

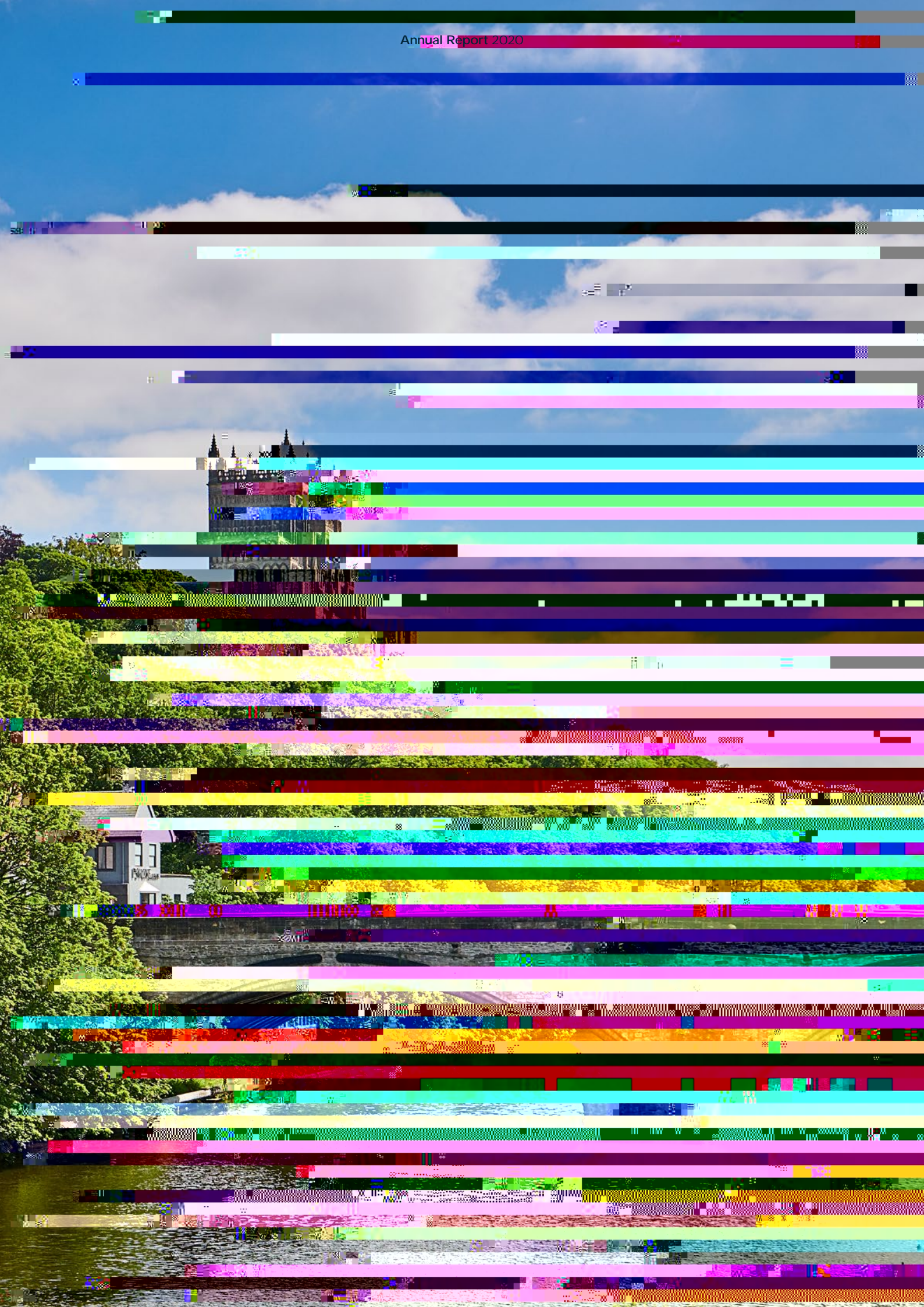


Foreword from the Chair of Council	4
Welcome from the Vice-Chancellor	6
Overview and Strategy	8
Operational Review	16
Financial Review	44
Governance	48
Independent Auditors' Report to Council	58
Statement of Principal Accounting Policies	60
Financial Statements	66

*This report takes into account the concepts of the framework developed by the International Integrated Reporting Council (IIRC). We are working to fully adopt the framework to embed integrated thinking and decision-making, to improve the quality of our reporting and the sustainability of the institution. This report supports this process through providing a concise communication about how our strategy, governance, performance and prospects, in the context of the external environment, lead to the creation of value over the short, medium and long term.*

This past year has brought unprecedented challenges to the University. While the values and goals of Durham University remain the same, we have had to fundamentally rethink how we deliver world class education and research in a transformed environment. Given the unparalleled circumstances we face, the contribution of Durham University, producing well-rounded graduates, conducting research which improves lives and supports both the local and the global community, is required more now than ever.

The University Strategy 2017-2027 sets out the institution's plans for development across the four distinct and inter-related pillars: research, education, wider student experience and global, and



**Durham is one of the world's great universities and one of the most distinctive. In what has been an academic year quite unlike any other, the commitment of our staff and students towards their community and each other has made me enormously proud of our institution and our collective achievements.**

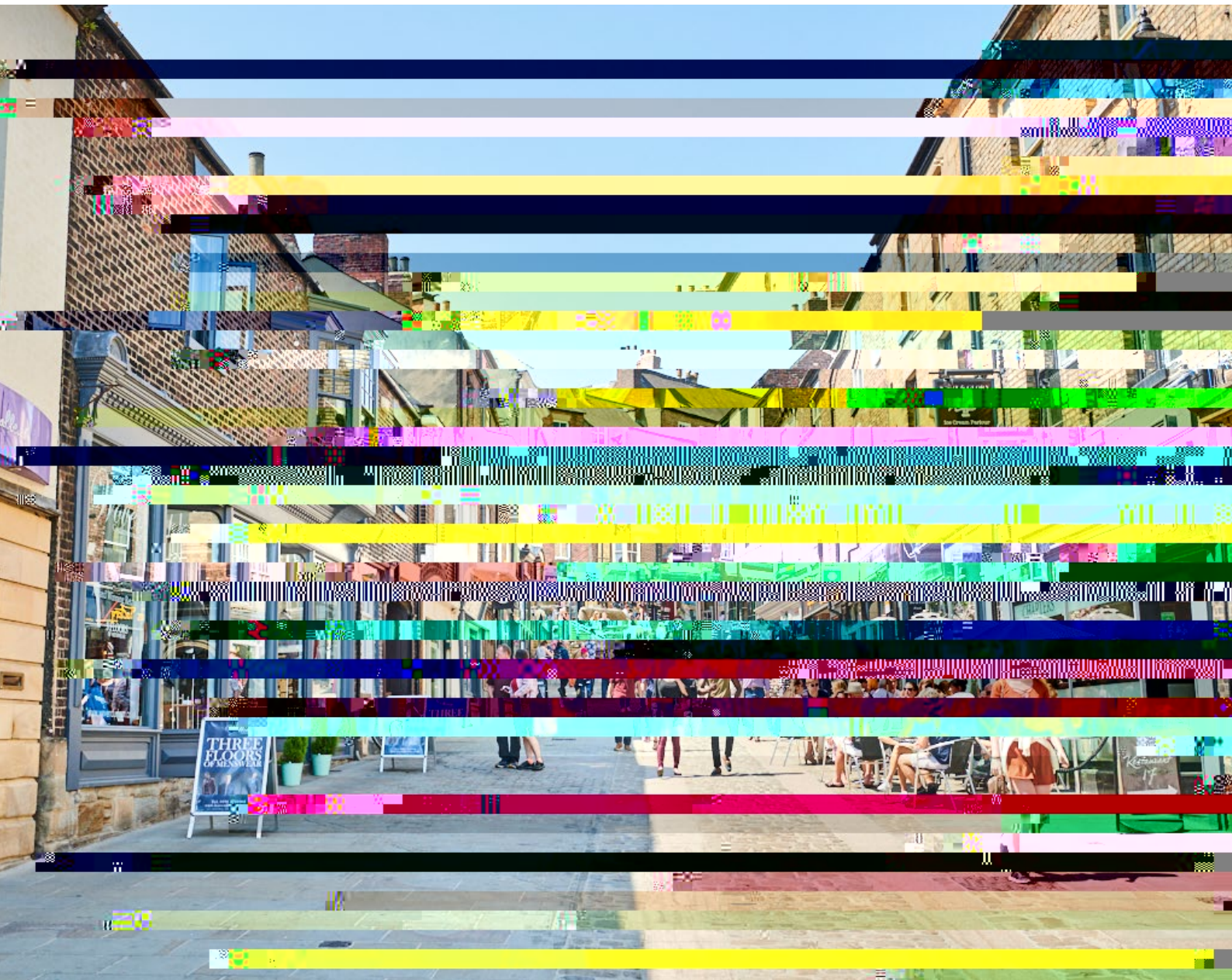
We started the year aware of gathering challenges for our sector,

While some of our projects, plans and research have been paused amid Covid-19, overall we have continued to deliver our Strategy, including our capital programme. The University now has two splendid new Colleges. Later in 2020, the University will take possession of a wonderful new building for our Departments of Mathematical Sciences and Computer Science. Whether we will be able to hold our 2021 Congregations in the Cathedral, as we must hope we can, only time and Covid-19 will tell. If we cannot, we will ensure that our students get a wonderful entry to our alumni community online, just as we did in August 2020, along with a promise that we will invite everyone back to face-to-face Congregations in the Cathedral as soon as we can.

the end of July 2021, bringing forward my original plan by a year has been an immense privilege and will be again this year. I am as Vice-Chancellor and Warden. I am also hugely proud of our

it would be in 'normal' years, but the University continues to be

faith in the willingness of colleagues across the University to work with management and the University Council to ensure that we are well placed to invest in a strong future as the pandemic recedes.







It remains our plan to progress the University Strategy 2017-2027,

more globally visible, world-leading in all of our core areas and with a stronger and sustainable business model. In response to

as economic, social and environmental sustainability across the four pillars of our Strategy. We have already made and continue to make changes to how we work and what we do, to address

international affairs and winter4COponse tWNL5!QV!l!@p!e!z!F!U5&@G!F%2.0P!4eQchr.G!FYW%0Z!W!W!K%0!AXgchu!h!L!V!baZ!pZ!L6!P!N!D!

Pedagogy across •  
broad curriculum

Research centres, institutes ouses

Colleges and houses •

Labs and research equipment •

•

Teaching spaces •

**Libraries** •

**Museums** •

Sports and •  
performance centres

IT and digital technology •



- 
- Boundary-breaking research.
  - An education that is challenging, enabling, research-led and transformative.
  - Student societies, activities and events supported through Colleges, Experience Durham and Durham Students' Union.
  - Student support services.
  - Residential accommodation and catering.
  - Alumni engagement, networks and events.

League tables provide an assessment of our standing in relation to our applicants and the wider community to judge performance.

According to the league tables, we are a world top 100 university and one of the top universities in the UK. We're celebrating a record 19 subjects in the top 100 of the QS World University Rankings by Subject 2020 after Geology and Geophysics in our

league table. Both appear in the world top 50 where we now have 11 subjects, with three in the top ten.

League Table	2018	2019	2020
Complete University Guide	6th	6th	7th
The Times and Sunday Times Good University Guide	7th	7th	6th
The Guardian	5th	5th	4th
Quacquarelli Symonds (QS) World University Rankings	74th	78th	86th
Times Higher Education (THE) World University Rankings	114th	133rd	149th

Key Performance Indicator	Current (2019/20)	Target (2026/27)
The Times and The Sunday Times Good University Guide	6th	Top 5

We've been named as one of the world's top universities for our contribution to several of the United Nations' Sustainable Development Goals (SDGs). The goals provide a blueprint to achieve a more sustainable future by encouraging organisations and individuals to address global challenges.

the top 50 in four SDGs:

- Sustainable Cities and Communities (SDG11);
- Responsible Consumption and Production (SDG12);
- Life on Land (SDG15);
- Peace, Justice and Strong Institutions (SDG16).

We also appear in the world top 100 in a further seven SDGs:

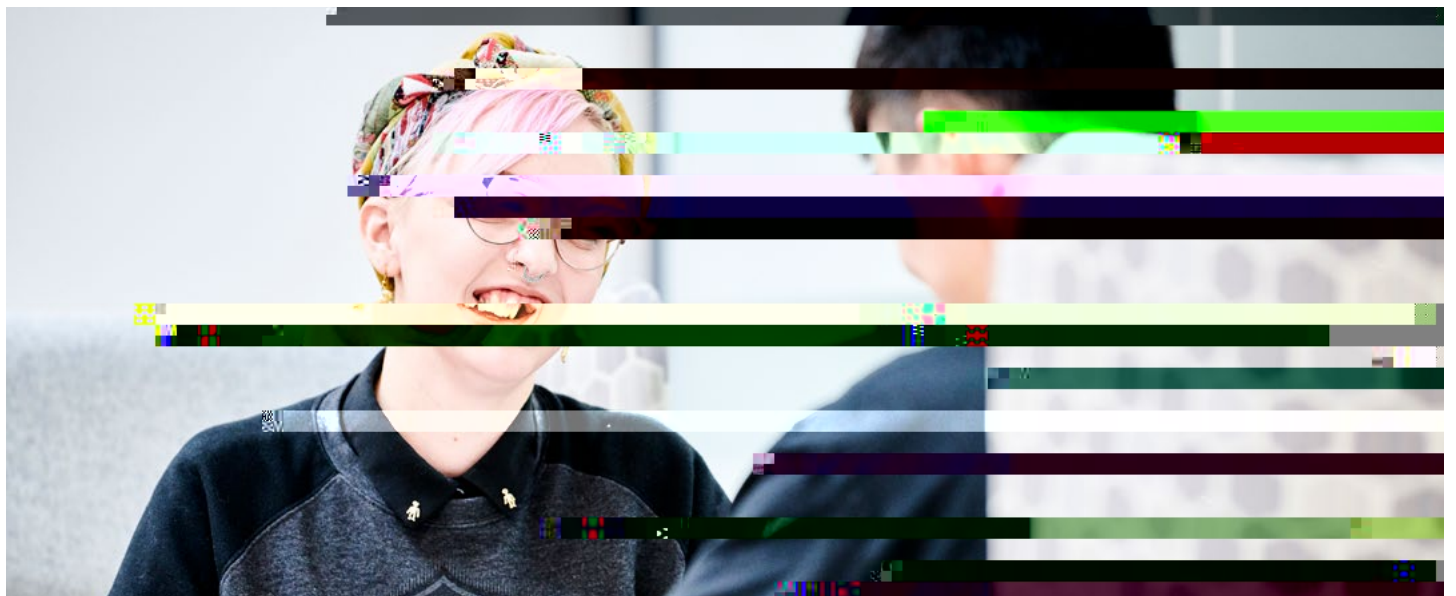
- Reduced Inequalities (SDG10);
- No Poverty (SDG1);
- Life Below Water (SDG14);
- Decent Work and Economic Growth (SDG8);
- Climate Action (SDG13);
- Industry, Innovation and Infrastructure (SDG9);
- Zero Hunger (SDG2).

