



UNIVERSITY OF
STIRLING

FINANCIAL STATEMENTS
2008 - 2009



Financial Statements

for the year ended 31st July 2009

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OPERATING AND FINANCIAL REVIEW

SCOPE OF THE FINANCIAL STATEMENTS

The Financial Statements presented to the Court have been prepared in accordance with the recommendations of the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in June 2007 and the Accounts Direction issued by the Scottish Funding Council (SFC) in June 2008.

OPERATING AND FINANCIAL REVIEW

Introduction

The Operating and Financial Review (OFR) provides an overview of the University, its objectives and targets, its performance over the year, its financial position and its future plans. The Review consists of the following sections:

1. Statutory Background
2. Introduction to the University
3. Mission and Vision Statements
4. Operational Environment and Review
5. Financial Review
6. Future Developments
7. Staff Involvement
8. Commitment to Quality
9. Openness and Freedom of Information
10. Diversity and Equal Opportunity
11. Prompt Payment to Suppliers
12. Treasury Management
13. Professional Advisors

1. Statutory Background

The University of Stirling was incorporated by Royal Charter (RC 000669) in 1967 and is a charity registered, in Scotland, with the Office of the Scottish Charity Regulator (SC 011159).

The Court of the University is, subject to the provisions of the Charter and Statutes, the executive governing body of the University and is responsible for the administration and management of the revenue and the property of the University. The University's corporate governance arrangements are described on pages X to XII and the members of the University Court during the year ended 31st July 2009 are listed at the end of the financial statements.

2. Introduction to the University

The University of Stirling was the first genuinely new University in Scotland for over 400 years. We retain our pioneering spirit and a passion for excellence in all we do. The University is located just two miles from the centre of Stirling, which received city status in 2002. Set in the shadow of the Ochil Hills, the magnificent 310-acre campus encompasses a loch, a golf course and the 18th-century Airthrey Castle. It is undoubtedly one of the most attractive campuses in Europe. The University also has

a campus in Inverness and one in Stornoway, both centres of excellence in the teaching of nursing and midwifery.

3. Mission and Vision Statements

The University of Stirling's mission is to pursue world-class research, scholarship and learning in order to inspire, challenge and support motivated individuals who want to shape our world.

In support of this, the University:

- conducts world-class research that makes a positive contribution to society, the economy, the environment, science and culture
- promotes and enhances student learning through innovative teaching programmes with a clear focus on real-world needs
- benefits wider society through broad-based access to educational opportunity
- provides an attractive, supportive and caring environment for students and staff
- ensures that the wider community and partner organisations can benefit from our expertise, services and facilities

The University has a clear and ambitious vision to be at the forefront of research and learning in order to shape the world at a local, national and international level. We will be:

- a leading research university in the fields of health & wellbeing, the environment, culture, society & the arts, and enterprise & the economy
- a provider of excellent learning and social experiences for students
- Scotland's University for Sporting Excellence

Building on the strategic direction set in 2006 we will continue:

- to become more international
- to diversify our income streams, become less reliant on the traditional undergraduate model and grow in segments of the market in which pricing is not subject to regulation
- to review and change work processes across the institution in order to focus on our key goals
- to become quicker, more flexible and responsive through a process of Organisational Development

4. Operational Environment and Review

Background

Much of the strategic direction outlined in the Operating and Financial Review for 2007/08, and in the Strategic Plan Overview for 2008 to 2012, available from the University web site (<http://www.strategicplanning.stir.ac.uk/strategic-planning/index.php>), remains valid and in force. However, there have been some significant changes in the operating environment which have impacted on the institution and these are detailed within the following review of the University's activities in 2008/09.

The research portfolio: overall improvement, but an adverse external environment

Our Research and Knowledge Transfer Strategy, designed to deliver our strategic priority of strengthening our research base and remaining a research led institution, is being reviewed

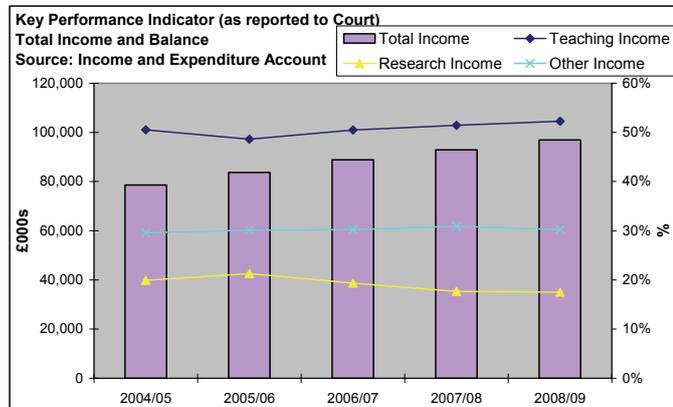
and updated in light of the outcome of the UK-wide Research Assessment Exercise (RAE) 2008. This exercise demonstrated improvements in research quality in most parts of the University but these improvements were outweighed by other factors.

The University has carried out careful detailed analysis of the outcome of RAE 2008 and its funding consequences. This analysis has been discussed by University Court and extensively communicated internally, including to the open Staff Assembly in March 2009.

Central points are that:

- public funding has not kept pace with the increase in research active staff delivering quality outputs, at either Scottish or UK level, causing reductions in per capita funding of quality research staff;
- there has been a drop in the number of RAE returned staff, whilst other institutions in Scotland returned a larger number of staff;
- changes in the research funding policy of the SFC, combined with the University's subject profile, have had a significant financial impact, as funding has moved away from Arts, Humanities and Social Science towards Science disciplines.

As a result, the University's Research Excellence Grant (REG) has reduced by approximately 40% (£3 million) from 2009/10. One-off transitional funding of £1.5 million has been provided in 2009/10 with the full impact of the reduction coming into effect in 2010/11.



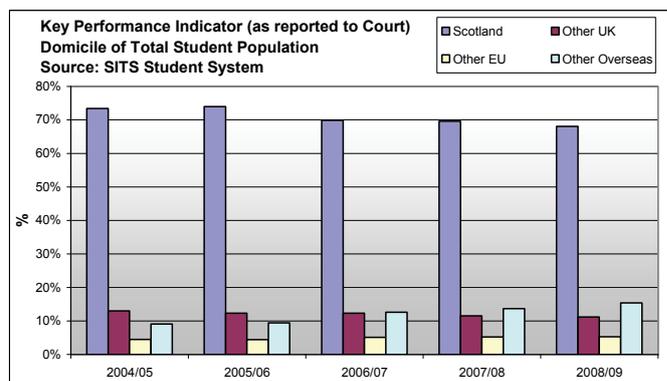
The University continues to lead research at a national and international level in a number of fields, including particular strengths in Sports Studies, Education, Nursing and Midwifery, and Film, Media and Journalism. In 2008/09, Stirling was the first University in the UK to ensure free, full-text access to research outputs through the Stirling Online Research Repository (STORRE), the institution's research publications database.

Demand for and esteem of the University's taught provision

There have been notable achievements in this area during the year. September 2008 and 2009 marked two successive record intakes to undergraduate programmes, and we have launched new undergraduate programmes such as the Bachelor of Education (Primary). Recognition of the quality of learning and teaching includes Stirling's score, as awarded by its own students through the National Student Survey (NSS) for 2009, rising to 88% (from 86%), ranking it fourth in Scotland and comparing with a UK average of 82%.

Stirling was named *Scottish University of the Year 2009* by the Sunday Times newspaper, in recognition of the University's "outstanding student experience and record for innovation and high quality teaching". In the UK rankings, the University jumped 10 places in The Sunday Times university league table, from 42 to 32, its highest-ever ranking.

Our Internationalisation Strategy aims to enhance performance in student recruitment, research collaboration and staff recruitment, from an international perspective. Following a 40% growth in international student numbers in 2006/07 and preservation of this position in 2007/08, 2008/09 has seen a further 17% growth. We remain conscious of ongoing commercial risk particularly from competition and the need to deliver high quality provision and to diversify our international student population by subject and by country. Further progress continues to be made in developing new programmes to appeal to international students and in enhancing the quality of their experience at Stirling. We continue to grow our business through new collaborations in subject areas where we have niche expertise and 2008/09 saw the successful launch of new collaborative programmes in Singapore and Vietnam.



In September 2007 we launched an International Study Centre (ISC) with a commercial partner, Study Group, with the aim of achieving a greater cultural diversity among the student population and thereby reducing our dependency on certain markets and subject areas. The Centre provides tailored academic and support programmes to help international students adapt to degree study. Over a four-year period, it was anticipated that this collaboration would provide an additional 250 overseas undergraduates. Whilst not as buoyant as expected, recruitment through the Centre continues to be steady. 2009 was also the second year of our International Summer School which has proven appealing, in particular to the North American market, and we intend to run it again in 2010.

In 2008/09 we have comprehensively reviewed our Learning and Teaching Quality Enhancement Strategy. We have taken the opportunity to involve fully the departmental Directors of Learning and Teaching in reflecting on the strategy and developing our vision for the next three years and we expect a new strategy to be in place, following consideration by Academic Council and University Court, during 2009/10.

Scotland's University for Sporting Excellence

Following an announcement by the First Minister of Scotland in 2008, Stirling was designated Scotland's University for Sporting Excellence, reflecting its long-standing strategic focus on sport, the quality of its facilities, its strong academic profile in research and teaching in the subject and its holistic approach to the development and support of elite student athletes. Using both

designation and the additional funding made available to lever additional investment into Scotland, Stirling continues to grow its reputation for excellence in sport. 2008/09 saw the SFC allocate additional funded places to the University for sport and, working with other universities across Scotland, the University led the development and launch of the SFC-funded Scotland-wide *Winning Students* scholarship scheme. We look forward to continued work with the Scottish Government, the Funding Council and key partners in further and higher education to enhance provision for elite student athletes in the run-up to 2012 Olympic Games in London, the 2014 Commonwealth Games in Glasgow, and beyond.

Other academic developments

We have established a new Centre for Academic Practice and Learning (CAPL) in 2008/09, responsible for achieving our objectives for the development of probationary staff and teaching assistants, as well as the continuing professional development of all academic staff, including researchers. CAPL is promoting the enhancement of learning, teaching and academic practice within a research-led environment, and supporting student learning development, including the needs of international students.

We launched the Stirling Management School (SMS) in September 2008, bringing together the former Departments of Accounting and Finance, Economics, Management and Marketing. Under the School's inaugural director, Professor Roger Sugden, the SMS aims to achieve world leading and internationally excellent outcomes in research, teaching, learning and knowledge exchange in its niche areas of management and thereby to advance knowledge and significantly benefit students, businesses and communities, in Scotland and internationally.

The Departments of History and Politics agreed to merge and form a combined School with effect from the 1st August 2009.

Stirling University Students' Association

Our Students' Association (SUSA) makes a vibrant contribution to the University through its representative, welfare, clubs & societies, recreational and other roles; and we have been fortunate to attract high quality student representatives into sabbatical positions over many years. Our Association is, like other student unions in the UK, challenged by the changing social patterns in student behaviour which have adversely affected its trading activities. The University continues to work with SUSA to maximise its ongoing contribution to the effective governance of the University and its social, cultural and recreational life.

University Services

Our current flagship project, transformation of our library to provide a modern, innovative and stimulating hub for learning that will serve and inspire the whole University and our wider community, is progressing well. The project, with a revised overall cost of £11.7 million, is on track and the new library will provide a modern environment that helps students realise their potential and supports our staff in their ground-breaking and internationally recognised research.

The University officially launched its participation in the Carbon Trust's Carbon Management Programme in June 2008 and a Carbon Management Plan is now in place. Significant efforts are being put into communicating the University's participation in the programme to staff and

students and encouraging the suggestion of ideas for carbon reduction and a carbon-aware culture.

