UNIVERSITY OF STIRLING

Financial Statements

2010 – 2011

Financial Statements

for the year ended 31st July 2011

CONTENTS	**PAGE**

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 Revised Accounts Direction issued by the Scottish Funding Council (SFC) in August 2011.

OPERATING AND FINANCIAL REVIEW 2010-11

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 Equality
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 including the members of the University Court and Committees during the year ended 31st July 2011 are described on pages x to xii.

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

One of the major emphases of the year was the development of the new Strategic Plan 2011–2016 including our vision for the University of Stirling, which was approved by University Court in June 2011 and launched at the Scottish Parliament in September 2011. The Strategic Plan can be located at www.stir.ac.uk/about/our-strategy

Our Vision

To be acknowledged worldwide as a distinguished University that addresses the social and environmental needs of society through innovative, interdisciplinary research and education.

Our Mission

To be a University of distinction that is ambitious, accessible and self-reliant, and whose purpose is to develop these qualities in our students, staff and the communities we serve.

Our priorities are to:

- enhance the student experience by putting students first
- improve research performance and postgraduate enrolment
- be a vibrant intellectual community for scholars and the region
- connect locally and globally to students, alumni, academia and business
- be aware of society's needs and respond to them.

4. Operational Environment and Review

Taught provision:

Throughout 2010-11 there has been a steady number of applications for all levels of study continuing the positive trend of the last few years. Increases in application numbers have led to an overall increase in enrolments and tuition fee income.

At undergraduate level the increase in applications resulted in most programmes "selecting" students rather than "recruiting" them. This has had a positive impact on our entry grade profile. The University raised its entry standards for the 2011-12 intake and had a minimal presence at clearing. The increase in demand was evident across the sector and is due in part to the HE funding situation and in part to the current economic climate. The uncertainty of public funding in the future may threaten other income generating activities, including the provision of consultancy, continuing professional development (CPD) services and postgraduate programmes for UK applicants as both the public sector and the private sector continue to curb their spending on training and education.

Overseas recruitment has remained strong at taught postgraduate level. Actions to increase the diversity of our student population is on-going with staff visiting an increasing number of overseas markets and engaging with partners and agencies. In addition, new media, social networking and other new recruitment tactics are being developed to pursue increased enrolments. Whilst we remain reliant on income from China there has been an increase in applications from Ghana, Thailand and Vietnam. The new points based system introduced mid recruitment cycle by the UK Border Agency, as discussed in more detail on page V, has created additional administrative burdens. Across the sector, the new system has had an adverse effect on student enrolments from markets such as India, as the system limits the post-study paid employment work opportunities sought by these students. There is also a new potential reputational risk if institutions are judged by UKBA to be non-compliant.

Development of a revised internationalisation strategy is ongoing and this will include: developing relationships with international partners that are multi-purpose; a consideration of alternative delivery mechanisms (eg distance learning, in country); strategies to increase the number of students on international exchange programmes; and opportunities for students and staff to work with both international and local communities.

League Tables & Awards:

Recognition of the quality of learning and teaching is evidenced in various league tables. Among many academic areas which performed well in university league tables, the School of Education achieved a clean sweep of top rankings for the first time: the Guardian, Times and Independent all rated Stirling as the number one place in Scotland to study for a career in Education.

Within Scotland, our overall ranking this year improved by two places from 9th to 7th in the Complete University Guide and in the Sunday Times from 8th to 7th place. We remained at 8th place in the Times Good University Guide and slipped from 7th to 8th place in the Guardian University Guide.

The National Student Survey (NSS) seeks to ascertain a measure of student satisfaction with the broad statement "Overall I am satisfied with the quality of the course". The following subject areas all received a rating of 100%: Social Work, English, French, Biology, Computing Science, Economics and Finance. The survey results indicate that we have retained equal third place in Scotland with Aberdeen, behind two of the ancient universities St Andrews and Glasgow.

NATIONAL STUDENT SURVEY
2008 - 2011 comparison

Overall I am satisfied with the quality of the course

Institution	**% Agree 2008***	**% Agree 2009***	**% Agree 2010***	**% Agree 2011***
University of St Andrews	93	92	93	93
University of Glasgow	86	90	90	91
University of Aberdeen	91	89	89	88
University of Stirling	**86**	**88**	**89**	**88**
University of Dundee	84	88	87	86
Heriot Watt University	85	81	87	86
University of Strathclyde	85	86	86	86
University of Edinburgh	83	83	86	87
Scottish Average			**86**	**86**
Robert Gordon University		84	84	85
Glasgow Caledonian University	85	84	83	82
UK Average	**82**	**82**	**83**	**84**
Napier University		81	80	83
Queen Margaret				86
Glasgow School of Art		69	65	77

* Respondents answered 'Mostly Agree' or Definitely Agree'

In 2010 we celebrated our international activities with an inaugural international graduation ceremony in Singapore. This was the outcome of many years of operation in Singapore in partnership with the Retail Academy of Singapore and Nanyang Polytechnic. We continue to enhance our reputation as an international education provider; throughout the academic year a new Master's course in Media Communications Management at Vietnam National University was developed along with a prestigious MBA in Finance at Foreign Trade University, Hanoi.

Our Research portfolio:

At Stirling, we conduct world-class research that is directly relevant to real world needs, in five core areas of enterprise and the economy, health and well-being, culture and society, environment, and sport.

In June 2011 University Court approved the Research Strategy for 2011-2014. The strategy which can be found on the University web site (www.foi.stir.ac.uk/documents/ResearchStrategy2011-2014.pdf) is founded upon a comprehensive analysis of our current research performance and the policy, funding and business environment in which we operate.

The research funding environment during this period and beyond will become even more competitive and challenging. However, we are confident that the actions detailed in the strategy will take us forward to meet the key objectives; to be in the upper quartile of UK Universities as measured by quality; and, to grow research income to sustainable levels.

Achievements across service areas:

The implementation of the residences redevelopment project, approved by University Court in October 2010, has been on-going throughout the year. The scheme will see the re-development of a significant proportion of the original loch-side student accommodation on the Stirling campus, and the refurbishment and maintenance of the remaining accommodation over the next 25 years. The estimated cost of the programme is £43 million, making it the largest capital development undertaken since the campus was first developed. It will be financed from loans which will be repaid from the rental income generated by the Residences.

The design team have been appointed recently and the search for capital finance has commenced. Senior colleagues from the Finance Office have been liaising with the Scottish Funding Council (SFC) whose consent is required to obtain capital finance of this magnitude in accordance with the Financial Memorandum between SFC and the University.

The University is committed to tackling climate change by embedding sustainability at the core of its business practices. The winters of 2009-10 and 2010-11 were two of the coldest in the past 50 years and added to the challenge of achieving energy savings. Despite this, energy savings were achieved. In 2007-08 (baseline year) the University used 52.85 million kWh of energy. This reduced to 51.24 million kWh in 2008-09 and 50.63 million kWh in 2009-10, an overall reduction of 4%. Every effort continues to reduce energy consumption (and CO_2 emissions) by 20% by 2013.

The Carbon Reduction Commitment (CRC) scheme is "central to the UK's strategy for improving energy efficiency and reducing carbon dioxide (CO_2) emissions", as set out in the Climate Change Act 2008. It has been designed to raise awareness in large organisations, especially at senior level, and encourage changes in behaviour and infrastructure. It is a mandatory scheme which requires the University to purchase carbon allowances for each tonne of CO_2 with the incentive of tax savings for achieving reduction targets. The University faces a tax bill of almost £200,000 which could be reduced by £40,000 if the University achieves a 20% reduction in CO_2 emissions.

During the year the Finance Office revised and updated the Financial Strategy in line with the University's Strategic Plan 2011-2016 Education Founded on Innovation and Excellence. (http://www.stir.ac.uk/about/our-strategy) The Financial Strategy 2010 provides a framework through which the long term financial sustainability will be maintained.

The External Relations and Development directorate has been restructured to form the Development and External Affairs Directorate with the appointment of a new Director of Development and External Affairs and a Deputy Director responsible for Communications, Public Affairs and Marketing.

Senior Management

During academic session 2010-11 the fifteen Academic Departments were restructured into seven Academic Schools and Heads of School were appointed. The senior management team has been reconfigured and 3 Deputy Principals appointed. Professor Steve Burt has been appointed as the Senior Deputy Principal and two new Deputy Principals have been appointed, one for Education and Students, Professor John Gardiner, and the other for Research, Professor Edmund Burke.

