

Falmouth Exeter Plus

Falmouth Exeter Plus
(a Company Limited by Guarantee)

Registered number: 5103240

Consolidated Financial Statements
for the Year to 31 July 2024

FALMOUTH
UNIVERSITY



University
of Exeter

Falmouth Exeter Plus

Directors (as at date
of signing):

S Foster (appointed 1 September 2023)
S Gaslonde (appointed 1 August 2023)
Professor M Seigert
M Shore-Nye
D Stacey (appointed 23 August 2023)
R Wyatt (appointed 26 February 2024)

Registered Number: 5103240

Registered Office: Penryn Campus
Penryn
Cornwall
TR10 9FE

Auditor: Forvis Mazars LLP
90 Victoria Street
Bristol
BS1 6DP

Bankers: Barclays Bank plc
3rd Floor
Windsor Court
3 Windsor Place
Cardiff
CF10 3BX

Lloyds Bank plc
25 Monument Street
London
EC3R 8BQ

**Falmouth Exeter Plus
Consolidated Financial Statements
For the Year ended 31 July 2024**

INDEX

	Pages
Strategic Report	2 – 6
Directors' Report	7 - 8
Corporate Governance Statement	9 – 10
Statement of Directors' Responsibilities	11
Independent Auditor's Report to the members of Falmouth Exeter Plus	12 – 16
Consolidated and Company Statement of Comprehensive Income	16
Consolidated and Company Statement of Changes in Equity	17
Consolidated and Company Balance Sheets	18
Consolidated Cash Flow Statement	19
Notes to the Consolidated Financial Statements	20 – 36

Falmouth Exeter Plus
Strategic Report (incorporating the Financial and Operating Review)
For the Year ended 31 July 2024

Strategic Report (incorporating the Financial and Operating Review)

The Directors submit their report and the financial statements for the year ended 31 July 2024.

Objectives and activities for the public benefit

The objects of Falmouth Exeter Plus (FX Plus) are to advance the education of the public by providing and assisting in the provision of higher education facilities in Cornwall. The Directors confirm that they are aware of their duties with regard to public benefit and are conversant with the Charity Commission guidance in this area. In setting objectives and planning future activities, they have given consideration to the guidance on public benefit.

FX Plus is a jointly controlled entity established by Falmouth University (Falmouth) and the University of Exeter (UoE) to operate a range of services and facilities on the Penryn Campus (originally), and now also the Falmouth and Truro Campuses, for the joint benefit of the two universities which occupy the sites.

The direct benefits of FX Plus' work are the support for students at the Penryn, Falmouth and Truro Campuses to enable individual development on both an academic and personal level, and to facilitate teaching and research. This should also enrich society by providing well educated graduates and potential employees.

As the beneficiaries are students of the two universities, the public benefit is inextricably linked to that of the two universities. Further information about the universities' policies on public benefit including financial support to students and widening participation can be found in their financial statements.

Falmouth Exeter Plus (FX Plus) develops and operates all student accommodation comprising Glasney Parc, a 1,449-room residential development on Penryn Campus, Tuke House, a 156-room residence located in Falmouth and leased from Sanctuary Housing, and The Sidings, a 233-room residence at Penryn, operated under a Nominations Agreement. FX Plus also holds some short-term head leases whilst there is a shortfall of accommodation for first year students. In addition, FX Plus provides catering, retail, nursery, sport and printing services to staff, students and third parties. FX Plus manages the property issues on the Penryn and Falmouth campuses, including grounds, building maintenance, transport services, cleaning and security. It also provides library and academic skills, IT and AV and student support services.

Cornwall Plus Limited (Cornwall Plus), a wholly owned subsidiary, operates the commercial, non-charitable activities of the jointly controlled entity primarily relating to non-student letting of residences, non-academic conferences, external events and corporate hospitality for third parties. All taxable profits of Cornwall Plus are gifted to FX Plus.

Tremough Development Vehicle Limited (TDV), a wholly owned subsidiary, acted as the joint agent of Falmouth and UoE in the procurement of shared non-residential building developments on the Penryn Campus but has been dormant for the year and is expected to remain so for the foreseeable future.

The financial statements show the results of the Group, incorporating TDV, Cornwall Plus and FX Plus.

Results for the year

The Group continued to experience growth in response to student demand and in providing services to the two owning universities. This ran alongside a series of cost saving actions which means that a surplus for the year of £1,578K (2022/23 – deficit £747K) was recorded.

Falmouth Exeter Plus
Strategic Report (incorporating the Financial and Operating Review)
For the Year ended 31 July 2024

Summary consolidated results for 2023/24 are shown below:

	£ (000)	£ (000)
Income		
Central Support, Estates, Library, IT and Student Services		
Income from Falmouth/UoE	21,216	
Commercial Services	16,224	
Investment Income	119	
		37,559
Expenditure		
Central Support, Estates, Library, IT and Student Services costs	(21,216)	
Commercial Services		
Staffing and other costs	(9,843)	
Interest	(1,901)	
Depreciation	(2,841)	
	(14,585)	
		(35,801)
Loss on sale of assets		(177)
Surplus for the year (exc pension costs)		1,578
Pension costs included in expenditure		-
Surplus for the year (inc pension costs)		1,578
Re-measurements in respect of Pension Scheme		-
Total comprehensive income for the year		1,578

Key Performance Indicators

Financial performance was in line with target indicators with both net assets and cash balances increasing by the year end.

Other KPIs were reported to the Board during the year on a balanced scorecard approach through customer KPIs (largely National Student Survey (NSS) results), process KPIs (volumes and helpdesk numbers) and people KPIs (sickness, absence, recruitment, headcount, training). These were mainly positive with some work to be done in relation to NSS results which are directly influenced by FX Plus.

Central Support, Estates, Facilities, IT, Library and Student Services

Services provided to the two institutions increased during the year recognising the increase in costs from both staff pay awards and operational running costs, especially utilities and building maintenance.

Commercial Operations

Trading income is shown in note 8 and shows an increase of 8.2% (2022/23 – 0.5% decrease).

