Annual Financial Return 2026

Guidance on completing the workbook

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Version history

Version	Date
1.0	9 April 2026
1.1	2 October 2026

Key changes compared with Annual Financial Return 2025

Table: Key changes compared with Annual Financial Return 2025

Guidance reference	Key changes compared with Annual Financial Return 2025
Indicators table	A new table displaying four financial indicators derived from data rows in the workbook.
Table 3, row 13b	Clarification of the lowest cash balance value definition. This should NOT include cash available through short-term credit facilities such as overdrafts or revolving credit facilities.
Table 3, row 13c	A new row asking to split out from the figure in 13b the amount of ‘restricted’ cash and cash equivalents that is not available for operations.
Table 4, row 1b	A new TNE fee income row derived from Table 6, row 7.
Table 4, row 4c	Clarification of guidance to make clear that NHS funding for student placements should be included in this row.
Table 4, row 4h	A new row asking for transnational education provision operating income.
Table 4, row 4i	For AFR25 other operating income was row 4h. The re-ordering of rows is due to an additional row.
Table 6, row 4	Clarification of guidance to confirm that CASE, ICASE and IDLA studentship funding should be returned under research training support grants on Table 6.
Table 6, row 7	A new row asking for net fee income relating to transnational education provision.

Guidance reference	Key changes compared with Annual Financial Return 2025
Table 7, entrant and continuing students	The definition of an entrant has been simplified. A student is an entrant if their higher education course commencement date falls within the period the financial year covers.
Table 13, Column: Interest rate at the end of Year 2 (estimate for undrawn facilities)	Clarification of guidance to ensure interest values are entered as percentages to two decimal places.
Commentary, question 24.	A new question in the commentary asking for providers to disclose if the cash or short-term investments balance in Year 2 includes any restricted funds (not available for operational purposes).

Introduction

1. This guidance is intended to help providers understand what they should include in the Annual Financial Return workbook.

2. Where a provider is a further education college or a sixth form college under the primary regulation of the Department for Education (DfE), it is not required to submit this financial data to the Office for Students (OfS). For such providers, the OfS works closely with the DfE to ensure that it is able to undertake appropriate monitoring of financial viability and sustainability.

3. The workbook requires providers to give historic and forecast information about their financial performance and position, along with student number information. This enables the OfS to assess financial viability and sustainability and make a judgement about providers' financial risks. The data will also be used by the OfS to monitor and report on patterns and trends in financial sustainability.

4. Providers will need to complete the workbook in full. In completing the workbook, providers should ensure that data reported for completed financial years is consistent with the figures reported in their audited financial statements.

5. The OfS has published an example of the workbook alongside this guidance on the OfS website. Providers must download their bespoke workbook from the OfS portal, complete it and then upload the completed workbook using the portal.

6. Providers must check that they have entered the data into tables correctly to ensure that they are returning accurate data. Although the OfS will provide validation checks on the data, data accuracy is the responsibility of providers. For registered providers, the return of inaccurate data to the OfS may be a breach of ongoing registration condition F3 which may indicate inadequate management and governance oversight of the provider. This may adversely impact on the OfS's judgement about the provider's compliance with ongoing registration conditions E2 and E3.

7. The Annual Financial Return 2026 workbook, commentary and all other required files should be submitted and signed off by the provider's Annual Financial Return (AFR) deadline. Please note, providers will have a single deadline by which to submit all relevant files and sign-off the submission. For the majority of providers this will be five months after their financial year end.

8. The financial return workbook contains validation flags to help providers in completing the workbook accurately. These validation flags must be addressed for the workbook to be considered valid and to enable a provider to be able to submit and sign-off their

workbook. To mitigate the risk of the OfS receiving inaccurate data providers should review the information submitted to ensure it is accurate and credible. The OfS will carry out verification of key parts of the AFR26 submission after sign-off however these verification checks are not a replacement for a thorough checking of the AFR26 submission by the provider prior to sign-off. Providers will be expected to respond promptly to any verification queries raised after sign-off and if necessary resubmit and re-sign-off any amendments made. Further details of the return verification process will be available separately to this guidance.

Data format

9. For all financial data, providers must enter the figures in thousands of pounds (£'000s).

10. All student number data must be entered as full-time equivalent (FTEs).

Actual and forecast years

11. The headings in each table will indicate which year the data relates to:

    - For years in the past (years 1 and 2), you should enter historic numbers.
    - For the current year (year 3) and years in the future (years 4 to 7), you should enter forecast numbers for each year.
    - Please note that not all years need to be completed for each row. Those years not required are greyed out in the workbook.

Workbook content

12. The workbook has been designed to ensure that the OfS can collect data from a diverse range of providers with differing levels of organisational complexity. Where possible, we have adapted the workbook for different types of provider, to make clear which elements of the financial workbook require data input. This is summarised in the table below:

Table: AFR26 workbook content

Table	Table description	Which providers should complete the table
Financial indicators	Financial indicators derived from data rows in the workbook.	Automatically calculated from data rows elsewhere in the workbook. It does not need to be populated by providers.
Financial checks	To confirm relevant values in the workbook match those found in audited financial statements.	All providers
Assumptions	Forecast assumptions and backlog maintenance	All providers
Table 1	Consolidated statement of comprehensive income and expenditure	All providers
Table 2	Consolidated statement of financial position	All providers
Table 3	Consolidated statement of cash flows	All providers
Table 4	Analysis of income	All providers
Table 5	Analysis of income – Research grants and contracts – breakdown by source of income and cost centre	Providers in the Approved (fee cap) registration category
Table 6	Analysis of income – Course fees and education contracts analysed by domicile, mode, level and source	All providers
Table 7	Higher education student full-time equivalents (FTEs)	All providers
Table 7a	Higher education student full-time equivalents (FTEs) from non-UK domiciles	All providers
Table 8	Analysis of expenditure – breakdown by activity and cost centre	All providers

Table	Table description	Which providers should complete the table
		Approved providers will not be required to fill out the full table
Table 9	Analysis of expenditure – staff costs	All providers Those providers that are not yet required to reflect the OfS accounts direction in their financial statements will not be required to fill out the full table
Table 10	Analysis of expenditure – severance payments	All providers required to reflect the OfS accounts direction in their financial statements
Table 11	Head of provider remuneration	All providers required to reflect the OfS accounts direction in their financial statements
Table 12	Analysis of capital expenditure	All providers
Table 13	Financial commitments	All providers
Table 14	Access and participation investment	All providers that have an approved access and participation plan