Governance and Principal Risks & Uncertainties:

The University is undertaking a review of institutional Committee structures. The purpose is two fold: firstly to ensure that the Committee structures remain fit for purpose following restructuring; and secondly to evaluate the impact of changes implemented following a previous review in 2008-09. In October 2011 the Court approved a recommendation to merge the Finance and Resources Committee and the Policy and Planning Committee to form a new joint committee of University Court and Academic Council, the Joint Policy, Planning and Resources Committee (JPPRC).

The University Court and wider University community have continued to embed the management of risk into all areas of planning. A Business Continuity Strategy was developed and approved in 2010-11. The strategy clearly defines the responsibilities for business continuity management and implementation, and how business continuity is integrated into the University's risk management processes.

The strategy includes how the University manages business continuity and how the implementation of the processes will improve the University's resilience against disruption of business critical activities. It provides a rehearsed method of recovery of business and services in the event of an incident and identifies potential risks to business continuity. Planning is underway to test this strategy in 2012.

Performance reporting:

The core institutional outputs from the planning process undertaken each year are the Plan for Academic Success (PAS) and the Performance Report. The PAS sets out the actions being undertaken to deliver the objectives, goals and targets set out in the Strategic Plan 2011-20 and the Performance Report represents an evaluation of our progress made across the University in achieving them by the end of each Academic Year.

The Performance Report incorporates good practice, as set out in guidance issued by the Committee of University Chairs (CUC) in their report - Monitoring of Institutional Performance and the Use of Key Performance Indicators (November 2006). The Ten High Level KPI's recommended by CUC are:

Table A: Ten High Level KPIs

Top-level summary indicators ("super KPIs")
1. Sustainability
2. Academic Profile and Positioning
Top-level indicators of institutional health
3. The Student Experience and Teaching & Learning
4. Research
5. Knowledge Exchange and Relationships
6. Financial Health
7. Estates and Infrastructure
8. Staff and Human Resources
9. Governance, Management, Administration and Systems including Legislative Compliance
10. Institutional Projects

A five colour traffic light system is used to assess and categorise performance. It will be kept under review and revised in accordance with good practice.

Developments in the External Environment

Introduction of tuition fees in England:

The Browne report[1] , made a number of wide-ranging proposals on reform to the current system of higher education funding and student finance in England. The UK Government endorsed the report, but made some modifications to the recommendations. One of the key points in the Government's proposals was a 'basic threshold' tuition charge of £6,000 and an 'absolute limit' of £9,000 per year.

In October 2010, the Scottish Government published a Green Paper Building a Smarter Future: Towards a Sustainable Scottish Solution for the Future of Higher Education. The Green Paper set out six options for the future funding of HE in Scotland. Institutions strongly argued that given the reality of the economic environment, the option of the State retaining the prime responsibility but requiring some form of graduate contribution seemed almost inevitable. Following the consultation process, the Scottish Government announced its policy in respect of future funding for HE, ruling out any up front fees or a graduate contribution for Scottish students.

Funding the gap with England:

On 29 June 2011, the Scottish Government published draft secondary legislation to remove existing restrictions on the fees which Scottish Universities can charge to students normally resident in the rest of the UK (RUK). In August the Scottish Funding Council (SFC) circulated information setting out the likely implications for teaching funding as a consequence of the introduction of fees for RUK students. Removing RUK students from the system means any future fluctuations in the number of RUK students choosing to study in Scotland will not impact on the number of places/SFC funding which Scottish universities are allocated in relation to domestic and rest of EU students. This protects places for Scottish domiciled students but assumes static numbers of EU students.

All Scottish institutions have now set fees for RUK students from 2012. Students from England, Wales and Northern Ireland will be charged £6,750 per year to take a course at the University of Stirling. The total cost of a four-year degree course is £27,000 and is in-line with the majority of other Scottish Universities for four-year degree courses, although across the Scottish sector fees for RUK students range from £21,000 to £36,000 for a four year degree.

Universities will want to market themselves effectively to RUK students in order to protect the healthy cross border flow of students which enriches the learning experience for students. This involves examining scholarship provision and considering other potential incentives.

Review of post-16 Education

On 14 September 2011 the Scottish Government published a pre-legislative paper Putting Learners at the Centre: Delivering our ambitions for post-16 education. The paper sets out proposals for wide-ranging reform of the full range of Government-funded post-16 education in Scotland - higher education (taking forward the discussion generated by the Green Paper: Building a Smarter Scotland), further education and skills. It also extends to community learning & development which is delivered by local authorities and the Third Sector.

Within the paper the Government state that "At a time of unprecedented financial constraint, our top priority is to ensure the sustainability of post-16 learning and - more specifically - to protect the competitive position of the higher education sector in the face of changes to funding arrangements in England and our commitment not to introduce tuition fees for Scottish-domiciled students in our universities."

Funding Implications for Stirling:

Following the cuts announced in the October 2010 Comprehensive Spending Review, the Scottish Funding Council finalised 2011-12 allocations to Scottish universities in March 2011. In summary, the University received a 10.9% cut in Teaching funding and a 38% reduction in Capital funding. These cuts had been anticipated and the University's response is incorporated in the Financial Strategy 2010, the three year indicative budgets 2011-12 to 2013-14 and the Capital Plan.

The University had £142,000 clawed back from its 2010-11 main teaching grant for a breach of consolidation limits. Other institutions penalised for a breach in consolidation were Aberdeen (£1,048,000), Abertay (£240,000) and Heriot Watt (£327,000). Two institutions were also penalised for a shortfall on enrolments; RGU (£523,000) and UWS (£48,000).

UK Border Agency (UKBA) consultation on student immigration and policy on English language requirements:

In March 2011, the Home Secretary announced the Government's plans to make changes to Students and Post-Study Work of the points-based system. They also issued a Statement of Intent for the new student visa system. The first round of implementation came into effect on 21 April 2011. There will be further changes to the Immigration Rules taking effect in April 2012 and by the end of 2012. UKBA's interpretation of the policy caused significant difficulties for universities, largely arising from its implementation at such an advanced stage in the year's admissions cycle as mentioned on page iii. Unfortunately, across the sector, a significant number of students were offered places on courses based on entry criteria which did not meet the UKBA's new requirements.

[1] The Independent Review of Higher Education funding and student finance entitled "Securing a sustainable future for higher education" which was chaired by Lord Browne. The report can be found at www.bis.gov.uk

Provision of pre-registration midwifery and nursing programmes:

Following a workforce planning review by the Scottish Government Health Directorates (SGHD), it was agreed that the pre-registration midwifery intake numbers in Scottish institutions would be reduced from 182 to 100 from August 2011 and that the number of universities that provide midwifery programmes should be reduced from 6 to 3 from August 2012. Following an evaluative process, the recommendation from the Evaluation Panel to NHS Education Scotland the Scottish Government Health Department was that pre-registration midwifery programmes from August 2012 should be provided by the University of the West of Scotland, Edinburgh Napier University, and Robert Gordon University. Therefore, the University of Stirling is no longer a provider of pre-registration midwifery programmes from August 2011.

A review of nursing and midwifery provision in Scottish universities is on-going. A working group, consisting of the Principals and Deans/Heads of Schools of the institutions providing nursing and midwifery courses in Scotland, has been established to develop a sector response. Members of the working group have met with the Chief Nursing Office and SFC representatives to discuss the future of nursing and midwifery education provision in Scotland. The University is aware that changes to the provision of Nursing Education in Scotland are imminent although no decisions have been made yet.

Quality Enhancement:

QAA (Scotland), the Quality Assurance Agency, operates an enhancement led approach to quality assurance, based around a Quality Enhancement Framework. An Enhancement-Led Institutional Review (ELIR), is the method by which QAA assures itself that the individual HEIs in Scotland have adequate procedures for quality assurance and quality enhancement The reviews occur every 5 years, and Stirling's recent ELIR took place during October and November 2011, with a final report due for publication in December 2011.