Falmouth Exeter Plus
Strategic Report (incorporating the Financial and Operating Review)
For the Year ended 31 July 2024

Sustainability

Global greenhouse gas (GHG) emissions and energy data for year ended 31 July 2024:

	Current reporting year		Comparison reporting year	
	2023-2024		2022-2023	
	UK and offshore	Global (excluding UK and offshore)	UK and offshore	Global (excluding UK and offshore)
Emissions from activities for which the company own or control including combustion of fuel & operation of facilities (Scope 1) / tCO ₂ e	2,031.42	-	2,186.59	-
Emissions from purchase of electricity, heat, steam and cooling purchased for own use (Scope 2, location based) / tCO ₂ e	1,716.08	-	1,820.07	-
Total gross Scope 1 & Scope 2 emissions / tCO ₂ e	3,747.50	-	4,006.66	-
Energy consumption used to calculate above emissions: /MWh	19,983.39	-	21,376.19	-
Intensity ratio: kgCO ₂ e (gross Scope 1 + 2) / m ² GIA [109,165.87m ²]	34.33	-	36.70	-
Methodology	GHG Reporting Protocol – Corporate Standard		GHG Reporting Protocol – Corporate Standard	

Energy efficiency actions taken in the period is covered by the annual sustainability report and shows that the Company has undertaken the following actions to reduce energy consumption and associated GHG emissions:

Activity Code	23/24 Forecast	Approved Budget	Forecast Completion Date
TC2010CAR03	AMATA LED lighting installation	26	Nov-24
TC2010CAR09	Sub-metering upgrades	110	Oct-24
TC2010CAR10	SERSF / ST Heat Pump installation	195	Mar-25
TC2010CAR11	Peter Lanyon LED lighting upgrades	36	Complete
TC2010CAR12	Solar PV system installation (DDM, Peter Lanyon & Sport Centre)	633	Complete
TC2010CAR14	Glasney Eco-Block (PV / Battery / Heat Pumps)	175	Sep-25
TC2010CAR15	LED Lighting & Electrical upgrade (Glasney)	50	Sep-24
TC2010CAR16	AMATA PV	120	Complete

Falmouth Exeter Plus
Strategic Report (incorporating the Financial and Operating Review)
For the Year ended 31 July 2024

Balance sheet

Expenditure on fixed assets during the year amounted to £220k which included minor building improvements and IT investments. This was more than offset by the annual depreciation charge which led to an overall decrease in the value of fixed assets.

Net current liabilities were £3.4M (2022/23 - £5.7M) and the pension deficit remained at £NIL (2022/23 - £NIL) as explained in note 17.

Cashflow and liquidity

At the year end the net cash balances were £2.6M (2022/23 - £0.2M) with the main movements during the year shown in the cashflow statement.

Strategic Risks

Risks for FX Plus are considered regularly by the Board and assigned to a Senior Leadership Team (SLT) member. Risks are ranked in order of importance and flagged using high (red), medium (orange), and low (green) using impact and probability scores.

Risk management has been monitored through the risk register process which included risks and opportunities across all services. The major risks are cyber security, accommodation demand and supply and compliance with accessibility.

Cornwall Plus Limited (Cornwall Plus)

The profit generated by the company is attributable to non-charitable conferencing and events and is referred to under Commercial Services above.

Income increased by 3% from the previous year and the final results for the year show a profit before tax of £73K (2022/23 - £16K), which has been donated under a deed of covenant agreement to the parent company FX Plus.

Tremough Development Vehicle Limited (TDV)

This company is dormant and will remain so for the foreseeable future. It will not be formally wound up due to the major contracts held in its name.

Looking ahead

With a fixed domestic fee for UK students and a reduction nationally in international students, general income is expected to remain static or even fall as both universities review their budgets and affordability. In preparation for this, FX Plus has undertaken a significant piece of work to restructure its management and realign its budgets anticipating this requirement.

As such, a savings implementation plan has been confirmed by the Board and SLT to enable FX Plus to continue to provide the services required for our partner universities, staff and students and other campus users.

Section 172 Statement

As a company incorporated in England, company law applicable to Falmouth Exeter Plus is the Companies Act 2006, including S172, and as a consequence all decisions and resolutions of the group are made with regards to the relevant provisions of the Companies Act 2006.

Falmouth Exeter Plus
Strategic Report (incorporating the Financial and Operating Review)
For the Year ended 31 July 2024

The directors are aware of their duty under section 172 to act in the way which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- The likely consequences of any decision in the long-term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct;
- The need to act fairly as between members of the company.

The company's key stakeholders are Falmouth University and University of Exeter. The directors of the company are primarily representatives of the universities, which facilitates the flow of information needed for company planning and decision-making. The key concerns of the stakeholders are in respect of students.

By Order of the Board



S Foster
Chair

Date: 4 October 2024

**Falmouth Exeter Plus
Directors' Report
For the Year ended 31 July 2024**

Directors' Report

Principal activities

Falmouth Exeter Plus (FX Plus) is a jointly controlled entity established by Falmouth University (Falmouth) and the University of Exeter (UoE) to operate a range of services and facilities on the Penryn Campus (originally), and now also the Falmouth and Truro Campuses, for the joint benefit of the two universities which occupy the sites.

FX Plus has exempt charity status owing to the educational objectives of the university partners which it supports with its services. It was incorporated on 16 April 2004 as a company limited by guarantee with Falmouth and UoE as the sole members.

Results

The surplus for the year was £1,578,000 (2022/23 – deficit £747,000). For further details on the results for the year see the analysis contained in the Strategic Report on page 4.

Directors

The Directors who served during the period and up to the date of signing were as follows:

Simon Foster (appointed 1 September 2023)
Amie Fulton (resigned 31 August 2024)
Stuart Gaslonde (appointed 1 August 2023)
Victoria Gosling (resigned 15 December 2023)
Professor Emma Hunt (resigned 26 February 2024)
Michael Shore-Nye (appointed 1 September 2023)
Martin Siegert (appointed 4 November 2022)
David Stacey (appointed 23 August 2023)
Robyn Wyatt (appointed 26 February 2024)

Directors' statement as to disclosure of information to auditor

The Directors who were members of the Board at the time of approving the Directors' report are listed at the front of the financial statements. Having made enquiries of fellow Directors and of the auditor, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the auditor is unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the auditor is aware of that information.