The new Director of Information Services led the development of a new Information Strategy agreed by Court in March 2009. This is designed to enhance our approach to management information and ensure we benefit fully from our 'best of breed' core computer systems.

Catering

A review of the provision of catering services on the Stirling campus was undertaken in 2008/09 and, following this review, it was decided to outsource this provision. From October 2009, the University's catering service, at Stirling campus, has been run by Sodexo, one of the world's leading contract catering providers, and a number of new developments are planned.

MacRobert Arts Centre

The MacRobert Arts Centre gained independence from the University of Stirling on the 1st August 2008 and is now a company limited by guarantee.

Senior staffing changes

Due to career progressions and retirement, during 2008/09 the University made replacement appointments to the following senior posts: Head of Computing Science and Mathematics; Head of Nursing and Midwifery; Head of Aquaculture; Head of Philosophy; Deputy Director of Human Resources and Organisational Development; Director of Finance; Deputy Secretary. Most importantly, the University Court has appointed Professor Gerry McCormac, currently Pro-Vice-Chancellor at Queen's University, Belfast, as the new Principal and Vice Chancellor, replacing Professor Christine Hallett, from May 2010.

Governance

In 2008/09, in line with our continuing commitment to good governance, we reviewed our committee structure. The proposed changes were approved by Court in June 2009 and have been implemented from the start of 2009/10. Our review of the University's Charter and Statutes was also completed, with Privy Council approving revisions which again came into force from the 1st August 2009.

Some of the institution's key performance indicators have been included throughout this OFR. The full list of the University's key performance indicators and assessment thereof is available on the University web site (<http://www.strategicplanning.stir.ac.uk/man-info/handbook.php>).

The University Court and university community have continued to embed risk management into all areas of planning. Continuity plans for pandemic influenza have been activated and remain under active review given the changes in the world health situation during 2009.

The economic situation

The global economic downturn appears to be having a positive impact on demand for undergraduate and postgraduate provision, including increased attractiveness in international markets. However, as the University's Professor David Bell has identified in his role as economic adviser to the Scottish Parliament Finance Committee:

"The ability to continue to provide public services at the level to which people became accustomed in the middle of this decade

may no longer be possible...the long-run budgetary outlook for the UK will be tightly constrained for the foreseeable future... there will be no return to the previous growth path of public spending. The Scottish parliament, perhaps for the first time since 1999, will have to make some very unpopular choices”

(The UK Budget Position and Strategic Implications for Public Services in Scotland, April, 2009 – briefing paper to Scottish Parliament Finance Committee)

So, while the news on student recruitment seems upbeat, the uncertainty over public funding going forward (and the impact of the current economic situation on the private sector) may threaten other income generating activities, such as the provision of consultancy and continuing professional development (CPD) services, as both the public sector and the private sector curb their spending.

A rising cost base

We face significant rising costs, particularly in the staffing base. In addition to the pay awards in May 2008 (1%) and October 2008 (5%), incremental progression continues to have an impact (approximately £1.0 million per annum) and employer pension costs continue to rise. 2008/09 felt the full impact of the January 2008 increase (from 13.2% to 24.9%) in the employer contribution rate for the University of Stirling Pension Scheme (USPS). Following the latest actuarial valuation of the Universities Superannuation Scheme (USS) in March 2008, the employer contribution rate to this scheme has also increased - from 14% to 16% as of the 1st October 2009 – which equates to an additional £675K contribution per annum based on 2008/09 figures.

Our utilities’ cost base was significantly higher in 2008/09. More favourable prices have been secured for the majority of 2009/10 through the Scottish Procurement Directive, but going forward the institution remains susceptible to the volatility within the utilities’ marketplace.

Eliminating a projected deficit

In June 2009, the University forecast that a combination of factors (some discussed in this section), if unaddressed, would lead to a £4.4 million deficit in 2009/10. The University Court has required that the deficit be eliminated during 2009/10 and indicated that the achievement of surpluses remains a key requirement to enable the necessary investment in future developments. A number of measures have been taken, including the launch of a voluntary severance scheme in June 2009, and we are working to ensure that all schools/ departments can go forward on a sustainable basis. Reports will be made to the first meetings of the Finance and Resources Committee (FRC), the Policy and Planning Committee (PPC), Academic Council and Court in the 2009/10 academic session on the success of these measures in answering the institution’s academic and financial objectives, with recommendations for further action as may be appropriate.

More details of the plan to ensure the University’s sustainability are provided in the “Future Developments” section of the Operating and Financial Review.

5. Financial Review

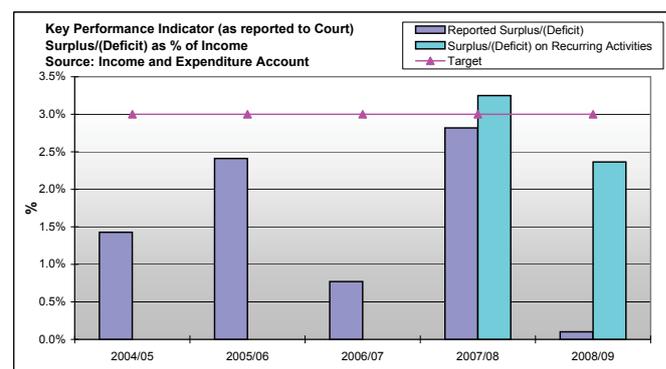
The adjusted group income and expenditure account for the year ended 31st July 2009, together with comparative figures for 2007/08 are shown as follows:

	2009 £'000	2008 £'000
Income	97,398	92,298
Expenditure	<u>(95,095)</u>	<u>(89,299)</u>
Surplus/(Deficit) on recurring activities	2,303	2,999
As % of Income	2.4%	3.2%
Add:		
Transfer from accum income within endowment funds ¹	59	13
Impact of FRS 17 (pensions) disclosure ²	(36)	508
Impact of FRS 17 (pensions) disclosure ³	586	553
Staff Restructure provision ⁴	(3,150)	(750)
Impact of MMF Limited ⁵	0	(222)
Impact of MMF Limited ⁶	752	(482)
Impact of RPG adjustment ⁷	(416)	0
Surplus/(Deficit) for the year retained within general reserves	<u>98</u>	<u>2,619</u>
As % of Income	0.1%	2.8%

Reference

1. I&E Account
2. Endowment and Investment Income
3. Staff Costs (Miscellaneous)
4. Other Operating Expenses (Severance)
5. I&E Account
6. Other Operating Expenses (Miscellaneous)
7. Tuition Fees and Education Contracts

The University has generated a surplus of £98,000 (0.1% of income) in 2008/09. However, taking account of specific one-off adjustments, the surplus on recurring activities is approximately £2.3 million or 2.4% of income.



Income

Total income on recurring activities has increased by £5.1 million (5.5%). The most significant movements are:

- an increase in Scottish Funding Council Grants of £1.3 million (3.2%);
- an increase of £1.5 million (22.1%) in Tuition Fees from overseas students reflecting the University's strategic goal of increasing income in segments of the market in which pricing is not subject to regulation and the success of the University's Internationalisation Strategy;
- an increase of £0.8 million (3.3%) in Other Income which, when adjusted for the MacRobert Arts Centre, actually equates to a £2.5 million (11.2%) increase – the main factors being a 14.8% increase in Consultancy and Other Services Rendered income to £4.2 million and the first full year's trading for the Stirling Management Centre since expansion (£1.0 million increase in turnover).

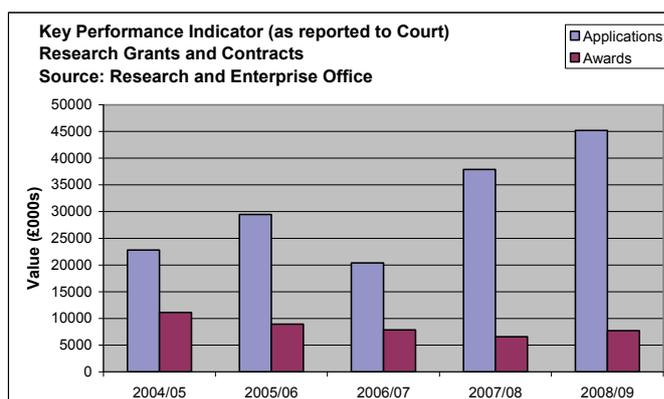
Expenditure

Total expenditure on recurring activities has increased by £5.8 million (6.5%). Areas that should be highlighted are:

- staff costs have increased by £4.7 million (8.5%) which, when adjusted for the MacRobert Arts Centre, actually equates to an increase of £5.7 million (10.4%) – this is mainly due to the impact of pay awards, incremental progression and the rising cost of pensions (as discussed in Section 4);
- other operating expenses have increased by £0.6 million (2.1%) but, again when adjusted for MacRobert, equates to a £1.4 million (5.3%) increase. This is explained by increased expenditure within academic areas, an increase in the utilities' costs within Premises, increased expenditure in the Management Centre in line with completion of the expansion, offset by reduced expenditure in other areas and the release of the MHO pension provision;
- depreciation has increased by £0.6 million which reflects the ongoing investment in the development of our estate services and IT infrastructure.

Research Grants and Contracts

Research income and expenditure has stabilised this year with a modest rise of 3.3% on the previous year. The overall contribution from research grants and contracts was £3.1 million, with £1.5 million coming from overheads and the balance made up of staff recharges. While applications for research grants and contracts continue to grow, with an increase of 22% in monetary terms on 2007/08, the conversion rate to awards has declined. This is in line with national success rates which now show Research Council success rates at under 20% in many subjects. The focus in 2009/10 will be to reverse this decline in conversion rates and so continue the upward trajectory in research income for future years in line with the Research and Knowledge Transfer Strategy.



Group and University Balance Sheet and Group Cash Flow

The University Balance Sheet remains strong, with total group fixed assets in excess of £74 million. Capital works of £5.8 million have been financed from reserves and external grants.

The cash position within the institution has strengthened, as a result of capital funding being received in advance, and there has been limited requirement to utilise the revolving credit facility which was arranged in 2007/08. Net current liabilities have reduced as a result. The revolving credit facility, which was secured on favourable terms prior to the impact of the "credit crunch", remains accessible.

The net assets of the University fell during the year from £55.6 million to £47.5 million. This was due to the increased pension liability, which resulted from a strengthening of the assumptions used in the calculation of this liability and from actual experience within the financial markets. Excluding this liability, the net assets have remained broadly the same.

Capital Projects

During the year £5.8 million was invested in projects listed on the University's Capital Plan. The main projects requiring investment were the library refurbishment, minor refurbishment of Murray Hall (residence), the refurbishment of the Logie Lecture Theatre and the boiler replacement within the Pathfoot Building. The new Estate Strategy provides a long term plan for developing and maintaining our estate to both support and contribute to the University's strategic priorities and ensure fitness of purpose and legislative compliance. The main challenge continues to be funding the plan, with implementation subject to an ongoing assessment of affordability. As such, those projects which were planned for implementation in 2009/10 but which are not linked to strategic priorities or are not essential to business continuity have been deferred, with a consequent deferral of expenditure of approximately £30 million over the next three years.

6. Future Developments

Future Directions: Academic and Financial Development and Restructuring Plan

The challenges outlined in Section 4, Operational Environment and Review, have required development of the University's Future Directions: Academic and Financial Development and Restructuring Plan ('Future Directions'). Future Directions was developed in iterative steps in the first half of 2009, through the Senior Management Residential (February), University Court Conference (April), Finance and Infrastructure Committee, Academic Council (June), and approved by University Court on the 22nd June 2009.