USS pension scheme:

The USS Joint Negotiating Committee (JNC) met on 10 May 2011 to give further consideration to the final form of the proposed scheme changes. The committee agreed the changes including the modifications to the original proposals put forward by the employers at the suggestion of the trustee board following the consultation with affected employees and their representatives. The Independent Chair, Sir Andrew Cubie, used his casting vote to record the JNC decision in favour of the proposals for reform formulated by the USS Trustee Board. Changes to USS were decided by the Joint Negotiating Committee (JNC) of USS at its meeting on 10 May 2011 and approved by the trustee board at its meeting on 9 June 2011. Some of the changes affect current members, others impact employees who join the scheme after the effective date. University and College Union (UCU) have balloted members for strike action over the row of public sector pension changes. A full summary of the scheme changes has been posted on the USS website http://www.uss.co.uk/news/Pages/TrusteeBoardStatement1.aspx

5. FINANCIAL REVIEW

The University's Financial Strategy was revised, updated and approved by Court at its meeting in June 2011. The Financial Strategy 2010 includes three main objectives:

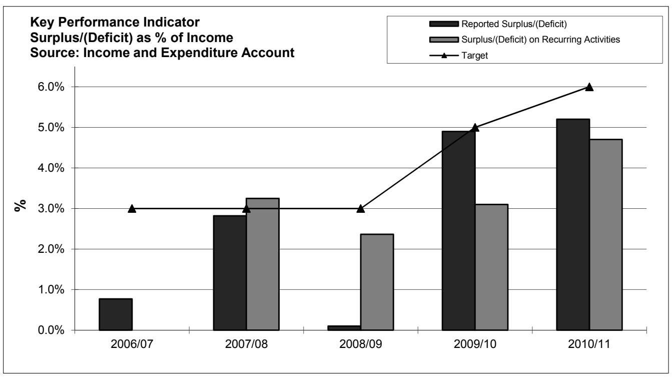
1. Secure planned levels of operating surpluses on recurrent activities
2. Ensure appropriate levels of working capital and finance for capital investment.
3. Establish and maintain effective and commercially focused financial stewardship.

The strategy recommends a headline surplus of no less than 6% of turnover which on current and projected income levels equates to c£6m. It is recommended that £4.5m is regarded as the minimum contribution needed each year to establish a cash backed general reserve over a five year period, to secure level of £10m.

The summarised income and expenditure account for the year ended 31st July 2011, together with comparative figures for 2009-10 are shown as follows:

	2011 £'000	2010 £'000
Income	102,184	100,448
Expenditure	(97,341)	(97,293)
Surplus on recurring activities	4,843	3,155
As % of Income	*4.7%*	*3.1%*
Add:		
Research Postgraduate Scheme (Horizon Fund income)	0	1,500
Transfer from accum income within endowment funds	31	(13)
Impact of FRS 17 (pensions) disclosure	418	388
Staff Restructure provision	0	(114)
Surplus for the year retained within general reserves	5,292	4,916
As % of Income	*5.2%*	*4.9%*

The University generated a surplus of £5,292k (5.2% of income) in 2010-11. Although this is an improvement on the level of retained surplus achieved in 2009-10 it is still £800k (0.8%) lower than the updated Financial Strategic objective of achieving an operating surplus of at least 6% of turnover.



Income

Total income, including non-recurring activities, has remained fairly static with a marginal increase of £229k (0.2%). Within this total the most significant movements are:

- an increase of £3.5 million (13.8%) in Tuition Fees largely from overseas students reflecting the success of the Internationalisation Strategy and the University's strategic goal of increasing income in segments of the market in which pricing is not subject to regulation
- a decrease of £3.0 million (7.0%) in Funding Council Grants which mainly relates to the full year effect of reduced Research Excellence Grant

Expenditure

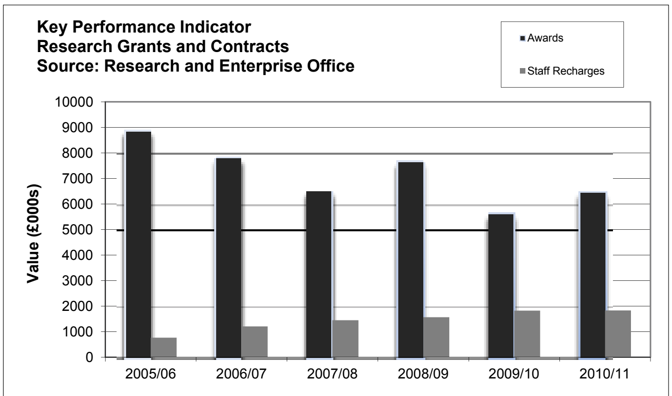
Total expenditure on recurring activities remained fairly static with a 0.2% reduction on last year's spending. There was a £1.1m increase in Other Operating Expenses (OOE) partially due to the cost of redundancies within the Institute of Aquaculture along with the cost of bringing forward the repayment of the Salix[2] fund, £400k,into this financial year. The Salix fund repayment was brought forward to allow the benefit of future savings to be realised through the income and expenditure account.

The increase in (OOE) has been off-set by a reduction in the depreciation charge of £1.2m year-on-year (14.5%) as 2009-10 included the impairment of the Residences which resulted in an additional depreciation charge.

Research Grants and Contracts

Research Income increased by 4.1% in 2010-11, despite the difficult funding environment. The overall contribution from research grants and contracts was £3.5 million, with £1.7 million from overheads and £1.8m from staff recharges. The level of staff recharges increased from 8% of research income in 2005-06 when Full Economic Costing (fEC) was introduced to 23% in 2009-10 reflecting the funders increased contribution towards academic staff costs. They have remained at 23% in 2010-11.

The value of applications for research grants and contracts increased by 42% from £41m in 2009-10 to £58m in 2010-11. This was converted into a 15% increase in the value of awards from £5.7m in 2009-10 to £6.5m in 2010-11 as shown in the chart below:



Balance Sheet and Cash Flow

The University Balance Sheet remains strong, with total fixed assets in excess of £76 million. Capital works of £4.6 million have been financed from reserves and deferred capital grants.

The cash position within the institution increased by £7.3 million year-on-year. This large movement reflects the high spend in 2009-10 which was partly a result of capital work undertaken that year, including the library project. There remains a limited requirement to utilise the revolving credit facility, arranged in 2007-08, prior to the impact of the "credit crunch". This facility was secured on favourable terms and is likely be utilised over the next few years by the residences project.

The improvement with regard to the cash balance has resulted in a net current assets position of £0.5 million as at 31 July 2011 as opposed to £5.2 million net current liabilities reported in 2009-10.

The net assets of the University, excluding pensions liability, increased during the year by £3.3 million from £74.4 million in 2009-10 to £77.7 million in 2010-11 as a result of the increased cash balances described above off-set by the reduction in fixed assets.

The pension liability in the year has decreased by £8.9m from £14.9m at 31 July 2010 to £6m at 31 July 2011 largely due to a change in the assumptions underlying the calculation of the liability, with the balance due to changes in other minor assumptions and a gain on assets. Previously an allowance had been made for discretionary increases. This year no such allowance had been made. Overall, this led to a lower value being placed on the liabilities at the year end than expected at the beginning of the year resulting in a gain of around £7.5m. This actuarial gain on the assumptions consists of the following:

- A gain of £6.6m for the removal of the allowance for discretionary increases.
- A gain of £1.2m in respect of the change to CPI from RPI with regard to the Guaranteed Minimum Pension
- This was offset by a loss of £0.3m in respect of the change in real discount rate.

Over the year, the net assets including pension liability have increased by £12.2m, from £59.4m in 2009-10 to £71.6m in 2010-11. The implementation of the approved Financial Strategy 2010 should ensure the balance sheet will continue to strengthen over the next few years.

Capital Expenditure

During the year £4.6 million was capitalised in the University's on-going programme of capital work. The main project was the replacement of the telephone system which started in 2008-09 and was operational by March 2011. The new equipment is a Voice Over Internet Protocol (VOIP) system at a cost of £1.55 million.

There were significant new investments made in information system projects; namely Research Management System, Business Information System (BI Project), and the Website Platform project. The RCIF funded capital projects to upgrade laboratories and associated equipment continued in Sports Studies and Natural Sciences. Further investment was made in Sports Studies for the floodlights at the athletics track and in Nursing Midwifery and Health for the new clinical skills facility.

The residences redevelopment project commenced this financial year with the appointment of the construction design team. Over the long term, this project will be financed from rental income. The costs to date of £446k represent design and professional services costs incurred.

[2] Salix is an independent, not for profit company who deliver funding to accelerate investment in energy efficiency technologies across the UK public sector.

6. Future Developments

The Strategic Plan sets targets throughout the University that will inform operational plans, that will contribute to the University's continued growth and development and that will stay true to our ethos.

Our key targets are to:

- double current levels of research grant income within the lifetime of this plan
- raise the number of research active staff into our benchmark range of 400 – 500 FTE
- increase postgraduate taught student numbers by 30%
- increase the proportion of our graduates entering graduate level jobs to 85%
- increase income from non-public funds by 20% within the lifetime of this plan
- generate on a recurring basis, a financial surplus of 6%
- establish an international strategic network of partner universities
- double income from philanthropic sources year on year.

These targets will be monitored through our Key Performance Indicators which will be reported within the Performance Report as described in the *Governance and Principal Risks & Uncertainties* section on page iv.

