income items to be recognised in the financial statements. This includes determining when performance related conditions have been met, and determining the revenues associated with partially delivered courses and training where the activities have not been fully completed at the reporting date.

An element of income recoverable in respect of apprenticeships following their End Point Assessment is recognised over the duration of their study with UCEM and is subject to judgements on future completion rates.

**(v) Financial instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Institution becomes a party to the contracted provisions of a financial instrument, and they are classified according to the substance of the contractual arrangements.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value, unless the arrangement constitutes a financing transaction. If the arrangement constitutes a financing transaction, the financial assets or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

**Cash and cash equivalents**

Cash includes cash in hand, cash at bank, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Investments**

Investments that are publicly traded, or where their fair value can be measured reliably, are subsequently measured at fair value with movements recognised in the consolidated statement of comprehensive income and expenditure.

Other investments, including investments in subsidiaries and associates, are subsequently measured at cost less any provision for impairment in their value.

**Debt instruments**

Debt instruments payable are subsequently measured at amortised cost using the effective interest method.

**University College of Estate Management**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2024**

**1 Tuition fees and education contracts**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Apprenticeship income	12,909,733	12,909,733	10,319,252	10,319,252
Non-apprenticeship income	7,124,052	7,124,052	7,084,426	7,084,426
	<b>20,033,785</b>	<b>20,033,785</b>	17,403,678	17,403,678

**2 Other income**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Office for Students grant	1,136,397	1,136,397	1,200,142	1,200,142
Research awards	132,250	132,250	35,550	35,550
Professional training	102,413	102,413	68,367	-
Other income	30,637	30,636	21,466	21,466
	<b>1,401,697</b>	<b>1,401,696</b>	1,325,524	1,257,158

**3 Investment income**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Investment property	29,399	29,399	33,357	33,357
General reserves	182,236	195,849	183,238	183,238
Designated reserves	73,330	59,718	59,718	59,718
Other investment income	88,080	87,815	30,220	30,079
	<b>373,045</b>	<b>372,781</b>	306,533	306,392

**4 Donations**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Donations with restrictions	800	800	-	-
Donations without restrictions	50,584	50,584	-	-
	<b>51,384</b>	<b>51,384</b>	-	-



**University College of Estate Management**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2024**

**5 Staff costs**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Salaries	12,062,131	11,900,171	10,866,816	10,626,316
Social security costs	1,172,376	1,172,376	1,043,400	1,039,400
Pension costs	1,228,559	1,221,786	1,253,722	1,241,908
Other staff costs	834,162	772,986	770,927	725,423
	<b>15,297,228</b>	<b>15,067,319</b>	13,934,865	13,633,047

Higher paid staff with remuneration in excess of £100,000 before any salary sacrifice, including P11D benefit and excluding bonus, employer national insurance and pension contributions:

	<b>2024</b>	2023
	No.	No.
£100,000 to £104,999	2	1
£105,000 to £109,999	1	-
£110,000 to £114,999	-	1
£115,000 to £119,999	1	-
£135,000 to £139,999	1	-
£140,000 to £144,999	-	1
£215,000 to £219,999	-	1
£230,000 to £234,999	1	-
	<b>6</b>	<b>4</b>

Average staff numbers by major category:

	<b>2024</b>	2023
	No.	No.
Academic	51	45
Research	3	3
Management and specialist	7	8
Technical	12	11
Other	204	188
	<b>277</b>	<b>255</b>

Average staff numbers by full time equivalent (FTE):

	<b>2024</b>	2023
	No.	No.
Academic	68.32	64.40
Non-academic	209.02	194.80
	<b>277.34</b>	<b>259.20</b>

Compensation for loss of office payable to a senior post-holder:

	<b>2024</b>	2023
	£	£
Compensation payable	<b>32,406</b>	-

Key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of UCEM. Staff costs include compensation paid to key management personnel including salary, bonus, P11D benefit, employer national insurance and pension contributions.