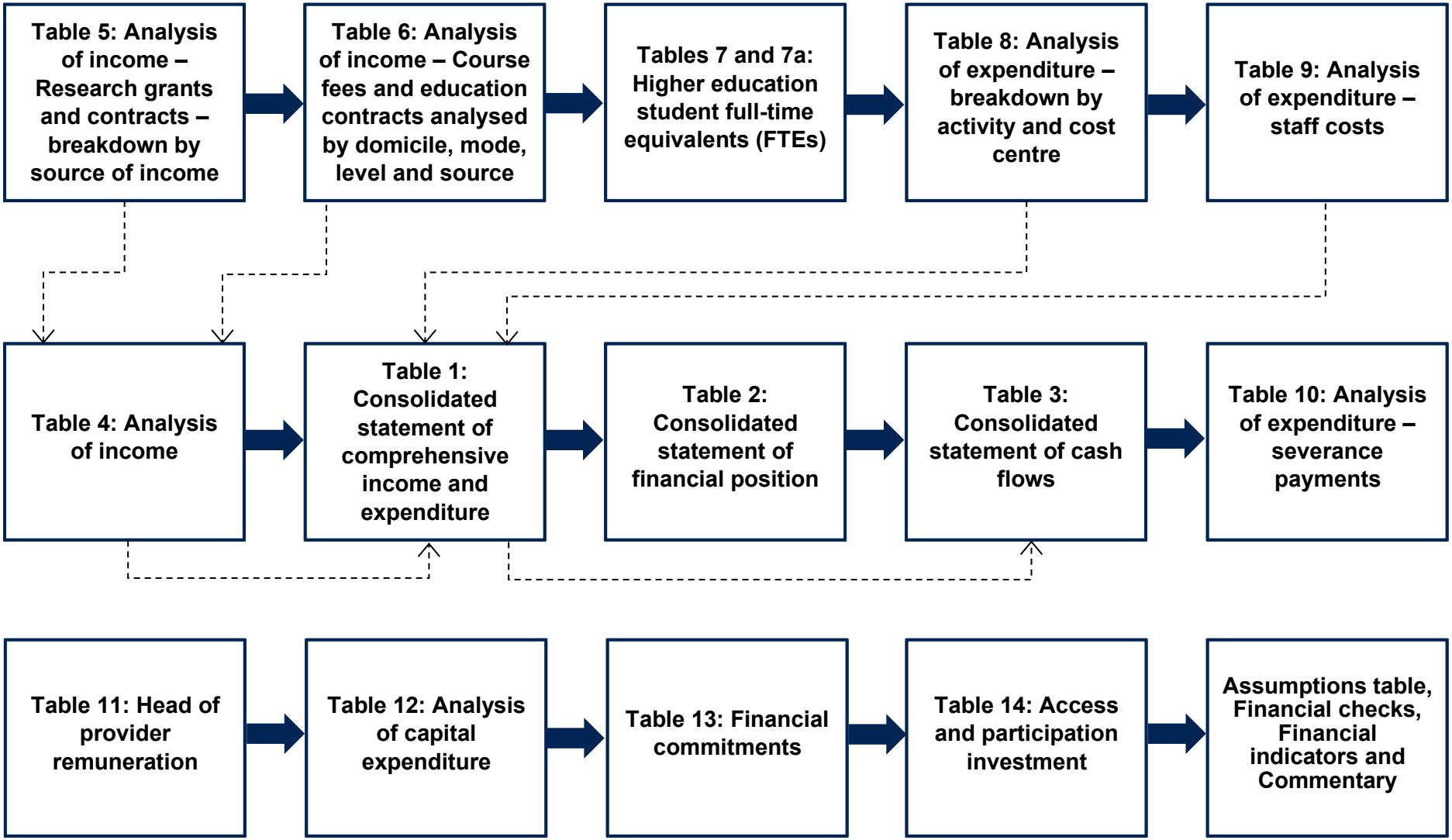
Workbook flowchart

13. The workbook has been developed to ensure that data common to multiple financial tables will only need to be input once. Data will automatically be transferred to other relevant tables.

14. Where possible, we have also pre-filled year 1 data with data submitted in your previous Annual Financial Return. Where this is the case, providers should check that this data is consistent with the prior period figures reported in their latest financial statements and update this data where prior period adjustments have been made.

15. Figure 1 below shows the ordering and linking of the tables and therefore indicates in which order providers are advised to complete them.

Figure 1: Suggested order of completion of tables



----> = indicates where data from one table feeds into another table

Financial indicators table

16. The financial indicators table is provided to help providers verify that values entered in the AFR workbook for years 1-7 are accurate and the calculated indicators as expected.

17. The values in this table are automatically derived from rows elsewhere in the AFR workbook.

Table: Financial indicators table information

Indicators	What you need to do:	Calculations:
1. Surplus/(deficit) as a percentage of total income	You do not need to enter any data here.	Surplus/(deficit) before other gains/losses and share of surplus/(deficit) in joint ventures and associates (Table 1, row 3) + Changes to pension provisions and pension adjustments (Table 9, row 1J and 1K, Assumptions table, row 1d) / Total income (Table 1, row 1g) x 100
2. Net operating cash flow as a percentage of total income	You do not need to enter any data here.	Net operating cash inflow/(outflow) from operating activities (Table 3 , row 6) / Total income (Table 1, row 1g) x 100
3. Net liquidity days	You do not need to enter any data here.	Current asset investments (Table 2, row 2c) + Cash and cash equivalents (Table 2, row 2d) – Overdrafts (Table 2, row 3a) – Bank loans and borrowing falling due within one year (Table 2, row 3b) – Directors' loans falling due within one year (Table 2, row 3f) / Total expenditure (Table 1, row 2f) - Changes to pension provisions and pension adjustments (Table 9, row 1J and 1K, Assumptions table, row 1d) – Depreciation and amortisation (Table 1, row 2d) x number of days in the financial year Note: This will be calculated for years 1-4 only.
4. External borrowing as a percentage of total income	You do not need to enter any data here.	Creditors: amounts falling due within one year - Overdrafts (Table 2, row 3a) + Creditors: amounts falling due within one year - Bank loans and external borrowing (Table 2, row 3b) + Creditors: amounts falling due within one year - Obligations under finance leases and service concessions (Table 2, row 3c) + Creditors: amounts falling due within one year - Director, intercompany and related party loans (Table 2, row 3f) +

Indicators	What you need to do:	Calculations:
		Creditors: amounts falling due after more than one year - Bank loans and external borrowing (Table 2, row 7a) + Creditors: amounts falling due after more than one year - Obligations under finance leases and service concessions (Table 2, row 7b) + Creditors: amounts falling due after more than one year - Director, intercompany and related party loans (Table 2, row 7c) / Total income (Table 1, row 1g)

Financial checks table

18. The financial checks table is provided to help providers verify that key values in the AFR workbook for years 1 and 2 (either entered directly, or pre-filled from other tables) match those in their audited financial statements.