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 University portal, open forums such as the annual Staff Assembly and a staff newsletter, weekly email communications. Staff are encouraged to participate in formal and informal consultation at University, School and Divisional levels through membership of formal Committees and informal working groups. In developing the new strategic plan initial consultation was undertaken with staff from every school and service area, and further opportunities for comment were provided as the plan was drafted.

The University is committed to undertaking a staff survey every two years in order to obtain the views and opinions of all staff. The next survey will take place in 2012.

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.

9. Openness and Freedom of Information

The University places a considerable amount of operational and organisational information in the public domain, increasingly through its website. Much of this can be accessed via the Publication Scheme at http://www.foi.stir.ac.uk/.

The University is a diverse organisation which creates, receives and uses recorded information in a wide variety of formats. The University recognises the value of effective records management, and a University Records Management Policy was 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.

Increased requests for information brought about by the Freedom of Information Act cause an administration burden for the University however the University ensures it manages this appropriately and manages its information effectively.

10. Diversity and Equality

Through good governance and accountability the University is proactive in complying with its statutory and obligatory requirements including health and safety regulations, financial regulations, employment laws and diversity and equality.

The new public sector equality duty came into force on 5 April 2011. The duty replaced the previous equality duties for race, gender and disability, and applies to all public bodies, including universities. The duty was one of the key provisions of the Equality Act 2010 which came into force in October 2010. It places a general duty on public authorities (including universities), when exercising their functions, to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

There are eight '*protected characteristics*'; age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex and sexual orientation. To achieve the duty, the University continues to implement its Single Equality Scheme 2009-2012. The implementation of the Scheme is overseen by the University Diversity and Equality Group (UDEG), which was established in 2011 and which replaced the Diversity and Equal Opportunities Executive Group (DEOEG).

To help ensure compliance with this duty the University created an equality and diversity training module for all staff, which all new staff are asked to complete as part of their induction.

The University gives full consideration to applications for employment from disabled persons. Where existing members of staff become disabled, it is the University's policy and practice wherever practicable to make reasonable adjustments and provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

During the year the University updated its equality and diversity policy to reflect the requirements of the new legislation. This was published in October 2011.

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 policies. All individuals and organisations with which the University has a contractual arrangement are expected to uphold the principles of equality and diversity and not to be party to situations which could lead to unfair discrimination, harassment or victimisation.

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 31 July 2011 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 and 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 the revised UK Corporate Governance Code, formerly the Combined Code, which was published in May 2010 by the Financial Reporting Council. 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 in the revised UK Corporate Governance Code.

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.

As mentioned in the Operating and Financial Review, the University is undertaking a review of institutional Committee structures. The purpose is two fold: firstly to ensure that the Committee structures remain fit for purpose following restructuring; and secondly to evaluate the impact of changes implemented following a previous review in 2008-09. In October 2011 the Court approved a recommendation to merge the Finance and Resources Committee and the Policy and Planning Committee to form a new joint committee of University Court and Academic Council, the Joint Policy, Planning and Resources Committee (JPPRC).

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 new joint Committee of University Court and Academic Council which will take 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*. Currently, the University is undertaking another effectiveness review.

Following the recent academic restructuring the University has made amendments to a number of Ordinances and Statues which can be found on the University web pages at www.calendar.stir.ac.uk. One of the amendments was to Statute 10 which relates to the members of Academic Council.

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.

Throughout 2010/11 the Finance and Resources Committee considered issues relating to the University's finances, estates, information services and staffing and reported matters for information and formal approval as appropriate to the Policy and Planning Committee and Court. The Finance and Resources Committee also recommended to Court the University's annual recurrent budget and capital expenditure plans. In 2011/12 the two committees will be replaced by a joint committee as described above. The monitoring of performance in relation to approved budgets will continue to be undertaken by the University Strategy & Policy Group on a monthly basis throughout the year through its consideration of management accounts, with periodic formal reporting to the new joint 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 and therefore the University has an established risk management process which advises senior management and which is taken into consideration in the development of the Strategic Plan.

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. The responsibility for the management of strategic risk and maintaining a strategic risk register lies within the Policy, Planning & Governance area. Risk identification, assessment and the consideration of control measures are an integral part of the University planning process, and will continue to be further developed and integrated into plans in all areas of the University.

Business continuity and operational risks are now the responsibility of the Operational Risk and Environmental Sustainability team based within Estates & Campus Services. This team has responsibility for preparing a business continuity strategy, business continuity plans (e.g. Pandemic Influenza) and ensuring that the University is resilient against disruption to its key business objectives.

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 compulsory attendance at training sessions for all staff.

The Court receives regular audit updates throughout the year and 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 schools 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 & Infrastructure 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.

Membership of Court and Committees

	C=Court A=Audit F=FRC P=PPC	Court membership dates[1]	Attendance 2010/11			
			Court 4 in year	Audit 2 in year[2]	FRC[3] 4 in year	PPC[4] 4 in year
*Mr Alan G Simpson	C, F, P		4c		4	4
*Mr Alistair Moffat	C		0			
Professor Brian Austin	C		3			
Dr Carron Shankland	C		4			
Professor Richard Edwards	C, P		4			4
Professor Phyllis Lee	C		4			
Ms Nicola Ring	C		4			
*Mr Harry Adam	C		3			
*Mr Gordon Pomphrey	C, A		4	1		
*Mr Geoff D C Burns	C, F		2		3	
*Professor J Campbell Gemmell	C, A		4	2		
*Mr Paul Grice	C, F, P		2		4c	4
*Mr Richard G Murray	C, A		3	2c		
*Mr Andrew Sturgess	C, F		4		1	
*Ms Lynne Marr	C		2			
*Mr Simon Anderson	C		3			
Ms Gillian Geddes	C		4			
Professor Gerry McCormac	C, F, P		4		4	4c
*Councillor Fergus Wood	C		2			
Professor Neil Keeble	C, F, P	to 31/12/2010	2 (of 2)		2 (of 2)	2 (of 2)
Ms Rhianna Humphrey	C, P	to 31/05/2011	3 (of 3)			2 (of 3)
Mr Ross Main	C, F	to 31/05/2011	3 (of 3)		3 (of 3)	
Mr Luke Fenton	C, P	from 01/06/2011	1 (of 1)			1 (of 1)
Mr James Moore	C, F	from 01/06/2011	1 (of 1)		1 (of 1)	
*Mr Scott Haldane	A	from 04/10/2010		1		
Professor David Bell	F				4	
Professor Steve Burt	F, P				4	4
Professor Alan Goodacre	F				3	
Professor Douglas Robertson	F, P				4	4
Mr Stephen Morrow	F	to 31/10/2010			0	
Professor Ian Simpson	P					4
Professor Grant Jarvie	P					4
Mr Kevin Clarke	P					4
Professor Roger Sugden	P					4
Professor Andrew Ginger	P					1
Professor Philip Wookey	P					3

* Lay members
[1] Where membership of committees differ from the Court membership these are listed in the footnotes
[2] There would normally be 3 meetings in the year but the November meeting was cancelled due to bad weather and the business done by circulation
[3] FRC = Finance & Resources Committee
[4] PPC = Policy & Planning Committee
c = Chair of Committee

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

We have audited the financial statements of the University of Stirling for the year ended 31 July 2011 set out on pages 1 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the University Court of the University of Stirling, as a body, 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 of the University of Stirling those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University Court of the University of Stirling, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the University Court of the University of Stirling and auditor

As explained more fully in the Statement of Accounting Responsibilities of the University Court set out on page xi, the University Court of the University of Stirling is responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the universities circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the University Court of the University of Stirling; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the University's affairs as at 31 July 2011 and of its income and expenditure, recognised gains and losses and cash flows for the year then ended; and
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice and the Statement of Recommended Practice: accounting for further and higher education.

Opinion on other matters prescribed by the terms of our engagement

In our opinion, in all material respects:

- funds from whatever source administered by the institution for specific purposes have been properly applied to those purposes and ,if relevant, managed in accordance with relevant legislation, and any other terms and conditions attached to them; and
- funds provided by the Scottish Funding Council have been applied in accordance with the Financial Memorandum.

Matters on which, under the terms of our engagement, we are required to report by exception

We have nothing to report in respect of the following matters where the terms of our engagement require us to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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

December 2011

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.

The financial statements do not include those of the Students' Union 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.

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 considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The University receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

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.

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 USPSCS) 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 University participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis 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 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 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 possible, rather than present, asset arising from a past event.