Reappointment of Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Forvis Mazars LLP will therefore continue in office.

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the reasons set out below.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides, FX Plus will have sufficient funds, through funding from the members (Falmouth University and University of Exeter) to meet its liabilities as they fall due for that period. The members are committed to continuing to make available such funds as are needed by FX Plus under the terms of the members' agreement.

**Falmouth Exeter Plus
Directors' Report
For the Year ended 31 July 2024**

The members each guarantee 50% of the company's bank loans and both members have confirmed that they have met their covenant requirements.

Consequently, the Directors are confident that FX Plus will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

By Order of the Board



S Foster
Chair

Date: 4 October 2024

Falmouth Exeter Plus Corporate Governance Statement

Corporate Governance Statement

Falmouth Exeter Plus (FX Plus) is a charitable company, limited by guarantee. It is jointly owned by University of Exeter (UoE) and Falmouth University (Falmouth) (together "the university partners").

The governance of FX Plus is through a Board of Directors, with Falmouth and UoE each appointing an equal number of Directors; and the Executive Director. Additional Directors can be appointed by the two members, with the support of at least two-thirds of existing Directors. Any decision taken by the Board of Directors requires the support of at least two UoE and two Falmouth Directors.

The Board normally meets twice a year, with provision for additional meetings and approval by email if required. During 2023/24, the Board met twice, with additional communication between meetings.

The Board has an agreed schedule of matters which it reserves to itself and which it reviews annually. The Board is responsible for determining the overall strategic direction of FX Plus and for overseeing and supporting the Executive Director and the Senior Leadership Team (SLT) in implementing the strategy. The Board is also responsible for monitoring FX Plus's performance and financial position and for ensuring that FX Plus maintains a sound system of internal control and risk management.

FX Plus has two subsidiary companies. Cornwall Plus Limited (Cornwall Plus) is responsible for commercial services provision. It began trading on 1 August 2013. All profits generated by Cornwall Plus are gifted under a deed of covenant to FX Plus to reinvest in services and facilities.

The other subsidiary company, Tremough Development Vehicle Ltd (TDV), became non-trading with effect from 1 August 2015. It was previously the vehicle through which capital development projects at the Penryn (formerly Tremough) Campus were undertaken.

During the accounting period, the Board oversaw the strategic direction of FX Plus. The Board also reviewed the delivery of FX Plus's strategies and monitored the high-level performance of FX Plus against key performance indicators including financial performance.

The Board has two committees reporting directly to it: Service Management Committee (SMC) and Finance and Audit Committee (FAC).

The Service Management Committee is a forum for the two universities to effectively manage the performance of FX Plus. This is supported by the introduction of an FX Plus quarterly performance report that will be aligned to the service definitions as they are introduced. The Finance and Audit Committee is a forum for the two universities to effectively manage and sign-off financial planning and oversee internal controls. This meeting integrates audit assurance as well as financial planning and oversight.

Internal control

In terms of ensuring the adequacy of mechanisms for internal control and risk management, and for external audit, the Board continues to rely on agreed "lighter touch" audit arrangements. These arrangements involve SLT, the internal and external auditors, the Board and both universities' Audit Committees. Safeguard mechanisms also exist.

The Executive Director (ED) was appointed on 1 August 2023. The ED is directly responsible to the Board and there was no change to the schedule of powers delegated to the ED in the accounting period.

**Falmouth Exeter Plus
Corporate Governance Statement**

SLT comprises the list of staff below. They met monthly during the accounting period with more regular weekly meetings, as required, to meet operational demands.

Stuart Gaslonde, (appointed Executive Director from 1 August 2023)
David Dickinson, Director of Student & Academic Support
Oliver Lane, Director of Campus Services
Kerry Ray, Senior Head of Corporate Support and Compliance

Senior representatives from Finance and Human Resources attend most meetings.

SLT consult, through Liaison Groups, with students and staff of Falmouth and UoE as "customers" of the services which FX Plus provides. The FX Plus Health and Safety Committee (a statutory requirement) is Chaired by the ED and reports to SLT on health and safety matters, and the ED, in turn, reports key health and safety related matters to the Board at each ordinary meeting.



S Foster
Chair

Date: 4 October 2024

**Statement of Responsibilities of the Directors of
Falmouth Exeter Plus**

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of FX Plus and of the profit or loss for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess FX Plus' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of FX Plus and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on FX Plus' website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of Falmouth Exeter Plus

Opinion

We have audited the financial statements of Falmouth Exeter Plus (the 'company') for the year ended 31 July 2024 which comprise the Consolidated and Company Statement of Comprehensive Income, the Consolidated and Company Statement of Changes in Equity, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 July 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Independent Auditor's Report to the Members of Falmouth Exeter Plus

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company'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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could

**Independent Auditor's Report to the
Members of Falmouth Exeter Plus**

reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation and pension regulations.

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

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

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

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

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

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

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

**Independent Auditor's Report to the
Members of Falmouth Exeter Plus**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



[Richard Bott \(Oct 30, 2024 16:36 GMT\)](#)

Richard Bott (Senior Statutory Auditor) for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

Date **30/10/2024**

**Falmouth Exeter Plus
Consolidated and Company
Statement of Comprehensive Income
For the Year ended 31 July 2024**

	Note	Year to 31/7/24 Group £ (000)	Year to 31/7/24 Company £ (000)	Year to 31/7/23 Group £ (000)	Year to 31/7/23 Company £ (000)
Income					
Operating Income	2	37,440	36,811	36,106	35,437
Investment Income	3	119	116	76	74
Total Income		<u>37,559</u>	<u>36,927</u>	<u>36,182</u>	<u>35,511</u>
Expenditure					
Cost of Sales	4	1,337	940	1,180	708
Staff Costs	5	13,781	13,613	14,284	14,136
Other Operating Expenses	6	15,944	15,877	16,184	16,133
Depreciation	9	2,841	2,841	3,263	3,263
Interest Payable	7	1,901	1,901	1,920	1,920
Total Expenditure		<u>35,804</u>	<u>35,172</u>	<u>36,831</u>	<u>36,160</u>
Surplus/(Deficit) before other Gains and Losses		1,755	1,755	(649)	(649)
Losses on Disposal of Fixed Assets		(177)	(177)	(98)	(98)
Surplus/(Deficit) on Continuing Operations Before and After Tax		<u>1,578</u>	<u>1,578</u>	<u>(747)</u>	<u>(747)</u>
Surplus/(Deficit) for the Year		1,578	1,578	(747)	(747)
Actuarial gain in respect of pension scheme		-	-	4,471	4,471
Total comprehensive income for the year		<u>1,578</u>	<u>1,578</u>	<u>3,724</u>	<u>3,724</u>
Represented by					
Unrestricted comprehensive income for the year		<u>1,578</u>	<u>1,578</u>	<u>3,724</u>	<u>3,724</u>

All items of income and expenditure relate to continuing activities.