	<b>2024</b>	2023
	£	£
Key management personnel compensation	<b>1,444,552</b>	1,378,387

**University College of Estate Management**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2024**

**5 Staff costs (continued)**

**Trustees**

UCEM's Board of Trustee members are trustees for the purposes of charity law. Due to the nature of UCEM's operations and the composition of the Board of Trustees, being drawn from public and private sector organisations, it is inevitable that transactions will take place with organisations in which a trustee may have an interest. All transactions involving organisations in which a trustee may have an interest, including those identified below, are conducted at arm's length and in accordance with UCEM's Financial Regulations and usual procurement procedures.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

In accordance with the byelaws of UCEM, 1 trustee (2023: 1) received remuneration for the services they provide in undertaking the role of Vice Chancellor and not in respect of their services as trustee. Their remuneration during their period as a trustee was as follows:

	<b>2024</b>	2023
	<b>£</b>	£
<b>Vice Chancellor – Ashley Wheaton</b>		
Remuneration	<b>271,554</b>	253,046
Employer pension contributions	<b>40,251</b>	46,011
Other benefits	<b>2,790</b>	2,579
	<b>314,595</b>	301,636

The pension contributions are in respect of membership of the USS Scheme and are paid by the employer on the same basis as any other member's employer contribution.

	<b>2024</b>	2023
	<b>£</b>	£
<b>Trustee travel, entertaining and subsistence</b>		
Vice Chancellor	<b>6,850</b>	771
Other trustees	<b>2,264</b>	910
	<b>9,114</b>	1,681

Other than as reported above, the trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No member of the trustees received payment for professional or other services supplied to the charity (2023: £nil).

**University College of Estate Management**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2024**

**5 Staff costs (continued)**

**Justification Statement: Head of Provider Remuneration**

The number of staff with a full-time equivalent basic salary of over £100,000 for the 12 months up to 31 July 2024 is shown below.

	<b>2024</b>	2023
<b>Basic salary per annum</b>	<b>No.</b>	No.
£100,000 to £104,999	-	2
£105,000 to £109,999	<b>2</b>	-
£110,000 to £114,999	<b>1</b>	1
£115,000 to £119,999	<b>1</b>	-
£140,000 to £144,999	-	1
£150,000 to £154,999	<b>1</b>	-
£215,000 to £219,999	-	1
£230,000 to £234,999	<b>1</b>	-

The basic salary and performance-related bonus element of remuneration for the Head of Provider (the Vice Chancellor) is agreed by the Remuneration Committee, which is a sub-committee of the Board of Trustees. All members of the Committee are independent trustees, and the Vice Chancellor is not present during discussions about their remuneration. The Committee has regard to the 'Higher education senior staff remuneration code' published by the Committee of University Chairs, when considering senior staff pay.

The Remuneration Committee met on 12 September 2023 and approved a basic salary increase of 5% from £219,575 to £230,554 per annum, from 1 August 2023. This increase matched the percentage increase applied to the wider staff group, and the resulting salary was comfortably within the relevant Higher Education benchmarks.

In terms of a performance-related bonus for the year ending 31 July 2024, the Remuneration Committee considered this at their meeting on 12 September 2024 and again on 25 October 2024. Clear performance metrics had been set for the year to 31 July 2024, focused on four areas of work, namely 1) operational and overall business performance based on the CX9 targets; 2) strategic priorities around development of a financial resilience strategy, an estate strategy, university title, delivery of GLOBE Stage 2, and remaining in the 30% club at Board level; 3) increasing the profile and brand of UCEM; and 4) personal development.

The Committee agreed this had been another strong year on overall performance by UCEM, with significant highlights including renewal of HM The King's patronage, the Award by the King's Foundation, achievement of student recruitment targets, an increase in NSS results and rating, successful external events, and achievement of the best financial position in 105 years. It was noted these achievements had been made against a difficult political, economic, and social environment for the higher education sector. The Committee approved a performance-related bonus for the Vice Chancellor for the year ending 31 July 2024 of £40,000.