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31st July 2011

	Note	2011 £'000	2010 £'000
INCOME			
Funding Council Grants	1	**40,160**	43,203
Tuition Fees and Education Contracts	2	**28,524**	25,065
Research Grants and Contracts	3	**8,439**	8,107
Other Income	4	**24,870**	25,542
Endowment and Investment Income	5	**191**	31
Total Income		**102,184**	101,948
EXPENDITURE			
Staff Costs	6	**57,650**	57,689
Other Operating Expenses	7	**32,212**	30,886
Depreciation	10	**7,061**	8,262
Interest Payable	8	**0**	182
Total Expenditure	9	**96,923**	97,019
Surplus on continuing operations after Depreciation of Fixed Assets and before Tax		**5,261**	4,929
Taxation		**0**	0
Surplus on continuing operations after Depreciation of Fixed Assets and after Tax		**5,261**	4,929
Transfer to / (from) accumulated income within endowment funds		**31**	(13)
Surplus for the year retained within General Reserves		**5,292**	4,916

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.

BALANCE SHEET

as at 31st July 2011

	Note	2011 £'000	2010 £'000
Fixed Assets			
Tangible Assets	10	**76,348**	78,827
Investments	11	**324**	399
		76,672	79,226
Endowment Assets	12	**1,496**	1,347
Current Assets			
Stocks		**746**	578
Debtors	13	**7,802**	8,555
Cash at Bank and in Hand		**12,141**	4,780
		20,689	13,913
Creditors: Amounts falling due within one year	14	**(20,215)**	(19,068)
Net Current Assets/(Liabilities)		**474**	(5,155)
Total Assets less Current Liabilities		**78,642**	75,418
Creditors: Amounts falling due after more than one year	15	**0**	(5)
Provisions for Liabilities and Charges	17	**(958)**	(1,059)
Net Assets excluding Pensions Liability		**77,684**	74,354
Net Pensions Liability		**(6,093)**	(14,978)
Net Assets including Pensions Liability		**71,591**	59,376

	Note	2011 £'000	2010 £'000
Deferred Capital Grants	18	**35,117**	36,810
Endowments			
Permanent	19	**228**	222
Expendable	19	**1,268**	1,125
		1,496	1,347
Reserve			
General Reserve	20	**41,071**	36,197
Pension Reserve	20	**(6,093)**	(14,978)
Total Reserves		**34,978**	21,219
Total		**71,591**	59,376

The financial statements on pages 1 to 35 were approved by the University Court on the 12th December 2011 and signed on its behalf by:

G. McCormac
Principal and Vice-Chancellor

P. Grice
Chair, Finance & Resources Committee

L. F. McCabe
Director of Finance

CASH FLOW STATEMENT

for the year ended 31st July 2011

	Note	**2011 £'000**	2010 £'000
Cash flow from Operating Activities	21	**9,361**	6,139
Returns on Investment and Servicing of Finance	22	**139**	31
Capital Expenditure and Financial Investment	23	**(2,000)**	(7,699)
Financing	24	**(5)**	(5)
Increase/(Decrease) in Cash in the year		**7,495**	(1,534)

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

	Note	**2011 £'000**	2010 £'000
Increase/(Decrease) in Cash in the year		**7,495**	(1,534)
Cash outflow in respect of loan and lease finance repayments	24	**5**	5
Change in Net Funds/(Debts) resulting from cash flows		**7,500**	(1,529)
Finance Lease non-cash transaction		**0**	0
Movement in Net Funds/(Debts) in Period		**7,500**	(1,529)
Net Funds at 1st August	25	**5,950**	7,479
Net Funds at 31st July	25	**13,450**	5,950

STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES

for the year ended 31st July 2011

	Note	2011 £'000	2010 £'000
Surplus on continuing operations after Depreciation of Fixed Assets and after Tax		**5,261**	4,929
Appreciation of Endowment Asset Investments	19	**15**	17
New endowments	19	**165**	55
Actuarial gain in respect of pension scheme	26	**8,467**	507
Total gains recognised in the year		**13,908**	5,508

Reconciliation

		2011 £'000	2010 £'000
Opening reserves and endowments		**22,566**	17,058
Total recognised gains and losses for the year		**13,908**	5,508
Closing reserves and endowments		**36,474**	22,566

NOTES TO THE ACCOUNTS

	2011 £'000	2010 £'000
Note		
1. Scottish Funding Council Grants		
General Fund - Teaching	**29,100**	28,990
General Fund - Research	**6,240**	8,205
Horizon Fund	**2,820**	3,115
Other SFC Grants	**55**	264
Deferred Capital Grants Released in Year		
Buildings (note 18)	**1,501**	1,675
Equipment (note 18)	**444**	954
	40,160	43,203
2. Tuition Fees and Education Contracts		
UK and EU Fees	**14,362**	13,779
Non-EU Fees	**12,806**	10,083
Non-credit Bearing Course Fees	**951**	964
Research Training Support Grants	**405**	239
	28,524	25,065
3. Research Grants and Contracts		
Research Councils	**2,141**	2,239
UK Charities	**1,256**	1,209
Government Departments	**3,001**	2,968
UK Industry and Commerce	**414**	215
European Commission	**1,204**	1,080
Other Overseas	**351**	304
Other	**72**	92
	8,439	8,107

NOTES TO THE ACCOUNTS - continued

Note		2011 £'000	2010 £'000
4.	**Other Income**		
	Consultancy and Other Services Rendered	**4,316**	4,452
	Catering	**1,084**	949
	Residences	**8,543**	8,015
	Commercial Operations	**903**	1,211
	Stirling Management Centre	**3,231**	3,628
	Aquaculture External Facilities	**808**	1,172
	Sports Development Services	**1,697**	1,650
	Other Income	**3,488**	3,532
	Released from Deferred Capital Grants		
	Buildings (note 18)	**748**	873
	Equipment (note 18)	**52**	60
		24,870	25,542
5.	**Endowment and Investment Income**		
	Income from Expendable Endowments (note 19)	**36**	5
	Income from Permanent Endowments (note 19)	**0**	2
	Other Interest Receivable	**103**	24
	Net Return on Pension Assets	**52**	0
		191	31

NOTES TO THE ACCOUNTS – continued

Note		2011	2010
6.	**Staff Costs**		
			Re-stated
	Staff Numbers by Major Category	**F.T.E.s**	F.T.E.s
	Academic Schools	**560**	587
	Academic Services	**102**	105
	Administration and Central Services	**193**	196
	Premises	**156**	154
	Research Grants and Contracts	**112**	99
	Catering and Residences	**99**	107
	Miscellaneous/Other	**109**	113
		1,331	1,361
	Staff Costs	**£'000**	£'000
	Wages and Salaries	**46,980**	47,341
	Social Security Costs	**3,500**	3,469
	Other Pension Costs	**7,170**	6,879
		57,650	57,689
	Academic Schools	**29,428**	29,269
	Academic Services	**4,293**	4,453
	Administration and Central Services	**7,996**	7,928
	Premises	**3,351**	3,180
	Research Grants and Contracts	**4,734**	4,774
	Catering, Residences and Commercial Operations	**3,868**	3,985
	Miscellaneous/Other	**3,980**	4,100
		57,650	57,689

Number of staff who received emoluments in the following ranges

(including the Principal and Vice-Chancellor)	**Number**	Number
£70,000 - £79,999	**16**	19
£80,000 - £89,999	**13**	21
£90,000 - £99,999	**5**	10
£100,000 - £109,999	**2**	4
£110,000 - £119,999	**0**	1
£120,000 - £129,999	**0**	1
£140,000 - £149,999	**1**	1
£160,000 - £169,999	**0**	1
£190,000 - £199,999	**1**	0
Total number of high earners	**38**	58

Of the 58 high earners in 2009/10, 20 were as a result of Voluntary Severance payments made. These were non-recurring costs.