During 2019/20 we established an SDG Group which is mapping all our education, research and wider student experiences against the SDGs. This will provide a comprehensive picture of where

assessment of where to focus activities, aligned to our Strategy, to support the sustainable development of the institution for the

this is guided by the Sustainable Development Goals Disclosure Recommendations, lead author (our own) Professor Carol Adams.

Our values are in line with the underpinning principles of the SDGs and throughout this report we highlight where our work is helping towards them in real and meaningful ways.



2015/16	2016/17	2017/18	2018/19	2019/20	2026/27	% Growth (2015/16 t17/18)
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To assist in achieving our objectives we have in place a system of risk management overseen by the Audit and Risk Committee and Council. This year, the Covid-19 pandemic has had an impact on most of our strategic risks and action plans have been developed to reduce our risk exposure. In common with universities across the sector, international student recruitment is now a high-risk area. To address this, we introduced two start dates for the academic year for key programmes in Durham University Business School (September 2020 and January 2021); we are developing new, internationally attractive programmes and a new approach to market-orientated pricing and fee-setting.

Other key risks relate to ensuring the safety of our campus and IT networks. Good progress against plans have been made in both these areas during 2019/20 and will continue during the next academic year.

We recognise that there is a window of opportunity in which we

innovating to diversify and commercialise our business model across the three elements of sustainability: economic; social; and environmental. Without this holistic approach, the long-term

being made in this direction, with the consideration of new business divisions and a commercial arm, the development of new products for market and associated pricing, and a stronger focus on clients, customers and stakeholders.

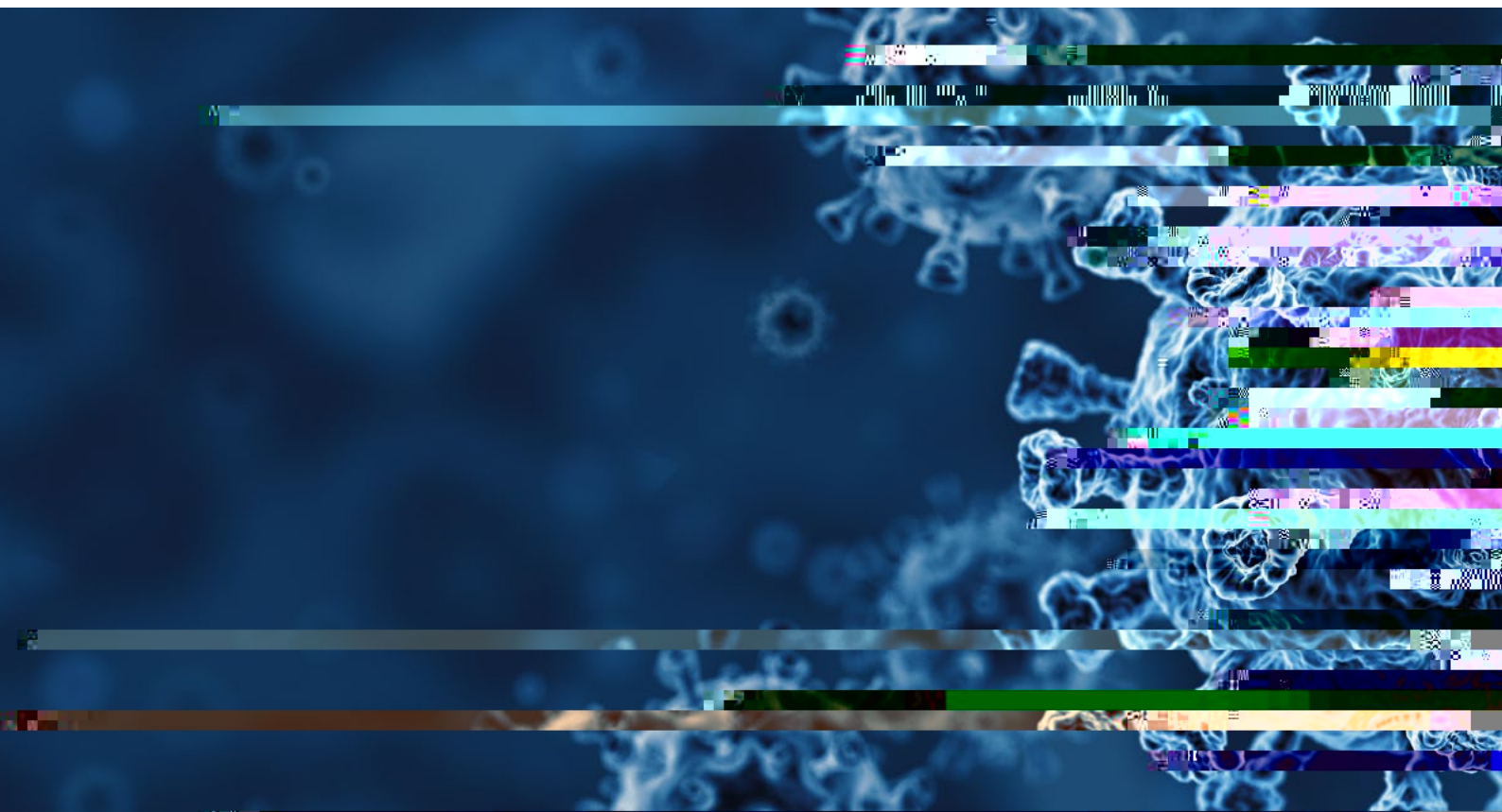
The Durham Centre for Academic Development which we established in 2018 has been invaluable in our response to the pandemic, providing training for academic staff to aid in digital skills. Combined with an agile response from our Computing and Information Services and the hard work of our staff, we succeeded in making a quick and effective transition to online teaching and learning. We plan to continue a blended approach to teaching, both in person and online, during 2020/21 and beyond.

The pandemic has altered the student experience for our current cohort and there is a risk that it may continue to affect future cohorts for as long as social distancing measures continue. We have made every effort to ensure that both student support and enrichment activities can continue in a blended approach, to ensure that our sense of college communities continues. We are absolutely committed to continuing to provide a world-class student experience.

with certainty, but we have considered various scenarios and

be experienced over the next three years. So, we are focussing

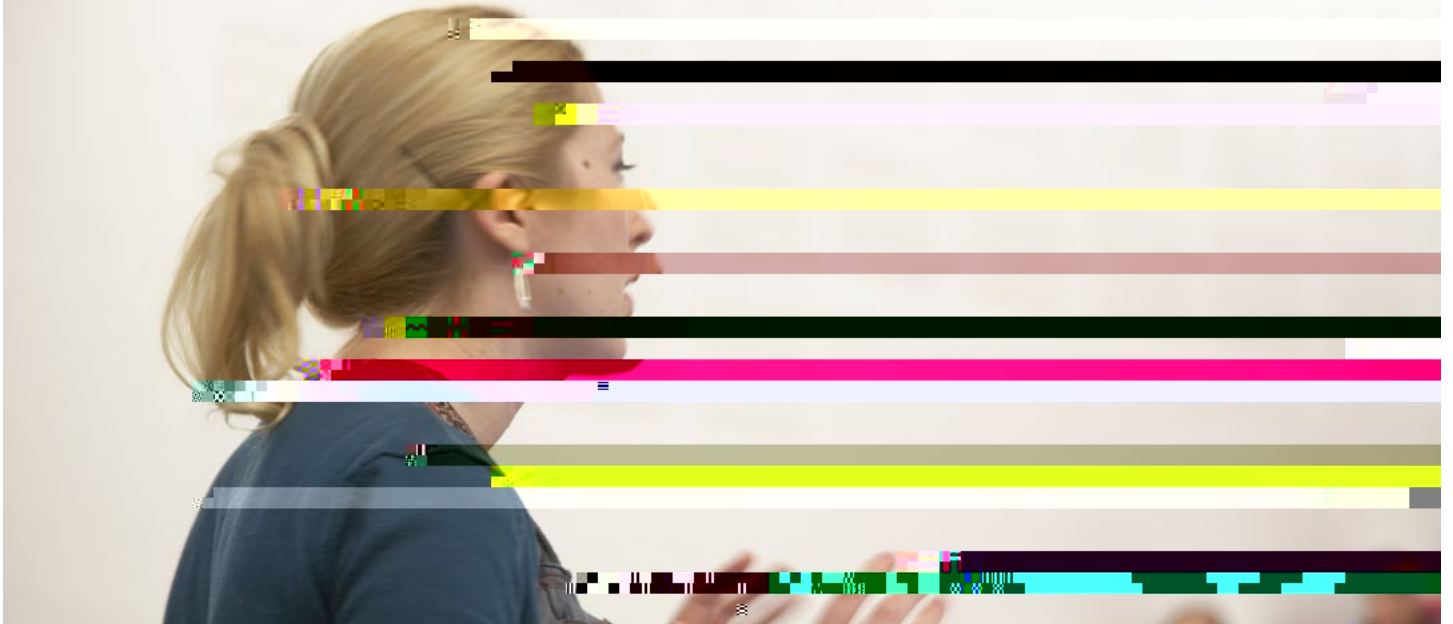
Risk	Key Controls
Major turbulence in the macro policy and funding environment.	<ul style="list-style-type: none"><li>• Financial modelling of tuition fee impacts</li><li>•</li><li>• Reducing operating costs</li><li>• Covid Planning Group</li><li>•</li></ul>











We recognise the need to continue to invest in our staff even commitments to inclusion and respect will all be strengthened this year, among other areas.

Following the expansion of the Athena SWAN award in 2015, previously just for science subjects, to cover the arts, humanities, social sciences, business and law disciplines, we have set targets for all science departments to achieve a Silver award and all other departments to achieve at least a bronze award by 2022.

Covid-19, we are looking at a range of voluntary measures to achieve savings on our staff costs which avoid, or reduce, any potential compulsory redundancies. Measures include a voluntary severance scheme; unpaid career break/sabbaticals; purchase of additional annual leave; voluntary reduction in hours; voluntary salary reduction scheme and early retirement.



Key Performance Indicator	Current (2019/20)	Target (2026/27)
Percentage of academic campaign offers made to females	53.7%	Gender parity in academic campaign recruitment

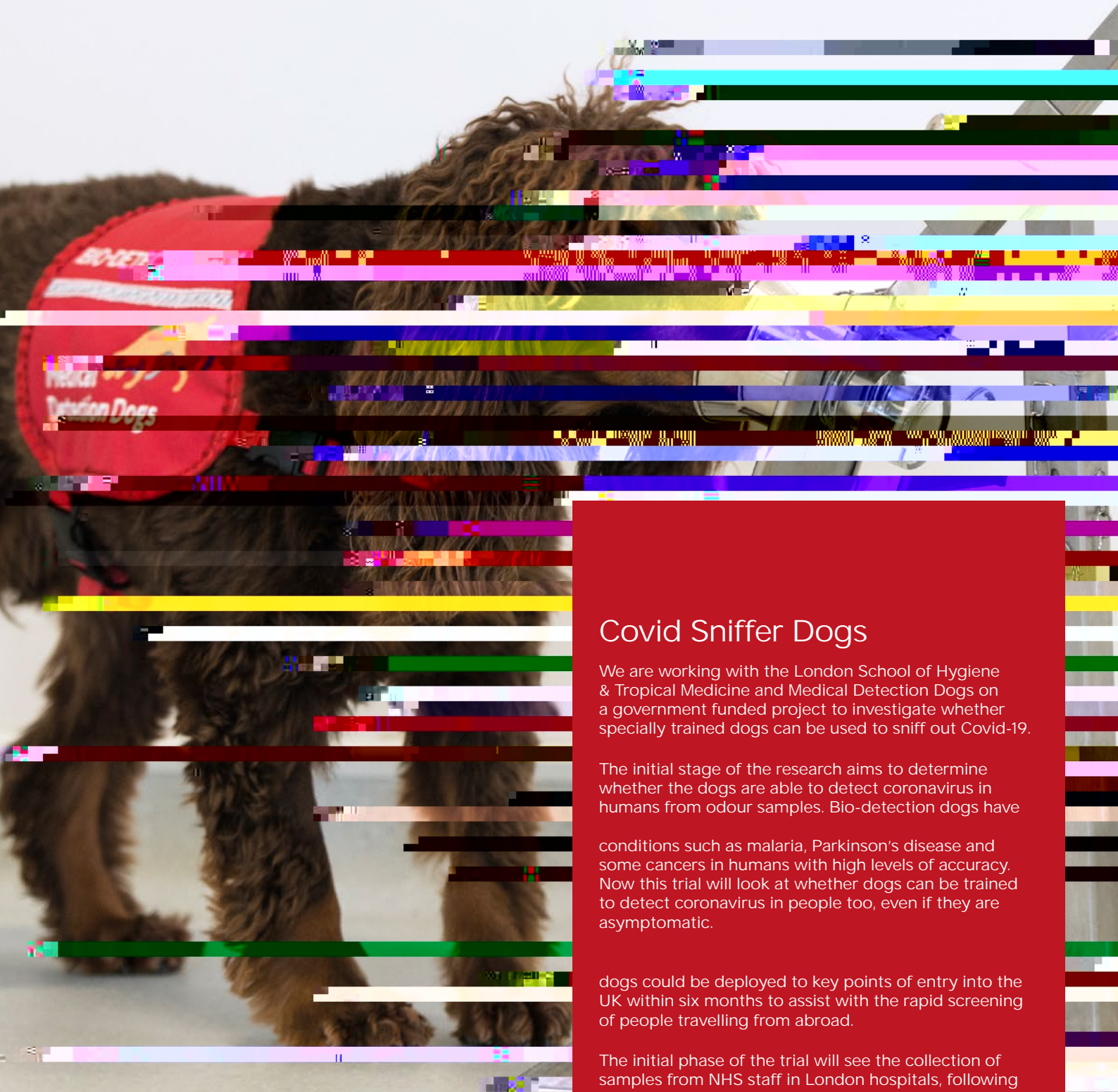
Risk	Key Controls
Failure to recruit, develop, retain and reward appropriate quality and quantity	



To strengthen Durham as an institution in which world-leading and world-changing research and engagement is created and sustained across all core units in the Arts and Humanities, Business, Engineering, Health, Law, Life Sciences, Medicine, Social Sciences and The Environment.