Full details of the total remuneration package for the Vice Chancellor, as at 31 July 2024:

- Basic salary: £230,554 per annum
- Bonuses and long service awarded in respect of the financial year: £41,000
- Pension contributions: £40,251
- Salary Sacrifice: Childcare voucher £12 and Cycle to Work Scheme £2,866
- Other taxable benefits: Private medical insurance £2,790

For the financial year ending 31 July 2024, the pay multiple at UCEM is as follows:

- The head of the provider's basic salary is 5.57 times (2023: 5.30) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The head of the provider's total remuneration is 7.59 times (2023: 7.44) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

**University College of Estate Management**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2024**

**6 Interest and other finance costs**

	2024 Consolidated £	2024 UCEM £	2023 Consolidated £	2023 UCEM £
Exchange differences	12,409	885	11,195	758
	<b>12,409</b>	<b>885</b>	<b>11,195</b>	<b>758</b>

**7 Other operating expenditure**

	2024 Consolidated £	2024 UCEM £	2023 Consolidated £	2023 UCEM £
Academic and related expenditure	980,802	980,586	660,440	655,837
Administration and central services	3,017,101	3,385,083	2,190,748	2,569,546
Premises costs	633,820	517,484	552,105	410,303
Catering and conferences	111,344	103,237	96,238	88,821
	<b>4,743,067</b>	<b>4,986,390</b>	<b>3,499,531</b>	<b>3,724,508</b>

Other operating expenditure includes:

External auditor remuneration				
- audit services	44,583		54,690	
- non-audit services	-		7,200	
Operating lease rentals				
- other leases	182,911		185,296	

**Access and participation expenditure**

	2024 Consolidated £	2024 UCEM £	2023 Consolidated £	2023 UCEM £
Access investment	48,280	48,280	49,901	49,901
Financial support	30,068	30,068	28,701	28,701
Support for disabled students	36,932	36,932	35,141	35,141
Research and evaluation	21,917	21,917	17,680	17,680
	<b>137,197</b>	<b>137,197</b>	<b>131,423</b>	<b>131,423</b>

The above Access and Participation expenditure includes staff costs of £62,520 (2023: £87,930). These staff costs are included in the total staff costs in Note 5 to the financial statements. Further details on the Access and Participation strategy can be found on UCEM's website.

**8 Taxation**

UCEM is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. No taxation charges are recognised or recorded in the statement of comprehensive income.

**9 Related party transactions**

Amanda Clack, Trustee and Chair is a partner in HKA. During the year HKA sponsored a student studying with UCEM and UCEM received £2,200 (2023: £nil). Amanda Clack was previously Head of Strategic Advisory of CBRE and Non-Executive Director of Countryside Partnerships, resigning in November 2022. During the previous year UCEM received £124,452 and £25,220 respectively from these organisations for sponsored students and apprentices studying with UCEM.

Nick Braisby and Ashley Wheaton, Trustees, are on the Board of Trustees of GuildHE. During the year GuildHE invoiced UCEM for £22,632 (2023: £21,895).

Nick Braisby is a member of the Audit and Resource Committee of Universities UK. During the year Universities UK invoiced UCEM for £1,795 (2023: £295).

Ashley Wheaton is also a Trustee of JISC. During the year JISC invoiced UCEM for £38,480 (2023: £27,732).

Gareth Ralphs, Trustee, is Head of Policy and Inward Investment, Thames Valley Chamber of Commerce Group. During the year Thames Valley Chamber of Commerce Group invoiced UCEM for £4,147 (2023: £3,840).

Christopher Costigan, Trustee, is a member of the Strategic Advisory Group (Governance) of Advance HE. During the year, Advance HE invoiced UCEM for £7,928 (2023: £4,925).

Ros Kerslake, Trustee from 1 December 2023, is on the board of Sanctuary Group and is a non-executive director of Homes England. During the year these organisations had apprentices who were studying with UCEM and UCEM received £3,668 and £15,702 respectively (2023: £nil in both cases).