The accompanying notes on pages 20 to 36 form an integral part of the financial statements.

Falmouth Exeter Plus
Consolidated and Company Statement of Changes in Equity
For the Year ended 31 July 2024

Group

	Income & Expenditure Account <i>Unrestricted</i> £ (000)	Revaluation reserve £ (000)	Total £ (000)
Balance at 1 August 2022	5,915	25,871	31,786
Deficit from the income and expenditure statement	(747)	-	(747)
Other comprehensive income	4,471	-	4,471
Transfers between revaluation and income and expenditure reserve	519	(519)	-
Balance at 31 July/ 1 August 2023	10,158	25,352	35,510
Surplus from the income and expenditure statement	1,578	-	1,578
Other comprehensive income	-	-	-
Transfers between revaluation and income and expenditure reserve	519	(519)	-
Balance at 31 July 2024	12,255	24,833	37,088

Company

	Income & Expenditure Account <i>Unrestricted</i> £ (000)	Revaluation reserve £ (000)	Total £ (000)
Balance at 1 August 2022	5,944	25,871	31,815
Deficit from the income and expenditure statement	(747)	-	(747)
Other comprehensive income	4,471	-	4,471
Transfers between revaluation and income and expenditure reserve	519	(519)	-
Balance at 31 July/ 1 August 2023	10,187	25,352	35,539
Surplus from the income and expenditure statement	1,578	-	1,578
Other comprehensive income	-	-	-
Transfers between revaluation and income and expenditure reserve	519	(519)	-
Balance at 31 July 2024	12,284	24,833	37,117

Transfers between revaluation and income and expenditure reserve are due to previous revaluations undertaken in accordance with the old basis of accounting (2007 SORP) and on transition to FRS 102. The valuations as at the date of transition have been taken as deemed cost.

The accompanying notes on pages 20 to 36 form an integral part of the financial statements.

Falmouth Exeter Plus
Balance Sheets as at 31 July 2024

	Note	Group 2024 £ (000)	Company 2024 £ (000)	Group 2023 £ (000)	Company 2023 £ (000)
Fixed Assets					
Tangible Assets	9	70,435	70,435	73,816	73,816
Investment Assets	10	-	-	-	-
		70,435	70,435	73,816	73,816
Current Assets					
Stock	11	163	163	163	163
Trade and other receivables	12	1,491	1,520	1,708	1,596
Cash and cash equivalents		2,636	2,466	167	145
		4,290	4,149	2,038	1,904
Creditors - amounts falling due within one year	13	(7,703)	(7,533)	(7,695)	(7,532)
Net Current Liabilities		(3,413)	(3,384)	(5,657)	(5,628)
Total Assets less Current Liabilities		67,022	67,051	68,159	68,188
Creditors - amounts falling due after more than one year	14	(29,934)	(29,934)	(32,649)	(32,649)
Provisions					
Pension Provision	17	-	-	-	-
Total Net Assets		37,088	37,117	35,510	35,539
Unrestricted Reserves					
Income and Expenditure Reserve- unrestricted		12,255	12,284	10,158	10,187
Revaluation Reserve		24,833	24,833	25,352	25,352
Total Reserves		37,088	37,117	35,510	35,539

The financial statements on pages 16 to 36 were approved by the Board of Directors on 4 October 2024



S Foster
Chair



D Stacey
Deputy Chair

The accompanying notes on pages 20 to 36 form an integral part of the financial statements.

Falmouth Exeter Plus
Consolidated Cash Flow Statement
For the Year ended 31 July 2024

	Year to 31/7/24 £ (000)	Year to 31/7/23 £ (000)
Cash flow from operating activities		
Surplus/(Deficit) for the year	1,578	(747)
Adjustment for non-cash items		
Depreciation	2,841	3,263
(Increase) in stock	-	(5)
Decrease/(Increase) in debtors	217	(359)
Increase/(Decrease) in creditors	997	(551)
Increase in pension provision	-	272
Loss on disposal of fixed assets	177	98
Adjustment for investing or financing items		
Investment income	(119)	(76)
Interest payable	1,901	1,920
Net cash inflow from operating activities	<u>7,592</u>	<u>3,815</u>
Cash flow from investing activities		
Proceeds from sale of fixed assets	582	-
Payments made to acquire fixed assets	<u>(243)</u>	<u>(2,076)</u>
	339	(2,076)
Cash flows from financing activities		
Investment income	119	68
Interest paid	(1,887)	(1,646)
Interest element of finance lease	(22)	(43)
Repayment of amounts borrowed	(2,622)	(2,599)
Capital element of finance lease	<u>(414)</u>	<u>(334)</u>
	<u>(4,826)</u>	<u>(4,554)</u>
Increase/(Decrease) in cash and cash equivalents in the year	3,105	(2,815)
Cash and cash equivalents at the beginning of the year	(501)	2,314
Cash and cash equivalents at the end of the year	<u><u>2,604</u></u>	<u><u>(501)</u></u>

The accompanying notes on pages 20 to 36 form an integral part of the financial statements.

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

1. Principal Accounting Policies

Basis of accounting

The company is a private company limited by guarantee and domiciled in England.

These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and Financial Reporting Standard (FRS) 102. The company is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year, are discussed below.

Basis of consolidation

The consolidated financial statements include the company and its subsidiary companies Tremough Development Vehicle Limited and Cornwall Plus Limited. Intra-group sales and profits are eliminated fully on consolidation.

Accounting estimates and judgements

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives of the assets so these are re-assessed annually and amended when necessary to reflect current estimates. See note 9 for the carrying amount of the property, plant and equipment, and note 1 for the useful economic lives for each class of assets.