Business School Durham University





## Covid Sniffer Dogs

We are working with the London School of Hygiene & Tropical Medicine and Medical Detection Dogs on a government funded project to investigate whether specially trained dogs can be used to sniff out Covid-19.

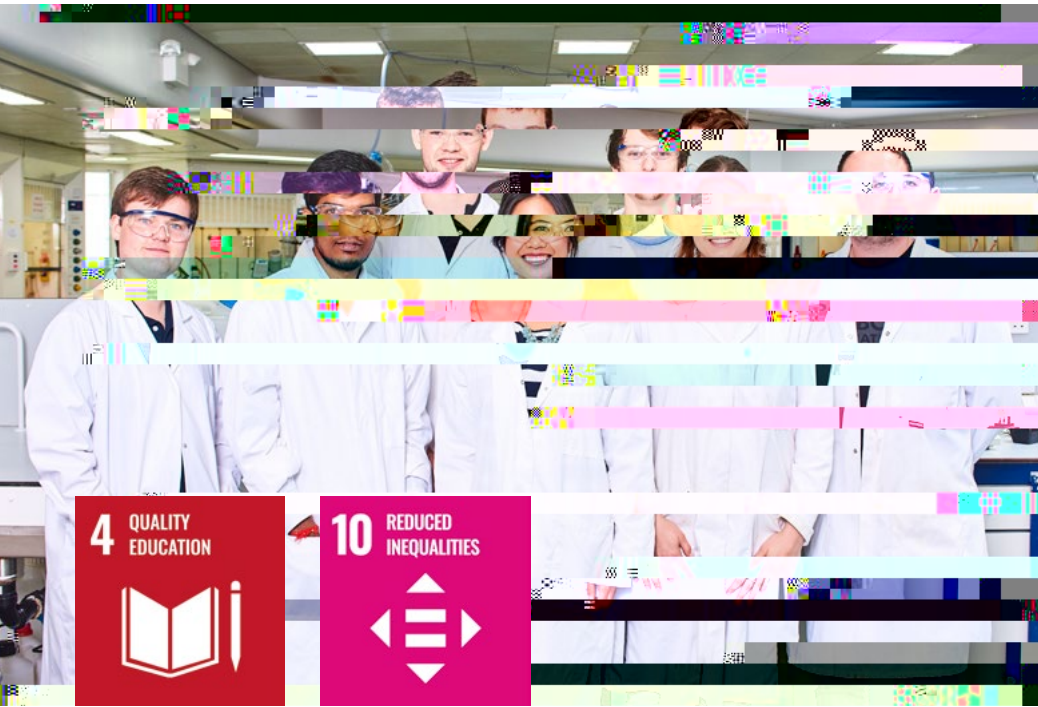
The initial stage of the research aims to determine whether the dogs are able to detect coronavirus in humans from odour samples. Bio-detection dogs have

conditions such as malaria, Parkinson's disease and some cancers in humans with high levels of accuracy. Now this trial will look at whether dogs can be trained to detect coronavirus in people too, even if they are asymptomatic.

dogs could be deployed to key points of entry into the UK within six months to assist with the rapid screening of people travelling from abroad.

The initial phase of the trial will see the collection of samples from NHS staff in London hospitals, following which six bio-detection dogs, a mixture of Labradors and Cocker Spaniels, will undergo thorough training.

More than ten years of research by the charity, Medical Detection Dogs has shown that dogs, which could each screen up to 250 people per hour, can be trained to detect the odour of disease at the equivalent dilution of one teaspoon of sugar in two Olympic-sized swimming pools of water. If successful, these dogs could provide a fast and non-invasive detection method to support additional testing efforts used for Covid-19.



awarded  
**87.3%**  
for overall  
satisfaction in  
NSS 2020



To provide outstanding educational opportunities for undergraduates, postgraduates and research students, producing critically and socially engaged graduates of the highest calibre who enrich society through their employability and role as global citizens.

our outstanding educational provision. Our students mainly go on to highly skilled employment or further study and whilst they are here they experience our world-class, research-led education. Our internal survey of graduates conducted six months after leaving

We have continued to offer a wide range of development opportunities to postgraduate research students, helping them to build up essential skills in team-working, problem-solving, communication, negotiation and leadership. This enables our students to develop an enviable set of transferable skills necessary for any future career. Opportunities include membership of committees, clubs and societies and opportunities for voluntary and paid employment. We moved the vast majority of Postgraduate Research development courses online from March 2020 and over the next year we will be developing a suite of online self-study interactive researcher development courses to complement our existing provision.

programmes for staff and doctoral degree students to support individual career experience and aspirations. The programmes

of a commitment to professionalism in teaching and learning in higher education.

The decision to move all teaching and assessment online in March exposed varying levels of quality due to the speed of implementation. To support this process, the Durham Centre for Academic Development (CAD) has been instrumental in providing opportunities for staff and doctoral degree students to support individual career experience and aspirations. The programmes of a commitment to professionalism in teaching and learning in higher education.

We're always improving and reforming our curriculum as well as our educational offering. We're currently developing a suite of new programmes that will provide an outstanding educational experience for our students. These will focus on interdisciplinary approaches to addressing critical challenges and include opportunities to work with external partners, providing valuable training and experience for our graduates.

We aspire to provide our students an education of the highest





Our student retention rates, even controlling for the characteristics of our student intake, are markedly and consistently better than at almost all other universities in the UK, which we believe is due to the wider student experience we provide. Nearly 90% of our undergraduates, and many postgraduates, take part in extra-curricular life spanning all sorts of activities across all parts of the University.

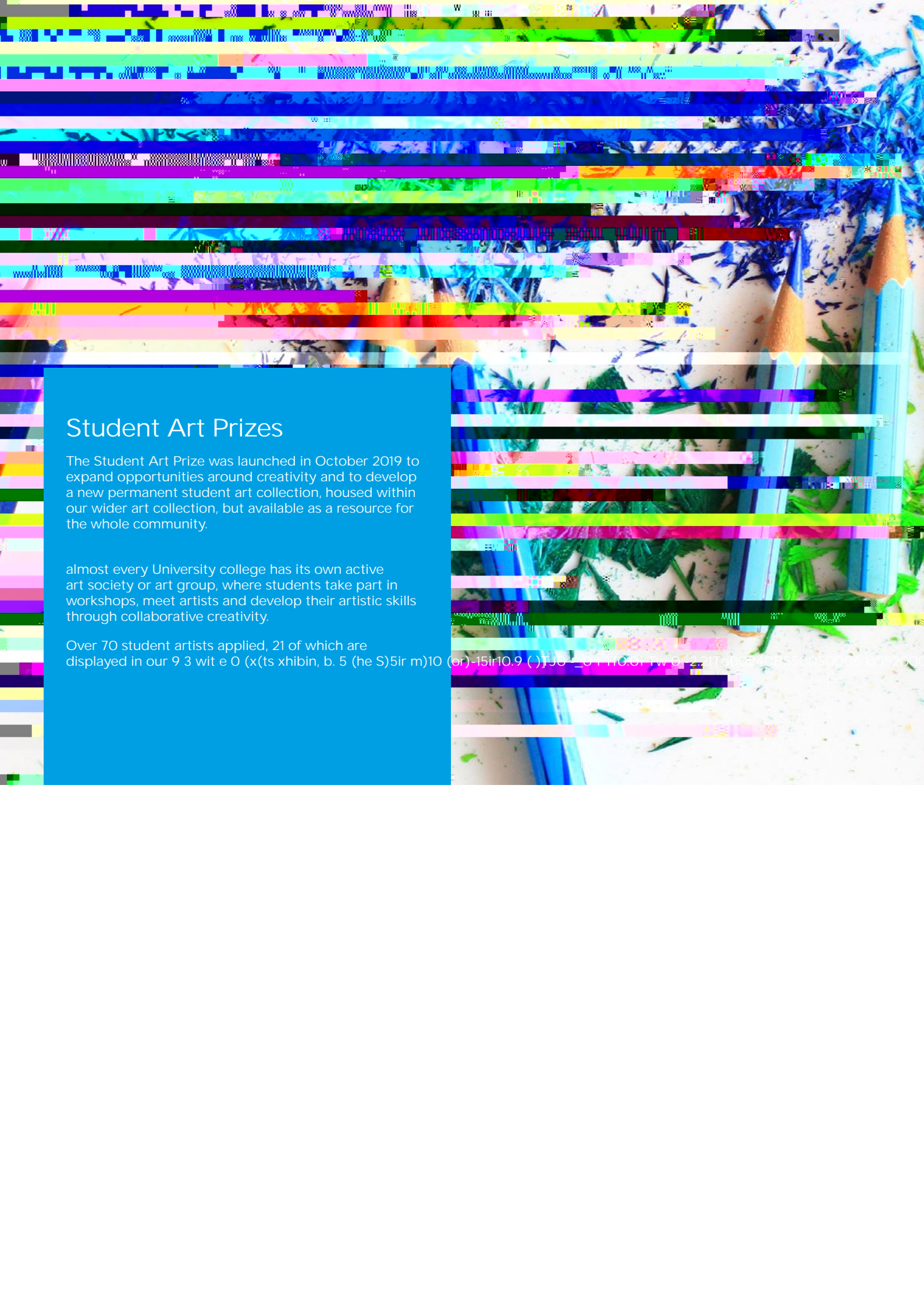
All our students become members of one of our colleges, which provide more than just accommodation. Our collegiate structure enables a huge number of opportunities for student enrichment.

Durham with support from dedicated staff. The colleges provide a place to form lasting friendships and develop teamwork and leadership skills with opportunities to join numerous societies, events and associations.

A wide range of volunteering and outreach activities are available to students within their colleges and at University level through schemes such as Student Community Action (SCA), a student-led, community-focused organisation, responding to the needs of the local community, and Team Durham Community Outreach which brings sport into volunteering with the aim of getting the local community more active.

Our University groups and clubs achieve at a very high level nationally and internationally. We have the highest participation levels in theatre, music and team sports than any other UK university. Although some national festivals for music and theatre and university sport were cut short due to the pandemic, this did not halt student activity. A huge surge of music and drama festivals, masterclasses, and sport competition, wellbeing initiatives and student support sessions were all moved online

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## Student Art Prizes

The Student Art Prize was launched in October 2019 to expand opportunities around creativity and to develop a new permanent student art collection, housed within our wider art collection, but available as a resource for the whole community.

almost every University college has its own active art society or art group, where students take part in workshops, meet artists and develop their artistic skills through collaborative creativity.

Over 70 student artists applied, 21 of which are displayed in our 9 3 wit e O (x(ts xhibin, b. 5 (he S)5ir m)10 (or) -15ir10.9 (,)J5U \_0 7 HC.01 TW 0, 2.2ITdopn 01 5r0 0500 0 00r2 00



Risk	Key Controls
<b>Failure to provide world-class wider student experience</b>	<ul style="list-style-type: none"><li>• and Student Support and Wellbeing Directorate Online social interaction enabled (e.g. Zoom)</li><li>• Library and IT facilities (available online)</li><li>• Careers service, counselling, mental health support, disability support (available online.)</li><li>• International student support</li><li>• Sexual violence and misconduct operations group</li><li>• Respect, alcohol and sexual misconduct policies</li><li>• Committee</li><li>• Committee</li></ul>

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To position Durham as a globally networked university that is widely recognised as an outstanding place to study and work



We retain the long-term plans to increase our global reputation and contribution while recognising that there are short-term impacts from Covid-19, particularly on the ability of our staff and

Key Performance Indicators	Current (2019/20)	Target (2026/27)
Proportion of international	20 nb-22.677-UK)O -1.2 Td[int]15s6Curr(34%)Tj3 Tw 9(Prc Tw 9(Pr1 0.6 Tdint)1539)-nal%2.756 Tf8 O O OPrc T2.677 -2.875 3scr	





The impacts and mitigations for Covid-19 will feature prominently in our immediate plans as we learn how best to run our colleges and the wider social experience with social distancing in place.

The new building to house the departments of Mathematical Sciences and Computer Science scheduled to open for the 2020/21 academic year was delayed due to Covid-19 with the completion date pushed back to December 2020. The £40m project will provide state-of-the-art learning, teaching and study spaces. The building has been designed to facilitate greater integration of students and staff, and to further develop synergies between the two departments.

Given the impact of Covid-19 the capital programme for 2020/21 has been restricted to essential spend only, including contractually committed spend, Health and Safety works vital to ensure the safety of staff and students, works essential to the preservation of income, such as those related to research income and works essential to maintain the quality of the teaching provision.

including replacement of outdated Wi-Fi access points and the

mitigation against the risk of cybersecurity attacks. A new website will be established and we will continue the implementation of the second phase of Worktribe to help the

The second phase of estates growth includes new developments for Arts and Humanities departments. The third phase will focus on development at the science site.

