Financial Results 2022–23

Underlying income
Total underlying income: £851m

Where does this money come from?

- Tuition fees and education contracts: £398m
- Research grants and contracts: £175m
- Funding body grants: £101m
- Other income*: £177m

* (includes services rendered, consultancies, conferences and other external activities)

Underlying expenditure
Total underlying expenditure: £807m

What were our costs?

- Staff costs: £454m
- Other operating expenses: £160m
- Interest payable: £13m
- Fellowships, scholarships and prizes: £37m
- Depreciation: £64m
- Infrastructure costs: £79m

£851m - £807m = £44m

Underlying income - underlying expenditure = underlying operating surplus

Underlying operating surplus is calculated by excluding funding council capital grants, research capital grants and associated research depreciation, endowment income, pension provision increases and employee leave accrual movements.

See further detail on page 22 of the Annual Report.
Underlying operating surplus

The University needs to make an operating surplus on underlying activities to generate the necessary level of cash to:

• Ensure that the University’s activities remain financially sustainable in the long term.
• Ensure that the University has sufficient resources available to replace, improve and invest in its physical assets in order to achieve its academic strategy.
• Allow investment, such as for additional resources, facilities and services.
• Mitigate against unforeseen events that might jeopardise the financial health of the University in the short term.

Financial review

- **Cash balances**: £235m
- **Cash from operations**: £107m
- **Liquidity days**: 114
- **Total debt**: £154m
- **Net assets**: £1,628m
- **Digital and physical infrastructure investment**: £101m
- **Income growth**: 8%
- **Expenditure growth (excluding USS)**: 13%