Future Directions therefore contains the governing body's endorsed analysis of the immediate position and a series of actions required not only to protect the sustainability of the institution but to develop further in line with our strategic goals. The following is an extract from the plan.

"Academic Mission

The University of Stirling's declared mission is continuously to strengthen its performance and profile as a research-led institution of higher education that offers students a learning experience of the highest quality. While it has a consistent record of excellence in its educational provision for students, it has been less successful, and less consistent, in its research and knowledge exchange activity. The 2008 RAE outcome shows that, while world-class research is being conducted across the range of the University's subject areas, there is too much work that falls below this standard. Closing this performance gap is the University's immediate strategic challenge.

Five themes inform the University's research effort: health and well-being; environment and people; culture and society; enterprise and economy; sport. There is a distinctiveness about the way in which Stirling pursues these themes that sets it apart. That distinctiveness does not lie in the subjects within its portfolio per se but in their interrelations and interconnections, in the permeability of disciplinary boundaries and in the many and varied forms of collaboration that engage different subject areas across the entire University and beyond. By continually redefining and recreating disciplinary expectations and assumptions, these collaborations make possible original and radical forms of enquiry that lead to new enlightenment and new solutions to the issues that face humankind in the 21st century.

Associations between professional nursing training, education, philosophy, sociology, computing and psychology, for example, are generating entirely new ways of understanding individual human consciousness, perception and growth. Community and social identity and development, locally and nationally, link history, social work, business and management, politics, law, philosophy, linguistic and literary studies. Advances in health and healthcare draw on sports studies, social science, economics and management, as well as on nursing and midwifery. Conservation, nutritional, environmental and sustainability studies are advanced through work linking aquaculture, biological sciences, environmental sciences, mathematics, geography and history. Contributions to economic and societal growth range from the Highlands to the Scottish economy in general, and much further afield, to Africa, Singapore and Vietnam through distinctive niche strengths in our work in

management and marketing, film, media and journalism, aquaculture, and nursing and midwifery. In each case, the outcomes and findings are of direct benefit to the national and international communities within which we operate and which we serve. Social, economic and cultural service through research of direct relevance to current concerns across the globe is the mark of Stirling's research and educational culture.

There are real strengths in this distinctiveness, but not only has the University been less successful than it would have wished in developing those strengths: the challenge of realising its research ambitions is made still more difficult by the underfunding of the sector in general and by a significant loss of income at Stirling in particular (largely as a result of the new research funding arrangements for the humanities and social sciences). There is little prospect of political change easing the situation. The shift towards prioritising funding for science and the predicted squeeze on future public spending are effecting a modal shift in the sector's circumstances and resourcing more far-reaching than anything seen for over twenty-five years.

The University is committed to sustaining its distinctive intellectual and educational culture, but there is no way to grow out of its present straitened circumstances other than a resolute determination to ensure that all its organisational arrangements and working practices are effectively and efficiently directed to allowing academic staff to be as productively research active, as successfully engaged in knowledge exchange and professional education, and as academically ambitious as possible. Anything less, any deflection from this determination, will indeed jeopardise Stirling's future capacity to continue to make its distinctive contribution."

Update

The full version of Future Directions, including objectives and detailed actions, has been drawn to the attention of all staff, widely circulated and discussed within the University and is available on the University intranet (<http://www.external.stir.ac.uk/future-directions>). The project is being overseen by an implementation group and in turn monitored by the Principal's Executive Group (PEG), University Court and its relevant committees.

Over the summer of 2009, the University community, working together to avoid compulsory redundancies, has achieved a significant financial turnaround. This is the result of both income generating and cost saving measures – including Pension Smart, surrendering vacant posts, cost reductions in the service areas and the Voluntary Service Scheme.

These measures have been so successful that the latest financial projection, presented at the last meeting of the University Court in October, was for a budget in surplus, which includes a sum earmarked for investment as required by the Court. The University's situation has thus been transformed from one causing serious concern, to one that makes it possible to realise our plans and aspirations.

Now that we have stabilised the financial situation, it is essential that we maintain the momentum and continue to make progress. This process has already begun with the advertisement of senior academic posts in the Stirling Management School and the Department of Sports Studies.

Continued progress involves two related sets of actions. One is taking investment decisions and the other is addressing those few remaining areas of activity that are in significant deficit. Prioritisation of plans and investment decisions will be taken at future meetings of the Policy and Planning Committee.

Overall, this has been a remarkable achievement, which is due in great part to the work of staff at all levels across the University, and has helped to create the opportunity for academic investment, development and growth, which is vital for the University's future.

7. Staff Involvement

The University places considerable value on the involvement of its employees and on good communication with them. Staff are informed through regular meetings, the extensive University intranet, open fora such as the annual Staff Assembly, staff newsletters and other means. Staff are encouraged to participate in formal and informal consultation at University and Departmental level, through membership of formal Committees and informal working groups.

Staff involvement in decision-making, including some on an elected basis, runs throughout an extensive formal committee structure covering most aspects of University life. As part of this staff involvement, the University Court itself contains a significant number of academic and non-academic staff who are not members of the senior management team.

In 2008/09, the University launched the Achieving Success initiative, which aims to help staff understand how their role and work fits into the University's priorities and strategic plan as well as giving staff the opportunity to discuss this and any development needs with their manager.

The University has a Human Resources Development Centre that is responsible for providing technical and general training to all levels of staff and to help build leadership capacity.

8. Commitment to Quality

The University's strategy for learning and teaching quality assurance and enhancement is designed to ensure the continuing development of the University as an effective and inclusive learning community in which all students and staff are both learners and active participants. The University of Stirling seeks to excel in teaching, research and community engagement. It combines pursuit of scholarship and research at an international level with high quality teaching and promotion of wider access and knowledge transfer.

The University's approach to quality is rooted in the conviction that the quality and standards of the University's educational provision are best assured by members of professional academic staff on the basis of peer group scrutiny and expert opinion at programme, Department and Academic Council level. In discharging its responsibility to assure standards and to enhance quality it therefore devolves substantial responsibility and accompanying resources to Departments. At each level of the University, executive functions are generally carried out by designated officers, whilst academic decisions are the responsibility of formally constituted committees. Policy development, review of performance and dissemination of good practice is undertaken by the University's Committees and specialist Working Groups and Panels.

9. Openness and Freedom of Information

The University of Stirling places a considerable amount of information about how it is run in the public domain, increasingly through its website: for example, its management information handbook and most recent key performance indicators as evaluated by University Court are available at <http://www.strategicplanning.stir.ac.uk/man-info/handbook.php>.

The University is a diverse organisation which creates, receives and uses recorded information in a wide variety of formats. Increased emphasis on good governance and accountability brought about by the Freedom of Information Act and other compliance legislation requires that the University manages its information effectively. The University recognises the value of effective records management, and a University Records Management Policy has been approved by the University Court. The Policy establishes a requirement for effective records management and outlines the responsibilities for staff working with recorded information in any format across the organisation.

10. Diversity and Equal Opportunity

The University of Stirling aims to integrate diversity and equal opportunity into all its activities from key decisions on its mission and strategic objectives through to day-to-day operations. It does not tolerate discrimination on the grounds of gender, race, disability, age, religion and belief, sexual orientation or other irrelevant distinction and is committed to working with diversity in a wholly positive way to promote understanding, equality and inclusiveness. All staff and students (whether existing or potential) and visitors to our campuses should receive fair and equal treatment whatever their relationship with the University. We therefore have policies in place to ensure this in relation to:

- research
- recruitment and admissions
- learning and teaching
- the management of human and other resources
- commercial operations
- communications

The impact of these policies is monitored and assessed and the outcomes from these analyses published regularly. The University actively seeks the views and opinions of members of its community and liaises with external bodies, representative groups and users on the effectiveness and development of these policies. All individuals and organisations with which the University has a contractual arrangement are expected to accept the principle of equal opportunity and not to be party to situations which could lead to unfair discrimination.

11. Prompt Payment to Suppliers

It is the University's policy to abide by terms of payment agreed with suppliers. Unless special terms apply, payment is made within 30 days of receipt of a valid invoice or after acceptance of the goods or services, whichever is the later.

The level of creditors in terms of the proportion of the year-end creditors to the aggregated invoiced amounts as at the 31st July 2009 was 30 days.

12. Treasury Management

The financing and liquidity of the University and its exposure to financial risk are managed through the central treasury function of the Finance Office. The University's Treasury Management Policy sets out the policies, practices and objectives of the institution's treasury management activities, as agreed by Court, and covers the University of Stirling and all its controlled subsidiary undertakings. The University adopts the key recommendations of the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services Code of Practice.

13. Professional Advisors

External Auditors / Tax Advisors	KPMG LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2EG
Internal Auditors	PricewaterhouseCoopers LLP Erskine House 68-73 Queen Street Edinburgh EH2 4NH
Bankers	Bank of Scotland Corporate Service Centre 150 Fountainbridge Edinburgh EH3 9PE
Solicitors	Anderson Strathern LLP 1 Rutland Court Edinburgh EH3 8EY

P. Grice
Chair, Finance & Resources Committee

CORPORATE GOVERNANCE

The University is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the University has applied the principles set out in Section 1 of the Combined Code on Corporate Governance issued by the London Stock Exchange and revised in 2008. Its purpose is to help the reader of the financial statements understand how the principles have been applied.

The Court is responsible for the University's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Court is of the view that there is an ongoing process for identifying, evaluating and managing the University's significant risks that has been in place for the period up to the date of approval of the financial statements. This process has been reviewed and approved by Court. It accords with the internal control guidance for directors on the Combined Code as amended by the British Universities Finance Directors Group.

The Court considers that the University has adequate resources to enable it to continue in operational existence for the foreseeable future.

THE WORKINGS OF THE UNIVERSITY COURT AND ITS COMMITTEES

Court

In accordance with the University's Charter, the Court is the Governing Body of the University with overall responsibility for the management of the University's resources, the ongoing strategic direction of the University, approval of major developments and the receipt of regular reports from Executive Officers on the day to day operation of its business.

During 2008/09, the University undertook a review of its committee structure to ensure that it remains effective and is fit for future purpose. The University Court agreed a changed structure at its June 2009 meeting and this has been implemented from the start of 2009/10.

On matters relating to the academic work of the University, Court will normally only act on the recommendation or with the concurrence of the Academic Council, the existence and membership of which is provided for in the University's Charter and its allied instruments, the Statutes and Ordinances. This is partly facilitated by the Policy and Planning committee, which is a joint Committee of the Court and the Academic Council and takes an overview of integration of strategic planning.

The membership of the Court, some of whom are ex officio, comprises lay members, who are in the majority, the balance being made up of staff and student members as prescribed by Statute. The Chair of Court is a lay member and is supported

by lay Chairs of the Finance and Resources Committee and the Audit Committee. The University's Chief Executive is the Principal and Vice-Chancellor.

The Court Appointments Committee seeks and considers recommendations for potential lay members of Court. The Court meets formally four times per year, with an additional residential strategy conference in the Spring.

In line with good practice, Court undertook a review of its own effectiveness in 2005/2006, which also considered the extent of Court's compliance with the CUC Guide for Members of Higher Education Governing Bodies in the United Kingdom. The outcomes of this review have been implemented in the period since its completion, with the next review due to take place in 2010/11.

The University made minor modifications to its Charter and Statutes from 2006/07 to take account of organisational development and recommendations arising from the Review of Court Effectiveness.

During 2008/09, it has completed and implemented conclusions from a more comprehensive review of the Charter and Statutes. The purpose of the review was to ensure that the Charter and Statutes are fit for purpose for the next 20 years and to provide a legacy for the future good governance and management of the University. The outcome of the review provided the University with greater freedom to act quickly, flexibly and responsively and to take the actions and decisions necessary to ensure future success through inter alia moving areas where there is no public interest out of Charter and Statutes and into Ordinances, thereby enabling revisions and reforms that might be identified in the future to be undertaken by the University itself through its own consultation and decision-making processes rather than via the Privy Council. These changes were approved by Privy Council and came into force from the 1st August 2009.