**University College of Estate Management**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2024**

**10 Intangible fixed assets**

Group and UCEM	Computer software £	Total £
<b>Cost</b>		
- At 31 July 2023	410,061	410,061
- Additions	37,147	37,147
- <b>At 31 July 2024</b>	<b>447,208</b>	<b>447,208</b>
<b>Amortisation</b>		
- At 31 July 2023	211,845	211,845
- Charge for the year	91,870	91,870
- <b>At 31 July 2024</b>	<b>303,715</b>	<b>303,715</b>
<b>Net book value</b>		
- <b>At 31 July 2024</b>	<b>143,494</b>	<b>143,494</b>
- At 31 July 2023	198,216	198,216

**11 Tangible fixed assets**

Group	Freehold land and buildings £	Equipment and motor vehicles £	Computer system £	Total £
<b>Cost</b>				
- At 31 July 2023	7,005,250	720,278	1,530,418	9,255,946
- Additions	-	69,988	109,164	179,152
- Disposals	-	(25,383)	(33,028)	(58,411)
- <b>At 31 July 2024</b>	<b>7,005,250</b>	<b>764,883</b>	<b>1,606,554</b>	<b>9,376,687</b>
<b>Depreciation</b>				
- At 31 July 2023	709,058	513,963	1,348,663	2,571,684
- Charge for the year	100,105	56,629	106,023	262,757
- Disposals	-	(25,380)	(33,027)	(58,407)
- <b>At 31 July 2024</b>	<b>809,163</b>	<b>545,212</b>	<b>1,421,659</b>	<b>2,776,034</b>
<b>Net book value</b>				
- <b>At 31 July 2024</b>	<b>6,196,087</b>	<b>219,671</b>	<b>184,895</b>	<b>6,600,653</b>
- At 31 July 2023	6,296,192	206,135	181,755	6,684,262

UCEM	Freehold land and buildings £	Equipment and motor vehicles £	Computer system £	Total £
<b>Cost</b>				
- At 31 July 2023	7,005,250	716,115	1,522,443	9,243,808
- Additions	-	69,988	107,899	177,888
- Disposals	-	(25,383)	(33,027)	(58,410)
- <b>At 31 July 2024</b>	<b>7,005,250</b>	<b>760,720</b>	<b>1,597,315</b>	<b>9,363,286</b>
<b>Depreciation</b>				
- At 31 July 2023	709,058	513,838	1,346,838	2,569,735
- Charge for the year	100,105	56,211	103,163	259,479
- Disposals	-	(25,379)	(33,027)	(58,406)
- <b>At 31 July 2024</b>	<b>809,163</b>	<b>544,670</b>	<b>1,416,974</b>	<b>2,770,808</b>
<b>Net book value</b>				
- <b>At 31 July 2024</b>	<b>6,196,087</b>	<b>216,050</b>	<b>180,341</b>	<b>6,592,478</b>
- At 31 July 2023	6,296,192	202,276	176,605	6,674,073

All of the above assets are used for charitable purposes.

Freehold land and buildings are the premises planned and designed specifically for UCEM. Financial Reporting Standards require the premises to be included in the financial statements at replacement cost where this is less than actual cost. An Existing Current Use with Vacant Possession valuation was carried out by Knight Frank LLP on 23 June 2016. This valuation was lower than actual cost so an impairment at £1,108,012 was recognised in the year ended 31 July 2016. This was as anticipated and in accordance with the trustees' business plan for the acquisition of the building.

**University College of Estate Management**  
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**For the year ended 31 July 2024**

**12 Investment properties**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Fair value at start of year	1,700,000	1,700,000	1,700,000	1,700,000
Net gain on change in fair value	-	-	-	-
<b>Fair value at end of year</b>	<b>1,700,000</b>	<b>1,700,000</b>	1,700,000	1,700,000

The investment property is Shinfield Grange, Cutbush Lane East, Shinfield, Reading, RG2 9AF and was last valued on 24 October 2022 by Knight Frank LLP at £1,600,000, fair value in its physical condition at the time with vacant possession. The trustees have reviewed this and consider that £1,700,000 remains an appropriate reflection of the property's value at 31 July 2024.