Key Performance Indicator	Current	Target (2026/27)
Proportion of estate buildings in Categories A and B ('high standard')	54% (2018/19)	85%

Risk	Key Controls
Failure to deliver the estates masterplan (capital programme)	<ul style="list-style-type: none"> <li>Additional programme management capacity, systems and roles for estates projects plus better cost estimates and cost control</li> <li>students</li> <li>£225m private placement secured to fund capital programme</li> <li>Contract management process implemented</li> <li>Five-year plan for project management capacity in place</li> <li>Project governance, methodology, business case, feasibility and options appraisal processes reviewed</li> <li>Independent gateway reviews in place and happening</li> <li>Guidance manual being rolled out with project sponsors</li> </ul>
Insufficient IT Infrastructure and capabilities to support staff and students and to deliver academic and enabling strategies. Technology risk occurs across four domains: cybersecurity, data, infrastructure (inc. technical debt) and information (inc. physical records).	<ul style="list-style-type: none"> <li>Improvement and Operations Board established</li> <li>Draft Digital Strategy approved by Council</li> <li>Implementation plan for cybersecurity agreed</li> <li>Service catalogue developed</li> <li>1st phase of IT Target Operating Model developed</li> <li>Big 3 delivered (networks, hosting, storage)</li> <li>Staff development and succession planning</li> <li>Year 1 technical debt programme delivered (over ten projects completed.)</li> <li>Student recruitment system, Worktribe Phase 1 and Oracle Phase 1 delivered</li> </ul>



**We're working to make Durham one of the most environmentally sustainable universities in the UK. Alongside major investments in our built environment and our teaching and research activities, we have introduced strong environmental policies and procedures. We're working to reduce our carbon emission and promote increased awareness of environmental issues.**

In 2019/20, environmental, social and economic sustainability continued to be high on the agenda for our staff and students, with well-organised and attended climate protests taking place in November 2019 and February 2020. Covid-19 also presented challenges and opportunities and although the long-term impact of the pandemic is unknown, we are clear that our sustainability goals are still at the top of our priorities.

progress against our environmental objectives and targets, reviews our policies and acts as a forum where colleagues, from all areas of the University, can discuss and promote environmental issues.

In April 2020, a biodiversity mapping exercise of the University estate started. Despite Covid-19 restricting early access,

much valuable information. The team from our Department of Biosciences has rediscovered the bee orchid, a very rare species, which was previously thought extinct around Durham. Locally

White-letter Hairstreak and Wall Brown all occur onsite, as well as several moth species that occur almost nowhere else in the county. The estate boasts very healthy populations of mammals such as otter, badger, roe deer and fox, as well as ancient woodland, valuable wetlands and unimproved grasslands.

We gained recognition for our environmental management

their environmental management system. We received Bronze and Silver awards in February 2020 and the Gold award in June 2020.

This year's Green Move Out (student belongings recycling and Sustainability team worked with colleagues from across

delivered to colleges and student properties across Durham City. The bags were collected by local charity, County Durham Furniture Help Scheme, which, this year, concentrated its service on supporting the homeless and those coming out of hospital, due to coronavirus hospital pressures.

The Single Use Plastics (SUP) Working Party has made great progress in identifying and replacing avoidable single use plastics. Highlights include replacing plastic bottles in all vending machines with locally sourced aluminium cans; the launch event for DUBS' Fusion Café going plastic free in September 2019; and the new Teaching and Learning Centre, Zing Café also being plastic free.

There are 1,111 gas, electricity and water meters connected to Systems Link platform has resulted in additional energy and water water leaks, heating systems running constantly, and unnecessary equipment turned off; estimated savings since lockdown are 43.5 tCO<sub>2</sub>e.

collaboration with our largest waste contractor Biffa. Projects included a visit to the Biffa South Shields depot, to view waste collected from the University in a 'controlled tip', which resulted in the production of a waste awareness video. A trip was also

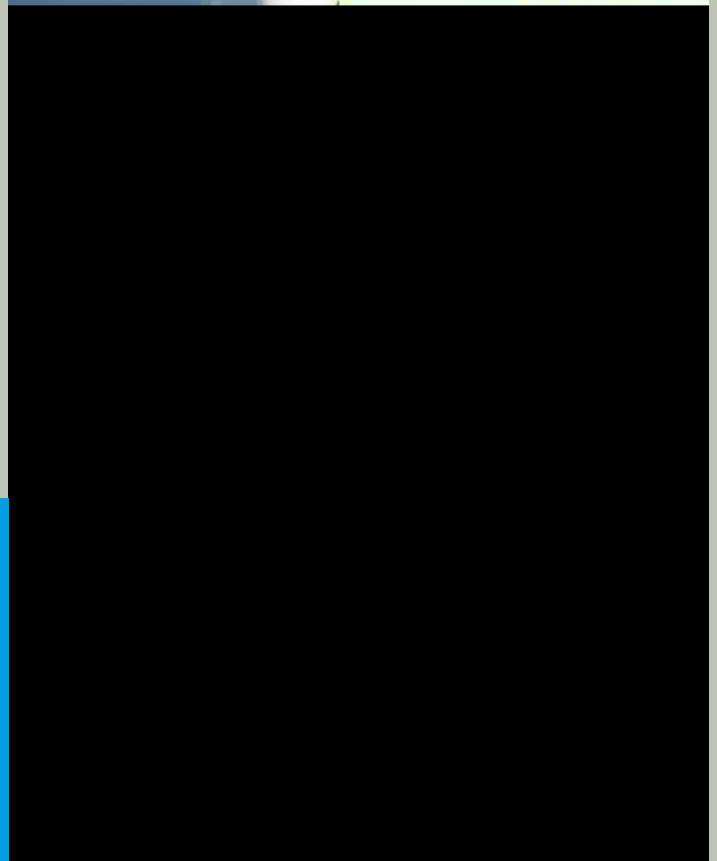
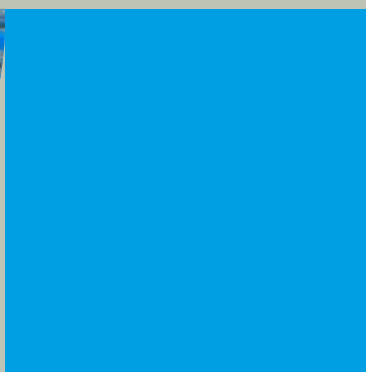
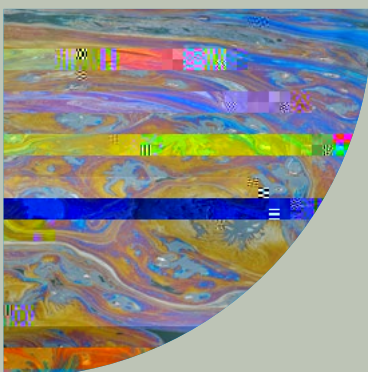
recycling centre in Washington, to see how dry, mixed recycling waste is processed.

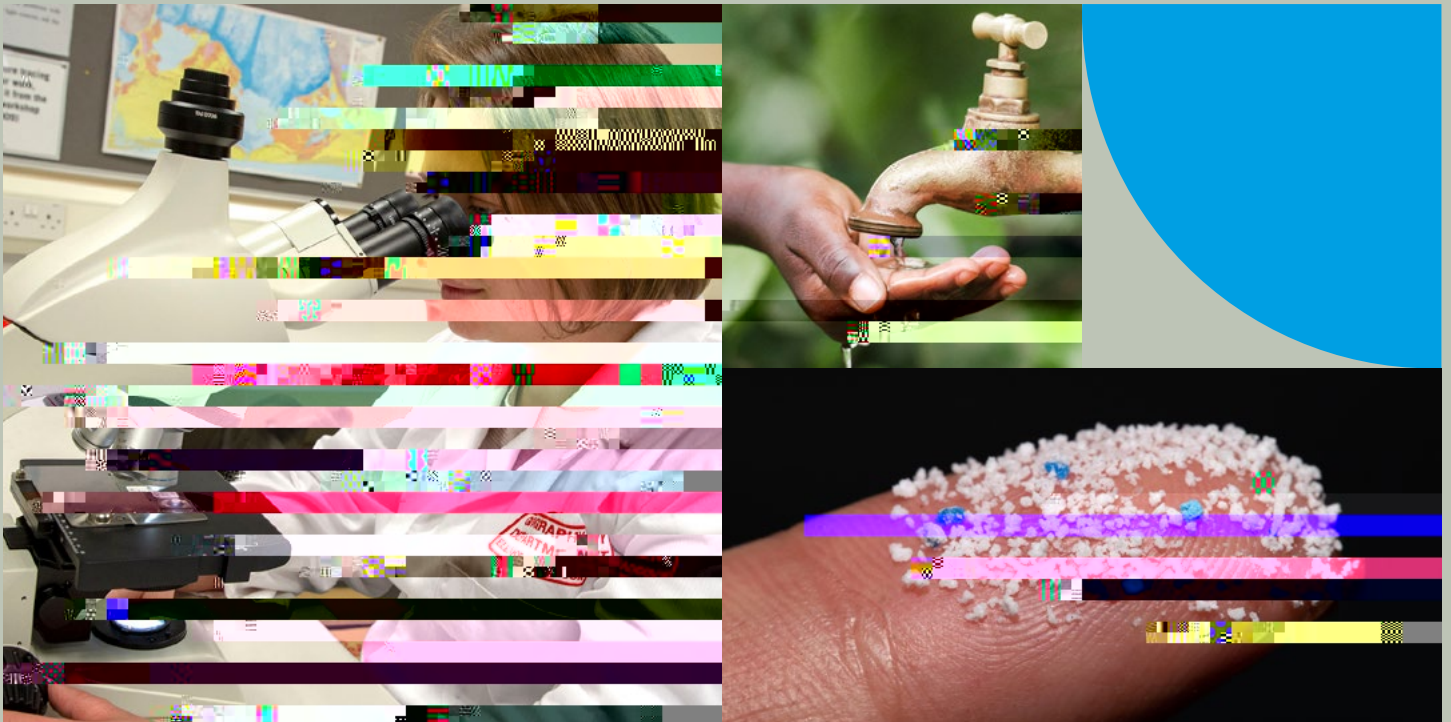
Changing ways of working due to Covid-19 will have an impact

international travel, and in other cases there will be a negative

effect: reduced use of public transport; increased energy demand for ventilation; and increased waste due to additional cleaning and use of paper towels.

From 2011/12 to 2018/19, 104 carbon reduction projects received funding from the ring-fenced carbon budget, saving a total of 3,967 tCO<sub>2</sub>e. In 2019/20, a further six projects were initially granted funding, including innovative schemes to reduce the carbon intensity of the Anthropology Field School and upgrade of equipment in the Chemistry and Physics departments. However, due to Covid-19 spending restrictions, the 2019/20 schemes were unable to go ahead.





for the start of December 2020. To achieve the Platinum level we will fully audit our processes, procedures and legal compliance, and carry out a management review.

We will review our Greenspace branding to enhance the identity of environmental sustainability across the institution.

We will also be introducing carbon literacy training in 2020/21 to ensure staff and students throughout the University are empowered to reduce their carbon footprints.

We will continue work begun in 2019/20 on developing an Integrated Sustainable Travel Plan 2020-25, with ambitious targets to help the University transition to more sustainable modes of travel.

Sustainability Data	2019/20	2018/19
Scope 1 and 2 carbon emissions	22,175tCO <sub>2</sub> e	23,773tCO <sub>2</sub> e
Scope 1 and 2 carbon emissions/m <sup>2</sup>	0.058tCO <sub>2</sub> e/m <sup>2</sup>	0.063tCO <sub>2</sub> e/m <sup>2</sup>
Business travel carbon emissions	3,127tCO <sub>2</sub> e	4,747tCO <sub>2</sub> e
Total energy consumption - electricity	36,017MWh	39,705MWh
Total energy consumption - gas	70,418MWh	73,289MWh
Total water consumption	299,855m <sup>3</sup>	435,748m <sup>3</sup>
Total waste produced	2,046 tonnes	2,685 tonnes
Percentage of waste recycled	31.39%	34.85%

Methodology used – Greenhouse gas emissions are calculated using the UK Government GHG Conversion Factors for Company oil, natural gas and petrol and diesel emissions resulting from University owned vehicles and equipment.



## Benefit



The University is a charity with an ethos and values based on objectives our governing body, Council, acts in accordance with fundraising activities, we adhere to the Charities (Protection and Social Investment) Act 2016.

The University conducts its business in accordance with the seven (honesty and leadership), with the Governance Code of Practice issued by the Committee of University Chairs (CUC) and is respectful of the Financial Reporting Council (FRC) UK Corporate Governance Code.

We create the opportunities, support and freedom for everyone at Durham to become the best they can be now, and for the future.

We welcome the most able and motivated applicants, irrespective of education. As one of the oldest UK universities, with a strong reputation, we request high levels of prior attainment. We also recognise that many applicants have received advantages not provided to others and our reputation may discourage students from non-privileged backgrounds. To address the disadvantage

and increase the diversity of our student body, we run a variety of programmes to encourage young people into higher education at Durham.

- Our Supported Progression Scheme uses campus-based programmes and projects to strengthen disadvantaged students to transition from school to university (projects moved online during 2020).
- We use contextual admissions to enable students with potential to attend Durham, including varying entry requirements by one or two grades to take account of disadvantage in the context of achievement.
- In January 2020 we signed the NUS-UUK Closing the Gap pledge, signifying our commitment to tackling the Black, Asian and Minority Ethnic (BAME) student attainment gap.
- We signed the Stand Alone Pledge to support students without family support through grants, financial advice, year-round accommodation and a guarantor scheme for private housing.
- We provide a range of grants and bursaries (some donated by alumni) to support students in financial hardship. In February 2020, we announced the establishment of a major new scholarships programme to enable students from low-income

We know that students can face a range of challenging situations during their University period and we provide a range of services to support their education and personal development and resilience during this time.

- We have a team of trained and experienced counselling practitioners providing a year-round service to support students. Additional support is provided through our college staff, academic advisors, mentors, chaplains and students.
- Our disability service provides specialised advice, guidance and support to prospective and current students.
- Our Careers and Enterprise centre staff provide professional and impartial advice and guidance to support students and recent graduates to develop skills, gain work experience, explore career options, make effective applications and prepare for interviews.
- Our programmes to promote responsible alcohol consumption and support student welfare and wellbeing received the 'Alcohol Impact' accreditation award from the National Union of Students
- We provide dedicated support for students disclosing incidents of sexual misconduct and violence and run awareness, bystander and disclosure training programmes for staff and students. Our work in this area was highly commended by the Times Higher Education Awards in 2018.

In response to Covid-19, our support services published additional information online and conducted appointments via video to ensure the continued provision of advice and guidance to students.

We are continuing to expand our lecture capture facilities across the University. This system enables teaching staff to record the audio and digital projector content of lectures which are subsequently made available to students online. The facility provides an additional study aid for learning and revision and is especially helpful for students with particular education needs

The facility to record and publish lectures is an important component of our response to Covid-19 and our ability to maintain social distancing going forward while we are unable to teach to large groups in one room.