Impairment of debtors

The company makes an estimate for the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors and associated impairment provision.

Pensions

FRS102 requires that certain assumptions are made in order to determine the amount to be recorded for retirement benefit obligations and pension plan assets, in particular for defined benefit plans. These are mainly actuarial assumptions such as expected inflation rates, employee turnover, expected return on plan assets and discount rates. Substantial changes in the assumed development of any one of these variables may significantly change the company's retirement benefit obligation and pension assets.

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

Critical accounting judgements in applying the Company's accounting policies

There are no such judgements in either the current or prior year.

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides, the group and company will have sufficient funds, through funding from the members (Falmouth University and University of Exeter) to meet its liabilities as they fall due for that period. The members are committed to continuing to make available such funds as are needed by the group and company under the terms of the members' agreement.

The members each guarantee 50% of the company's bank loans. Both members have addressed their covenant requirements.

Consequently, the Directors are confident that the group and company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Recognition of income

Income is included in the Consolidated Statement of Comprehensive Income and Expenditure to the extent of the goods supplied or completion of the service concerned. For services, this is generally equivalent to the sum of the relevant expenditure incurred during the period and any related contributions towards overhead costs. All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned.

Accounting for retirement benefits

Retirement benefits for the employees of the Group are provided by the Cornwall Council (CC) Superannuation Scheme. This is a defined benefit scheme which is externally funded and contracted out of the State Earnings Related Pension Scheme. The Scheme is valued every three years by professionally qualified independent actuaries.

The Group's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the Group. The Group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Company considers it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The Group also participates in the Universities Superannuation Scheme (the scheme). The scheme is a defined benefit, multi-employer scheme for which it is not

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

possible to identify the assets and liabilities attributable to the Group due to the mutual nature of the scheme and therefore is accounted for as a defined contribution retirement benefit scheme. A scheme-wide contribution rate is set and the Group is therefore exposed to actuarial risks associated with the other institutions' employees. The Group 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 Section 28 of FRS 102 "Employee 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.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the Group. Any unused benefits are accrued and measured as the additional amount the Group expects to pay as a result of the unused entitlement.

Finance leases

Leasing agreements that transfer substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. These are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Any lease premiums or incentives are spread over the whole term of the lease including extension options.

Maintenance of premises

The cost of long term and routine corrective maintenance is charged to the income and expenditure account as incurred.

Tangible fixed assets

Fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on the date of transition to the 2015 Further and Higher Education SORP are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Land and buildings

Leasehold land is not depreciated as it is considered to have an indefinite useful life. Buildings and associated capital works are depreciated over their expected useful lives of 50 years (long leasehold) or the period of the lease (short leasehold). Building improvement works, signage and the multi-use games area are depreciated over 10 years.

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

An impairment review of a fixed asset is carried out if events or changes in circumstance indicate that the carrying amount of the fixed asset may not be recoverable.

Finance costs on associated loans from third parties that are directly attributable to the purchase of land or the construction of buildings are capitalised during the construction period but, thereafter, are not capitalised as part of the costs of those assets but are shown as interest payable.

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

Equipment

Equipment, including computers and software, costing less than £5,000 per individual item is recognised as expenditure. All other equipment is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life, as follows:

Computers and equipment	- between 4 and 7 years
Motor vehicles	- 4 years

Depreciation methods, useful lives and residual values are reviewed at the date of the preparation of each Balance Sheet.

Investments

Investments in subsidiaries are carried at cost less impairment in the company's accounts.

Stock

Stocks of materials for sale are valued at the lower of cost and net realisable value where cost is taken as that incurred in bringing each product to its present location and condition.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. This includes amounts invested by Falmouth University on the Group's behalf. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Trade and other debtors and creditors

The Company measures debtors and creditors at amortised cost less impairment, except for derivatives which are measured at fair value.

Provisions

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

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

Taxation status

Falmouth Exeter Plus 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 charity 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 Group receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The Group's subsidiaries are subject to Corporation Tax in the same way as any commercial organisation.

2. Operating income

	Group	Company	Group	Company
	31/7/24	31/7/24	31/7/23	31/7/23
	£ (000)	£ (000)	£ (000)	£ (000)
Central Support Services	291	291	828	828
Estates Services	12,477	12,477	12,355	12,355
Library, IT and Student Services	8,448	8,448	7,922	7,922
Campus Services (note 8)	16,224	15,522	15,001	14,316
Deed of covenant	-	73	-	16
	<u>37,440</u>	<u>36,811</u>	<u>36,106</u>	<u>35,437</u>

3. Interest receivable

	Group	Company	Group	Company
	31/7/24	31/7/24	31/7/23	31/7/23
	£ (000)	£ (000)	£ (000)	£ (000)
Bank deposit interest	119	116	76	74

4. Cost of sales

	Group	Company	Group	Company
	31/7/24	31/7/24	31/7/23	31/7/23
	£ (000)	£ (000)	£ (000)	£ (000)
Material Purchases	1,337	940	1,180	708

5. Staff costs

	Group	Company	Group	Company
	31/7/24	31/7/24	31/7/23	31/7/23
	£ (000)	£ (000)	£ (000)	£ (000)
Wages and Salaries	11,363	11,195	11,403	11,255
Social Security Costs	1,085	1,085	1,101	1,101
Other Pension Costs	1,333	1,333	1,780	1,780
	<u>13,781</u>	<u>13,613</u>	<u>14,284</u>	<u>14,136</u>

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

5. Staff costs (continued)

Average Staff Numbers (FTEs) by Major Category:

Group and Company	31/7/24	31/7/23
Directorate	22	29
Infrastructure	79	78
Student and Academic Support	72	79
Campus Services	167	167
	340	353

Directors' remuneration
Group and Company

	31/7/24	31/7/23
	£ (000)	£ (000)
Aggregate Remuneration	181	134
Compensation on Loss of Office	39	56
Pension Contributions	38	11
	190	201

Two Directors within the Group are accruing benefits under the company's defined benefit pension scheme. The highest paid director received remuneration of £108K (2022/23: £54k). The value of the Company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £25k (2022/23: £3K). The directors have considered whether there are any further key management personnel and no such parties were identified.