**13 Investments**

	<b>2024</b>	<b>2024</b>	2023	2023
<b>Non-current asset investments</b>	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Fair value at start of year	8,368,616	8,369,615	8,614,819	8,865,862
Additions at cost	-	-	34,223	34,223
Disposal proceeds	-	-	(34,167)	(284,267)
Net gain/(loss) on change in fair value	777,806	777,806	(246,203)	(246,203)
<b>Fair value at end of year</b>	<b>9,146,422</b>	<b>9,147,421</b>	8,368,616	8,369,615

<b>Investments comprise:</b>	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
UK common investment funds				
- General fund	6,387,949	6,387,949	5,844,722	5,844,722
- Designated bursary fund	2,248,397	2,248,397	2,057,195	2,057,195
- Restricted fund	510,076	510,076	466,699	466,699
Investment in subsidiary undertaking	-	999	-	999
	<b>9,146,422</b>	<b>9,147,421</b>	8,368,616	8,369,615

UCEM holds 7,201,907 units (2023: 7,201,907 units) in the Sarasin & Partners Climate Active Endowment Fund.

**14 Subsidiary undertakings**

The following entity is recognised as a subsidiary of UCEM due to being wholly owned by UCEM. All activities have been consolidated on a line-by-line basis in the statement of comprehensive income and expenditure.

<b>Company</b>	<b>Country of registration</b>	<b>Registration number</b>	<b>Interest</b>	<b>Principal activities</b>
UCEM Asia Limited	Hong Kong	2290068	100% owned	Promoting UCEM and coordinating support for local students

The registered address for UCEM Asia Limited is Unit 2, 16/F Admiralty Centre Tower 2, 18 Harcourt Road, Admiralty, Hong Kong.

**Gain/(loss) on revaluation of subsidiary undertakings**

<b>UCEM</b>	<b>2024</b>	2023
	£	£
Loss on revaluation	-	(250,100)
Intercompany debt written off	153,357	-
	<b>153,357</b>	<b>(250,100)</b>

UCEM Courses Limited (registration number 2169181) ceased trading on 31 July 2023 transferring all of its assets and liabilities to UCEM, which continues to operate professional training and continuing professional development activities, the company's principal activities, within the UCEM brand. UCEM Courses was formally dissolved on 19 March 2024. The value of the share capital was written off on 31 July 2023 and the intercompany debt of £153,357 due to UCEM was written off on dissolution.

**University College of Estate Management**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2024**

**15 Debtors**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
<b>Amounts falling due within one year</b>				
Other trade receivables	1,239,045	1,239,045	1,107,064	1,083,500
Other receivables	22,609	853	26,253	4,498
Prepayments and accrued income	2,605,248	2,602,444	2,170,931	2,139,942
Amounts due from subsidiary undertakings	-	113,124	-	44,995
	<b>3,866,902</b>	<b>3,955,466</b>	3,304,248	3,272,935
<b>Amounts falling due after more than one year</b>				
Prepayments and accrued income	2,412,596	2,412,596	1,910,261	1,910,261
	<b>6,279,498</b>	<b>6,368,062</b>	5,214,509	5,183,196

Amounts falling due after more than one year are prepayments and accrued income of £2,412,596 (2023: £1,910,261), of which £2,397,246 (2023: £1,888,676) is due to be paid by the ESFA once apprentices go through the End Point Assessment at the end of their individual apprenticeship programmes. This amount falls due as follows

	<b>2024</b>	2023
	£	£
Due between one and two years	924,336	849,242
Due between two and four years	1,330,401	1,014,291
Due in more than four years	142,509	25,143
	<b>2,397,246</b>	1,888,676

**16 Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Trade payables	361,741	354,791	313,973	307,296
Other payables	1,672,359	1,661,891	1,664,368	1,646,723
Finance leases	29,601	29,601	28,660	28,660
Accruals and deferred income	353,098	353,098	353,799	330,264
VAT	3,965	3,965	4,271	1,673
	<b>2,420,764</b>	<b>2,403,346</b>	2,365,071	2,314,616

**17 Creditors: amounts falling after more than one year**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Finance leases	7,459	7,459	37,060	37,060
Accruals and deferred income	571,898	571,898	527,111	527,111
	<b>579,357</b>	<b>579,357</b>	564,171	564,171

Accruals and deferred income falling due after more than one year include £453,708 (2023: £383,397) which relates to costs associated with End Point Assessment for apprenticeships.