19. The row headings state the table and row locations and the description of the key lines to be checked. For each row confirmation via a drop-down is required as to whether the values match those in your financial statements. If 'no' is selected, an explanation is required.

20. Year 1 and year 2 data is prefilled and is automatically derived from the data you enter in other tables.

Table: Financial checks table information

Financial checks table	What you need to do:	Notes to help you:
Table 1 Income and expenditure	You need to check the values presented for year 1 and 2 rows 1c, 1g, 2f, 9 and 16 match those in your audited financial statements. If the values match, select 'yes' in the drop-down menu. If they do not match, select 'no' in the drop-down menu and provide an explanation of the differences.	Row 1g Total income may be described as earnings, revenue or turnover in your audited financial statements. Row 2f Total expenditure may be described as costs, expenses or the sum of cost of sales and administrative expenses in your audited financial statements. Row 9 Surplus/(deficit) before tax may be described as profit/loss before tax, net income/expenditure before tax in your audited financial statements.

Financial checks table	What you need to do:	Notes to help you:
Table 2 Financial position	You need to check the values presented for year 1 and 2 rows 2d, 5 and 9 match those in your audited financial statements. If the values match, select 'yes' in the drop-down menu. If they do not match, select 'no' in the drop-down menu and provide an explanation of the differences.	Row 2d Cash and cash equivalents may be described as cash at bank and in hand in your audited financial statements. Row 5 Net current assets/(liabilities) may be described as current assets less liabilities in your audited financial statements. Row 9 Total net assets/(liabilities) may be described as total net assets, total assets less liabilities in your audited financial statements.
Table 3 Cash flow	You need to check the values presented for year 1 and 2 rows 6, 7g, 7h, 8e, 8f and 9 match those in your audited financial statements. If the values match, select 'yes' in the drop-down menu. If they do not match, select 'no' in the drop-down menu and provide an explanation of the differences.	Row 6 Net cash inflow/(outflow from operating activities may be described as net cash flow from operations in your audited financial statements. Row 7g Payments made to acquire tangible assets may be described as purchase of fixed assets in your audited financial statements. Row 7h Payments made to acquire intangible assets may be described as purchase of intangible assets in your audited financial statements. Rows 8e and 8f New secured loans and New unsecured loans may be described as new borrowing, new commitments, new lending (either secured or unsecured) in your audited financial statements.
Table 11 Remuneration	You need to check the values presented for year 1 and 2 rows 7a and 7b match those in your audited financial statements. If the values match, select 'yes' in the drop-down menu. If they do not match, select 'no' in the drop-down menu and provide an explanation of the differences.	Rows 7a Head of the provider's basic salary divided by the median pay (salary) and 7b Head of the provider's total remuneration divided by the median total remuneration should be calculated as described in Regulatory advice 9: Accounts Direction paragraph 12d. See www.officeforstudents.org.uk/publications/regulatory-advice-9-accounts-direction-accounting-periods-beginning-on-or-after-1-august-2019/

Assumptions table

21. The assumptions table is used to collect quantitative data on the assumptions providers have made when forecasting key areas of the AFR data and information on backlog maintenance.

22. The row headings list the different areas where providers will have made assumptions when formulating their forecast data and the column headings state which year the data relate to.

23. The actual assumptions used in completing forecasts may, in some cases, be more complex than the rows in the table. Where this is the case, please enter the best aggregate assumption for each row in the table.

24. Any narrative that may be required, to explain assumptions, can be entered within the separate financial commentary template.

Table: Information on how to complete the Assumptions table from the AFR 2026 workbook

Assumptions table	What you need to do:	Notes to help you:
1. Assumptions	You do not need to enter any data here.	This is a sub-heading.
1a. Assumed £ value of UK-domiciled full-time undergraduate fee (£ per student)	You need to enter £ value of the UK-domiciled full-time undergraduate fee per student that you have assumed for each year of your forecast.	The fee per student should be the assumed standard UK full-time undergraduate rate before any discounts are applied and **not** a calculated value, for example, based on actual student payments. Please enter in £s.
1b. Assumed annual change in total OfS teaching grants %	You need to enter the assumed annual percentage change in total OfS teaching grant for each year of the forecast.	This is the annual change in teaching grant that you expect to receive from the OfS in years 5 to 7 (recorded in Table 4, row 2a for years 1 to 4). Please note this is the total change and not per student. For example, in the year 5 column, you should include the percentage change between year 4 and year 5.
1c. Assumed annual change in UK research grant from Research England %	You need to enter the assumed annual percentage change in UK research grant	This is the annual change in UK research grant that you expect to receive from Research England in years 5 to 7

Assumptions table	What you need to do:	Notes to help you:
	from Research England for each year of the forecast.	(recorded in Table 4, row 2c for years 1 to 4). Please note this is the total change and not per student. For example, in the year 5 column please include the percentage change between year 4 and year 5.
1d. Assumed changes to pension provisions and pension adjustments (all schemes) £'000	You should include the forecast changes to total pension provisions and adjustments across all schemes for each year of the forecast in £'000s.	You only need to enter this if you are forecasting a change in pension provisions and adjustments in years 5 to 7.
1e. Employers pension contribution rate (%) – USS	You should include the assumed employer USS pension contribution rate as a percentage for each year of the forecast.	This is the percentage of pensionable pay you expect to contribute to the pension scheme in years 4 to 7.
1f. Employers pension contribution rate (%) – TPS	You should include the assumed employer TPS pension contribution rate as a percentage for each year of the forecast.	This is the percentage of pensionable pay you expect to contribute to the pension scheme in years 4 to 7.
1g. Employers pension contribution rate (%) – LGPS	You should include the assumed employer LGPS pension contribution rate as a percentage for each year of the forecast.	This is the percentage of pensionable pay you expect to contribute to the pension scheme in years 4 to 7.
1h. Employers pension contribution rate (%) – Other schemes	You should include the assumed employer pension contribution rate for schemes other than USS, TPS and LGPS as a percentage for each year of the forecast.	This is the percentage of pensionable pay you expect to contribute to the pension scheme in years 4 to 7.
1i. Average annual inflation change in Salaries and Wages (%)	You should include the annual percentage change in inflation value for salaries and wages included in each year of the forecast.	This is the assumed inflationary increase in salaries and wages recorded in Table 9. For example, in the year 4 column please enter the inflationary increase between year 3 and year 4. This should be based on the average rate (staff salaries and wages as a proportion of the number of staff