Principal Committees

In respect of its strategic and development responsibilities, and especially in respect of the integration of financial and estates planning with academic planning, the Court receives recommendations from the Policy and Planning Committee.

The Finance and Resources Committee considers issues relating to the University's finances, estates, information services and staffing and reports matters for information and formal approval as appropriate to the Policy and Planning Committee and Court. The Finance and Resources Committee also recommends to Court the University's annual recurrent budget and capital expenditure plans. The monitoring of performance in relation to approved budgets is undertaken by the Principal's Executive Group on a monthly basis throughout the year through its consideration of management accounts, with periodic formal reporting to the Finance and Resources Committee.

The Remuneration Committee undertakes a review of professorial and senior University Services staff salaries, including that of the Principal.

The Audit Committee is responsible for assisting and advising Court on the discharge of its responsibilities in ensuring that appropriate controls are in place to safeguard all funds received by the University, and in reviewing and monitoring accounting policies and practice. It oversees the remit and findings of both

the internal and external auditors, and meets with them when required to review their reports. It also reviews the Financial Statements of the University prior to their submission to Court. While senior executives attend meetings of the Audit Committee as necessary, they are not members of the Committee, and the Committee may meet with the Internal and External Auditors on its own for independent discussions.

The operations of the University are not without risk at strategic and operational levels. Strategic risk, or the risks which could affect the University's achievement of its strategic priorities, is managed by the Deputy Secretary's team. For the year ending 31st July 2009, the Principal's Executive Group and the Service Directors' Group met jointly to undertake the role of Strategic Risk Management Committee and to assess the risks associated with key strategic matters (in terms of a combination of likelihood of occurrence and potential impact). They received reports from the risk owners of each of the strategic risks, Policy, Planning & Governance, the Risk Management Group (for insured risks) and the Safety, Health & Environment Committee. The resulting Strategic Risk Register was used to inform the University Court of the key risks and of control measures which had been established to mitigate or reduce the impact of these risks. The Strategic Risk Register is regularly maintained and updated to ensure that it features explicit risk descriptions, details of mitigating actions to reduce the likelihood and impact of risks materialising, and risk indicators, or early warning signs that a risk may be about to materialise. These areas were developed, in collaboration with the Risk Manager, by the individual risk owners for each strategic risk, who are also responsible for interim monitoring of their assigned risks.

The responsibility for operational risk, and in particular business continuity management, was transferred to Estates and Campus Services during the year. The key priority has been to ensure that the University had a robust and comprehensive plan for dealing with the effects of an outbreak of pandemic influenza.

The University has a Safety Policy and operates a safety management template across all activities. The template enables senior management to receive reports setting out non-financial key performance and risk indicators and to consider central issues highlighted by the operation of the system. The template is embedded in departmental and service-area management and is backed up by mandatory training for all staff.

The Court receives an annual report from the Audit Committee supported by documentation from senior management and the relevant committees in order that it can complete its annual assessment for the year ending 31st July. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

ACCOUNTING RESPONSIBILITIES OF THE UNIVERSITY COURT

In accordance with the University's Charter, the Court is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

The Court is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University, and enable it to ensure that the financial statements are prepared in accordance with the University's Charter & Statutes, the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education, Accounts Directions from the Scottish Funding Council for Further and Higher Education (SFC) and other relevant accounting standards. In addition, within the terms and conditions of a Financial Memorandum agreed between the SFC and the Court of the University, the Court, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

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

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

The University Court has taken all reasonable steps to:

- ensure that funds from the SFC are used only for the purposes for which they have been given, and in accordance with the Financial Memorandum with the Funding Council, and any other conditions which the Funding Council may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and prevent and detect fraud;
- secure the economic, efficient and effective management of the University's resources and expenditure.

The key elements of the University's system of internal financial control, which is designed to discharge the responsibilities set out above, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic departments and directors of service;
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets;

- regular reviews of key performance indicators and business risks and quarterly reviews of financial results involving variance reporting and updates of forecast outturns;
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the University Court;
- comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Audit Committee, Finance & Resources Committee and the Court;
- a professional outsourced Internal Audit team whose annual programme is approved by the Audit Committee and endorsed by the University Court and whose head provides the University Court with a report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the system of internal control, including internal financial control.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNIVERSITY COURT OF THE UNIVERSITY OF STIRLING

We have audited the group and parent University financial statements of the University of Stirling for the year ended 31 July 2009 which comprise the group Income and Expenditure Account, the group and parent University Balance Sheets, the group Cash Flow Statement, the group Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out in the statement of Principal Accounting Policies and Estimation Techniques.

This report is made solely to the University Court, in accordance with the Charter and Statutes of the University. Our audit work has been undertaken so that we might state to the University Court those matters we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University Court, for our work, for this report, or the opinion we have formed.

Respective responsibilities of the University Court and Auditors

The University Court's responsibilities for preparing the Operating and Financial Review and the group and parent University financial statements in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, the Accounts Direction issued by the Scottish Funding Council, applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities on pages XI and XII.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education. We also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the University have been properly applied only for the purposes for which they were received and whether, in all material respects, income has been applied in accordance with the Statutes and, where appropriate, with the Financial Memorandum with the Scottish Funding Council. We also report to you whether in our opinion the Operating and Financial Review is not consistent with the financial statements, if the University has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Operating and Financial Review and the Corporate Governance Statement and consider the implications for our report if we become aware of any apparent misstatements within them or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and the Code of Audit Practice issued by the Scottish Funding Council. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the University Court in the preparation of the financial statements and of whether the accounting policies are appropriate to the group and parent University's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the group and parent University as at 31 July 2009 and of the group's surplus of income over expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education;
- in all material respects, income from the Scottish Funding Council, grants and income for specific purposes and from other restricted funds administered by the University during the year ended 31 July 2009 have been applied for the purposes for which they were received; and
- in all material respects, income during the year ended 31 July 2009 has been applied in accordance with the University's statutes and, where appropriate, with the Financial Memorandum with the Scottish Funding Council.

Grant Macrae
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

15th December 2009

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES

Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2007 and in accordance with applicable accounting standards. They conform to the Accounts Direction and other guidance published by the Scottish Funding Council.

The financial statements are prepared under the historical cost convention, as modified by the revaluation of Investments.

While the University Balance Sheet shows net current liabilities, the University has in place a revolving credit facility as explained in Note 16 which allows the University to borrow sufficient funds to meet its current liabilities as they fall due.

Basis of Consolidation

The group financial statements include the University and all its subsidiaries for the financial year to 31st July 2009. The results of the subsidiaries acquired or disposed of during the period are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

The group financial statements do not include those of the Students' Association because the University does not control those activities.

Income Recognition

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

Fee income is stated gross and credited to the income and expenditure account over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount or prompt payment, income receivable is shown net of discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

The University has reviewed its treatment of Research Postgraduate tuition fee income within the financial year to 31st July 2009. The practice in previous periods had been to recognise all fees as they were received. However, the University has now deferred that element of the fee income which relates to a future accounting period and this brings the treatment of Research Postgraduate tuition fee income into line with the treatment of other fee income and into line with the University's accounting policies. This change in treatment of Research Postgraduate tuition fee income has reduced the income, and consequently the surplus, reported in 2008/09 by £0.4 million.

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

Donations with restrictions are recognised when relevant conditions have been met; in many cases recognition is directly related to expenditure incurred on specific purposes. Donations which are to be retained for the benefit of the University are recognised in the statement of total recognised gains and losses and in endowments; other donations are recognised by inclusion as other income in the income and expenditure account.

Non-recurrent grants received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants. Such grants are credited to deferred capital grants and an annual transfer made to the income and expenditure account over the useful economic life of the asset, at the same rate as the depreciation charge on the asset for which the grant was awarded.

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

Endowment and investment income is credited to the income and expenditure account on a receivable basis. Income from restricted endowments not expended in accordance with the restrictions of the endowment, is transferred from the income and expenditure account to restricted endowments. Any realised gains or losses from dealing in the related assets are retained within the endowment in the balance sheet.

Any increase in value arising on the revaluation of fixed asset investments is carried as a credit to the revaluation reserve, via the statement of total recognised gains and losses; a diminution in value is charged to the income and expenditure account as a debit, to the extent that it is not covered by a previous revaluation surplus.

Increases or decreases in value arising on the revaluation or disposal of endowment assets i.e. the appreciation or depreciation of endowment assets, is added to or subtracted from the funds concerned and accounted for through the balance sheet by debiting or crediting the endowment asset, crediting or debiting the endowment fund and reported in the statement of total recognised gains and losses.

Agency Arrangements

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

Leases and Hire Purchase Contracts

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

Taxation

The University is an exempt charity within the meaning of schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of section 506(1) of the Income and Corporation Taxes Act 1988 (ICTA 1988). Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the ICTA 1988 or section 256 of the Taxation Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

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

Land and Buildings

The land on which the campus is situated has been gifted and is therefore not shown at cost or valuation. Other land and buildings are stated at cost. Buildings, including leasehold, are depreciated taking into account age, depreciation to date, and useful life or duration of lease.

Capitalised buildings are depreciated over their useful economic life according to their constituent parts as follows:

Long-term e.g. foundations & structure (30%-40% of cost)	- 80 years
Medium-term e.g. services (35%-45% of cost)	- 10 to 40 years
Short-term e.g. internal fittings (20%-25% of cost)	- 5 to 10 years

These rates have been implemented for all assets with effect from 1st August 2000.

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

Refurbishment improvements costing less than £25,000 per individual item or group of related items is written off to the income and expenditure account in the year of construction. All other refurbishment improvements are capitalised and depreciated over 15 years which is the expected interval between such refurbishments.

A review for impairment of all assets categorised as freehold and leasehold land and buildings, in the year end financial statements, is carried out annually.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31st July. They are not depreciated until they are brought into use.

Maintenance of Premises

The University's long term maintenance arrangements are based on the Condition Survey, which forms the basis of the ongoing maintenance of the estate. The cost of routine and long term maintenance is charged as incurred to the income and expenditure account.

Equipment

Equipment costing less than £25,000 per individual item or group of related items is written off to the income and expenditure account in the year of acquisition. All other

equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Telephone equipment	- duration of lease
Other general equipment	- 3 years
Equipment acquired for specific research projects	- life of project (generally 3 years)

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

Software

Costs associated with the implementation of corporate information systems are capitalised and depreciated over the expected useful life of the systems.

Heritage Assets

Works of art and other valuable artefacts (heritage assets) and valued at over £25,000 have been capitalised and recognised at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable.

Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Listed investments held as fixed assets or endowment assets are shown at market value. Investments in subsidiary undertakings are shown at the lower of cost or net realisable value, and investments in associates are shown in the consolidated balance sheet at attributable share of net assets.

Current asset investments, which may include listed investments, are shown at the lower of cost and net realisable value.

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

Stocks

Stocks are stated at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

Fish Farm stocks are computed on a going concern basis using values agreed for insurance purposes, suitably discounted to arrive at a cost equivalent

Cash Flows and Liquid Resources

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, cash at bank, and deposits repayable on demand. Deposits are repayable on demand if they are available within 24 hours without penalty. No other investments, however liquid, are included as cash.

Liquid resources comprise assets held as readily disposable store of value. They include term deposits, government securities and loan stock held as part of the University's treasury management activities. They exclude any such assets held as endowment asset investments.