We take our duties as a centre of learning, neighbour and employer seriously, embracing all our different communities and celebrating the differences that make us stronger together.

We are embedded in our local communities and proud of our

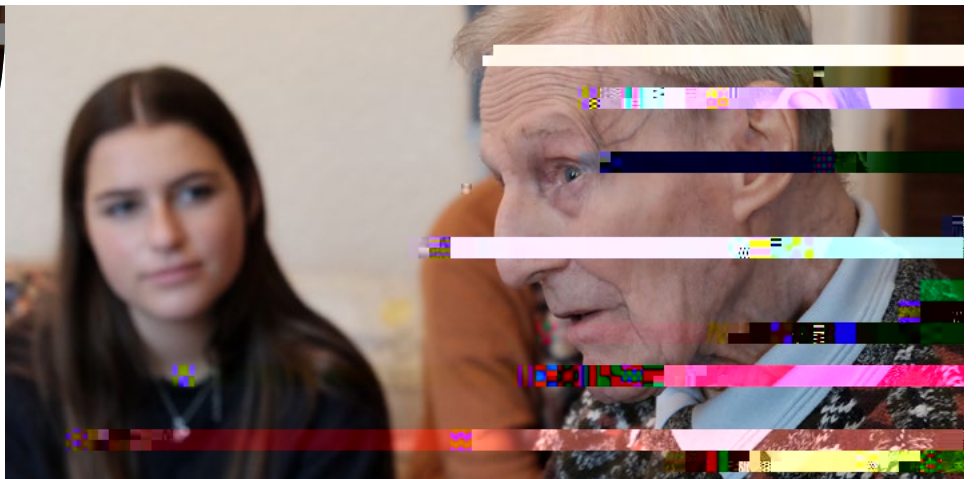
and impact on the local residents, businesses and economy. We are working to be seen as welcoming, supportive and making a positive contribution to the economic, social and cultural wellbeing in the region.

We present a wide variety of lectures, concerts and performances for the public and were a major partner in city events during 2019/20 including the Durham Book Festival and Lumiere plus online versions of the annual Durham City Run Festival and Summer in the City Festival.

Site covering the area surrounding the Cathedral and the castle (one of our student colleges) and including teaching rooms,

Our Visitor Attractions welcome individuals and school groups to explore and learn:

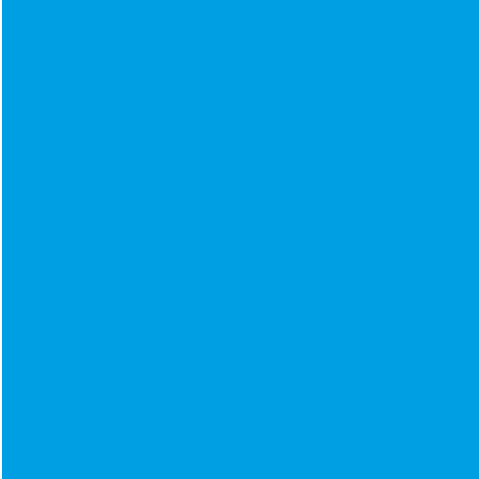
- Oriental Museum holds collections of art and archaeology from Northern Africa and Asia;
- Botanic Garden encompasses 10 hectares of beautiful gardens, greenhouses, woodland and a small flock of rare breed sheep;
- Palace Green Library houses University archives and special collections from around the world. The galleries provide space to share our treasures, research and stories from the region;
- Durham Castle, a former fortress and palace with magnificent architecture, artworks, silverware and armour. Outside of term time it also provides B&B accommodation and a unique wedding venue.











“The collegiate structure is a University. It’s extremely reassuring to be part of an active, close-knit community with a vested interest in your welfare and development, both in your career and personal life.”

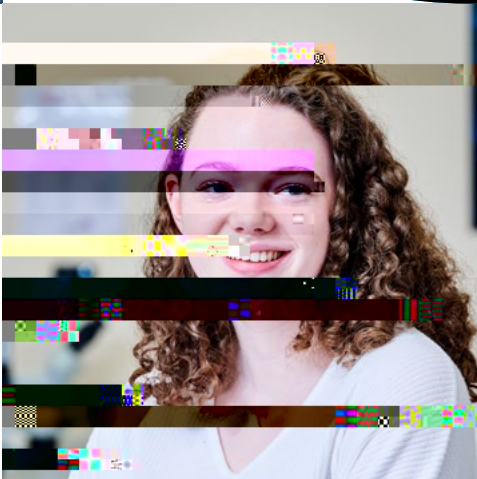
“Living in college allowed for social mixing with students from many courses. This gives you the change to really broaden your knowledge across different areas, not just your subject.”

“Durham taught me to new ideas and most things can be challenged.”



“I think it’s one of the greatest values of the Durham course that you can take elective modules in other departments, and it’s allowed me to broaden my experience, meet people from other degree courses, go on across different disciplines.”

“Studying at Durham gave me such a wide range of opportunities and experiences that set me up for life and my career. Getting involved in sports, societies and volunteering projects was both fun and rewarding, helping me to learn about leadership, fundraising and public speaking.”



“Durham provides a relatively gentle curve in to independence, teaching the skills and providing the opportunities to enter the world of work afterwards. The city itself is also inspiring at every turn.”



This year's further implementation of the University Strategy 2017-2027 was interrupted by the coronavirus global pandemic. The University responded positively to the situation: all teaching moved online, students were permitted to leave their Durham University accommodation with no financial penalty and the administration systems were adapted as staff worked from home.

Income and expenditure have increased or decreased in line with expectations arising e.g. an £11m reduction in residential income. The earnings before depreciation are consistent with the previous year. Due to a material adjustment to the Universities Superannuation Scheme our pension provision was decreased by £65m. This has turned the overall result for the year into a surplus of £54m.



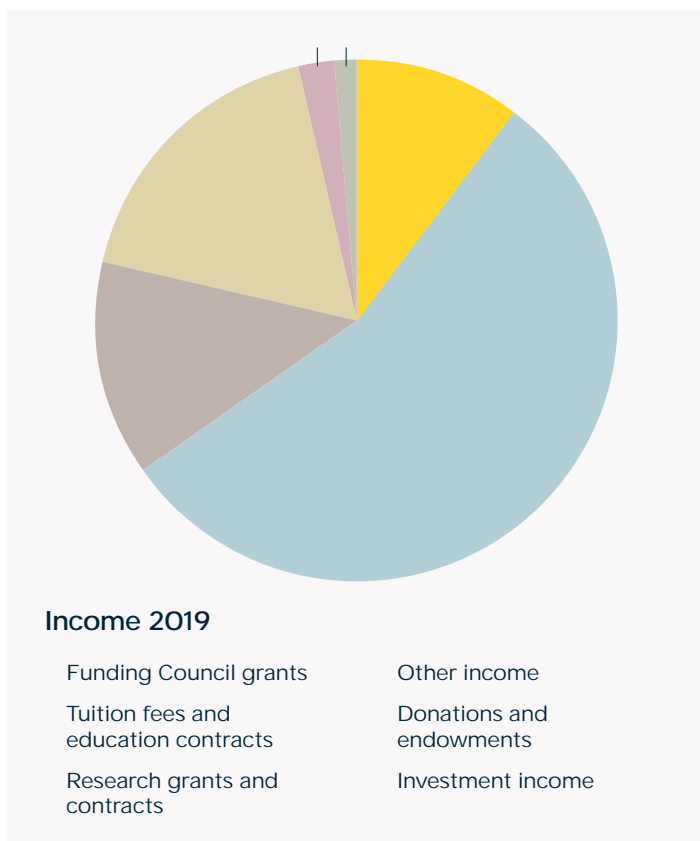
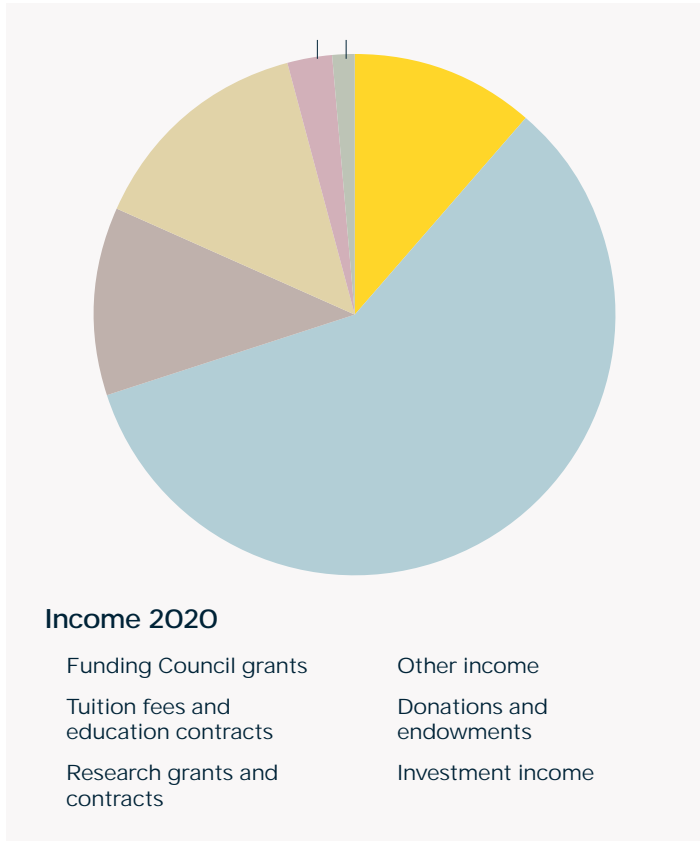
The results for the year are described below:

	2020 £m	2019 £m
<b>EBITDA (earnings before interest, tax, depreciation, amortisation and non-cash items)</b>	<b>56.3</b>	<b>52.7</b>
Interest	(13.6)	(12.4)
	-	15.5
<b>EBD (earnings before depreciation)</b>	<b>42.7</b>	<b>55.8</b>
<b>Non-cash items</b>		
Valuation of derivatives	(3.6)	(3.9)
Pension adjustments – actuarial loss	(22.1)	(5.1)
Net gain on investments	0.5	5.3
USS Pension provision	64.6	(79.0)
Impairment adjustment	(0.3)	(4.7)
Depreciation	(27.4)	(23.8)
<b>Total Comprehensive Income / (Expenditure)</b>	<b>54.4</b>	<b>(55.4)</b>

and Amortisation) is £4m higher than the prior year and is essential to fund the on-going capital investment programme.

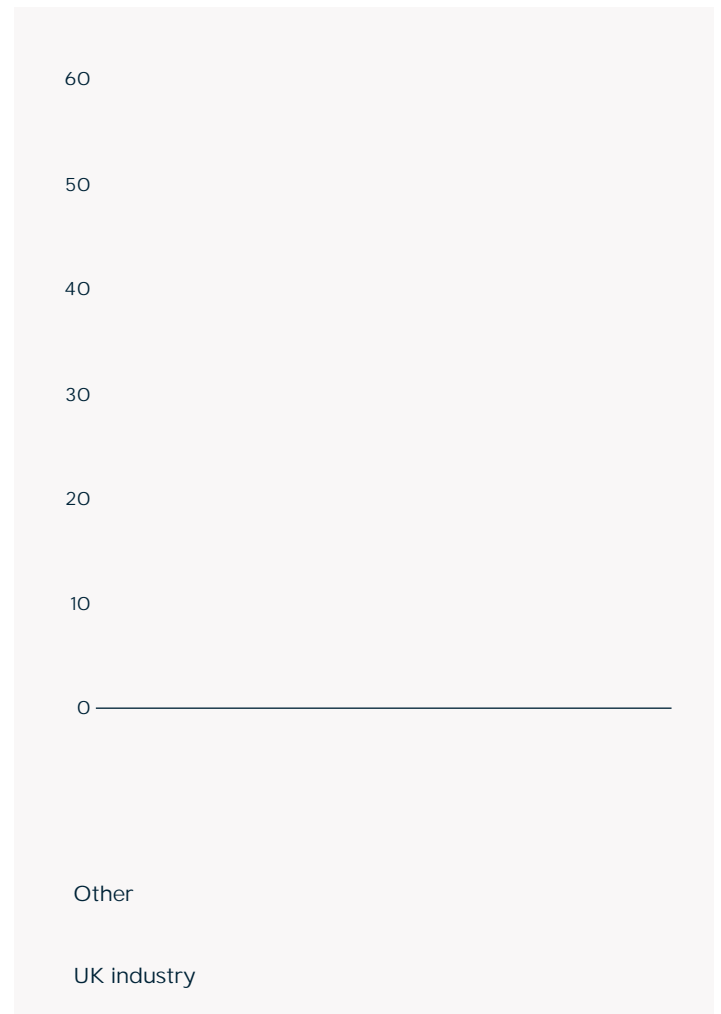
results during the year and exclude items deemed to be 'non-operating' or 'non cash' in nature which are set out separately above. Total Comprehensive Income has been impacted by valuations of assets and liabilities relating to pension scheme accounting and interest rate swaps. The collective impact of these non-cash items in the current year was unfavourable by £1.9m (2019: Unfavourable £108.1m).