Assumptions table	What you need to do:	Notes to help you:
		(FTEs)) and **not** simply the impact of changes to staff numbers on the value of total salaries and wages.
1j. Average annual Operating Cost inflation (%)	You should include the inflation value for operating costs included in each year of the forecast as percentage.	This is the assumed inflationary increase in operating costs (excluding salaries and wages, restructuring costs and non-operating costs such as interest and depreciation).
1k. Forecast annual building maintenance costs – £'000	You should include the value of building maintenance costs included in each year of the forecast in £'000s.	This is the amount that plan to spend on the maintenance of buildings (excluding the costs of staff involved) in order to keep premises in good repair.
1l. Value of any budget contingency included in the forecasts £'000	You should include the value of any budget contingency included in each year of the forecast in £'000s.	

25. This section asks for information on circumstances where investment is required to improve the basic quality of the infrastructure, facilities, and equipment, including accommodation. This is only applicable in circumstances where the provider is responsible for the cost of repairs and maintenance, and it may therefore not apply to leased or rented facilities or equipment.

Table: Assumptions table - additional information

Assumptions	What you need to do:	Notes to help you:
2. Backlog maintenance	You do not need to enter any data here.	This is a sub-heading.
2a. Backlog maintenance	You should provide a realistic estimate of the current total value in £'000s of any maintenance or capital investment needed to bring the provider's infrastructure, facilities and equipment up to a 'good' standard of condition that is suitable for delivering a high quality higher education and student experience. This should be in current prices.	A guide to the definition of 'good', is by reference to the guidance in the HESA Estates Management Return guidance, as follows: HESA EMR[1]

[1] See Estates management 2024/25 - Building condition assessment condition - D20aConditionAssessmentDefinition | HESA.

Assumptions	What you need to do:	Notes to help you:
	If the provider has assessed that its estate is already in 'good' condition and is suitable for the delivery of high quality education, research and support for students, the estimated investment might reasonably be zero. Also, in the row below, you must state what proportion of the estimated investment requirement is costed (included) within the AFR financial forecasts.	Condition B – Sound, operationally safe, and exhibiting only minor deterioration – Typically features one or more of the following: • maintenance will have been carried out • minor deterioration to internal/external finishes • few structural, building envelope, building services or statutory compliance issues apparent • likely to have minor impacts upon the operation of the building. This cost estimate may be different from the gross value of the 'aspirational capital investment' plans. For further information please refer to the full HESA Estates Management guidance.[2]

[2] See Estates Management record 2024/25 | HESA.

Assumptions	What you need to do:	Notes to help you:
2b. What proportion (%) of this necessary improvement cost is included within the forecast period (from beginning of year 3 to end of year 7)?	You need to enter the percentage of necessary improvements included in the backlog maintenance value above that has already been included within each year of the AFR forecast.	

Table 1: Consolidated statement of comprehensive income and expenditure

26. The row heading states which type of income and expenditure must be entered by the provider and the column heading states which year the data relate to.

27. Where possible, we have pre-filled year 1 with data submitted in your previous Annual Financial Return. Some year 2 data (where indicated) will be automatically derived from the data you enter in other tables.

28. Year 1 and 2 data presented in this table (either entered directly, or pre-filled from other tables) must match your audited financial statements.

Table: Information on how to complete Table 1 Consolidated statement of comprehensive income and expenditure from the AFR 2026 workbook

Table 1	What you need to do:	Notes to help you:
1. Income	You do not need to enter any data here.	This is a sub-heading.
1a. Course fees and education contracts	You do not need to enter any data here.	This is automatically filled as Table 4: Analysis of income, row 1.
1b. Funding body grants	You do not need to enter any data here.	This is automatically filled as Table 4: Analysis of income, row 2h.
1c. Research grants and contracts	You do not need to enter any data here.	This is automatically filled as Table 4: Analysis of income, row 3d.
1d. Other income	You do not need to enter any data here.	This is automatically filled as Table 4: Analysis of income, row 4i.
1e. Investment income	You do not need to enter any data here.	This is automatically filled as Table 4: Analysis of income, row 5 for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
1f. Donations and endowments	You do not need to enter any data here.	This is automatically filled as Table 4: Analysis of income, row 6 for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.

Table 1	What you need to do:	Notes to help you:
1g. Total income	You do not need to enter any data here.	This is automatically filled as Table 4: Analysis of income, row 7. Year 1 and 2 data should match total income recorded in your financial statements.
2. Expenditure	You do not need to enter any data here.	This is a sub-heading.
2a. Staff costs	You do not need to enter any data here.	This is automatically filled as Table 9: Analysis of staff costs, row 1k.
2b. Restructuring costs	You need to enter your restructuring costs for years 1, 3 and 4.	Year 2 data is automatically filled from data in Table 8: Analysis of expenditure, row 8 (column 4). Restructuring costs are one-off significant costs incurred as a result of undertaking a restructure or reorganisation. These include redundancy costs or other one-off costs relating to the restructure of the organisation. No data is required for years 5, 6 and 7.
2c. Other operating expenses	You need to enter your Other operating expenses for years 1, 3 and 4.	Year 2 data is automatically filled from the data you enter in column 5 of Table 8: Analysis of expenditure. Other operating expenses include costs to non-contracted staff and all other non-staff costs (not recorded in 2d or 2e). This could include non-capitalised equipment and expenditure on maintenance contracts. No data is required for years 5, 6 and 7.
2d. Depreciation and amortisation	You need to enter the total of the depreciation and amortisation charges for years 1, 3 and 4 as per your own accounting policies.	Year 2 data is automatically filled from the data you enter in column 6 of Table 8: Analysis of expenditure. No data is required for years 5, 6 and 7.