During the year UCEM had an overdraft facility of £250,000 secured by a legal charge against freehold land and buildings. The overdraft facility was not utilised in the year and has been cancelled after the year end with the security being returned.

**Finance leases**

Minimum payments under finance leases fall due as follows:

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
Due within one year	29,601	29,601	28,660	28,660
Due between two and four years	7,459	7,459	37,060	37,060
	<b>37,060</b>	<b>37,060</b>	65,720	65,720

**University College of Estate Management**  
**Notes to the Financial Statements**  
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**17 Creditors: amounts falling after more than one year (continued)**

Deferred income

Included within total deferred income are the following:

	<b>2024</b> <b>Consolidated</b> £	<b>2024</b> <b>UCEM</b> £	<b>2023</b> <b>Consolidated</b> £	<b>2023</b> <b>UCEM</b> £
Current academic offer	390,666	390,666	388,156	388,156
Professional training	17,275	17,275	27,080	27,080
Research and enterprise income	63,347	63,347	82,277	82,277
	<b>471,288</b>	<b>471,288</b>	497,513	497,513

**18 Provisions for liabilities**

**Consolidated and UCEM**

**Obligation to fund USS pension scheme deficit**

	<b>2024</b> £	<b>2023</b> £
Provision at the start of the year	3,009,450	3,164,605
Movement in the year	<b>(3,009,450)</b>	(155,155)
Provision at the end of the year	-	3,009,450

**USS pension scheme deficit**

At 31 July 2023, the institution's balance sheet included a liability of £3,009,450 for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the Institution was no longer required to make deficit recovery contributions. The remaining liability of £3,009,450 was released to the consolidated statement of comprehensive income and expenditure. Further disclosures relating to the deficit recovery liability can be found in Note 22 to the financial statements.

**19 Financial instruments**

	<b>2024</b> <b>Consolidated</b> £	<b>2024</b> <b>UCEM</b> £	<b>2023</b> <b>Consolidated</b> £	<b>2023</b> <b>UCEM</b> £
<b>Financial assets at fair value through Statement of Comprehensive Income</b>				
Listed investments	-	-	-	-
<b>Financial assets that are equity instruments measured at cost less impairment</b>				
Other investments	9,146,422	9,147,421	8,368,616	8,369,615
<b>Financial assets that are debt instruments measured at amortised cost</b>				
Cash at bank and in hand	4,671,386	4,654,938	4,022,295	3,940,219
Other debtors	6,279,498	6,882,062	5,214,509	5,183,196
<b>Financial liabilities measured at amortised cost</b>				
Finance leases	37,060	37,060	65,720	65,720
Trade payables	361,741	354,791	313,973	307,296
Other payables	2,601,320	2,590,852	2,549,549	2,505,771



**University College of Estate Management**  
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**20 Reserves**

**Movement in funds – current year**

	At 31 July 2023 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 July 2024 £
<b>Restricted funds:</b>					
Philip Rose Award	339	-	(100)	-	239
Harold Crowter Prize Fund	1,471	-	(100)	-	1,371
FJ Comerford Prize Award	500	-	-	-	500
Harold Samuel Research Prize Fund	232,367	39,647	(15,000)	-	257,014
Peter Goodacre Fund	32,000	-	(1,000)	-	31,000
David Alexander Memorial Scholarship	191,417	17,265	-	-	208,682
UCEM Sustainability Research Prize	-	800	(300)	-	500
<b>Total restricted funds</b>	<b>458,094</b>	<b>57,712</b>	<b>(16,500)</b>	<b>-</b>	<b>499,306</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Fixed assets	6,882,479	216,299	(354,631)	-	6,744,147
Bursaries	2,060,215	250,997	(73,333)	-	2,237,879
Total designated funds	8,942,694	467,296	(427,964)	-	8,982,026
General funds	10,848,418	21,334,903	(16,123,322)	-	16,059,999
<b>Total unrestricted funds</b>	<b>19,791,112</b>	<b>21,802,199</b>	<b>(16,551,286)</b>	<b>-</b>	<b>25,042,025</b>
<b>Total Funds</b>	<b>20,249,206</b>	<b>21,859,911</b>	<b>(16,567,786)</b>	<b>-</b>	<b>25,541,331</b>