NOTES TO THE ACCOUNTS – continued

Emoluments of the Principal and Vice-Chancellor	£'000	£'000
Professor Christine Hallett (left 30th April 2010)		
Salary	**0**	162
Benefits in kind	**0**	2
	0	164
Pension Contributions	**0**	25
Professor Gerry McCormac (started 1st May 2010)		
Salary	**192**	48
Benefits in kind	**1**	0
	193	48
Pension Contributions	**31**	8
Total emoluments of the Principals:		
Salary	**192**	210
Benefits in kind	**1**	2
	193	212
Pension Contributions	**31**	33

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

	2011	2010
	£'000	£'000
Note		
7. Other Operating Expenses		
Academic Schools	**7,328**	6,479
Academic Services	**2,526**	2,129
Administration and Central Services	**5,221**	5,018
Premises	**5,034**	5,055
Research Grants and Contracts	**2,062**	1,617
Consultancy and Other Services Rendered	**1,542**	1,737
Catering	**1,116**	1,059
Residences	**2,807**	2,814
Commercial Operations	**632**	651
Stirling Management Centre	**2,056**	1,944
Aquaculture External Facilities	**556**	451
Sports Development Services	**615**	664
Miscellaneous	**69**	1,003
Early Retirement & Severance	**648**	265
	32,212	30,886
Other operating expenses include:		
Auditors' remuneration		
External Auditors		
- for the audit of the financial statements	**39**	38
- other services	**92**	31
Internal Auditors	**24**	46
	155	115
8. Interest Payable		
Net Pension finance cost	**0**	182
	0	182

NOTES TO THE ACCOUNTS - continued

Note

9. Analysis of 2010-2011 Expenditure by Activity

	Staff Costs £'000	Depreciation £'000	Other Operating Expenses £'000	Total £'000
Academic Schools	29,428	222	7,328	36,978
Academic Services	4,293	916	2,526	7,735
Administration and Central Services	7,996	493	5,221	13,710
Premises	3,351	4,217	5,034	12,602
Research Grants and Contracts	4,734	0	2,062	6,796
Consultancy and Other Services Rendered	1,849	12	1,542	3,403
Catering	83	23	1,116	1,222
Residences	3,346	760	2,807	6,913
Commercial Operations	439	0	632	1,071
Stirling Management Centre	454	382	2,056	2,892
Aquaculture External Facilities	455	36	556	1,047
Sports Development Services	1,617	0	615	2,232
Miscellaneous *	(401)	0	69	332
Early Retirement & Severance	6	0	648	654
Total per Income and Expenditure Account	57,650	7,061	32,212	96,923

The depreciation charge has been funded by:		
Deferred Capital Grants Released	2,745	(note 18)
General Income	4,316	
	7,061	

* The £401k credit for Miscellaneous Staff Costs largely reflects the impact of the pensions accounting adjustment made under FRS17.

NOTES TO THE ACCOUNTS – continued

Note
10. Tangible Fixed Assets

	Land, Buildings & Assoc. Equip. Freehold £'000	Leasehold £'000	Equipment £'000	Leased Equipment £'000	Assets Under Construction £'000	Total £'000
At 1st August 2010						
Cost	114,368	101	13,301	129	1,871	129,770
Additions at Cost	1,200	0	1,425	0	1,979	4,604
Disposals at Cost	0	(1)	(196)	0	(21)	(218)
Transfers	542	0	1,108	0	(1,650)	0
Revaluation in Year	0	0	0	0	0	0
At 31st July 2011						
Cost	116,110	100	15,638	129	2,179	134,156
Depreciation						
At 1st August 2010	39,273	58	11,483	129	0	50,943
Charge for Year	5,180	2	1,879	0	0	7,061
Eliminated by Disposals	0	0	(196)	0	0	(196)
At 31st July 2011	44,453	60	13,166	129	0	57,808
Net Book Value						
At 31st July 2011	71,657	40	2,472	0	2,179	76,348
At 1st August 2010	75,095	43	1,818	0	1,871	78,827

Inherited Assets

Buildings with a net book value of £3,094,000 and historical cost of £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.

Assets Under Construction

The incomplete assets as at 31st July 2011 include the Sports Science Labs, £628,000, which will prepare athletes to optimise their performance and the Residences Redevelopment Project, £446,000, which will provide high quality accommodation which meets the expectations of today's students.

Software

Software with a net book value of £31,000 is included within Equipment.

Heritage Assets

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

	2011 £'000	2010 £'000
Note		
11. Investments		
Listed Investments		
Balance as at 1st August	**399**	292
Additions	**64**	30
Disposals	**(175)**	(47)
Appreciation on Disposals/Revaluation of Investments	**36**	124
Balance as at 31st July	**324**	399
Fixed interest stocks and equities at Historical Cost	**389**	389
12. Endowment Assets		
Balance as at 1st August	**1,347**	1,262
New endowments invested	**165**	55
Increase in market value of investments	**15**	17
Increase / (decrease) in cash balances held for endowment funds	**(31)**	13
Balance as at 31st July	**1,496**	1,347
Represented by:		
Fixed interest stocks (listed)	**15**	15
Equities (listed)	**142**	127
Equities (unlisted)	**25**	25
Cash balances (note 25)	**1,314**	1,180
Total	**1,496**	1,347
Fixed interest stocks and equities at Historical Cost	**118**	118

NOTES TO THE ACCOUNTS – continued

Note		2011 £'000	2010 £'000
13.	**Debtors**		
	Amount falling due within one year:		
	Debtors	**4,292**	5,314
	Prepayments and accrued income	**3,360**	3,191
	Debtors falling due after more than one year	**150**	50
		7,802	8,555
14.	**Creditors: Amounts falling due within one Year**		
	Bank and other loans	**5**	5
	Creditors	**8,426**	7,508
	Accruals and deferred income	**10,173**	10,221
	Social security and other taxation payable	**1,611**	1,334
		20,215	19,068
15.	**Creditors: Amounts falling due after more than one Year**		
	Bank and other loans	**0**	5
		0	5

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:	**2011**	2010
	£'000	£'000
In one year or less	**5**	5
Between one and two years	**0**	5
Total	**5**	10

17. Provisions for Liabilities and Charges	**2011**
	£'000
At 1st August 2010	**1,059**
Utilised in the year	**(130)**
Released in the year	**(27)**
Transferred from I & E account	**56**
At 31st July 2011	**958**

NOTES TO THE ACCOUNTS – continued

Note

18. Deferred Capital Grants

	Funding Council £'000	Other Grants and Gifts £'000	Total £'000
At 1st August 2010			
Buildings	23,693	12,189	35,882
Equipment	803	125	928
Total	24,496	12,314	36,810
Cash received			
Buildings	733	276	1,009
Equipment	43	0	43
Total	776	276	1,052
Released to income and expenditure account			
Buildings (notes 1 and 4)	(1,501)	(747)	(2,248)
Equipment (notes 1 and 4)	(444)	(53)	(497)
Total (note 9)	(1,945)	(800)	(2,745)
At 31st July 2011			
Buildings	22,925	11,718	34,643
Equipment	402	72	474
Total	23,327	11,790	35,117

NOTES TO THE ACCOUNTS – continued

Note

19. Endowments

	Restricted Permanent £'000	Restricted Expendable £'000	2011 Total £'000	2010 Total £'000
Balance as at 1 August 2010				
Capital	**151**	**756**	**907**	836
Accumulated income	**71**	**369**	**440**	426
	222	**1,125**	**1,347**	1,262
New Endowments	**0**	**165**	**165**	55
Investment Income	**0**	**36**	**36**	7
Expenditure	**(9)**	**(58)**	**(67)**	6
	(9)	**(22)**	**(31)**	13
Increase in market value of investments	**15**	**0**	**15**	17
Balance as at 31st July 2011	**228**	**1,268**	**1,496**	1,347
Representing				
Capital	**166**	**921**	**1,087**	907
Accumulated income	**62**	**347**	**409**	440
Total	**228**	**1,268**	**1,496**	1,347

NOTES TO THE ACCOUNTS – continued

Note

20. General Reserve

	2011	2010
	£'000	£'000
Income and Expenditure Account		
Balance as at 1st August	**21,219**	15,796
Historical Cost Surplus after Depreciation of Assets and Tax	**5,292**	4,916
Actuarial gain on pension scheme liability	**8,467**	507
At 31st July	**34,978**	21,219
Represented by:		
Income and Expenditure Account		
Balance as at 1st August	**36,197**	31,669
Historical Cost Surplus after Depreciation of Assets and Tax	**5,292**	4,916
Transfer from Pension Reserve	**(418)**	(388)
	41,071	36,197
Pension Reserve		
Deficit in schemes at beginning of year	**(14,978)**	(15,873)
Movement in year:		
Current Service Cost	**(2,023)**	(1,928)
Contributions	**2,389**	2,498
Net Return on Assets	**52**	(182)
Actuarial Gain	**8,467**	507
Deficit in Scheme at end of year	**(6,093)**	(14,978)
Reconciliation		
Income and Expenditure Account	**41,071**	36,197
Pension Reserve	**(6,093)**	(14,978)
	34,978	21,219