Table 1	What you need to do:	Notes to help you:
2e. Interest and other finance costs	You need to enter your interest and finance costs for years 1, 3 and 4 here.	Year 2 data is automatically filled from the data you enter in column 7 of Table 8: Analysis of Expenditure. You should include all the interest that you pay to people and organisations that have loaned you money or any other kind of financing and any other direct financing costs arising from the borrowing. This may be loans and financing from directors and shareholders as well as from banks and other external sources. Interest and other finance costs could also include the interest element of finance leases and service concession payments and interest on pension scheme deficits. No data is required for years 5, 6 and 7.
2f. Total expenditure	You should manually input total expenditure for years 5, 6 and 7.	The formula will automatically calculate the total of data entered in the individual expenditure rows for years 1 to 4 (rows 2a to 2e). You should ensure that year 1 and 2 data matches the amount of total expenditure presented in your financial statements. For years 5, 6 and 7, please ensure you are including all expenditure from rows 2a to 2e, where relevant.
3. Surplus/(deficit) before other gains/losses and share of surplus/(deficit) in joint ventures and associates	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year.
4. Gain/(loss) on disposal of tangible assets	You need to enter any gain or loss on the disposal of tangible assets for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7. If the asset is shared, then it should be your portion of the gain or loss of the asset.

Table 1	What you need to do:	Notes to help you:
5. Gain/(loss) on investment property	You need to enter any gain or loss on the value of investment properties you hold for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7. This reflects the increase/decrease in value of investment properties recorded in the Statement of financial position.
6. Gain/(loss) on investments	You need to enter any gain or loss made on investments for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
7. Share of surplus/(deficit) in joint venture(s)	If you have any joint ventures then you will need to include the proportion of the surplus or deficit from the joint venture that belongs to you for years 1, 2, 3 and 4.	For example, if you have 35 per cent ownership or control, then you should include 35 per cent of its surplus or deficit. No data is required for years 5, 6 and 7.
8. Share of surplus/(deficit) in associate(s)	If you have any associates, then you will need to include the proportion of the surplus or deficit from the associates that belongs to you for years 1, 2, 3 and 4.	The proportion you include will relate to the percentage you own or control, e.g. if you have 35 per cent ownership or control, then you should include 35 per cent of its surplus or deficit. No data is required for years 5, 6 and 7.
9. Surplus/(deficit) before tax	You do not need to enter any data here.	This is a subtotal that will be automatically calculated from the data entered in the rows above for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
10. Taxation	You need to include the amount of corporation tax arising for the surplus or profit that you are including for years 1, 2, 3 and 4.	This is the amount of tax arising for your surplus or profit for the year, rather than the amount of cash you have actually paid to Her Majesty's Revenue and Customs (HMRC) in year in relation to tax due.

Table 1	What you need to do:	Notes to help you:
		The cash amount of tax that providers pay HMRC will depend on a number of factors including, but not limited to, losses made in previous years and capital allowances (these are sums of money that can be deducted from the overall corporate tax on the profits that derive from certain purchases or investments). This is why the 'taxation' figure in this table may differ from the amount of tax that you actually pay to HMRC. No data is required for years 5, 6 and 7.
11. Surplus/(deficit) for the year	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
12. Unrealised surplus on revaluation of tangible assets	You need to include any increase in the value of tangible assets from revaluation for years 1, 2, 3 and 4.	You do not have to revalue your assets – this is an accounting policy choice. No data is required for years 5, 6 and 7.
13. Actuarial gain/(loss) in respect of pension schemes	You need to include any actuarial gain/loss from any defined benefit pension schemes that you participate in for years 1, 2, 3 and 4.	This is the actuarial gain/ loss arising from changes in the projections used to value the assets and liabilities of your defined benefit pension schemes. No data is required for years 5, 6 and 7.
14. Change in fair value of hedging financial instrument(s) plus foreign currency translation	You should enter the change in fair value of a hedged item that is attributable to the hedged risk for years 1, 2, 3 and 4. You should also enter any change resulting from foreign currency translation on assets you own.	Exchange differences arise from the settlement, or translating, of monetary transactions at rates different from those used on initial recognition. You should recognise such exchange differences in the Statement of Comprehensive Income in the period in which they arise. No data is required for years 5, 6 and 7.

Table 1	What you need to do:	Notes to help you:
15. Miscellaneous types of other comprehensive income	You should enter any other comprehensive income that you have not been able to enter in any part of this table for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
16. Total comprehensive income/(expenditure) for the year	You should enter total comprehensive income/(expenditure) for years 5, 6 and 7.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and 4.
17. Surplus for the year attributable to:	You do not need to enter any data here.	This is a sub-heading.
17a. Non-controlling interest	Any surplus or deficit should be split between the non-controlling interest and you for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
17b. Provider	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
18. Dividends	Where applicable to the provider, you should enter the dividends paid in the year for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
19. Material items	You should indicate 'Yes' if you have disclosed any material items separately on the face of your Statement of Comprehensive Income and Expenditure (in your financial statements) that have been reported in rows 1 to 18 above.	If you have indicated 'Yes', you will need to confirm the nature and value of the material item that has been separately disclosed in your financial statements, as well as where in table 1 this item has been reported.

Table 2: Consolidated statement of financial position

29. The row heading states which type of assets, liabilities and reserves the data relate to and the column heading states which year the data relate to.

30. Where possible, we have pre-filled year 1 with data submitted in your previous Annual Financial Return.

31. Providers submitting a financial workbook for the first time will need to enter data for year 1.

32. Year 1 and 2 data entered in this table must match your audited financial statements.

Table: Information on how to complete Table 2 Consolidated statement of financial position from the AFR 2026 workbook

Table 2	What you need to do:	Notes to help you:
1. Non-current assets	You do not need to enter any data here.	This is a section sub-heading for the non-current assets section of the table.
1a. Intangible assets	You need to include the value of any intangible assets that you own for years 1, 2, 3 and 4.	These include things like copyrights, intellectual property and IT software. Do not include goodwill in this row. No data is required for years 5, 6 and 7.
1b. Goodwill	You need to include the value of goodwill for years 1, 2, 3 and 4.	This may arise when you buy another entity. This represents the amount that you paid over and above the fair market value of the assets and liabilities of the acquired entity. No data is required for years 5, 6 and 7.
1c. Negative goodwill	You must include the value of negative goodwill for years 1, 2, 3 and 4.	This may arise when you buy another company and is the amount you paid that is lower than the fair value of the net assets and liabilities of the acquired company. No data is required for years 5, 6 and 7.