The elements of operating income and expenditure giving rise



Total operating income, excluding the valuation of liabilities, increased by 1.2% to £386m. Tuition fee income increased by 9.5% to £229m representing 59.4% of total income and when residence fees are included, income from students represented 68% of total income. The main area of growth in tuition fee income came from full-time international students. Income from research grants decreased by £6.1m, reducing its share

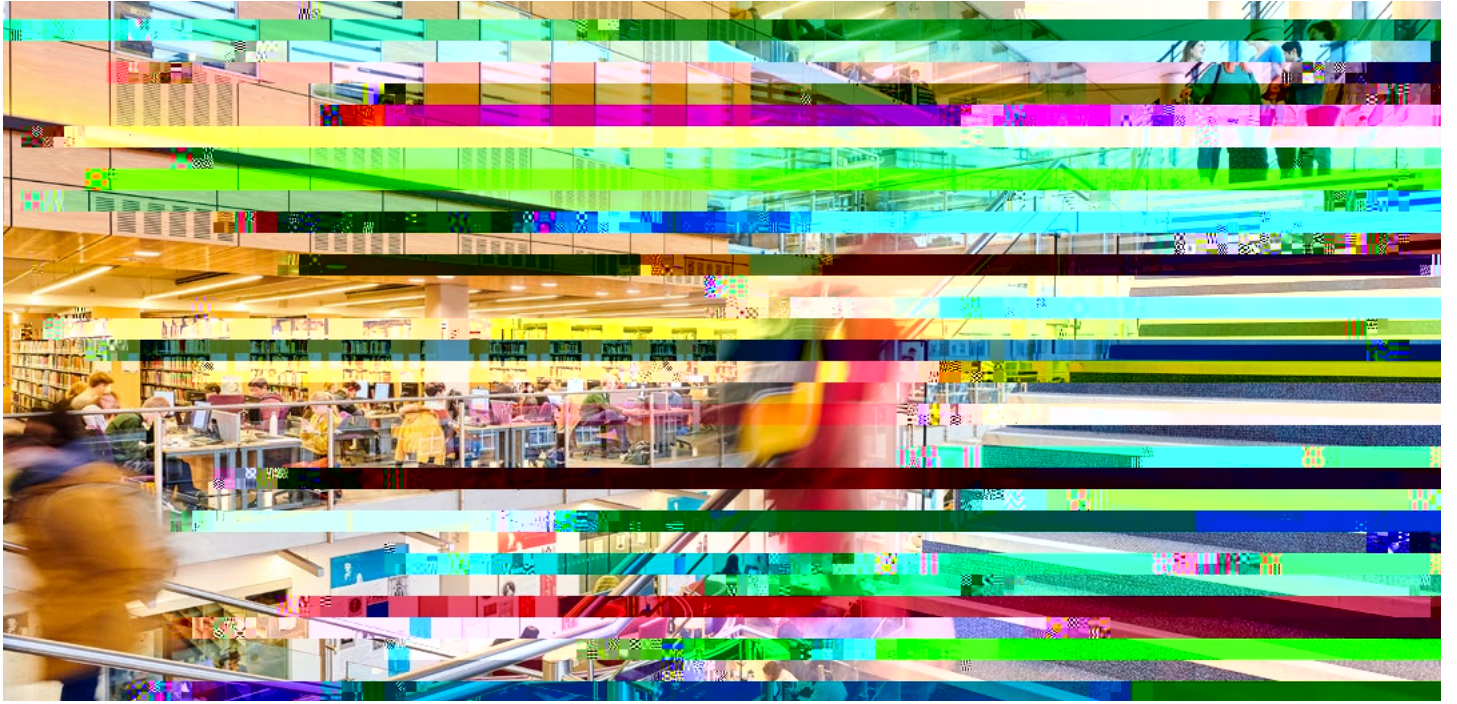
the interruption of research by Covid-19 restrictions in March-July 2020.





through appreciation in the value of investments and new donations. The receipt of new grants and donations, offset by related expenditure, resulted in a net increase in restricted reserves of £0.8m. General reserves increased by £49m, due primarily to the £65m decrease in the USS provision.

## **Cash generation, liquidity, financing**





of the University is the Vice-Chancellor, who is responsible to the governance committees (Council and Senate) for the overall strategic direction and performance of the University. As Warden, he has overall responsibility for Durham's colleges. He is supported by a senior leadership team that is driving forward the University Strategy.

The University Secretary is responsible for the University's overall governance, assurance and legal compliance and reports directly to the Chair of Council and the Vice-Chancellor.

reporting, treasury investment, procurement and value for money.

The University conducts its business in a fair, proper, transparent and ethical manner, having regard to the values of the University and the Seven Principles on Standards in Public Life set down by the Nolan Committee.

is the governing body and Trustee Board of the University with overall responsibility for its affairs and sustainability. It is responsible for taking appropriate steps to advance the interests

prosecution of learning and research in the University.

Council monitors the adequacy and effectiveness of arrangements for corporate governance, risk management and

Members		Meetings attended				
		Council	Audit and Risk Committee	Finance Committee	Governance and Nominations Committee	Remuneration Committee
<b>Ex-off cio members</b>						
Sir Thomas Allen	The Chancellor	n/a				
Professor Stuart Corbridge	Vice-Chancellor	9/10		7/8	1/3	1/3
Professor Antony Long	Deputy Vice-Chancellor	9/10		5/8		
The Very Reverend Andrew Tremlett	Dean of Durham	8/10				
Miss Kate McIntosh	President of Durham Students' Union	10/10		8/8	2/3	2/3
<b>Lay members</b>						
Mrs Joanna Barker (Vice-Chair)		10/10		8/8		
Mr Jonathan Bewes		9/10		6/8		
Ms Kay Boycott		10/10	5/5			
Ms Alexis Cleveland (Vice-Chair)		9/10	4/5		3/3	4/4
Mr Joe Docherty (Chair)		10/10		6/8	3/3	4/4
Mr James Grierson		10/10		8/8		3/3
Mr Steven Harman		7/10	5/5			
Mrs Alison Hastings		9/10			3/3	4/4
Ms Cheryl Millington (from February 2020)		5/6	2/2			
Mr Nigel Perry		7/10			3/4	0/3
Dr Kate Pretty		10/10		8/8	4/4	3/3
Mr Terry Toney		10/10			3/3	3/3
<b>Appointed members of University staff</b>						
Dr Camila Caiado		10/10			3/3	
Mrs Caroline Dower		8/10				3/3
		9/10				
Professor Colin Macpherson		8/10		6/8		
Dr Amir Michael		10/10		4/8		
Ms Rebecca Morris (from February 2020)		6/6				
Professor Corinne						



is responsible for  
keeping under review and advising Council on the University's  
governance arrangements, ensuring the University pursues





To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.

To consider the University's performance in relation to

To take such steps as are reasonably practicable to ensure that freedom of speech within the law is secured within the University.

To receive and test assurance that academic governance overseen by Senate is adequate and effective.

To ensure that all students have opportunities to engage with the governance of the University and that this allows for a



**Council is responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible.**

The system of internal control is designed to manage rather than eliminate the risk of fa





## financial statements

- Give a true and fair view of the state of the group's and of the University's affairs as at 31 July 2020 and of the group's and of

## Responsibilities for the financial

### financial statements

As explained more fully in the Statement of the Council's Primary Responsibilities set out on page 54 and 55, the Council

that they give a true and fair view. The Council is also responsible for such internal control as they determine is necessary to enable

misstatement, whether due to fraud or error.

for assessing the group and University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the group and University or to cease operations, or has no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial

Our objectives are to obtain reasonable assurance about whether

misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with IO a guar30520(t asC4800 (anc)15 (e)-321 Tmllminlw3 Tw a3 Tw y3 Tw s (es)10 (sct(going c)15 (onc)15 (ern, m

historical cost convention, other than where land and certain heritage assets were revalued to their fair value at transition to FRS102, with the revalued amount being treated as

in accordance with both the Statement of Recommended Practice (2019 edition) and the Financial Reporting Standard 102

There are a number of macroeconomic factors affecting the higher education sector at this time, all of which present a risk. The immediate challenges are the impact of the Covid-19 pandemic, the effects of Brexit, unresolved questions over and Funding.

These factors create a degree of uncertainty over the 2020/21



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

There were no Service Concession Arrangements at 31 July 2020.

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 the rates at the date of the balance sheet or, where there are related forward exchange contracts, at contract rates. The resulting exchange differences are recognised in the Statement of Comprehensive

Tangible assets are capitalised where they are capable of being used for a period which exceeds one year and which:

- Individually have a cost equal to or greater than £10,000; or
- Collectively have a cost equal to or greater than £10,000 where the assets are functionally interdependent or are purchased together and intended to be used as a group under common management control; or
- Irrespective of their individual cost, form part of the initial equipping of a new building.

Investments in subsidiary companies are stated at the original cost of the investment and reviewed for impairment where appropriate.

Investment property is land and buildings held for rental income or capital appreciation rather than for delivering services. Investment properties are measured initially at cost and subsequently at fair value with movements recognised

Properties are not depreciated but are revalued or reviewed annually according to market conditions at the balance sheet date.

Current asset and non-current investments are included in the balance sheet at fair value with movements recognised

Corporate and government bonds are subject to an annual impairment review.

Stock is stated at the lower of cost and net realisable value.

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily

change in value.

Cash and cash equivalents contains sums relating to endowment reserves which bear restrictions regarding their use.

are held on the Balance Sheet at fair value with movements in fair value recognised in the Statement of Comprehensive

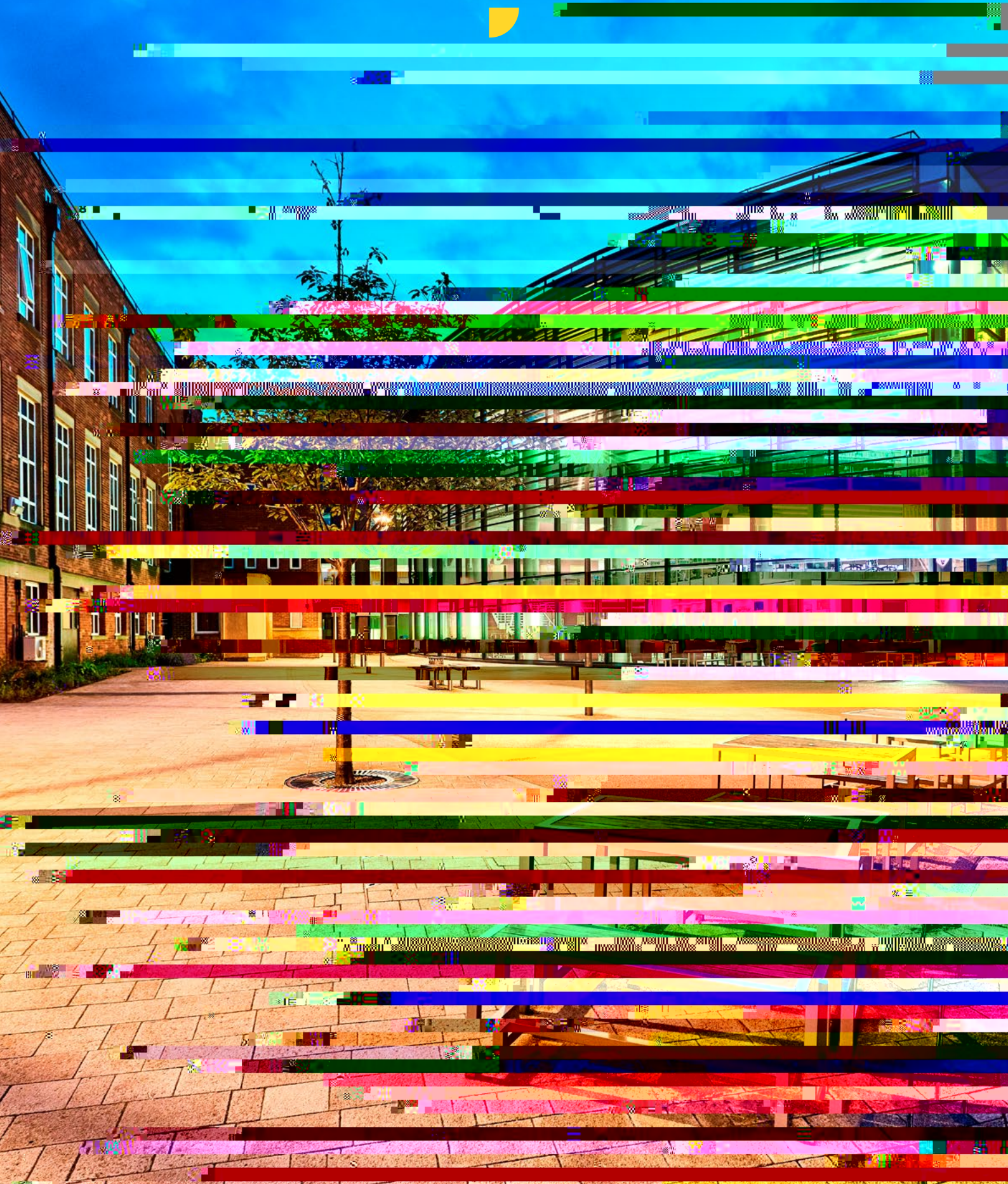
the Group becomes party to a contractual provision of the substance of the contractual arrangements entered into.



of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of judgements are continually evaluated based on available







	Consolidated	University	Consolidated	University
<i>Note</i>	2020	2020	2019	2019
	£'000	£'000	£'000	£'000

Income



Income and expenditure account

Total









	Note	2020 £'000	2019 £'000
<b>Cash flow from operating activities</b>			
Surplus / (Loss) for the year		76,508	(50,251)
<b>Adjustment for non-cash items</b>			
Depreciation and impairment adjustment	12, 13	27,716	28,564
Gain on investments		(227)	(5,339)
Decrease / (Increase) in stock	16	21	(31)
Increase in debtors	17	(3,396)	(303)
Increase in creditors	20, 21	12,639	19,843
Lease issued for student accommodation	21	-	19,104
		336	621
(Decrease) / Increase in pension provision	22	(60,004)	84,071
Decrease in other provisions	22	(375)	(981)
<b>Adjustment for investing or financing activities</b>			
Investment income	5	(6,009)	(4,802)
Interest payable	10	10,412	10,091
	6	(2,100)	(4,498)
		(99)	183
Loss on the sale of current asset investments		-	3
Capital grant income		(1,575)	(580)
<b>Net cash flow from operating activities</b>		<b>53,847</b>	<b>95,695</b>

**Cash flows used in investing activities**

		1,683	72
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	<i>Note</i>	2020 £'000	2019 £'000
<b>Cash flows used in financing activities</b>			
Interest paid		(10,433)	(7,702)
		2,100	4,498
New unsecured loans		-	225,000
Repayment of amounts borrowed		(4,541)	(58,576)
<b>Net cash flow used in financing activities</b>		<b>(12,874)</b>	<b>163,220</b>
<b>Increase in cash and cash equivalents in the year</b>	<i>19</i>	<b>15,438</b>	<b>29,209</b>
Cash and cash equivalents at beginning of the year	<i>19</i>	107,768	78,559
Cash and cash equivalents at end of the year	<i>19</i>	123,206	107,768
<b>Increase in cash in the year</b>		<b>15,438</b>	<b>29,209</b>



	Consolidated	University	Consolidated	University
	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
Research councils	26,822	26,822	26,291	26,291
UK charities	3,545	3,545	4,099	4,099
Central / Local Government	2,735	2,735	6,143	6,143
UK industries	2,536	2,536	2,613	2,613
	6,499	6,499	9,614	9,614
Other overseas	2,989	2,989	2,486	2,486
Other sources	131	131	169	169
	45,257	45,257	51,415	51,415
Residences, catering and conferences	35,790	35,790	46,696	46,696
Other services rendered	5,964	5,964	6,865	6,865
Other income	13,848	13,643	13,709	13,538
	55,602	55,397	67,270	67,099
Other income includes £2.5m as a claim under the government funded job retention scheme				
Investment income on endowments	1,252	1,252	1,516	1,516
Investment income on restricted reserves	69	69	95	95
Other investment income	4,688	4,688	3,191	3,191
	6,009	6,009	4,802	4,802





### Ratio of Head of Institution pay against median pay of all staff

The methodology used in this calculation has been that provided by the OfS Accounts Direction. For both the Head of Institution and the whole workforce, the method has been applied consistently. The pay multiples are calculated by comparing the Head of Institution pay with the median pay of the workforce across two dimensions – basic pay and total pay.