Foreign Currencies

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

Joint Venture Entities and Associates

The University's share of income and expenditure in joint venture entities is recognised in the University's income and expenditure account in accordance with FRS 9. Similarly the University's share of assets and liabilities in associate entities is recognised in the University's balance sheet in accordance with FRS 9.

The gross equity method is used when consolidating joint venture entities and associate entities are consolidated using the equity method entities in accordance with FRS 9.

Intra-Group Transactions

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated.

Balances between the University and its associates and joint ventures are not eliminated; unsettled normal trading transactions are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity, the part relating to the University's share is eliminated.

Accounting for Charitable Donations

Unrestricted donations

Charitable donations are recognised in the accounts when the charitable donation has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming resources can be measured with sufficient reliability.

Endowment Funds

Where charitable donations are to be retained for the benefit of the University as specified by the donors, these are accounted for as endowments. There are three main types:

1. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University
2. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University can convert the donated sum into income

3. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective

Total return on investment for permanent endowments

Total return is the whole of the investment return received by the University on the permanent endowment funds regardless of how it has arisen.

The total return, less any part of the return which has previously been applied for the purposes of the University, remains in the unapplied total return fund. This fund remains part of the permanent endowment until such time as a transfer is made to the income and expenditure account.

Donations for fixed assets

Donations received to be applied to the cost of a tangible fixed asset are shown on the balance sheet as a deferred capital grant. The deferred capital grant is released to the income and expenditure account over the same estimated useful life that is used to determine the depreciation charge associated with the tangible fixed asset.

Gifts in Kind, including Donated Tangible Fixed Assets

Gifts in kind are included in 'other income' or 'deferred capital grants' as appropriate using a reasonable estimate of their gross value or the amount actually realised.

Accounting for Retirement Benefits

The University has fully adopted accounting standard FRS 17 "Retirement Benefits" in the preparation of these financial statements. The impact of this standard has been reflected throughout.

The difference between the fair value of the assets held in the University's defined benefit scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method (for USPS) and attained age method (for USPCS) are recognised in the University's balance sheet as a pension scheme asset or liability as appropriate. The pension scheme balance is recognised net of any related deferred tax balance.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the University are charged to the Statement of Total Recognised Gains and Losses in accordance with FRS 17 "Retirement Benefits".

The two principal pension schemes of the University are The Universities Superannuation Scheme covering academic and related staff and the University of Stirling Pension Scheme covering other staff. In addition, the University has set up a scheme for the non academic staff transferred from the former Colleges of Nursing under a contract from the Scottish Executive. This Scheme was initiated on 1st September 1996. The operating principles of the schemes are as follows:

Universities Superannuation Scheme

The Universities Superannuation Scheme is a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The liabilities are valued every three years by a professionally qualified independent Actuary using the Projected Unit Method, the rates of contribution payable being determined by the Trustees on the advice of the Actuary. In the intervening years, the Actuary reviews the progress of the Scheme. Pension costs are assessed in accordance with the advice of the Actuary, based on the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the Institution benefits from the employee's services.

The University of Stirling Pension Scheme

The University of Stirling Pension Scheme is a defined benefit scheme which is contracted out of the State Earnings-Related Pension Scheme. The assets of the Scheme are held separately from those of the University. The Trustees have invested the Funds with Legal & General Investment Management, Schroder Investment Management and Mellon Global Investment Limited. The administration and actuarial services are provided by Aon Consulting. Contributions to the Scheme are calculated so as to spread the cost of pensions over employees' working lives with the University. The Contributions are determined by an actuary on the basis of triennial valuations using the Projected Unit Method.

The University of Stirling Pension Scheme for Contract Staff

The University of Stirling Pension Scheme for Contract Staff is a defined benefit scheme which is contracted out of the State Earnings-Related Pension Scheme. The assets of the Scheme are held separately from those of the University. The Trustees have invested the Funds with Friends Provident Corporate Pensions Ltd. The administration and actuarial services are also provided by Friends Provident with Aon Consulting providing independent advice. Contributions to the Scheme are calculated so as to spread the cost of pensions over employees' working lives with the University. The Contributions are determined by an actuary on the basis of triennial valuations using the Age Attained Method.

Variations from regular cost are spread over the expected average remaining working lifetime of members of the schemes, after making allowances for future withdrawals. A small number of staff remain in other pension schemes.

Provisions, Contingent Liabilities and Contingent Assets

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

Contingent liabilities are disclosed by the way of a note, when the definition of a provision is not met and includes three scenarios: possible rather than a present obligation; a possible rather than a probable outflow of economic benefits; an inability to measure the economic outflow.

Contingent assets are disclosed by way of a note, where there is a possible, rather than present, asset arising from a past event.

GROUP INCOME AND EXPENDITURE ACCOUNT

for the year ended 31st July 2009

	Note	2009 £'000	2008 £'000
INCOME			
Funding Council Grants	1	42,832	41,522
Tuition Fees and Education Contracts	2	21,517	19,140
Research Grants and Contracts	3	8,013	7,754
Other Income	4	24,389	23,602
Endowment and Investment Income	5	195	904
Total Income - group and share of joint venture		<u>96,946</u>	<u>92,922</u>
Less: share of joint venture's turnover	18	0	(116)
Total Group Income		<u>96,946</u>	<u>92,806</u>
EXPENDITURE			
Staff Costs	6	59,243	54,590
Other Operating Expenses	7	31,049	29,299
Depreciation	10	6,606	6,051
Interest Payable	8	9	38
Total Expenditure	9	<u>96,907</u>	<u>89,978</u>
Surplus/(Deficit) on continuing operations after Depreciation of Fixed Assets and before Tax		39	2,828
Share of operating losses in joint venture	18	<u>0</u>	<u>(222)</u>
Surplus/(Deficit) on continuing operations after Depreciation of Fixed Assets and losses in joint venture but before Tax		39	2,606
Taxation		<u>0</u>	<u>0</u>
Surplus/(Deficit) on continuing operations after Depreciation of Fixed Assets and after Tax		39	2,606
Transfer from accumulated income within endowment funds		59	13
Surplus/(Deficit) for the year retained within General Reserves		<u>98</u>	<u>2,619</u>

It is considered there will be no corporation tax liability for the year.
The income and expenditure account is in respect of continuing activities.
There is no difference between these figures and historical cost figures.

GROUP CASH FLOW STATEMENT

for the year ended 31st July 2009

	Note	2009 £'000	2008 £'000
Cash flow from Operating Activities	22	10,298	5,318
Returns on Investment and Servicing of Finance	23	222	358
Taxation		0	0
Capital Expenditure and Financial Investment	24	(3,613)	(7,307)
Management of Liquid Resources	26	0	0
Financing	25	(1,005)	965
Increase/(Decrease) in Cash in the year		<u>5,902</u>	<u>(666)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/(DEBTS)

	Note	2009 £'000	2008 £'000
Increase/(Decrease) in Cash in the year		5,902	(666)
Cash outflow/(inflow) from Liquid Resources	26	0	0
Cash outflow/(inflow) from new loan	25	0	(1,000)
Cash outflow in respect of loan and lease finance repayments	25	1,005	35
Change in Net Funds/(Debts) resulting from cash flows		<u>6,907</u>	<u>(1,631)</u>
Finance Lease non-cash transaction	26	0	0
Movement in Net Funds/(Debts) in Period		<u>6,907</u>	<u>(1,631)</u>
Net Funds/(Debts) at 1st August	26	981	2,612
Net Funds/(Debts) at 31st July	26	<u>7,888</u>	<u>981</u>

STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES

for the year ended 31st July 2009

	Note	2009 £'000	2008 £'000
Surplus on continuing operations after Depreciation of Fixed Assets and after Tax		39	2,606
Appreciation of Endowment Asset Investments	20	(7)	(22)
New endowments	20	12	82
Actuarial gain/loss in respect of pension scheme	27	(8,234)	(5,673)
Total gains and losses recognised in the year		<u>(8,190)</u>	<u>(3,007)</u>
Reconciliation			
Opening reserves and endowments		25,261	28,268
Total recognised gains and losses for the year		(8,190)	(3,007)
Closing reserves and endowments		<u>17,071</u>	<u>25,261</u>

NOTES TO THE ACCOUNTS

Management have taken the opportunity to reclassify certain elements of income and expenditure in 2009 to give a more appropriate presentation of the figures. As a result, prior year (2008) comparatives have been restated in Notes 1, 4, 6 and 7.

The MacRobert Arts Centre gained independence from the University of Stirling on the 1st August 2008 and is now a company limited by guarantee. Therefore, there is no income or expenditure for 2009 for the MacRobert Arts Centre reported in Notes 4, 6, 7 and 9.

	2009	2008
	£'000	£'000
Note		
1. Scottish Funding Council Grants		Restated
Recurrent Grant for Teaching	28,511	28,108
Recurrent Grant for Research	10,435	10,032
Other SFC Grants	2,409	2,106
Deferred Capital Grants Released in Year		
Buildings (note 19)	808	432
Equipment (note 19)	669	844
	<u>42,832</u>	<u>41,522</u>
2. Tuition Fees and Education Contracts		
UK and EU Fees	11,447	10,480
Non-EU Fees	8,279	6,992
Non-credit Bearing Course Fees	916	960
Research Training Support Grants	875	708
	<u>21,517</u>	<u>19,140</u>
3. Research Grants and Contracts		
Research Councils	2,738	3,080
UK Charities	1,202	1,003
Government Departments	2,681	2,608
UK Industry and Commerce	174	285
European Commission	668	445
Other Overseas	448	233
Other	102	100
	<u>8,013</u>	<u>7,754</u>

NOTES TO THE ACCOUNTS - continued

Note	2009	2008
	£'000	£'000
4. Other Income		Restated
Consultancy and Other Services Rendered	4,200	3,659
Catering	822	808
Residences	8,691	8,188
Stirling Management Centre	3,341	2,311
MacRobert Arts Centre	0	1,669
Aquaculture External Facilities	1,154	955
Sports Development Services	1,788	1,631
Other Income	3,698	3,073
Released from Deferred Capital Grants		
Buildings (note 19)	646	1,137
Equipment (note 19)	49	55
University's share of turnover of joint venture (note 18)	0	116
	<u>24,389</u>	<u>23,602</u>
5. Endowment and Investment Income		
Income from Expendable Endowments (note 20)	10	47
Income from Permanent Endowments (note 20)	3	12
Income from Short Term Deposits	0	0
Other Interest Receivable	218	337
Net Return on Pension Assets	(36)	508
	<u>195</u>	<u>904</u>

NOTES TO THE ACCOUNTS - continued

6. Staff Costs	2009	2008
		Restated
Average Staff Numbers by Major Category	F.T.E.s	F.T.E.s
Academic Departments	596	593
Academic Services	127	128
Administration and Central Services	188	183
Premises	156	152
Research Grants and Contracts	133	142
Catering and Residences	132	142
Miscellaneous/Other	97	147
	<u>1,429</u>	<u>1,487</u>
Staff Costs	£'000	£'000
Wages and Salaries	48,745	45,490
Social Security Costs	3,896	3,552
Other Pension Costs	6,602	5,548
	<u>59,243</u>	<u>54,590</u>
		Restated
Academic Departments	30,421	28,289
Academic Services	4,825	4,250
Administration and Central Services	7,667	6,924
Premises	3,233	3,101
Research Grants and Contracts	4,553	4,477
Catering and Residences	4,504	4,183
Miscellaneous/Other	4,040	3,366
	<u>59,243</u>	<u>54,590</u>
Number of staff who received emoluments in the following ranges		
(including the Principal and Vice-Chancellor)	Number	Number
£70,000 - £79,999	16	18
£80,000 - £89,999	14	8
£90,000 - £99,999	4	3
£100,000 - £109,999	1	0
£120,000 - £129,999	0	1
£140,000 - £149,999	1	0
£190,000 - £199,999	0	1
£210,000 - £219,999	1	0
Emoluments of the Principal and Vice-Chancellor	£'000	£'000
Salary	213	190
Benefits in kind	2	2
	<u>215</u>	<u>192</u>
Pension Contributions	30	27

Emoluments of the Principal and Vice-Chancellor are shown on the same basis as for other higher paid staff with the addition of non-monetary benefits as agreed with the Inland Revenue in 1997. Pension contributions are in respect of employer's contributions to USS.