Table 2	What you need to do:	Notes to help you:
1d. Net amount of goodwill and negative goodwill	You do not need to enter any data here.	This is a subtotal and will be automatically calculated for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
1e. Tangible assets	You need to include the value of any tangible assets that you own for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
1f. Heritage assets	If applicable, state the value of any heritage assets held for years 1, 2, 3 and 4.	Heritage assets do not include investment property, property, plant and equipment or intangible assets which all fall within rows 1a, 1e and 1g. Where you are including heritage assets on the balance sheet, you should provide information about what these are and how you have valued them in the commentary to the OfS. No data is required for years 5, 6 and 7.
1g. Investments	You need to include the value of long-term investments held that you intend to retain for at least 12 months after the previous financial year end for years 1, 2, 3 and 4.	Investments include real estate, trust funds, money market funds, mutual funds, certificates of deposit, stocks and shares, stock options, bonds, other securities, etc. You should exclude any investments held in joint ventures or associates. These are to be included in rows 1i and 1j respectively. No data is required for years 5, 6 and 7.
1h. Investment in subsidiaries	You need to include the value of long-term investments held in subsidiaries for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
1i. Investment in joint venture(s)	You need to include the value of long-term investments held in joint ventures for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.

Table 2	What you need to do:	Notes to help you:
1j. Investment in associate(s)	You need to include the value of long-term investments you hold in associates for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
1k. Other non-current assets	You must include any other non-current assets that you have that do not clearly relate to any other non-current asset in rows 1a-1j	Any significant values (compared to the other non-current assets) should be detailed in the commentary. No data is required for years 5, 6 and 7.
1l. Total non-current assets	You must manually input the total value of non-current assets for years 5, 6 and 7.	The formula in the cells will automatically calculate this total from the data entered in the individual non-current asset rows above for years 1, 2, 3 and 4. For years 5, 6 and 7, please ensure you are including the total value of non-current assets from rows 1a to 1k, where relevant.
2. Current assets	You do not need to enter any data here.	This is a section sub-heading.
2a. Stock	You need to include the value of any stock held for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
2b. Trade and other receivables	You need to include the amounts owed to you by other companies, organisations, or people, including students for years 1, 2, 3 and 4. These are due for payment within 12 months of the financial year end.	This will include amounts owed to you for fees invoiced to students but which they have not yet paid. It would also include any other invoices issued (e.g., to a company for training that has been provided, or will be provided, to it) that are owed to you in the next 12 months, but which had not been paid at the date of the financial year end. No data is required for years 5, 6 and 7.
2c. Investments	You need to include here the value of investments held that you intend to sell/ liquidate within 12 months of the financial year end. This includes any	Short-term non-fixed asset investments are any investments that you expect to convert into cash within 12 months of the financial year end.

Table 2	What you need to do:	Notes to help you:
	savings or gilts or bonds with a term of less than 12 months.	
2d. Cash and cash equivalents	You need to include here the value of cash and cash equivalents that you hold.	The items that you need to include as cash and cash equivalents are: • currency (notes and coins), including petty cash • cheques received but that have not yet been deposited in the bank account • money that you hold in your (the provider's) current and savings accounts • money held in money market accounts • short-term, highly liquid investments with a maturity of three months or less at the time of purchase. If you have an overdraft, then you must **not** net off the value of the cash and cash equivalents with any overdraft balance. The balance of any overdraft(s) must be included in row 3a (see below).
2e. Loans to directors, related parties and inter-company loans	You need to include here the balance of the loans, including interest-free loans, made to the company directors, related parties and group companies, which are due to be repaid to you within 12 months of the financial year end for years 1, 2, 3 and 4.	This should be the portion of the loan that is due to be repaid within 12 months of the financial year end. No data is required for years 5, 6 and 7.
2f. Accrued course fees	You need to include the value of accrued course fees, i.e. where you have delivered tuition in the current financial year, but payment is not due until the following financial year for years 1, 2, 3 and 4.	Accrued course fees are likely to be generated where fees become due or are being paid at the end of a course rather than at the beginning and the course is delivered across more than one financial year. No data is required for years 5, 6 and 7.

Table 2	What you need to do:	Notes to help you:
2g. Other current assets	You need to include any other current assets that you have that do not clearly relate to any other current asset in rows 2a-2f for years 1, 2, 3 and 4.	Any significant amounts (compared to the other current assets) should be detailed in your commentary. No data is required for years 5, 6 and 7.
2h. Total current assets	You must manually input the total value of current assets for years 5, 6 and 7.	The formula in the cells will automatically calculate this total for years 1, 2, 3 and 4 from the data entered in rows 2a to 2g. For years 5, 6 and 7, please ensure you are including the total value of current assets from rows 2a to 2g, where relevant.
3. Creditors: amounts falling due within one year	You do not need to enter any data here.	This is a section sub-heading.
3a. Overdrafts	You need to include here the balance of any overdrafts you have at the financial year end.	The amount that you owe to the bank in the overdraft must be included here and not deducted from the cash balance reported further up the tables.
3b. Bank loans and external borrowing	You need to include here the portion of the amount of any long-term debt from bank loans or other external borrowing that will be due within 12 months after the financial year end. This does not include the interest on long-term debt that will be due during this period. Loans from directors, group companies and/or related parties (falling due within 12 months) should not be included here, as they are recorded in row 3f.	You must set out further information about your borrowings in Table 13. Money borrowed for a long time period is usually repaid in a series of annual, semi-annual or monthly payments or as a bullet repayment at the end of its term. You should include the current portion of the long-term liability, i.e. the amount that providers have agreed with the lender to be repaid within 12 months of the financial year end.
3c. Obligations under finance leases and service concessions	You need to include here the portion of the amount of any long-term debt from finance leases or service concessions that will be due within 12 months after the financial year end. This does not include the	Lease and service concession arrangements must meet the recognition test under FRS102 (or IFRS if applicable). We ask that any other commitments or arrangements, which may not meet the financial