NOTES TO THE ACCOUNTS – continued

Note

21. Reconciliation of Operating Surplus to Net Cash Inflow from Operating Activities	**2011 £'000**	2010 £'000
Surplus on continuing operations after depreciation of assets and before tax	**5,261**	4,929
Pension Costs less contributions payable (note 26)	**(366)**	(570)
Depreciation (note 10)	**7,061**	8,262
Revaluation of Investments (note 11)	**(36)**	(124)
Deferred Capital Grants Released to Income (note 18)	**(2,745)**	(3,562)
Profit on disposal of tangible fixed assets	**22**	0
Investment income and net endowment receivable	**(191)**	(31)
Interest payable (note 8)	**0**	182
(Increase) in stocks	**(168)**	(36)
(Increase) / Decrease in debtors/prepayments	**753**	(1,016)
Increase / (Decrease) in creditors / accruals	**(129)**	644
Decrease in provisions	**(101)**	(2,539)
Net cash inflow from operating activities	**9,361**	6,139

22. Returns on Investment and Servicing of Finance

Income from endowments (note 19)	**36**	7
Other interest received (note 5)	**103**	24
Net cash outflow from returns on investments and servicing of finance	**139**	31

23. Capital Expenditure and Financial Investment

Purchase of tangible fixed assets (Other than leased equipment)	**(4,604)**	(12,532)
Purchase of investments (note 11)	**(64)**	(30)
Sale of investments (note 11)	**175**	47
Payments to acquire endowment assets	**34**	(12)
Receipt from sale of endowment assets	**(34)**	12
Deferred capital grants received in-year	**2,328**	4,761
Endowments received (note 19)	**165**	55
Net cash outflow in respect of capital expenditure and financial investment	**(2,000)**	(7,699)

NOTES TO THE ACCOUNTS – continued

Note

24. Analysis of Changes in Financing during the Year

	Loans £'000	Total £'000
Balances at 1st August 2009	15	15
Capital Repayments	(5)	(5)
Net Amount Repaid in Year	(5)	(5)
Balances at 31st July 2010	10	10
Capital Repayments	(5)	(5)
Net Amount Acquired/(Repaid) in Year	(5)	(5)
Balances at 31st July 2011	5	5

25. Analysis of Changes in Net Funds

	At 1st August 2010 £'000	Cash flows £'000	At 31st July 2011 £'000
Cash in hand, and at bank	4,780	7,361	12,141
Endowment asset investments (note 12)	1,180	134	1,314
	5,960	7,495	13,455
Debt due within one year	(5)	0	(5)
Debt due after one year	(5)	5	0
Total	5,950	7,500	13,450

NOTES TO THE ACCOUNTS - continued

Note

26. 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:

		31/07/11 £'000		31/07/10 £'000
USS: contributions paid		**5,273**		5,136
USPS/USPSCS:				
Contributions paid	**2,263**		2,313	
FRS 17 charge	**(366)**		(570)	
Charge to the Income and Expenditure Account (staff costs)		**1,897**		1,743
Total Pension Costs (Note 6)		**7,170**		6,879

The University also incurs cost of £78k per annum for the Falkirk Pension Scheme which has one active member in employment.

Contributions amounting to £631k (2010: £635k) 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 2008 by a qualified independent actuary. The employer contribution rate for USPS remains the same at 24.9% and for USPSCS at 33.75%. Previously an allowance had been made for discretionary increases. This year no such allowance has been made, as it is considered that there is no benefit right attached to these. Overall, this led to a lower value being placed on the liabilities at the year end than expected at the beginning of the year resulting in a gain of around £7.5m. This actuarial gain on the assumptions consists of the following:

- A gain of £6.6m for the removal of the allowance for discretionary increases.
- A gain of £1.2m in respect of the change to CPI from RPI with regard to the Guaranteed Minimum Pension
- This was offset by a loss of £0.3m in respect of the change in real discount rate.

The government announced on the 8 July 2010 that they will in future use the consumer prices index ("CPI") in place of the retail prices index ("RPI") as the index for determining pension increases for private sector occupational pension schemes as well as using this for public sector schemes. CPI is generally expected to be lower than RPI in the long term and this should lead to lower pension increases. In addition, the cost of benefit accrual will also be correspondingly lower. We have reviewed the rules surrounding the University's own pension scheme and concluded that these stipulate the use of RPI as the central inflation assumption. Furthermore it was concluded that the approval of the trustees would be required in order to change the rules and that this would not be pursued at the current time therefore RPI continues to be used as the inflation assumption below.

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

	At 31/07/11	**At 31/07/10**	**At 31/07/09**
Rate of increase in salaries	4.5%	4.5%	4.6%
Rate of increase for pensions in payment	3.5%	3.5%	3.5%
Discount rate for scheme liabilities	5.3%	5.4%	6.0%
Rate of increase of deferred pensions	3.5%	3.5%	3.6%
Inflation assumption	3.5%	3.0%	3.6%

Note : Rate of increase in salaries has been assumed as 0.5% p.a. for the first 3 years, increasing to 4.5% thereafter.

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

	At 31/07/11	**At 31/07/10**
Retiring today/current pensioners		
Males	20.70	20.70
Females	23.30	23.20
Retiring in 20 years/future pensioners		
Males	22.10	22.00
Females	24.50	24.40

NOTES TO THE ACCOUNTS – continued

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

	Long-term rate of return expected at 31/07/11	Long-term rate of return expected at 31/07/10	Long-term rate of return expected at 31/07/09
Equities	7.7%	8.0%	8.4%
Bonds	5.0%	4.4%	6.0%
Property	6.0%	6.0%	
Other	0.5%	0.5%	0.5%

	Value at 31/07/11 £m	Value at 31/07/10 £m	Value at 31/07/09 £m
Equities	39.2	35.0	31.8
Bonds	2.4	8.0	7.6
Other	9.8	2.6	0.3
Total market value of assets	51.4	45.6	39.7
Present value of schemes' liabilities	(57.5)	(60.5)	(55.6)
Deficit in schemes	(6.1)	(14.9)	(15.9)

NOTES TO THE ACCOUNTS - continued

	31/07/11 £'000	31/07/10 £'000
Analysis of Amount Charged to Operating Profit		
Current service cost	**2,023**	1,928
Total operating charge	**2,023**	1,928
Analysis of amounts credited to Other Investment Income		
Expected return on pension schemes' assets	**3,330**	3,151
Interest cost	**(3,278)**	(3,333)
Net return	**52**	(182)
Analysis of amounts recognised in STRGL		
Difference between actual return and expected return on pension scheme's assets	**1,764**	2,139
Experience gains and losses arising on the schemes' liabilities	**(789)**	1,402
Changes in financial assumptions underlying the schemes' liabilities	**7,492**	(3,034)
Actuarial Gain recognised in STRGL	**8,467**	507
Movement in Deficit Through the Year		
Deficit in Schemes at beginning of year	**(14,978)**	(15,873)
Current Service Cost	**(2,023)**	(1,928)
Contributions	**2,389**	2,498
Other Finance Income	**52**	(182)
Actuarial Gain	**8,467**	507
Deficit in Schemes at end of year	**(6,093)**	(14,978)
Movement in present value of schemes' liabilities		
Liability at beginning of year	**60,507**	55,573
Service Cost	**2,023**	1,928
Employee Contributions	**518**	485
Interest Cost	**3,278**	3,333
Actuarial Losses	**(6,703)**	1,631
Benefits Paid	**(2,139)**	(2,443)
Liability at end of year	**57,484**	60,507
Movement in market value of schemes' assets		
Asset at beginning of year	**45,530**	39,700
Expected Return	**3,330**	3,151
Actuarial Gains	**1,764**	2,139
Contributions by Employer	**2,389**	2,498
Contributions by Members	**518**	485
Benefits Paid	**(2,139)**	(2,443)
Asset at end of year	**51,392**	45,530

NOTES TO THE ACCOUNTS - continued

	31/07/11	**31/07/10**	**31/07/09**	**31/07/08**
Difference between the expected and actual return on schemes' assets:				
Amount (£'000)	1,764	2,139	(2,347)	(4,072)
Percentage of schemes' assets	3.4%	4.7%	5.9%	10.7%
Experience gain/(loss) arising on the schemes' liabilities:				
Amount (£'000)	(789)	1,402	(526)	(556)
Percentage of schemes' liabilities	(1.5%)	3.1%	0.9%	1.2%
Total amount of actuarial gain/(loss)				
Amount (£'000)	8,467	507	(8,234)	(5,673)
Percentage of schemes' liabilities	16.5%	1.1%	14.8%	12.3%

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 board. 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 scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis 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 triennial 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 actuary also carries out a review of the funding level each year between triennial valuations and details of his estimate of the funding level at 31 March 2010 are also included in this note.

The triennial 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).

NOTES TO THE ACCOUNTS – continued

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.