6. Other Operating expenses

	Group	Company	Group	Company
	31/7/24	31/7/24	31/7/23	31/7/23
	£ (000)	£ (000)	£ (000)	£ (000)
General Office Costs	485	459	557	546
Marketing & Promotions	10	4	9	5
Heat, Light, Rates & Water	5,441	5,441	4,426	4,426
Other Premises Costs	6,284	6,284	7,725	7,725
IT Costs	1,755	1,729	1,345	1,321
Library & Learning Resource Costs	402	402	389	389
Insurance	432	432	364	364
External Audit Fees	51	43	50	42
Internal Audit Fees	15	15	-	-
Bad Debts	72	72	(20)	(20)
Other Professional Fees	997	996	1,339	1,335
	15,944	15,877	16,184	16,133

7. Interest payable

	Group	Company	Group	Company
	31/7/24	31/7/24	31/7/23	31/7/23
	£ (000)	£ (000)	£ (000)	£ (000)
On bank overdraft and loans	1,879	1,879	1,729	1,729
On Finance Leases	22	22	44	44
Pension Finance Cost (note 17)	-	-	147	147
	1,901	1,901	1,920	1,920

Interest charges relating to the finance lease and interest on bank loans are allocated to periods over the term of the liability/debt to produce a charge in the Income and Expenditure account that is a constant percentage of the carrying amount of the liability/debt in the Balance Sheet.

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

8. Analysis of Campus Services income by activity

	Group	Company	Group	Company
	31/7/24	31/7/24	31/7/23	31/7/23
	£ (000)	£ (000)	£ (000)	£ (000)
Retail	1,340	1,340	1,221	1,221
Catering & Bar	211	211	203	203
Residences	12,564	12,564	11,606	11,606
Nursery	783	783	688	688
Fitness Centre	473	473	441	441
Reprographics	151	151	157	157
Campus and Commercial Events	702	-	685	-
	<u>16,224</u>	<u>15,522</u>	<u>15,001</u>	<u>14,316</u>

9. Fixed Assets

Group	Assets in the course of construction	Land	Long Leasehold Buildings	Short Leasehold Buildings	Equipment	Total
	£ (000)	£ (000)	£ (000)	£ (000)	£ (000)	£ (000)
Cost						
B/f as at 1 August 2023	583	5,981	79,926	2,899	12,304	101,693
Additions for the Year	-	-	-	-	220	220
Disposals for the Year	(583)	-	(106)	-	(334)	(1,023)
C/f as at 31 July 2024	<u>-</u>	<u>5,981</u>	<u>79,820</u>	<u>2,899</u>	<u>12,190</u>	<u>100,890</u>
Depreciation						
B/f as at 1 August 2023	-	-	15,338	2,756	9,783	27,877
Charge for the Year	-	-	1,841	143	857	2,841
Depreciation on Disposals	-	-	(76)	-	(187)	(263)
C/f as at 31 July 2024	<u>-</u>	<u>-</u>	<u>17,103</u>	<u>2,899</u>	<u>10,453</u>	<u>30,455</u>
Net book value						
As at 31 July 2023	<u>583</u>	<u>5,981</u>	<u>64,588</u>	<u>143</u>	<u>2,521</u>	<u>73,816</u>
As at 31 July 2024	<u>-</u>	<u>5,981</u>	<u>62,717</u>	<u>-</u>	<u>1,737</u>	<u>70,435</u>

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

9. Fixed Assets (continued)

Company	Assets in the course of construction £ (000)	Land £ (000)	Long Leasehold Buildings £ (000)	Short Leasehold Buildings £ (000)	Equipment £ (000)	Total £ (000)
Cost						
B/f as at 1 August 2023	583	5,981	79,926	2,899	12,284	101,673
Additions for the Year	-	-	-	-	220	220
Disposals for the Year	(583)	-	(106)	-	(334)	(1,023)
C/f as at 31 July 2024	-	5,981	79,820	2,899	12,170	100,870
Depreciation						
B/f as at 1 August 2023	-	-	15,338	2,756	9,763	27,857
Charge for the Year	-	-	1,841	143	857	2,841
Depreciation on Disposals	-	-	(76)	-	(187)	(263)
C/f as at 31 July 2024	-	-	17,103	2,899	10,433	30,435
Net book value						
As at 31 July 2023	583	5,981	64,588	143	2,521	73,816
As at 31 July 2024	-	5,981	62,717	-	1,737	70,435

The cumulative amount of interest capitalised at 31 July 2024 was £1,011,000 (2023: £1,011,000).

Land and buildings were previously revalued in accordance with the old basis of accounting (2007 SORP) and on transition to FRS 102. The valuations as at the date of transition were taken as deemed cost.

Long leasehold buildings were revalued by Alder King, Chartered Surveyors on the basis of existing use value on 31 July 2014 at a value of £82,909K. The existing use value did not include directly attributable selling/acquisition costs.

The Tuke House lease (in short leasehold buildings above) was assessed by Vickery Holman Chartered Surveyors on the basis of existing use on 31 March 2005 and was valued at £2,899K. The valuers are external to the Group.

10. Investments

The Company owns 100% of the issued share capital of 100 £1 Ordinary shares of the Tremough Development Vehicle Ltd (TDV). TDV was established to provide the construction of earlier buildings at the Penryn Campus.

The Company also owns 100% of the issued share capital of 2 £1 Ordinary shares of Cornwall Plus Limited. The company was established to operate non-student letting of residences, non-academic conferences, external events and corporate hospitality and started trading on 1 August 2013.