**Movement in funds – prior year**

	At 31 July 2022 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 July 2023 £
<b>Restricted funds:</b>					
Philip Rose Award	339	-	-	-	339
Harold Crowter Prize Fund	1,471	-	-	-	1,471
FJ Comerford Prize Award	500	-	-	-	500
Harold Samuel Research Prize Fund	247,219	9,436	(24,288)	-	232,367
Peter Goodacre Fund	33,000	-	(1,000)	-	32,000
David Alexander Memorial Scholarship	190,064	4,057	(2,704)	-	191,417
<b>Total restricted funds</b>	<b>472,593</b>	<b>13,493</b>	<b>(27,992)</b>	<b>-</b>	<b>458,094</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Fixed assets	6,952,857	252,649	(323,027)	-	6,882,479
Bursaries	2,118,084	59,739	(117,608)	-	2,060,215
Total designated funds	9,070,941	312,388	(440,635)	-	8,942,694
General funds	9,442,578	18,709,853	(17,304,103)	-	10,848,418
<b>Total unrestricted funds</b>	<b>18,513,519</b>	<b>19,022,241</b>	<b>(17,744,648)</b>	<b>-</b>	<b>19,791,112</b>
<b>Total Funds</b>	<b>18,986,112</b>	<b>19,035,734</b>	<b>(17,772,640)</b>	<b>-</b>	<b>20,249,206</b>

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**20 Reserves (continued)**

**Purposes of restricted funds**

<b>Fund</b>	<b>Purpose</b>
Philip Rose Award	To award a prize for excellence in an area of study.
Harold Crowter Prize Fund	To award a prize for excellence in an area of study.
FJ Comerford Prize Award	To award a prize for excellence in an area of study.
Harold Samuel Research Prize Fund	An annual award of up to £15,000 for an innovative research project that has the potential to provide industry- changing insight for the Built Environment. The Prize will be judged and awarded by a panel of experts from across the industry, UCEM staff and independent appointees. The Prize is open to applications from the UK and in any other part of the world.
Peter Goodacre Fund	To award £1,000 at every graduation for one student for 34 years.
David Alexander Memorial Scholarship	To the provision of scholarships for students nominated by RICS Wales.
UCEM Sustainability Research Prize	To award prizes in recognition of outstanding and collegiate contributions to sustainability research through students' final year projects and their collaboration during their studies.

**Purposes of designated funds**

<b>Fund</b>	<b>Purpose</b>
Fixed assets	This represents the net book value of the groups fixed assets.
Bursaries	Bursary funds are established to encourage and support wider participation in the programmes offered by UCEM, including New Student Bursary Fund, Post Graduate Scholarship, Access and Participation Plan Fund, Vice Chancellor's Discretionary Fund and Redundancy Support.

**21 Lease obligations**

Total rentals payable under operating leases for the group are as follows:

	<b>2024</b>	2023	<b>2024</b>	2023
	<b>Property</b>	Property	<b>Equipment</b>	Equipment
	<b>£</b>	£	<b>£</b>	£
<b>Payable during the year</b>	<b>108,294</b>	118,054	<b>18,431</b>	17,370
<b>Future minimum lease payments due:</b>				
Not later than one year	<b>108,294</b>	107,844	<b>12,432</b>	15,559
Later than one year and not later than five years	<b>37,845</b>	37,688	<b>15,178</b>	6,928
<b>Total lease payments due</b>	<b>146,139</b>	145,532	<b>27,610</b>	22,487

Total rentals receivable under operating leases for the group are as follows:

	<b>2024</b>	2023
	<b>Property</b>	Property
	<b>£</b>	£
<b>Receivable during the year</b>	<b>29,399</b>	33,357
<b>Future minimum lease receipts due:</b>		
Not later than one year	<b>2,450</b>	2,450
<b>Total lease receivables due</b>	<b>2,450</b>	2,450

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**22 Pension schemes**

The total cost charged to the Consolidated Statement of Comprehensive Income is £1,228,559 (2023: £1,253,722) including Universities Superannuation Scheme (USS) but excluding the impact of the change in the deficit recovery plan, as shown below.