Table 2	What you need to do:	Notes to help you:
	interest on long-term debt that will be due during this period.	statements recognition test, should be declared as 'off balance sheet commitments' in the commentary.
3d. Deferred course fees	You need to include here the value of tuition fees you have received from students in the previous financial year (or earlier), and which relate to teaching that you will deliver to the students in the current or a future financial year for years 1, 2, 3 and 4.	This creates a liability to the students for the teaching that you owe them in return for the fee that they have already paid in the previous financial year. No data is required for years 5, 6 and 7.
3e. Tax and social security costs	You need to include here the amounts of tax and national insurance you owe to HMRC or other tax authorities and which are due for payment within 12 months after the financial year end. This includes, but is not limited to, VAT and corporation tax for years 1, 2, 3 and 4.	Various aspects of the business activities are in scope of the various tax charges. They include generating profit (in scope of corporation tax), collecting fees from students (in scope of VAT) and employing staff (in scope of income tax and national insurance). Depending on where the business operates, you may be liable to pay taxes in a number of countries. No data is required for years 5, 6 and 7.
3f. Director, inter-company and related party loans	You need to include here the balance of the loans and any other outstanding commitments from your directors, group companies and/or related parties, which are due for repayment within 12 months of the financial year end.	Inter-company loans include loans from companies within the group, such as parent to subsidiary or subsidiary to subsidiary. Related party loans are made between entities that are not members of the same group, but the entities are related parties because they are owned and controlled by the same person.
3g. Other creditors (amounts falling due within one year)	You need to include here the value of amounts that you owe to other companies, organisations, and individuals that you will need to pay within 12 months of the financial year end for years 1, 2, 3 and 4. This also covers anything that is not captured in the other categories in this part of the table.	These include short-term debts (that are not included in other rows in this section of the table), and bills that are due to suppliers (e.g. electricity, gas, telephone) and other people and companies you owe money to within 12 months of the financial year end.

Table 2	What you need to do:	Notes to help you:
		They could also include other liabilities, such as those arising from derivative contracts, e.g. interest rate swaps. No data is required for years 5, 6 and 7.
3h. Total creditors (amounts falling due within one year)	You must manually input the total creditors (amounts falling due within one year) for years 5, 6 and 7.	The formula in the cells will automatically calculate this total, for years 1, 2, 3 and 4, from the data entered in rows 3a to 3g. For years 5, 6 and 7, please ensure you are including the total value of creditors (amounts falling due within one year) from rows 3a to 3g, where relevant.
4. Share of net current assets/(liabilities) in associate	If you have any associates, then you will need to include the proportion of current assets (or liabilities) from the associates that belongs to you.	The proportion you include will relate to the percentage you own/control, e.g. if you have 35 per cent ownership or control, then you should include 35 per cent of its assets or liabilities).
5. Net current assets/(liabilities)	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year
6. Total assets less current liabilities	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year.
7. Creditors: amounts falling due after more than one year	You do not need to enter any data here.	This is a section sub-heading for the liabilities falling due after one year.
7a. Bank loans and external borrowing	You need to include here the balance of any bank loans or external borrowing from external sources which are due for repayments more than 12 months after the previous financial year end.	Money borrowed for long-term periods is usually repaid in a series of annual, semi-annual or monthly payments or as a bullet repayment at the end of its term. You should include the amount that you have agreed with the lender to be repaid more than 12 months after the previous financial year end.

Table 2	What you need to do:	Notes to help you:
	Loans from directors, group companies and/or related parties (falling due after 12 months) should not be included here, as they are recorded in row 7c. The value of derivative contracts (e.g. interest rate swaps) should be included in row 7d.	
7b. Obligations under finance leases and service concessions	You need to include here the balance of any obligations under finance leases or service concessions from external sources which are due for repayments more than 12 months after the previous financial year end.	Lease and service concession arrangements must meet the recognition test under FRS102 (or IFRS if applicable). We ask that any other commitments or arrangements, which may not meet the financial statements recognition test, should be declared as 'off balance' sheet commitments in the commentary.
7c. Director, inter-company and related party loans	You need to include here the balance of the loans and any other outstanding commitments from the company directors, shareholders, group companies and related parties, which are due for repayment more than 12 months after the financial year end.	Inter-company loans include loans from companies within the group, such as parent to subsidiary or subsidiary to subsidiary. Related party loans are made between entities that are not members of the same group, but the entities are related parties because they are owned and controlled by the same person.
7d. Other creditors (amounts falling due after more than one year)	You need to include here the value of amounts that you owe to other companies, organisations, and individuals that you will need to pay more than 12 months after the financial year end. This covers anything that is not captured in the other categories in this part of the table.	These may include deferred tax (the difference between the amount of corporate tax you owe based on the accounting rules and the amount that you owe to HMRC based on the tax rules), pension liabilities etc. They all relate to the amounts the business owes to other entities, companies and individuals which are due for repayment more than 12 months after the financial year end. They could also include other liabilities, such as those arising from derivative contracts (e.g. interest rate swaps).

Table 2	What you need to do:	Notes to help you:
7e. Total creditors (amounts falling due after more than one year)	You do not need to enter any data here.	The formula in the cells will automatically calculate this total from the data entered in rows 7a to 7d.
8. Provisions	You do not need to enter any data here.	This is a section sub-heading.
8a. Pension provisions	You need to include here the total balance of any pension provisions regardless of when they fall due (i.e. whether it is within the next 12 months or after 12 months) for years 1, 2, 3 and 4.	This is the provision for future liabilities relating to the defined benefit pension schemes that you participate in. No data is required for years 5, 6 and 7.
8b. Other provisions	You need to include here the total balance of any provisions (other than pensions) regardless of when they fall due (i.e. whether it is within the next 12 months or after 12 months) for years 1, 2, 3 and 4.	Including a provision in the financial statements ensures that you recognise the costs in the period during which the event or activities that gave rise to the costs took place. No data is required for years 5, 6 and 7.
8c. Total provisions	You must manually input total provisions for years 5, 6 and 7.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and 4.
9. Total net assets / (liabilities)	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year.
10. Restricted reserves	You do not need to enter any data here.	This is a section sub-heading.
10a. Income and expenditure endowment reserve	You need to include here the portion of your income and expenditure reserve that relates to endowments for years 1, 2, 3 and 4.	You can only have endowments if you are a charity. No data is required for years 5, 6 and 7.
10b. Income and expenditure restricted reserve	You need to include here the portion of your income and expenditure reserve that relates to restricted reserves for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
11. Unrestricted reserves	You do not need to enter any data here.	This is a sub-heading.