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

11. Stock

	Group 2024 £ (000)	Company 2024 £ (000)	Group 2023 £ (000)	Company 2023 £ (000)
Shop	120	120	114	114
Refectory	22	22	26	26
Bar	7	7	8	8
Other	14	14	15	15
	<u>163</u>	<u>163</u>	<u>163</u>	<u>163</u>

12. Trade and other receivables

	Group 2024 £ (000)	Company 2024 £ (000)	Group 2023 £ (000)	Company 2023 £ (000)
Trade Debtors	297	270	372	319
Bad Debt Provision	(199)	(199)	(144)	(144)
Amounts Owed by Group Undertakings	-	227	-	26
Amounts Owed by Related Undertakings -				
University of Exeter	386	376	262	262
Falmouth University	259	255	333	326
Other Debtors	174	17	91	13
Prepayments & Accrued Income	574	574	794	794
	<u>1,491</u>	<u>1,520</u>	<u>1,708</u>	<u>1,596</u>

13. Creditors - amounts falling due in one year

	Group 2024 £ (000)	Company 2024 £ (000)	Group 2023 £ (000)	Company 2023 £ (000)
Bank Overdraft	32	32	668	668
Bank Loans	2,745	2,745	2,652	2,652
Finance Lease Commitments due in One Year	-	-	414	414
Amounts Owed to Group Undertakings	-	-	-	103
Trade Creditors	957	955	1,007	1,006
Other Taxation and Social Security	417	417	506	506
Other Creditors	214	214	197	197
Accruals	3,338	3,170	2,251	1,986
	<u>7,703</u>	<u>7,533</u>	<u>7,695</u>	<u>7,532</u>

14. Creditors - amounts falling due after more than one year

	Group and Company	
	2024 £ (000)	2023 £ (000)
Not wholly repayable within five years:		
Bank Loan 1	9,166	10,108
Bank Loan 2	7,360	7,850
Bank Loan 3	10,739	11,550
Bank Loan 4	2,669	3,141
	<u>29,934</u>	<u>32,649</u>

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

14. Creditors - amounts falling due after more than one year (continued)

	Group and Company	
	2024	2023
	£ (000)	£ (000)
Amounts repayable on loans:		
In one year or less	2,745	2,652
In more than one year but not more than two years	2,847	2,746
In more than two years but not more than five years	8,683	8,635
In more than five years	18,404	21,268
	<u>32,679</u>	<u>35,301</u>

	Group and Company		Interest rate
	Amount	Term	
	£ (000)		%
Lloyds Bank plc (loan 1)	10,108	2032	5.8875
Lloyds Bank plc (loan 2)	7,849	2036	5.215
Barclays Bank plc (loan 3)	11,550	2038	Sonia plus lending margin and spread
European Investment Bank (loan 4)	929	2027	2.24% plus lending margin and costs
Lloyds Bank plc (loan 4)	2,243	2031	2.0887%
	<u>32,679</u>		

Guarantees covering all bank loans have been given by Falmouth University and the University of Exeter on a 50:50 basis. The two universities also have banking covenants that they are required to meet on an annual basis.

	Group and Company	
	2024	2023
	£ (000)	£ (000)
Amounts repayable on finance leases:		
In one year or less	-	414
	<u>-</u>	<u>414</u>

15. Cash and cash equivalents

Group

	At 1 Aug	Cashflows	At 31 July
	2023		2024
	£ (000)	£ (000)	£ (000)
Cash and cash equivalents	167	2,469	2,636
Overdraft	(668)	636	(32)
Total	<u>(501)</u>	<u>3,105</u>	<u>2,604</u>

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

16. Consolidated reconciliation of net debt

	31 July 2024
	£ (000)
Net debt 1 August 2023	(36,217)
Movement in cash and cash equivalents	2,469
Other non cash changes	(2,056)
Net debt 31 July 2024	(30,075)
Change in net debt	<u>6,142</u>

Analysis of net debt:	31 July 2024	31 July 2023
	£ (000)	£ (000)
Cash and cash equivalents	2,636	167
Borrowings: amounts falling due within one year		
Secured loans	(2,745)	(2,653)
Bank Overdraft	(32)	(668)
Obligations under finance leases	-	(414)
	<u>(2,777)</u>	<u>(3,735)</u>
Borrowings: amounts falling due after more than one year		
Secured loans	(29,934)	(32,649)
Obligations under finance leases	-	-
	<u>(29,934)</u>	<u>(32,649)</u>
Net debt	<u>(30,075)</u>	<u>(36,217)</u>

17. Pension scheme

LGPS

The Group's employees belong to the Cornwall Council Superannuation Scheme.

The Group is an admitted body of the Cornwall Council Superannuation Scheme which is a funded defined benefit scheme with the assets held in separate trustee administered funds.

The pensions cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are shown below.

The Group has set out below the information available on the scheme.

Latest actuarial valuation	31 March 2022
Period of actuarial valuation	3 years
Actuarial method	Prospective benefits
Investment returns per annum	4.4%
Salary scale increases per annum	2.7%
Market value of assets at date of last valuation	£2,363M
Proportion of members' accrued benefits covered by the actuarial value of assets	96%
Employers primary contribution rate (excluding lump sum)	20.5%

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

Employees average contribution rate 6.3%

The Group contributes to the Cornwall Council Superannuation Scheme, a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 March 2022 and updated to 31 July 2024 by a qualified independent actuary. The major assumptions used by the actuary were:

	31 Jul 2024	31 Jul 2023	31 Jul 2022
	% pa	% pa	% pa
Inflation (CPI)	2.75	2.95	2.7
Rate of increase in salaries payment	2.75	2.95	2.7
Rate of increase in pension	2.75	2.95	2.7
Discount rate	5.00	5.00	3.5

The assumed life expectancy is:

	Males	Females
Current pensioners	19.9 years	24.2 years
Future pensioners	21.7 years	25.3 years

The assets and liabilities of the scheme and the expected rates of return were:

	Long-term rate expected 31 July 2024	Assets at 31 July 2024	Long-term rate expected 31 July 2023	Assets at 31 July 2023	Long-term rate expected 31 July 2022	Assets at 31 July 2022
	%	£(000)	%	£(000)	%	£(000)
Equities	5.0	21,465	5.0	18,107	3.5	17,550
Bonds	5.0	11,449	5.0	11,852	3.5	12,252
Property	5.0	2,147	5.0	2,304	3.5	2,649
Cash	5.0	716	5.0	658	3.5	662
Estimated employer's share of scheme assets		35,777		32,921		33,113
Present value of scheme liabilities		(32,565)		(30,922)		(37,165)
Non-recognition of pension asset *		(3,212)		(1,999)		-
Net pension liability		-		-		(4,052)

* No pension scheme surplus has been recognised as the Company is not able to recover this either in the form of reduced contributions or through refunds from the plan.