NOTES TO THE ACCOUNTS - continued

Note	2009	2008
	£'000	£'000
7. Other Operating Expenses		Restated
Academic Departments	7,025	6,319
Academic Services	1,971	2,031
Administration and Central Services	4,750	4,675
Premises	4,979	4,364
Research Grants and Contracts	1,940	1,922
Consultancy and Other Services Rendered	1,422	1,460
Catering	638	447
Residences	3,294	3,400
Stirling Management Centre	2,036	1,768
MacRobert Arts Centre	0	849
Aquaculture External Facilities	483	349
Sports Development Services	350	438
Miscellaneous	(979)	473
Early Retirement & Severance	3,140	804
	<u>31,049</u>	<u>29,299</u>
Other operating expenses include:		
Auditors' remuneration		
External Auditors		
- for the audit of the financial statements	36	36
- other services	25	41
Internal Auditors	60	56
	<u>121</u>	<u>133</u>
8. Interest Payable		
Bank loans not wholly repayable within five years	9	38
	<u>9</u>	<u>38</u>

NOTES TO THE ACCOUNTS - continued

Note

9. Analysis of 2008-2009 Expenditure by Activity

	Staff Costs £'000	Depreciation £'000	Other Operating Expenses £'000	Interest Payable £'000	Total £'000
Academic Departments	30,421	421	7,025	0	37,867
Academic Services	4,825	881	1,971	0	7,677
Administration and Central Services	7,667	225	4,750	0	12,642
Premises	3,233	3,563	4,979	0	11,775
Research Grants and Contracts	4,553	0	1,940	0	6,493
Consultancy and Other Services Rendered	2,284	0	1,422	0	3,706
Catering	697	0	638	0	1,335
Residences	3,807	947	3,294	0	8,048
Stirling Management Centre	451	522	2,036	0	3,009
Aquaculture External Facilities	625	47	483	0	1,155
Sports Development Services	1,501	0	350	0	1,851
Miscellaneous	(827)	0	(979)	9	(1,797)
Early Retirement & Severance	6	0	3,140	0	3,146
Total per Income and Expenditure Account	<u>59,243</u>	<u>6,606</u>	<u>31,049</u>	<u>9</u>	<u>96,907</u>

The depreciation charge has been funded by:

Deferred Capital Grants Released	2,172	(note 19)
General Income	<u>4,434</u>	
	<u>6,606</u>	

Miscellaneous Staff Costs include the release of the balance of the Framework Agreement provisions (£95K) which were not utilised, the release of an element of the 2007/08 Staff Restructure provision (£146K) which was not utilised and the FRS 17 adjustment (£586K).

Miscellaneous Other Operating Expenses include the release of the MHO pension provision (£324K) and the MMF Limited provision (£752K) which were not utilised.

NOTES TO THE ACCOUNTS – continued

Note

10. Tangible Fixed Assets

	Group and University					
	Land, Buildings & Assoc. Equip.		Equipment	Leased Equipment	Assets Under Construction	Total
	Freehold £'000	Leasehold £'000				
At 1st August 2008 Cost	97,921	101	10,983	129	2,451	111,585
Additions at Cost	2,370	0	811	0	2,656	5,837
Disposals at Cost	0	0	(645)	0	0	(645)
Transfers	1,779	0	203	0	(1,982)	0
Revaluation in Year	0	0	0	0	0	0
At 31st July 2009 Cost	<u>102,070</u>	<u>101</u>	<u>11,352</u>	<u>129</u>	<u>3,125</u>	<u>116,777</u>
Depreciation						
At 1st August 2008	29,068	54	7,721	129	0	36,972
Charge for Year	4,257	2	2,347	0	0	6,606
Eliminated by Disposals	0	0	(645)	0	0	(645)
Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
At 31st July 2009	<u>33,325</u>	<u>56</u>	<u>9,423</u>	<u>129</u>	<u>0</u>	<u>42,933</u>
Net Book Value						
At 31st July 2009	<u>68,745</u>	<u>45</u>	<u>1,929</u>	<u>0</u>	<u>3,125</u>	<u>73,844</u>
At 1st August 2008	<u>68,853</u>	<u>47</u>	<u>3,262</u>	<u>0</u>	<u>2,451</u>	<u>74,613</u>

Buildings with a net book value of £3,569,981 and cost £8,767,000 have been funded from Treasury Sources. In the event of these particular buildings being sold, the University would either have to surrender proceeds to the Treasury or use them in accordance with the Financial Memorandum with the Scottish Funding Council.

Software with a net book value of £381,716 is included within Equipment.

The University has three collections of heritage assets. The collections are accounted for as follows:

Historic land

The University considers that due to the incomparable nature of the relevant land, conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the users of the accounts. The University does not recognise this asset on its Balance Sheet.

Library collections

The University does not consider that reliable cost or valuation information can be obtained for the vast majority of items held in the library collections. This is due to the diverse nature of the assets held, the number of assets held and the lack of comparable market values. The University does not therefore recognise these assets on its Balance Sheet, other than recent acquisitions which are reported at cost when purchased, or at the Special Collections Librarian's best estimate of market value where the object is donated either in the current year or in the future.

Artefacts

As with the Library Collections, the University does not consider that reliable cost or valuation information can be obtained for the artefacts held. The University does not therefore recognise these assets on its Balance Sheet, other than recent acquisitions which are reported at cost when purchased.

NOTES TO THE ACCOUNTS - continued

	Group and University	
	2009	2008
Note	£'000	£'000
11. Investments		
Listed Investments		
Balance as at 1st August	317	293
Additions	120	218
Disposals	(113)	(140)
Appreciation on Disposals/Revaluation of Investments	(32)	(54)
Balance as at 31st July	<u>292</u>	<u>317</u>
Fixed interest stocks and equities at Historical Cost	<u>389</u>	<u>389</u>
12. Endowment Assets		
Balance as at 1st August	1,316	1,269
New endowments invested	12	82
(Decrease)/increase in market value of investments	(7)	(22)
Increase/(decrease) in cash balances held for endowment funds	(59)	(13)
Balance as at 31st July	<u>1,262</u>	<u>1,316</u>
Represented by:		
Fixed interest stocks (listed)	15	15
Equities (listed)	109	116
Equities (unlisted)	25	25
Land and property	0	0
Cash balances (note 27)	1,113	1,160
Total	<u>1,262</u>	<u>1,316</u>
Fixed interest stocks and equities at Historical Cost	<u>118</u>	<u>118</u>

NOTES TO THE ACCOUNTS – continued

Note	Group		University	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
13. Debtors				
Amount falling due within one year:				
Debtors	5,533	5,553	5,929	5,629
Prepayments and accrued income	1,460	1,896	1,460	1,896
Debtors falling due after more than one year	150	0	150	0
	<u>7,143</u>	<u>7,449</u>	<u>7,539</u>	<u>7,525</u>
14. Creditors: Amounts falling due within one Year				
Bank and other loans	5	1,005	5	1,005
Creditors	8,073	7,773	8,073	7,771
Accruals and deferred income	13,388	8,469	13,388	8,469
Social security and other taxation payable	1,440	1,189	1,440	1,189
	<u>22,906</u>	<u>18,436</u>	<u>22,906</u>	<u>18,434</u>
15. Creditors: Amounts falling due after more than one Year				
Bank and other loans	10	15	10	15
	<u>10</u>	<u>15</u>	<u>10</u>	<u>15</u>

NOTES TO THE ACCOUNTS - continued

Note

16. Loans and overdrafts

The University has a £20 million revolving credit facility in place with Barclays and Lloyds, available to draw down as and when required.

Loans and overdrafts are repayable as follows:

	Group and University	
	2009	2008
	£'000	£'000
In one year or less	5	1,005
Between one and two years	5	5
Between two and five years	5	10
In five years or more	0	0
Total	<u>15</u>	<u>1,020</u>

17. Provisions for Liabilities and Charges

	Group				
	Staff Restructure £'000	EC Projects £'000	MMF Ltd £'000	Other £'000	Total £'000
At 1st August 2008	896	155	482	517	2,050
Utilised in the year	(711)	(3)	(501)	(77)	(1,292)
Released in the year	(189)	0	0	(420)	(609)
Transferred from I & E account	3,190	26	19	215	3,450
At 31st July 2009	<u>3,186</u>	<u>178</u>	<u>0</u>	<u>235</u>	<u>3,599</u>
	University				
	Staff Restructure £'000	EC Projects £'000	MMF Ltd £'000	Other £'000	Total £'000
At 1st August 2008	896	155	1,234	517	2,802
Utilised in the year	(711)	(3)	(501)	(77)	(1,292)
Released in the year	(189)	0	(752)	(420)	(1,361)
Transferred from I & E account	3,190	26	19	215	3,450
At 31st July 2009	<u>3,186</u>	<u>178</u>	<u>0</u>	<u>235</u>	<u>3,599</u>

The provision for Staff Restructure reflects the confirmed uptake of the voluntary severance scheme at the date of approval of these financial statements. The provision for EC projects relates to possible re-imbursement due on European Commission funded projects following assessment of the projects by the Commission.

NOTES TO THE ACCOUNTS – continued**Note****18. Joint Ventures**

Machrihanish Marine Farm Ltd was a joint venture between the University and Lakeland Smolt Ltd. A 49% share of the company's gross assets and liabilities were included in the University's consolidated balance sheet and 49% of its net income was reported in the University's consolidated income and expenditure account. The company's principal activity was the commercial rearing of cod. The company ceased to trade on the 27th June, 2008. The University now owns 100% of Machrihanish Marine Farm Ltd, following the exit of its joint venture partner from the undertaking in January 2009. The following results reflect the cessation of trade and consequently the company is not consolidated in the University's results.