Deficit recovery contributions due within one year for the institution are £nil (2023: £244,414).

**Statement of comprehensive income – net pension costs**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
USS	709,592	709,592	785,947	785,848
GPP	40,325	40,325	38,454	38,454
People's Pension	471,869	471,869	421,442	417,606
Manulife (Hong Kong)	6,773	-	7,879	-
	<b>1,228,559</b>	<b>1,221,786</b>	1,253,722	1,241,908

**Statement of financial position – pension scheme liability**

	<b>2024</b>	<b>2024</b>	2023	2023
	<b>Consolidated</b>	<b>UCEM</b>	Consolidated	UCEM
	£	£	£	£
USS	-	-	3,009,450	3,009,450
GPP	-	-	-	-
People's Pension	-	-	-	-
Manulife (Hong Kong)	-	-	-	-
	<b>-</b>	<b>-</b>	3,009,450	3,009,450

Different categories of staff joined one of four different schemes depending upon eligibility:

**(1) Universities Superannuation Scheme (USS)**

This is a defined-benefit scheme contracted out of the State Second Pension (S2P) the assets of which are held in separate trustee administered funds. USS is a multi-employer scheme and is accounted for as set out in the accounting policies USS has received contributions on behalf of members from the Employer and Employee at the following rates: Employer 21.6% until 31 December 2023 and 14.5% thereafter, Employee 9.8% until 31 December 2023 and 6.1% thereafter.

**(2) Group Personal Pension Scheme (GPP)**

Operating on a defined contribution basis in respect of pensionable service since 1 November 2004, the GPP has received contributions on behalf of members from the Employer and Employee at the following rates: Employer 7%, Employee 2.5% (minimum).

For members of the former CEM Contracted Out Money Purchase Scheme who had joined that Scheme prior to April 1997 the rates of contribution, to the GPP, were as follows:

Age	UCEM	Member
40-49	9%	2.5% (minimum)
50-59	10%	2.5% (minimum)

This scheme is now closed to new members as it has been succeeded by an auto enrolment compliant scheme.

**(3) Auto Enrolment Compliant Scheme (AE)**

Operating on a defined contribution basis in respect of pensionable service since 1 January 2014, the AE scheme has received contributions on behalf of members from the Employer and Employee at the following rates: Employer 7%, Employee 2.5% (minimum).

**(4) Manulife (HK)**

Operating on a defined contribution basis, this scheme is compulsory for all staff of UCEM Asia Limited in Hong Kong and has received contributions on behalf of members from the Employer and Employee at the following rates: Employer 5%, Employee 5%, both up to a maximum of HK\$1,500 per month.

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**22 Pension schemes (continued)**

**Unfunded Pensions**

UCEM also provided unfunded pensions to an ex-employee. Payment in the year totalled £nil (2023: £4,111).

**Universities Superannuation Scheme (USS)**

UCEM participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

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 Note 18 to the financial statements, 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 consolidated statement of comprehensive income and expenditure.

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

<b>Principal Actuarial Assumptions</b>	<b>31 March 2023 valuation – technical provisions</b>
Price inflation – Consumer Prices Index (CPI)	3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0% p.a. to 2030, reducing to 0.1% p.a. from 2030.
Pension increases (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 assumption minus 3bps.
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement : 2.5% p.a. Post retirement : 0.9% p.a.

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

Mortality base table	2023 valuation: 101% of S2PMA "light" for males and 95% of S3PFA for females.
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

<b>Existing benefits</b>	<b>2024</b>	<b>2023</b>
Males currently aged 65 years	23.7	24.0
Females currently aged 65 years	25.6	25.6
Males currently aged 45 years	25.4	26.0
Females currently aged 45 years	27.2	27.4