Basic pay – This includes all elements of pay excluding any allowance in substitution for employer pension contributions,

in kind.

Total pay – Total earnings, including all elements of pay including market supplements, bonuses, responsibility allowances, employer pension contributions and any

2019-20	Basic Pay multiple	Total Pay multiple
Including casual workers	11.24	11.41
	7.99	7.89

2018-19	Basic Pay multiple	Total Pay multiple
Including casual workers	10.79	11.38
	8.24	8.24

outsource lower paid positions, for example cleaning and catering staff, Durham does not subcontract these roles which impacts on our pay ratios.

### Vice-Chancellor Pay

turnover of almost £400m per annum and an ambitious ten year strategy is making excellent progress, including a programme of extensive estate refurbishment and new development totalling some £750m. Net growth of 330 new academic staff and up to 4,000 additional students is scheduled over the ten year strategy period. The University generates £1.2 billion GVA, two thirds of

Durham is a top four UK university (Guardian 2020) and a world top 100 university (QS World Rankings 2020) with a global reputation for excellence in research and education. Students from over 150 countries study at Durham and 40% of teaching and

Remuneration of other higher paid staff  
Excluding employer's pension contributions

	2020	2019
	<i>No.</i>	<i>No.</i>
£100,000 – £104,999	18	21
£105,000 – £109,999	13	8
£110,000 – £114,999	8	1
£115,000 – £119,999	5	1
£120,000 – £124,999	9	9
£125,000 – £129,999	5	6
£130,000 – £134,999	4	3
£135,000 – £139,999	3	3
£140,000 – £144,999	2	1
£145,000 – £149,999	1	1
£150,000 – £154,999	2	1
£155,000 – £159,999	1	1
£165,000 – £169,999	-	1
£170,000 – £174,999	1	1
£175,000 – £179,999	1	-
£180,000 – £184,999	-	1
£195,000 – £199,999	-	1
£200,000 – £204,999	1	-
£205,000 – £209,999	1	-
£210,000 – £214,999	-	1
£215,000 – £219,999	1	-
	<b>76</b>	<b>61</b>
<b>Key management personnel</b>	<b>2020</b>	<b>2019</b>
	<i>£'000</i>	<i>£'000</i>
<b>Key management personnel remuneration including compensation</b>	<b>2,939</b>	<b>2,036</b>
	<b>2020</b>	<b>2019</b>
	<i>No.</i>	<i>No.</i>
<b>Number of staff</b>	<b>16</b>	<b>11</b>

<b>Staff numbers</b>	<b>2020</b>	<b>2019</b>
<i>Full-time equivalent staff numbers by type</i>	<i>No.</i>	<i>No.</i>
Academic	1,795	1,688
Professional and technical	999	1,015
Administrative and clerical	599	605
Facilities and other support	600	593
	<b>3,993</b>	<b>3,901</b>

#### **Council members**

The University's Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest are conducted at arms' length and in accordance with the University's Financial Regulations and usual procurement procedures and are disclosed within the information provided in Note 8.

No Council member has received any remuneration or waived payments during the year (2019 - nil).

The total expenses paid to or on behalf of 12 of the Council members was £11,447 (2019: £12,085 to 11 of the Council members).

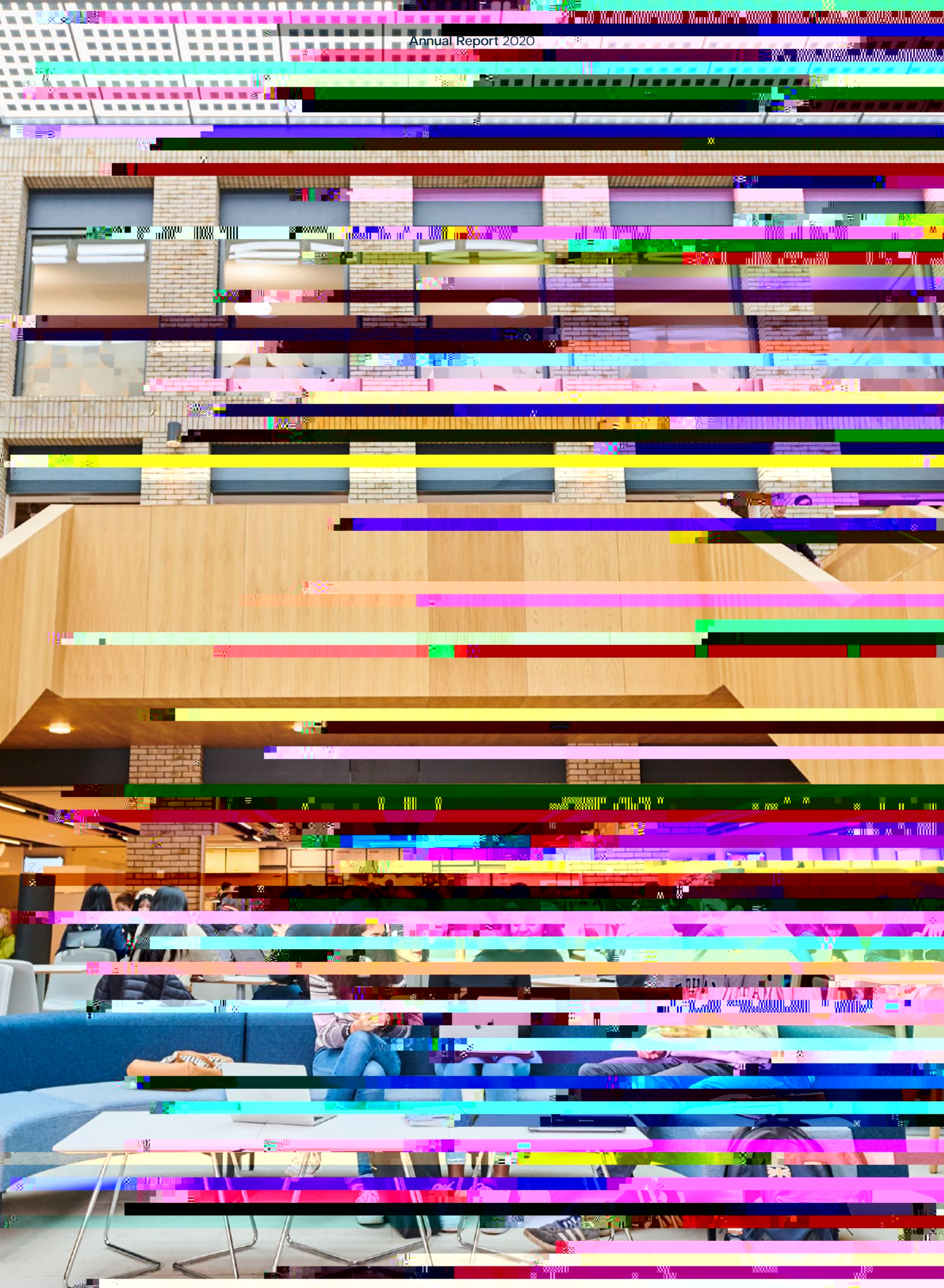


**Trade Union information**

The Trade Union (Facility Time Publication Requirements) regulations 2017 require us to publish information on trade union facility time. The University recognises the following trade unions: University and College Union (UCU) (formerly AUT), Unite (formerly Amicus), G.M.B. and UNISON.

**For the period April 2019 to March 2020**





	Note	Consolidated	University	Consolidated	University
		2020	2020	2019	2019
		£'000	£'000	£'000	£'000
Academic and related expenditure		35,918	35,918	39,250	39,250
Administration and central services		6,702	6,593	10,812	10,733
Premises					

	Consolidated	University	Consolidated	University
	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
<b>Current tax</b>				
Current tax expense	-	-	-	-
	-	-	-	-
<b>Deferred tax</b>				
Origination and reversal of timing differences	-	-	-	-
	-	-	-	-
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Freehold Land and Buildings		Intangible Assets	Assets in the Course of Construction	Heritage Assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 August 2019	597,837	157,434	-	64,762	37,815	857,848
At 31 July 2020	597,837	157,434	-	64,762	37,815	857,848
At 31 July 2019	597,837	157,434	-	64,762	37,815	857,848

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	Freehold Land and Buildings		Intangible Assets	Assets in the Course of Construction	Heritage Assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 August 2019	596,380	157,563	-	64,762	37,815	856,520
Additions	-	-	-	59,989	-	59,989
Capitalisation	56,418	20,146	3,704	(80,318)	50	-
Disposals	(7,298)	(1,568)	-	-	-	(8,866)
<b>At 31 July 2020</b>	<b>645,500</b>	<b>176,141</b>	<b>3,704</b>	<b>44,433</b>	<b>37,865</b>	<b>907,643</b>
<b>Accumulated Depreciation</b>						
At 1 August 2019	140,423	113,974	-	-	-	254,397
Charge for year	13,867	13,345	203	-	-	27,415
Disposals	(5,741)	(1,541)	-	-	-	(7,282)
<b>At 31 July 2020</b>	<b>148,549</b>	<b>125,778</b>	<b>203</b>	<b>-</b>	<b>-</b>	<b>274,530</b>
<b>Net Book Value</b>						
<b>At 31 July 2020</b>	<b>496,951</b>	<b>50,363</b>	<b>3,501</b>	<b>44,433</b>	<b>37,865</b>	<b>633,113</b>
<b>At 31 July 2019</b>	<b>455,957</b>	<b>43,589</b>	<b>-</b>	<b>64,762</b>	<b>37,815</b>	<b>602,123</b>
<b>Heritage Assets</b>						

Heritage assets with an initial cost or value over £10,000 and acquired after 1 August 2007 are capitalised. Also capitalised are heritage assets for which an insurance value is held, including the Library's special collections.

Durham University holds other heritage assets in its Libraries and Museums, information about which may be found at: [www.durham.ac.uk/library/asc](http://www.durham.ac.uk/library/asc). Included in these collections are materials in many formats such as paper and parchment manuscripts, printed books, photographs, maps, prints, moving images, museum artefacts etc. The University has not capitalised these assets as obtaining and maintaining valuations for them would be prohibitively expensive due to the extent of the collections.

The Library's collecting policy for its Archives and Special Collections is designed to support the research and teaching of Durham University, and to develop coherent collections which build on existing strengths as a service to scholarship generally.

academic needs and priorities, its relation to the Library's existing collections and to the existing pattern of national and regional collections.

	Subsidiary companies	Subsidiary investment in spinouts	Other investments	Total
	£'000	£'000	£'000	£'000
<b>Consolidated</b>				
At 1 August 2019	-	140	162,258	162,398
Additions	-	-	11,337	11,337
Increase in market value	-	-	674	674
Impairment	-	-	(301)	(301)
Disposals	-	-	(245)	(245)

<b>At 31 July 2020</b>	<b>-</b>	<b>140</b>	<b>173,723</b>	<b>173,863</b>
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**University**

At 1 August 2019	1,764	140	160,495	162,399
Additions	-	-	11,337	11,337
Increase in market value	-	-	674	674
Impairment	-	-	(301)	(301)
Disposals	-	-	(245)	(245)

<b>At 31 July 2020</b>	<b>1,764</b>	<b>140</b>	<b>171,960</b>	<b>173,864</b>
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	Consolidated	University	Consolidated	University
	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
Other non-current investments consist of:				



The University holds a 12.5% share of N8 Limited, a company limited by guarantee. This is a joint venture company owned equally by eight research intensive Northern Universities. The arrangement is treated as a joint venture and is accounted for using the equity method, such that 12.5% of the company's gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 12.5% of its net income is reported in the University's consolidated income and expenditure account.

	2020	2019
	<i>£'000</i>	<i>£'000</i>
<b>Income and expenditure account</b>		
Income	57	52
Surplus before tax	-	-
<b>Balance Sheet</b>		
Current assets	52	47
Creditors due after more than one year	(52)	(47)
<b>Share of net assets</b>	-	-

The University participates in a number of joint research contracts with other Universities, both as lead institution and in collaboration with another institution as lead. Income from such arrangements during 2020 amounted to £13.9m (2019 £13.8m).

The companies in which the University has a major interest and whose results are consolidated in these statements are as follows:

Name	Principal Activities	Percentage of Shares and Class
Durham Mount Oswald Limited	Property investment	100% Ordinary shares
Durham University Investments Ltd	Intermediate holding company	100% Ordinary shares
Durham University Developments Ltd*	Property trading	100% Ordinary shares
Durham Women's Football Club Ltd*	Football club activities	100% Ordinary shares

\*These shares are held indirectly through Durham University Investments Limited

The University also held investments in the following companies which have been set up to carry out spin-off businesses. The results of these companies are not included in the consolidated statements.