Analysis of the amount charged/(credited) to income and expenditure account

	2024	2023
	£(000)	£(000)
Current service cost	826	1,352
Non-recognition of pension asset movement	(826)	-
Total operating charge	-	1,352

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

Analysis of the amount charged to pension finance costs/(credited) to pension finance income

	2024	2023
	£(000)	£(000)
Expected return on pension scheme assets	1,667	1,175
Interest on pension scheme liabilities	(1,562)	(1,322)
Non-recognition of pension asset movement	(105)	-
Net charge	-	(147)

Amount recognised in Other Comprehensive Income (OCI)

	2024	2023
	£(000)	£(000)
Actuarial gain recognised in OCI in the year	-	4,471
Cumulative actuarial gain/(loss) in OCI at 1 August	11,632	7,161
Cumulative actuarial gain in OCI at 31 July	11,632	11,632

Reconciliation of defined benefit obligation

	2024	2023
	£(000)	£(000)
Opening defined benefit obligation	32,921	37,165
Current service cost	826	1,352
Interest cost	1,562	1,322
Contributions by members	283	312
Remeasurements	(553)	(8,826)
Non-recognition of pension asset	1,213	1,999
Losses on curtailments	-	7
Estimated benefits paid	(475)	(410)
Closing defined benefit obligation	35,777	32,921

Reconciliation of fair value of employer assets

	2024	2023
	£(000)	£(000)
Opening fair value of employer assets	32,921	33,113
Expected return on assets	1,667	1,175
Contributions by members	283	312
Contributions by the employer	1,028	1,087
Remeasurements	353	(2,356)
Benefits paid	(475)	(410)
Closing fair value of employer assets	35,777	32,921

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

History of experience gains and losses

	Year to 31 July 2024 £(000)	Year to 31 July 2023 £(000)	Year to 31 July 2022 £(000)	Year to 31 July 2021 £(000)	Year to 31 July 2020 £(000)
Difference between the expected and actual return on assets	353	(1,776)	120	3,125	437
Value of assets	35,777	32,921	33,113	31,425	26,571
Percentage of assets	0.1%	(5.4%)	0.4%	9.9%	1.6%
Experience gains on liabilities	553	8,826	22,368	(6,650)	(6,790)
Present value of liabilities	35,777	32,921	37,165	55,856	45,828
Percentage of the present value of liabilities	1.5%	26.8%	60.2%	(11.9%)	(14.8%)
Actuarial gains recognised in OCI	-	4,471	24,273	(3,525)	(6,353)
Present value of liabilities	35,777	32,921	37,165	55,856	45,828
Percentage of the present value of liabilities	-	13.6%	65.3%	(6.3%)	(13.9%)
Deficit brought forward	-	(4,052)	(24,431)	(19,257)	(11,365)
Movement	-	4,052	20,379	(5,174)	(7,892)
Deficit carried forward	-	-	(4,052)	(24,431)	(19,257)

Pension scheme – USS

The total cost charged to the Statement of Comprehensive Income is £19K (2023: £27K). No liability has been included for deficit payments as these are not considered to be material.

The latest available complete actuarial valuation of the Retirement Income Builder of the scheme is at 31 March 2023 ("the valuation date"), which was carried out using the projected unit method.

Since the Group cannot identify its share of Retirement Income Builder section of the scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2023 valuation was the seventh valuation for USS under the 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. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles:

CPI assumption	3.0%
Pension increases (subject to a floor of 0%)	CPI assumption plus 3bps for benefits with no cap
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

2020 valuation

Mortality base table 101% of S2PMA "light" for males and 95% of S3PFA for females

Future improvements to mortality CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

18. Capital commitments

	Group 2024 £ (000)	Company 2024 £ (000)	Group 2023 £ (000)	Company 2023 £ (000)
Authorised but not committed	211	211	62	62
Commitments contracted at 31 July	4	4	14	14

Amounts authorised are in respect of various construction and other capital projects at the Penryn Campus less commitments to date and are funded by the two universities.

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

19. Financial commitments

Details of loan agreements are provided in note 14.

Amounts payable under non-cancellable operating leases were as follows:

	Group and Company	
	2024	2023
	£ (000)	£ (000)
Land and buildings		
In one year or less	796	791
In more than one year but not more than two years	747	791
In more than two years but not more than five years	72	807
Total	1,615	2,389

Total lease payments in the year were £1,210k (2023:£1,117k).

Included in the total lease payments above is £414k in respect of student residence, Henry Scott Tuke House, which commenced on 1 August 1999 and was transferred from Falmouth University in 2004/05 to complement the freehold residences at the Penryn Campus. The lease finished on 31 July 2024 and a new lease was signed on 9 August 2024 covering the period from 7 September 2024 to 19 June 2027.

Lease commitments represent head leases taken out for additional student residences to fulfil the short-term need.

20. Related party transactions

FX Plus has taken advantage of the exemption under FRS 102 not to disclose transactions with subsidiaries that are 100% owned.

For other related parties, FX Plus entered into the following transactions which are all shown on an arms' length basis.

Group	Sales to related parties	Purchases from related parties	Amounts owed by related party	Amounts owed to related party
	£ (000)	£ (000)	£ (000)	£ (000)
Year ended 31/7/24				
University of Exeter	8,933	45	386	-
Falmouth University	14,620	52	259	-
Year ended 31/7/23				
University of Exeter	7,928	66	262	-
Falmouth University	14,028	141	333	-

Falmouth Exeter Plus
Notes to the Consolidated Financial Statements
For the Year ended 31 July 2024

Company	Sales to related parties £ (000)	Purchases from related parties £ (000)	Amounts owed by related party £ (000)	Amounts owed to related party £ (000)
Year ended 31/7/24				
University of Exeter	8,922	45	376	-
Falmouth University	14,616	51	255	-
Year ended 31/7/23				
University of Exeter	7,928	66	262	-
Falmouth University	14,020	141	326	-

At the balance sheet date £259,000 was due from Falmouth University (2023: £333,000) and £386,000 was due from University of Exeter (2023: £262,000).

The parent institutions are as follows:

University of Exeter
 Stocker Road
 Exeter EX4 4PY

Falmouth University
 25 Woodlane
 Falmouth TR11 4RH