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 out performance 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 scheme-wide 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.

NOTES TO THE ACCOUNTS – continued

Since 31st March 2008 global investment markets have continued to fluctuate and at 31st March 2010 the actuary has estimated that the funding level under the new scheme specific funding regime had fallen from 103% to 91% (a deficit of £3,065 million). Compared to the previous 12 months, the funding level has improved from 74% (as at 31st March 2009) to 91%. This estimate is based on the funding level at 31st March 2008, adjusted to reflect the fund's actual investment performance over the two years 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 5.6% per annum based on spot yields, the actuary estimated that the funding level at 31st March 2010 was 80%. An estimate of the funding level measured on a buy-out basis at that date was approximately 57%.

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 on a technical provisions basis as at the date of the last triennial valuation 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 major exposure to equities through portfolios that are diversified both geographically and by sector. The trustee recognises that it would be theoretically 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 needs 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 what degree of investment risk to take relative to the liabilities, the trustee receives advice from its internal investment team, 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 although the trustee is mindful of the desirability of keeping the funding level on the scheme's technical provisions close to or above 100% thereby minimizing the risk of the induction of deficit contributions. 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.

At 31st July 2011, the institution had 836 active members participating in the USS scheme.

The total pension cost for the institution was £5,273k, (2010; £5,136k). The contribution rate payable by the institution was 16% of pensionable salaries.

NOTES TO THE ACCOUNTS – continued

Note

27. Capital Commitments

	2011	2010
	£'000	£'000
Commitments contracted at 31st July	2,051	2,459
Authorised but not contracted at 31st July	4,988	6,067
	7,039	8,526

28. Financial Commitments

Operating lease commitments for the 2011 financial year, on leases expiring:

	2011	2010
	£'000	£'000
Between one and five years		
Union Street residential property lease	578	544
Lyon Crescent residential property lease	417	404
	995	948

29. Access Funds

	2011	2010
	£'000	£'000
Balance at 1st August	22	50
Funding Council grants	669	565
Interest earned	2	2
	693	617
Disbursed to students	(633)	(595)
Balance Unspent as at 31st July	60	22

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

30. Contingent Liabilities

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 at the 31st July 2011 is circa £700k.

The University is currently subject to a claim made to Employment Tribunals (Scotland) by the University and College Union (UCU) in relation to employees on fixed term contracts and the voluntary severance scheme offered in 2009. The Employment Tribunal found against the University on the fixed term contracts aspect in a judgement published on 26 November 2010. After consulting with legal advisers the University is appealing this decision. The financial implications have not been determined and cannot be readily ascertained therefore the University does not consider it appropriate to make any provision in these financial statements. In terms of the 2009 voluntary severance scheme, the University, having taken legal advice, strongly disputes this claim and accordingly does not believe it is appropriate to make any provision in these financial statements.

NOTES TO THE ACCOUNTS – continued

Note

31. Related Party Transactions

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

	2010/11			2009/10			
	Income £'000	**Expenditure £'000**	**Debtor £'000**	**Income £'000**	**Expenditure £'000**	**Creditor £'000**	**Debtor £'000**
MacRobert Arts Centre: Councillor Fergus Wood – Board Member	**159**	**39**	**154**	277	50	0	97
Scottish Environment Protection Agency *: Professor J Campbell Gemmell – Chief Executive Officer	**0**	**11**	**0**	0	12	0	0
Sports Scotland Professor Grant Jarvie – Board Member	**0**	**0**	**0**	46	0	17	0
Stirling University Innovation Park Limited Dr John Rogers and Ms Karen Plouviez – Directors	**45**	**195**	**45**	27	50	0	8
University of Stirling Students Union Ms Rhianna Murphy - President to 31 May 2011 Mr Luke Fenton - President from 1 June 2011 Mr Ross Main - Vice-President to 31 May 2011 Mr James Moore - Vice-President from 1 June 2011	**68**	**202**	**35**	94	24	0	82
Other Related Parties **	**5**	**12**	**0**	4	0	0	0
	277	**459**	**233**	448	136	17	187

* £11k expenditure relates to Controlled Activities Regulations (CAR) licence fees

** Transactions relating to 5 other parties have been aggregated due to their low value.

NOTES TO THE ACCOUNTS – continued

Note

32. University Companies

Subsidiaries

The University owns 100% of the issued share capital of ordinary shares of SURE Limited. The principal activity of the company was to develop and promote research innovation and commercialisation on behalf of the University. The company is currently not operating.

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.

33. 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 £4.7m.

COMPOSITION OF COMMITTEES CONCERNED DIRECTLY WITH FINANCE

IN THE YEAR ENDED 31st JULY 2011

Membership of Audit Committee

Mr R G Murray (Chair) *
Professor J C Gemmell *
Mr G Pomphrey *
Mr S Haldane *

Membership of Policy & Planning Committee (PPC)

Professor G McCormac (Chair)
Professor N H Keeble
Professor S Burt
Professor I Simpson
Professor G Jarvie
Mr K J Clarke
Mr A G Simpson *
Mr P Grice *
Professor R Sugden
Professor R Edwards
Professor D Robertson
Professor A Ginger
Professor P Wookey
Ms R Humphrey
Mr L Fenton

Membership of Finance & Resources Committee (FRC)

Mr P Grice (Chair) *
Professor G McCormac
Professor N H Keeble
Mr A G Simpson *
Professor S Burt
Mr G D C Burns *
Mr S Morrow
Professor D Robertson
Professor A Goodacre
Professor D Bell
Mr R Main
Mr J Moore
Mr A Sturgess *

* Lay member

Court

(For the year to 31 July 2011)

Ex-Officio Members:

Professor (Francis) Gerard McCormac
BSc, PhD, FSA, FHEA, FRSA, 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

Ms Rhianna Holly Humphrey to 31 May 2011
President of USSU

Mr Ross Main to 31 May 2011
Vice-President Development & Activities of USSU

Mr Luke Fenton from 1 June 2011
President of USSU

Mr James Moore from 1 June 2011
Vice-President Development & Activities of USSU

Appointed Members:

Mr Harry Adam
BA, appointed by Alumni Association

Mr Simon Niall Anderson
MA, MSc – appointed by Court

Professor Brian Austin
BSc, PhD, DSc, FHEA, FRSA – appointed by Academic Council

Mr Geoffrey Douglas Charles Burns
BA, MSc – appointed by Court

Professor Richard George Edwards
BA, PhD – appointed by Academic Council

Ms Gillian Geddes
appointed by Staff Assembly

Professor (James) Campbell Gemmell
BSc, PhD, MA, FRSA – appointed by Court

Mr Paul Edward Grice
BSc – appointed by Court

Professor Phyllis Lee
BA, PhD – appointed by Academic Council

Ms Lynne Anne Marr
LLB, DipLP – appointed by Court

Alistair Murray Moffat
MA, CertEd, MPhil – appointed by the Chancellor

Mr Richard Gerard Murray
BA, CA – appointed by Court

Mr Gordon McLaren Pomphrey
BSc – appointed by Court

Dr Carron Elizabeth Shankland
BSc, PhD – appointed by Academic Council

Alan Gordon Simpson
MA – appointed by Court – Chair of Court

Mr Andrew Sturgess
BA – appointed by Court

Ms Nicola Ring
Appointed by Academic Council

1 x vacancy – appointed by Academic Council
2 x vacancies – appointed by Court

Contacts

Main University Switchboard
+44 (0) 1786 473171

Admissions
+44 (0) 1786 467046

Alumni Relations
+44 (0) 1786 467055

Commercial Operations
+44 (0) 1786 467140

Conferences and Holidays
+44 (0) 1786 467140/1

Development (Fundraising)
+44 (0) 1786 466675

Development and External Affairs
+44 (0) 1786 467055

Finance Office
+44 (0) 1786 467124

Highland Campus (Inverness)
+44 (0) 1463 255655

International Office
+44 (0) 1786 467046

MacRobert Arts Centre
+44 (0) 1786 466666

Policy, Planning & Governance
+44 (0) 1786 466949

Research & Enterprise Office
+44 (0) 1786 467041

Sports Development Service
+44 (0) 1786 466900

Stirling Management Centre
+44 (0) 1786 451666

Stirling University Research & Enterprise Ltd
+44 (0) 1786 466694

UK/Europe Office
+44 (0) 1786 467046

Western Isles Campus (Stornoway)
+44 (0) 1851 704704

University of Stirling
Stirling FK9 4LA
Scotland UK
www.stir.ac.uk

To view the current version of the Financial Statements, visit: **www.stir.ac.uk/about/university-of-stirling-publications**