Pepmotec Ltd ***	27.7% Ordinary shares
FSCAN Ltd ***	24.9% Ordinary shares
	24.9% Ordinary shares
Geospatial Research Ltd ***	24.0% Ordinary shares
Olexys Ltd ***	22.0% Ordinary shares
Concept analyst Ltd ***	20.0% Ordinary share
Magnitude Biosciences Ltd ***	19.3% Ordinary shares
Geoptic Ltd	16.7% Ordinary shares
TPH Surveys Ltd	15.0% Ordinary shares
PB Spectroscopy	15.0% Ordinary shares
Rar-M Therapeutics Ltd	13.3% Ordinary shares
Durham Magneto Optics Ltd	12.75% Ordinary shares
Gamble De Grussa Ltd	10.87% Ordinary shares
Plastech Innovation Ltd	5.2% Ordinary shares
Intogral Ltd	4.45% Ordinary shares
Lightox Ltd	4.35% Ordinary shares
Applied Graphene Materials plc	2.49% Ordinary shares
Goliath Wind Ltd	2.22% Ordinary shares
Kromek plc	0.17% Ordinary shares
P2I Ltd	0.12% Ordinary shares

\*\*\* Not consolidated because at 31 July 2020 the University did not exercise effective control over these companies.

Other companies are not consolidated because the level of shareholding is below 20%

The University also holds investments in companies established jointly by several Universities:

N8 Ltd	Research	12.5% share (company limited by guarantee)
CVCP Properties Plc	Property	0.9% Ordinary shares

The cost of the University's shareholding in the spin-off investments above is recorded within Note 13 Subsidiary investment in spinouts. The market value of the University's shareholding in Applied Graphene Materials plc and Kromek plc is recorded in Note 18 within the heading Short term investment in shares.

	Consolidated	University	Consolidated	University
	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
Goods for resale	355	355	376	376
Durham University Developments Ltd – development land for resale	20	-	20	-
	<b>375</b>	<b>355</b>	<b>396</b>	<b>376</b>

**Amounts falling due within one year:**

Research grant receivables	12,294	12,294	11,264	11,264
Other trade receivables	11,708	11,706	8,101	8,100
Prepayments and accrued income	1,166	1,166	2,673	2,673
Amounts due from subsidiary companies	-	2	-	-
	<b>25,168</b>	<b>25,168</b>	<b>22,038</b>	<b>22,037</b>

Short term investment in shares	339	339	877	877
Short term deposits	40,206	40,206	80,139	80,139
	<b>40,545</b>	<b>40,545</b>	<b>81,016</b>	<b>81,016</b>

Deposits are held with banks operating in the London market and licensed by the Financial Services Authority. The short term

At 1 August 2019

Cash Flows



	Consolidated	University	Consolidated	University
	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
<b>Analysis of unsecured loans</b>				
Due within one year or on demand	4,541	4,541	4,541	4,541
Due between one and two years	4,541	4,541	4,541	4,541
	13,622	13,622	13,623	13,623
	259,744	259,744	264,286	264,286
<b>Total secured and unsecured loans</b>	<b>282,448</b>	<b>282,448</b>	<b>286,991</b>	<b>286,991</b>
Due within one year	(4,541)	(4,541)	(4,541)	(4,541)
<b>Due after more than one year</b>	<b>277,907</b>	<b>277,907</b>	<b>282,450</b>	<b>282,450</b>
<b>Consolidated reconciliation of net debt</b>				
	<i>£'000</i>			
<b>Net debt 1 August 2019</b>	<b>208,623</b>			
Movement in cash and cash equivalents	15,438			
Loan repayments	4,543			
Changes in market value and exchange rates	(3,570)			
<b>Net debt 31 July 2020</b>	<b>192,212</b>			
Changes in net debt	16,411			
<b>Analysis of net debt</b>				
	Year ended 31		Year ended 31	
	July 2020		July 2019	
	£'000		£'000	
<b>Cash and Cash equivalents</b>	<b>123,206</b>		<b>107,768</b>	
<b>Borrowings: amounts falling due within one year</b>				
Unsecured loans	4,541		4,541	
<b>Borrowings: amounts falling due after one year</b>				
Unsecured loans	277,907		282,450	
Derivatives	32,970		29,400	
	<b>310,877</b>		<b>311,850</b>	
<b>Net debt</b>	<b>192,212</b>		<b>208,623</b>	

Loans

	Obligation to fund deficit on USS Pension	Defined Benefit Obligations (Note 28)	Total Pensions Provisions	Strike deductions	Staff restructure	Total Other
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Consolidated</b>						
At 1 August 2019	116,995	53,385	170,380	761	89	850
Utilised in year	(2,061)	-	(2,061)	(286)	(89)	(375)
Additions	2,106	24,626	26,732	-	-	-

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Consolidated and University	Restricted Permanent	Unrestricted Permanent	Restricted Expendable	2020 Total	2019 Total
	£'000	£'000	£'000	£'000	£'000
<b>At 1 August 2019</b>					
Capital	37,759	30,629	9,890	78,278	70,970
Accumulated income	3,238	-	421	3,659	3,039
	40,997	30,629	10,311	81,937	74,009
New endowments	1,525	-	575	2,100	4,498
Investment income	848	149	255	1,252	1,516
	(175)	(149)	(345)	(669)	(933)
Increase in market value of investments	1,642	427	285	2,354	3,309
Decrease in market value of properties	-	(316)	-	(316)	(1,375)
Transfer from General Funds	-	(245)	-	(245)	628
Transfer from Restricted reserves	-	-	-	-	285
<b>Total endowment comprehensive income for the year</b>	<b>3,840</b>	<b>(134)</b>	<b>770</b>	<b>4,476</b>	<b>7,928</b>
<b>At 31 July 2020</b>	<b>44,837</b>	<b>30,495</b>	<b>11,081</b>	<b>86,413</b>	<b>81,937</b>
<b>Represented by</b>					
Capital	40,956	30,495	10,486	81,937	78,278
Accumulated income	3,881	-	595	4,476	3,659
	44,837	30,495	11,081	86,413	81,937
<b>Analysis by type of purpose:</b>					
Lectureships	472	-	3,196	3,668	3,861
Fellowships	13,349	-	-	13,349	12,466
Scholarships and bursaries	14,085	-	-	14,085	12,151
Research support	7,341	-	4,904	12,245	11,694
Prize funds	2,286	-	-	2,286	2,136
Student facilities	7,304	-	2,981	10,285	9,000
General	-	30,495	-	30,495	30,629
	44,837	30,495	11,081	86,413	81,937
<b>Analysis by asset:</b>					
Fixed assets				16,085	16,646
Current and non-current asset investments				56,991	50,300
Cash and cash equivalents				13,337	14,991
				86,413	81,937



A number of charitable institutions are administered by or on behalf of the University and have been established for its general or special purposes. As a result, under paragraph 28 of Schedule 3 to the Charities Act 2011, these connected institutions are exempt from registration with the Charity Commission. The movements in the year on the total funds of all connected institutions were as follows:

	College Trusts <i>£'000</i>	Fellowships <i>£'000</i>	Prizes <i>£'000</i>	Scholarships <i>£'000</i>	Total <i>£'000</i>
Opening balance 1 August 2019	2,401	3,173	41	1,533	7,148
Additions	152	1	-	-	153
Income	48	104	1	31	184
	(81)	(104)	(1)	(30)	(216)
Change in market value	113	(125)	2	87	77
<b>Closing balance at 31 July 2020</b>	<b>2,633</b>	<b>3,049</b>	<b>43</b>	<b>1,621</b>	<b>7,346</b>
Number of funds	5	2	2	9	18

Consolidated and University	Unspent Capital Grants <i>£'000</i>	Donations <i>£'000</i>	2020 Total <i>£'000</i>	2019 Total <i>£'000</i>
Balances at 1 August 2019	679	7,343	8,022	10,333
New grants	1,575	-	1,575	580
New donations	-	1,169	1,169	1,826
-	-	-	-	-

Change in GLWXUH

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Consolidated and University	Unspent Capital Grants	Donations	2020 Total	2019 Total
	£'000	£'000	£'000	£'000
<b>Analysis of other restricted funds/donations by type of purpose:</b>				
Fellowships	-	507	507	464
Scholarships and bursaries	-	2,571	2,571	2,276
Research support	141	1,476	1,617	1,744
Student facilities	1,476	2,556	4,032	3,456
Prize funds	-	94	94	82
	<b>1,617</b>	<b>7,204</b>	<b>8,821</b>	<b>8,022</b>

Consolidated	University	Consolidated	University
2020	2020	2019	2019
£'000	£'000	£'000	£'000

<b>Commitments contracted for</b>	<b>18,977</b>	<b>18,977</b>	<b>37,016</b>	<b>37,016</b>
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	Land and Buildings	Plant and Machinery	2020 Total	2019
	£'000	£'000	£'000	£'000
<b>Payable during the year</b>	<b>2,118</b>	<b>448</b>	<b>2,566</b>	<b>4,930</b>
<b>Future minimum lease payments due</b>				
Not later than 1 year	2,118	448	2,566	4,930
Later than 1 year and not later than 5 years	8,153	25(7)-10 (1)11		

a. Universities Superannuation Scheme

The current life expectancies on retirement at age 65 are:

	2018 Valuation	2017 Valuation
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 pension liability provision

	2020	2019
Discount rate	1%	2.44%
	3%	2.11%

## b. Durham University Pension Scheme

### Introduction

scheme for qualifying University employees not eligible for membership of Universities Superannuation Scheme. The Scheme is administered by a separate board of Trustees which is legally separate from the University. The Trustees are composed of representatives of both the University and employees. The Trustees are required by law to act in the interest of all relevant

Under the Scheme, up to 31 July 2016, employees are entitled to annual pensions on retirement at age 65 of 1/75th of Final active service.

1 August 2016. From this date members build up an annual pension of 1/60th of their pensionable salary each year which will be





*Reconciliation of opening and closing balances of the present value of Scheme liabilities*

	2020	2019
	<i>£'000</i>	<i>£'000</i>
<b>Present value of Scheme liabilities at 1 August</b>	<b>178,857</b>	<b>159,785</b>
Current service cost	5,722	5,181
Interest cost	3,862	4,486
Contributions by members	92	44
Actuarial losses	27,362	13,027
Past service costs	(4,285)	(4,354)
	32	688
<b>Present value of plan liabilities at 31 July</b>	<b>211,642</b>	<b>178,857</b>

*Reconciliation of opening and closing balances of the fair value of Scheme assets*

	2020	2019
	<i>£'000</i>	<i>£'000</i>
<b>Fair value of Scheme assets at 1 August</b>	<b>125,472</b>	<b>115,528</b>
Interest income	2,7	3,238

*Analysis of the charge to the income and expenditure account*

	2020	2019
	£'000	£'000
<b>Analysis of operating charge</b>		
Current service cost	(5,722)	





2020	2019	2018	2017	2016
<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>

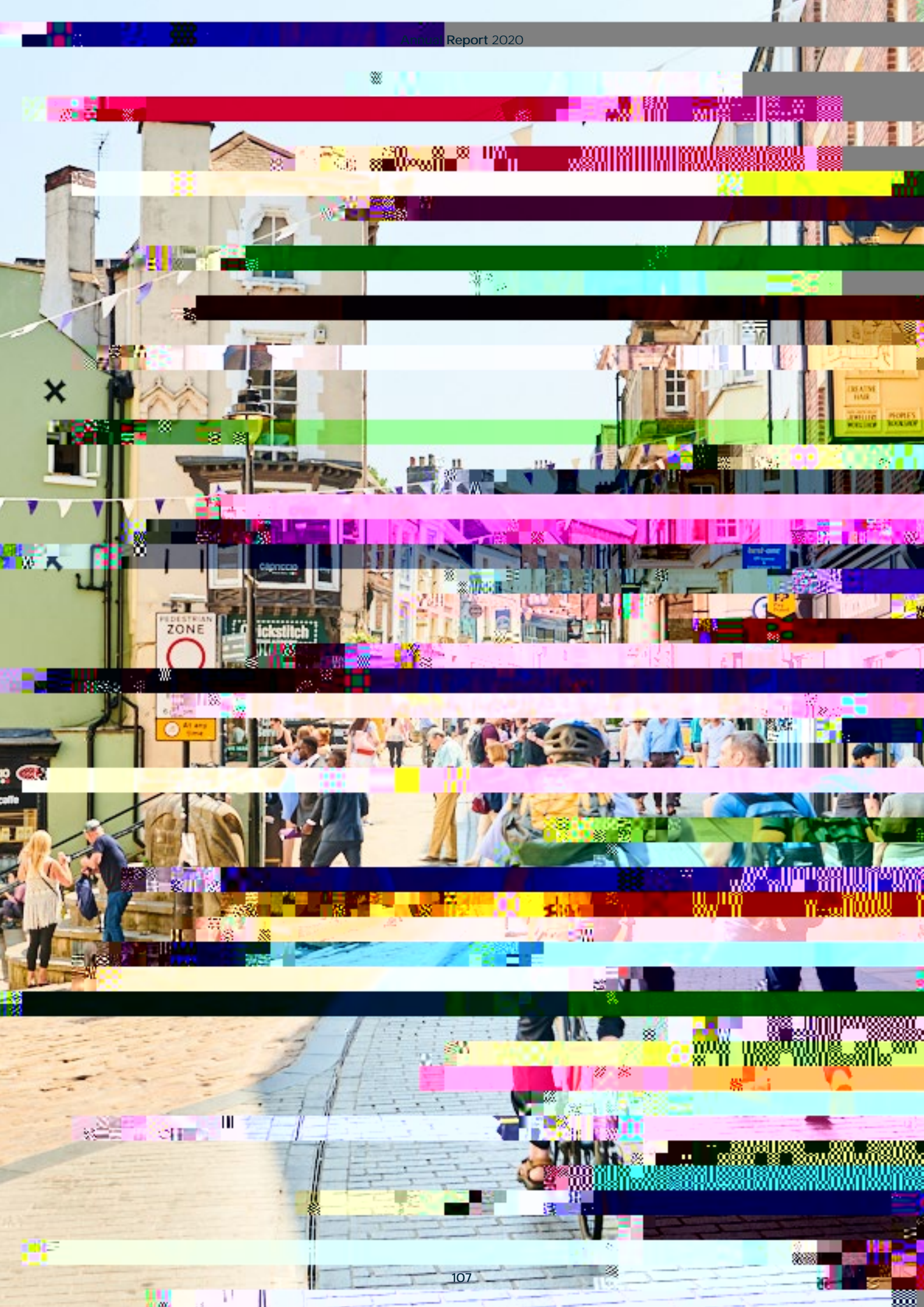
281	6,200	(1,579)	135	(1,055)
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	Consolidated 2020	University 2020	Consolidated 2019	University 2019
	£'000	£'000	£'000	£'000
Grant income from OfS	7,277	7,277	8,315	8,315

Grant income from OfS







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