The University's share of the company turnover, assets and liabilities was as follows:

	2009	2008
	£'000	£'000
Turnover	<u>0</u>	<u>116</u>
Interest Payable	<u>0</u>	<u>22</u>
Share of gross assets	0	467
Share of gross liabilities	0	(1,219)
	<u>0</u>	<u>(752)</u>

NOTES TO THE ACCOUNTS – continued

Note

19. Deferred Capital Grants

	Group and University		
	Funding Council	Other Grants and Gifts	Total
	£'000	£'000	£'000
At 1st August 2008			
Buildings	16,793	12,359	29,152
Equipment	<u>1,137</u>	<u>79</u>	<u>1,216</u>
Total	<u>17,930</u>	<u>12,438</u>	<u>30,368</u>
Cash received			
Buildings	2,203	2	2,205
Equipment	<u>14</u>	<u>0</u>	<u>14</u>
Total	<u>2,217</u>	<u>2</u>	<u>2,219</u>
Released to income and expenditure account			
Buildings (notes 1 and 4)	(808)	(646)	(1,454)
Equipment (notes 1 and 4)	<u>(669)</u>	<u>(49)</u>	<u>(718)</u>
Total (note 9)	<u>(1,477)</u>	<u>(695)</u>	<u>(2,172)</u>
At 31st July 2009			
Buildings	18,188	11,715	29,903
Equipment	<u>482</u>	<u>30</u>	<u>512</u>
Total	<u>18,670</u>	<u>11,745</u>	<u>30,415</u>

20. Endowments

	Group and University			2008 Total £'000
	Restricted Permanent	Restricted Expendable	2009 Total	
	£'000	£'000	£'000	
Balance as at 1 August				
Capital	141	699	840	830
Accumulated income	<u>70</u>	<u>406</u>	<u>476</u>	<u>439</u>
	211	1,105	1,316	1,269
New Endowments				
Investment Income	3	10	13	59
Expenditure	<u>(2)</u>	<u>(70)</u>	<u>(72)</u>	<u>(72)</u>
	1	(60)	(59)	(13)
(Decrease)/Increase in market value of investments	<u>(7)</u>	<u>0</u>	<u>(7)</u>	<u>(22)</u>
Balance as at 31st July	<u>205</u>	<u>1,057</u>	<u>1,262</u>	<u>1,316</u>
Representing				
Capital	134	702	836	840
Accumulated income	<u>71</u>	<u>355</u>	<u>426</u>	<u>476</u>
Total	<u>205</u>	<u>1,057</u>	<u>1,262</u>	<u>1,316</u>

NOTES TO THE ACCOUNTS - continued**Note****21. General Reserve**

	Group		University	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Income and Expenditure Account				
Balance as at 1st August	23,945	26,999	23,932	27,516
Historical Cost Surplus after				
Depreciation of Assets and Tax	98	2,619	98	2,089
Actuarial gain/(loss) on pension scheme liability	(8,234)	(5,673)	(8,234)	(5,673)
At 31st July	<u>15,809</u>	<u>23,945</u>	<u>15,796</u>	<u>23,932</u>
Represented by:				
Income and Expenditure Account				
Balance as at 1st August	32,134	30,576	32,121	31,093
Historical Cost Surplus after				
Depreciation of Assets and Tax	98	2,619	98	2,089
Transfer from Pension Reserve	(550)	(1,061)	(550)	(1,061)
	<u>31,682</u>	<u>32,134</u>	<u>31,669</u>	<u>32,121</u>
Pension Reserve				
Deficit in schemes at beginning of year	(8,189)	(3,577)	(8,189)	(3,577)
Movement in year:				
Current Service Cost	(1,974)	(1,777)	(1,974)	(1,777)
Contributions	2,560	2,330	2,560	2,330
Net Return on Assets	(36)	508	(36)	508
Actuarial Gain/(Loss)	(8,234)	(5,673)	(8,234)	(5,673)
Deficit in Scheme at end of year	(15,873)	(8,189)	(15,873)	(8,189)
Reconciliation				
Income and Expenditure Account	31,682	32,134	31,669	32,121
Pension Reserve	(15,873)	(8,189)	(15,873)	(8,189)
	<u>15,809</u>	<u>23,945</u>	<u>15,796</u>	<u>23,932</u>

NOTES TO THE ACCOUNTS – continued

Note	2009 £'000	2008 £'000
22. Reconciliation of Operating Surplus to Net Cash Inflow from Operating Activities		
Surplus on continuing operations after depreciation of assets and before tax	39	2,606
Pension Costs less contributions payable (note 27)	(586)	(553)
Depreciation (note 10)	6,606	6,051
Revaluation of Investments (note 11)	32	54
Deferred Capital Grants Released to Income (note 19)	(2,172)	(2,468)
Profit on disposal of tangible fixed assets	0	4
Share of operating losses in joint venture	0	222
Investment income and net endowment receivable	(195)	(904)
Interest payable (note 8)	9	38
(Increase) in stocks	(8)	(31)
(Increase)/Decrease in debtors/prepayments	306	1,078
Increase/(Decrease) in creditors/accruals	5,470	(1,475)
Increase/(Decrease) in provisions	797	696
Net cash inflow from operating activities	<u>10,298</u>	<u>5,318</u>
23. Returns on Investment and Servicing of Finance		
Income from endowments (note 20)	13	59
Other interest received (note 5)	218	337
Interest paid	(9)	(38)
Net cash outflow from returns on investments and servicing of finance	<u>222</u>	<u>358</u>
24. Capital Expenditure and Financial Investment		
Purchase of tangible fixed assets (Other than leased equipment)	(5,837)	(13,453)
Purchase of investments (note 11)	(120)	(218)
Sale of investments (note 11)	113	140
Payments to acquire endowment assets	(67)	(77)
Sale of Tangible Fixed Assets	0	394
Receipt from sale of endowment assets	67	77
Deferred capital grants received (note 19)	2,219	5,748
Endowments received (note 20)	12	82
Net cash outflow in respect of capital expenditure and financial investment	<u>(3,613)</u>	<u>(7,307)</u>

NOTES TO THE ACCOUNTS - continued**Note****25. Analysis of Changes in Financing during the Year**

	Total £'000	Finance Leases £'000	Loans £'000
Balances at 1st August 2007	55	0	55
New leases/loans	1,000	0	1,000
Capital Repayments	<u>(35)</u>	<u>0</u>	<u>(35)</u>
Net Amount Acquired/(Repaid) in Year	<u>965</u>	<u>0</u>	<u>965</u>
Non-cash transaction	0	0	0
Balances at 31st July 2008	1,020	0	1,020
New leases/loans	0	0	0
Capital Repayments	<u>(1,005)</u>	<u>0</u>	<u>(1,005)</u>
Net Amount Acquired/(Repaid) in Year	<u>(1,005)</u>	<u>0</u>	<u>(1,005)</u>
Non-cash transaction	0	0	0
Balances at 31st July 2009	<u>15</u>	<u>0</u>	<u>15</u>

26. Analysis of Changes in Net Funds

	At 1st August 2008 £'000	Cash flows £'000	Non- cash Changes £'000	At 31st July 2009 £'000
Cash in hand, and at bank	841	5,949	0	6,790
Endowment asset investments (note 12)	<u>1,160</u>	<u>(47)</u>	<u>0</u>	<u>1,113</u>
	2,001	5,902	0	7,903
Short term deposits	0	0	0	0
Debt due within one year	(1,005)	1,000	0	(5)
Debt due after one year	(15)	5	0	(10)
Finance leases	0	0	0	0
Total	<u>981</u>	<u>6,907</u>	<u>0</u>	<u>7,888</u>

NOTES TO THE ACCOUNTS - continued

Note

27. Pension Schemes

Composition of Schemes

The University participates in three defined benefit contracted out pension schemes, the Universities Superannuation Scheme (USS), the University of Stirling Pension Scheme (USPS) and the University of Stirling Pension Scheme for Contract Staff (USPSCS).

The total pension costs for the University were:

	31/07/09		31/07/08
	£'000		£'000
USS: contributions paid	4,740		4,001
USPS/USPSCS:			
Contributions paid	2,448	2,100	
FRS 17 charge	(586)	(553)	
Charge to the Income and Expenditure Account (staff costs)	1,862		1,547
Total Pension Costs (Note 6)	<u>6,602</u>		<u>5,548</u>

Contributions amounting to £626K (2008: £598K) were payable to the schemes and are included in creditors.

USS provides benefits based on final pensionable salary for academic and related employees at UK Universities. USPS and USPSCS provide similar benefits for other staff of the University.

University of Stirling Pension Scheme (USPS) and the University of Stirling Pension Scheme for Contract Staff (USPSCS)

A full actuarial valuation of USPS was carried out as at the 1st August 2006 and updated to the 31st July 2009 by a qualified independent actuary. An actuarial valuation of USPSCS was carried out as at the 1st September 2005 by a qualified independent actuary. The employer contribution rate for USPS remains the same at 24.9% and the employer contribution rate for USPSCS remains the same at 29.1%.

The principal assumptions, used by the actuary, for the USPS and USPSCS schemes were:

	At	At	At
	31/07/09	31/07/08	31/07/07
Rate of increase in salaries	4.6%	4.7%	4.0%
Rate of increase for pensions in payment	3.5%	3.5%	2.8%
Discount rate for scheme liabilities	6.0%	6.5%	5.7%
Rate of increase of deferred pensions	3.6%	3.7%	3.0%
Inflation assumption	3.6%	3.7%	3.0%

NOTES TO THE ACCOUNTS – continued

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31/07/09	At 31/07/08
<i>Retiring today/current pensioners</i>		
Males	20.60	19.78
Females	23.10	22.81
<i>Retiring in 20 years/future pensioners</i>		
Males	21.90	21.04
Females	24.30	24.01

The assets and liabilities in the USPS and USPSCS schemes and the expected rates of return were:

	Long-term rate of return expected at 31/07/09	Long-term rate of return expected at 31/07/09	Long-term rate of return expected at 31/07/09
Equities	8.4%	8.4%	8.0%
Bonds	6.0%	6.6%	5.4%
Other	0.5%	4.9%	4.5%
	Value at 31/07/09 £m	Value at 31/07/08 £m	Value at 31/07/07 £m
Equities	31.8	27.8	31.8
Bonds	7.6	5.0	2.9
Other	<u>0.3</u>	<u>5.3</u>	<u>3.2</u>
Total market value of assets	39.7	38.1	37.9
Present value of schemes' liabilities	(55.6)	(46.3)	(41.5)
Deficit in schemes	<u>(15.9)</u>	<u>(8.2)</u>	<u>(3.6)</u>

NOTES TO THE ACCOUNTS – continued

	31/07/09 £'000	31/07/08 £'000
Analysis of Amount Charged to Operating Profit		
Current service cost	1,974	1,777
Total operating charge	<u>1,974</u>	<u>1,777</u>
Analysis of amounts credited to Other Investment Income		
Expected return on pension schemes' assets	2,963	2,897
Interest cost	(2,999)	(2,389)
Net return	<u>(36)</u>	<u>508</u>
Analysis of amounts recognised in STRGL		
Actual return less expected return on pension schemes' assets	(2,347)	(4,072)
Experience gains and losses arising on the schemes' liabilities	(526)	(556)
Changes in financial assumptions underlying the schemes' liabilities	(5,361)	(1,045)
Actuarial Gain/(Loss) recognised in STRGL	<u>(8,234)</u>	<u>(5,673)</u>
Movement in Deficit Through the Year		
Deficit in Schemes at beginning of year	(8,189)	(3,577)
Current Service Cost	(1,974)	(1,777)
Contributions	2,560	2,330
Other Finance Income	(36)	508
Actuarial Gain/(Loss)	(8,234)	(5,673)
Deficit in Schemes at end of year	<u>(15,873)</u>	<u>(8,189)</u>
Movement in present value of schemes' liabilities		
Liability at beginning of year	46,291	41,541
Service Cost	1,974	1,777
Employee Contributions	496	580
Interest Cost	2,999	2,389
Actuarial Losses/(Gains)	5,887	1,601
Benefits Paid	(2,074)	(1,597)
Liability at end of year	<u>55,573</u>	<u>46,291</u>
Movement in market value of schemes' assets		
Asset at beginning of year	38,102	37,964
Expected Return	2,963	2,897
Actuarial Gains/(Losses)	(2,347)	(4,072)
Contributions by Employer	2,560	2,330
Contributions by Members	496	580
Benefits Paid	(2,074)	(1,597)
Asset at end of year	<u>39,700</u>	<u>38,102</u>

NOTES TO THE ACCOUNTS – continued**History of Experience Gains and Losses**

	31/07/09	31/07/08	31/07/07	31/07/06
Difference between the expected and actual return on schemes' assets:				
Amount (£'000)	(2,347)	(4,072)	974	1,524
Percentage of schemes' assets	5.9%	10.7%	2.6%	4.5%
Experience gain/(loss) arising on the schemes' liabilities:				
Amount (£'000)	(526)	(556)	1,026	(64)
Percentage of schemes' liabilities	0.9%	1.2%	2.5%	0.1%
Total amount of actuarial gain/(loss):				
Amount (£'000)	(8,234)	(5,673)	7,808	(2,644)
Percentage of schemes' liabilities	14.8%	12.3%	18.8%	5.9%

Universities Superannuation Scheme (USS)

The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. The appointment of directors to the board of the trustee is determined by the company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; one is appointed by the Higher Education Funding Councils; and a minimum of two and a maximum of four are co-opted directors appointed by the management committee. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

Because of the mutual nature of the scheme, the institution is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement Benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the scheme was at 31st March 2008. This was the first valuation for USS under the new scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions.

The valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum).

To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.4% per annum (which includes an additional assumed investment return over gilts of 2% per annum), salary increases would be 4.3% per annum (plus an additional allowance for increases in salaries due to age and promotion reflecting historic scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.3% per annum.

NOTES TO THE ACCOUNTS – continued

Standard mortality tables were used as follows:

Male members' mortality	PA92 MC YoB tables – rated down 1 year
Female members' mortality	PA92 MC YoB tables – no age rating

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

Males (females) currently aged 65	22.8 (24.8) years
Males (females) currently aged 45	24.0 (25.9) years

At the valuation date, the value of the assets of the scheme was £28,842.6 million and the value of the scheme's technical provisions was £28,135.3 million indicating a surplus of £707.3 million. The assets therefore were sufficient to cover 103% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts) the funding level was approximately 71%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the Scheme was 107% funded; on a buy-out basis (i.e. assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 79% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, using a AA bond discount rate of 6.5% per annum based on spot yields, the actuary estimated that the funding level at 31st March 2008 was 104%.

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions except that the valuation rate of interest assumed asset outperformance over gilts of 1.7% per annum (compared to 2% per annum for the technical provisions) giving a discount rate of 6.1% per annum; also the allowance for promotional salary increases was not as high. There is currently uncertainty in the sector regarding pay growth. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve has been included, in addition, on account of the variability mentioned above.

The institution contribution rate required for future service benefits alone at the date of the valuation was 16% of pensionable salaries and the trustee company, on the advice of the actuary, agreed to increase the institution contribution rate to 16% of pensionable salaries from 1st October 2009.

Since 31st March 2008 global investment markets have continued to fall and at 31st March 2009 the actuary has estimated that the funding level under the new scheme specific funding regime had fallen from 103% to 74%. This estimate is based on the funding level at 31st March 2008, adjusted to reflect the fund's actual investment performance over the year and changes in market conditions (market conditions affect both the valuation rate of interest and also the inflation assumption which in turn impacts on the salary and pension increase assumptions).

On the FRS17 basis, using an AA bond discount rate of 7.1% per annum based on spot yields, the actuary estimated that the funding level at 31st March 2009 was 86%. An estimate of the funding level measured on a buy-out basis at that date was approximately 46%.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Valuation rate of interest	Increase/decrease by 0.5%	Decrease/increase by £2.2 billion
Rate of pension increases	Increase/decrease by 0.5%	Increase/decrease by £1.5 billion
Rate of salary growth	Increase/decrease by 0.5%	Increase/decrease by £0.7 billion
Rate of mortality	More prudent assumption (move to long cohort future improvements from the medium cohort adopted at the valuation)	Increase by £1.6 billion

USS is a “last man standing” scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee believes that over the long-term equity investment and investment in selected alternative asset classes will provide superior returns to other investment classes. The management structure and targets set are designed to give the fund a bias towards equities

through portfolios that are diversified both geographically and by sector. The trustee recognises that it would be possible to select investments producing income flows broadly similar to the estimated liability cash flows. However, in order to meet the long-term funding objective within a level of contributions that it considers the employers would be willing to make, the trustee has agreed to take on a degree of investment risk relative to the liabilities. This taking of investment risk seeks to target a greater return than the matching assets would provide whilst maintaining a prudent approach to meeting the fund’s liabilities. Before deciding to take investment risk relative to the liabilities, the trustee receives advice from its investment consultant and the scheme actuary, and considers the views of the employers. The strong positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and the strength of covenant of the employers enables it to take a long-term view of its investments. Short-term volatility of returns can be tolerated and need not feed through directly to the contribution rate. The actuary has confirmed that the scheme’s cash flow is likely to remain positive for the next ten years or more.

The next formal triennial actuarial valuation is due as at 31st March 2011. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

NOTES TO THE ACCOUNTS - continued

Note

28. Capital Commitments

	Group and University	
	2009	2008
	£'000	£'000
Commitments contracted at 31st July	9,197	1,759
Authorised but not contracted at 31st July	2,943	0
	<u>12,140</u>	<u>1,759</u>

29. Financial Commitments

Operating lease commitments for the 2009 financial year, on leases expiring:

	Group and University	
	2009	2008
	£'000	£'000
Within one year	0	0
Between one and five years		
Union Street residential property lease	543	0
Lyon Crescent residential property lease	395	0
Over five years		
Union Street residential property lease	0	532
Lyon Crescent residential property lease	0	376
	<u>938</u>	<u>908</u>

30. Access Funds

	2009	2008
	£'000	£'000
Balance at 1st August	42	46
Funding Council grants	560	467
Interest earned	3	9
	<u>605</u>	<u>522</u>
Disbursed to students	(555)	(480)
Balance Unspent as at 31st July	<u>50</u>	<u>42</u>

The grants and related disbursements are available solely to students, with the University acting as paying agent. These funds are therefore excluded from the Income and Expenditure Account. The University accounts to the Scottish Executive on the use of these funds to the 31st March.

NOTES TO THE ACCOUNTS - continued**Note****31. Contingent Liability**

The University is a member of UMA(SR) Limited, a company formed to provide a mutual association for terrorism risks. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro rata share (University of Stirling 0.2%); spread using a member's loan facility over seven years. No liability has yet risen under this guarantee.

The University through a shareholding agreement with Stirling Council has in effect guaranteed 50% of a loan with RBS plc to Stirling University Innovation Park Limited (SUIP Ltd). The purpose of the loan was to purchase two properties. The outstanding balance of the loan is circa £1M.

The University is currently subject to a claim made to Employment Tribunals (Scotland) by the University and College Union (UCU) in relation to a number of employees who left the University at the end of their fixed term contracts and under the voluntary severance scheme offered in 2009. Having taken legal advice the University is resisting this claim. It does not believe it is appropriate to make any provision in these financial statements.

32. Related Party Transactions

Mr Tom Spencer was appointed President and Mr Mark Cullen was appointed Vice President (Services) as well as Treasurer of Stirling University Student Association from the 1st June 2008.

Mr Kevin Clarke, University Secretary, was a Director of MacRobert Arts Centre Limited from the 1st August 2008 until the 22nd April 2009.

The aggregate amounts of transactions between the University and related parties in the year and amounts outstanding at the year-end are:

	Income £'000	Expenditure £'000	Creditor £'000	Debtor £'000
Stirling University Innovation Park Ltd.				
Accounting services, Security, Maintenance, Salary funding and Recharges	28			10
		51	0	
Stirling University Student Association				
Utilities, Repairs & Maint, Loan repay & interest, Grant , Catering Recharges	13			0
		347	2	
MacRobert Arts Centre				
Repairs & Maint, Loan repay & interest, Grant , Catering	56			200
		149	0	
	<u>97</u>	<u>547</u>	<u>2</u>	<u>210</u>

NOTES TO THE ACCOUNTS - continued

Note

33. University Companies

Subsidiaries

The University owns 100% of the issued share capital of ordinary shares of SURE Limited. The principal activity of the company is to develop and promote research innovation and commercialisation on behalf of the University.

The University owns 100% of the issued share capital of ordinary shares of Machrihanish Marine Farm Limited. The principal activity of the company was the farming of cod. The company is currently not operating.

Investment Assets

The University owns 50% of the issued share capital of Stirling University Innovation Park Limited. The principal activity of the company is the development, promotion and management of Stirling University Innovation Park. In view of the lack of controlling interest, the company's results have not been consolidated into the University's Financial Statements.

Surplus/(Deficit) for the year

As permitted by section 230 of the Companies Act 1985, the income and expenditure account of the University (the holding company) has not been shown separately in these financial statements. The University's historical cost surplus for the year was £98k.

34. Works of Art

The University displays a number of valuable works of art, not included in the Balance Sheet. The approximate value of the collection for insurance purposes is £5.0m

COMPOSITION OF COMMITTEES CONCERNED DIRECTLY WITH FINANCE

In the Year Ended 31st July 2009

Membership of Audit Committee

Mr G M Simmers (Chair) *

Mr R G Burnett *

Mr R G Murray *

Ms M Sweeney *

Membership of Strategy & Resources Committee (SRC)¹

Professor C M Hallett (Chair)

Professor N H Keeble

Professor S Burt

Professor I Simpson

Professor G Jarvie

Mr K J Clarke

Mr A G Simpson

Mr T Spencer

Mr P Grice *

Mrs A S McAlindin *

Professor R Sugden

Professor P Lee

Professor R Edwards

Professor D Robertson

Membership of Finance & Infrastructure Committee (FIC)²

Mr P Grice (Chair) *

Professor C M Hallett

Professor N H Keeble

Mr A G Simpson

Professor S Burt

Mr G D C Burns *

Mr G Pomphrey *

Mr S Morrow

Professor D Robertson

Professor A Goodacre

Professor D Bell

Mr M Cullen

* Lay member

1 The responsibilities of the Strategy & Resources Committee were split between the Policy & Planning Committee and the Finance & Resources Committee from 1st August 2009.

2 The responsibilities of the Finance & Infrastructure Committee now lie with the Finance & Resources Committee (as from 1st August 2009)

Court

(For the year to 31 July 2009)

Ex-Officio Members

Professor Christine Margaret Hallett

MA, PhD, FRSE, Principal and Vice-Chancellor

Professor Neil Howard Keeble

BA, DPhil, DLitt, FRSE, FRHistS, FEA, FRSA Senior Deputy Principal

Councillor Fergus Wood

TD, Provost of Stirling

Mr Tom Spencer

President of SUSA

Mr Mark Cullen

BA, Vice-President and Treasurer of SUSA

Appointed Members

Mr Harry Adam

BA, appointed by Alumni Association

Professor Ian Douglas Aitken

OBE, BVMS, PhD, DVM&S(hc), appointed by Court

Professor Robert Ball

MA, MSc, PhD, appointed by Academic Council

Mr Geoffrey Douglas Charles Burns

BA, MSc, appointed by Court

Professor Richard George Edwards

BA, PhD, appointed by Academic Council

Professor Ruth Evans

BA, MA, PhD, FEA, appointed by Academic Council

Mr Paul Edward Grice

BSc, appointed by Court - Chair of Finance and Infrastructure Committee

Ms Antonia Schreuder McAilindin

BA, LLM, LLB, appointed by Court

Mr Alistair Murray Moffat

MA, MPhil, appointed by Chancellor

Mr Richard Gerard Murray

BA, CA, appointed by Court

Professor Rory Ciaran O'Connor

BSc, PhD, AFBPS, appointed by Academic Council

Mr Gordon McLaren Pumphrey

BSc, appointed by Court

Ms Nicola Ann Ring

BSc, MSc, DipHV, RGN, RSCN, appointed by Academic Council

Dr Carron Elizabeth Shankland

BSc, PhD, appointed by Academic Council

Mr Graeme Maxwell Simmers

CBE, CA, DL, appointed by Conference and Chair of Audit Committee

Mr Alan Gordon Simpson

MA, appointed by Court - Chair of Court

Ms May Sweeney

MA, appointed by Court

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International Office

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MacRobert Arts Centre

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STIRLING**