Table 2	What you need to do:	Notes to help you:
11a. Income and expenditure unrestricted reserve	You need to include here the total balance of funds by the end of the financial year that your business has accumulated from its surpluses/profits over the years that you have been operating for years 1, 2, 3 and 4.	Generating surpluses/profits increases this balance; making deficits/losses decreases this balance. No data is required for years 5, 6 and 7.
11b. Revaluation reserve	You need to include here any changes to your revaluation reserve for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
11c. Other reserves	You need to include here the total balance of any other reserves for years 1, 2, 3 and 4.	Other reserves will include any reserves that are not share capital, share premium or income and expenditure reserves. No data is required for years 5, 6 and 7.
12. Total restricted and unrestricted reserves	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year.
13. Non-controlling interest	You need to include the total of any non-controlling interest here for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
14. Total reserves	You must manually input total reserves for years 5, 6 and 7.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and 4.
15. Share capital (including share premium)	You need to include here the total balance of funds from any issues of shares including the value of share premium for years 1, 2, 3 and 4.	This is the amount of share capital that you have issued and the value of your share premium account. For example, if you have issued 100 shares at £1 nominal value and shareholders paid £3 for each share, you would include £3,000 (£1,000 as share capital and £2,000 representing the additional amount shareholders have paid for their issued shares, reflecting the share premium). No data is required for years 5, 6 and 7.

Table 3: Consolidated statement of cash flows

33. The row heading states which type of cash flow the data relate to and the column heading states which year the data relate to.

34. Where possible, we have pre-filled year 1 with data submitted in your previous Annual Financial Return.

35. Providers submitting a financial workbook for the first time will need to enter data for year 1.

36. Year 1 and 2 data entered in this table must match your audited financial statements.

Table: Information on how to complete Table 3 Consolidated statement of cash flows from AFR 2026 workbook

Table 3	What you need to do:	Notes to help you:
1. Cash flow from operating activities	You do not need to enter any data here.	This is a sub-heading.
1a. Surplus for the year before tax	You do not need to enter any data here.	The formula will pick up the value from Table 1 row 9.
2. Adjustment for non-cash items	You do not need to enter any data here.	This is a sub-heading.
2a. Depreciation	You need to add the amount of depreciation for years 1, 2, 3 and 4.	You should add back the amount of depreciation as this is an accounting adjustment that does not reduce the amount of cash that you hold. No data is required for years 5, 6 and 7.
2b. Amortisation of intangibles	You need to add the amount of amortisation of intangible assets (excluding goodwill) for years 1, 2, 3 and 4.	You should add back the amount of amortisation as this is an accounting adjustment that does not reduce the amount of cash that you hold. You should exclude goodwill from this figure as it is included in row 2d. No data is required for years 5, 6 and 7.

Table 3	What you need to do:	Notes to help you:
2c. Release of negative goodwill from asset acquisition	You need to deduct the amount of negative goodwill that has been released to the statement of comprehensive income years 1, 2, 3 and 4.	You should deduct the negative goodwill from acquiring an asset as this is not cash that you have generated from your operating activities. The amount released will be determined by your accounting policy. No data is required for years 5, 6 and 7.
2d. Amortisation of goodwill	You need to add the amount of amortisation of goodwill years 1, 2, 3 and 4.	You should add back the amount of amortisation on goodwill as this is an accounting adjustment that does not reduce the amount of cash you hold. No data is required for years 5, 6 and 7.
2e. Loss/(gain) on investments and investment property	You do not need to enter any data here.	This is automatically filled from Table 1 row 5 and 6 for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
2f. Decrease/(increase) in stock	You need to enter the amount by which value of stock has changed relative to the prior year for years 1, 2, 3 and 4.	This is an adjustment to reflect the impact on operating cash that arises from changes in stock levels relative to the prior year. If the amount of stock has increased, then you should deduct the amount of the change. This is because you are holding less cash as more of your money is tied up in stock than it was in the previous year. If the amount of stock has decreased, then you should add back the amount of the change. This is because you are holding more cash as less of your money is tied up in stock than it was in the previous year. No data is required for years 5, 6 and 7.
2g. Decrease/(increase) in debtors	You need to enter the amount by which value of debtors has changed relative to the prior year for years 1, 2, 3 and 4.	This is an adjustment to reflect the impact on operating cash that arises from changes in debtors relative to the prior year. If the amount of current debtors has

Table 3	What you need to do:	Notes to help you:
		increased from the previous year, then you should deduct the amount of the change. This is because you are holding less cash as people owe you more money than they did the previous year. If the amount of current debtors has decreased, then you should add back the amount of the change. This is because you are holding more cash as people have paid you more than they did the previous year. No data is required for years 5, 6 and 7.
2h. Increase/(decrease) in creditors	You need to enter the amount by which creditors (falling due within one year) has changed relative to the prior year for years 1, 2, 3 and 4.	This is an adjustment to reflect the impact on operating cash that arises from changes in creditors relative to the prior year. If the amount of creditors (falling due within one year) has increased, then you should add back the amount of the change. This is because you are holding more cash as you owe people more money than you did the previous year. If the amount of creditors (falling due within one year) has decreased, then you should deduct the amount of the change. This is because you are holding less cash as you have paid people more than you did the previous year. No data is required for years 5, 6 and 7.
2i. Increase/(decrease) in pension provisions	You need to enter the amount by which the pension provisions have changed relative to the prior year for years 1, 2, 3 and 4.	Any increase in pension provisions should be added, or a decrease should be deducted. This ensures that the cash is not affected by accounting adjustments. No data is required for years 5, 6 and 7.

Table 3	What you need to do:	Notes to help you:
2j. Increase/(decrease) in other provisions	You need to enter the amount by which the other provisions have changed relative to the prior year for years 1, 2, 3 and 4.	Any increase in other provisions should be added, or a decrease should be deducted. This ensures that the cash is not affected by accounting adjustments. Note that pension provisions should be separately recorded in row 2i. No data is required for years 5, 6 and 7.
2k. Receipt of donated equipment	You need to deduct the value of any receipts of donated equipment for years 1, 2, 3 and 4.	When you receive donated gifts, the value is recognised as income, but you have not received any cash. Therefore, the value of any receipts from donated equipment should be included as a negative value to remove the effect of increasing the surplus by a non-cash amount. No data is required for years 5, 6 and 7.
2l. Share of operating deficit/(surplus) in joint venture	You do not need to enter any data here.	This is automatically filled from Table 1 row 7 for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
2m. Share of operating deficit/(surplus) in associate	You do not need to enter any data here.	This is automatically filled from Table 1 row 8 for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
2n. Other adjustment for non-cash items	You need to include any other adjustment for non-cash items that are not recorded in rows 2a-2m for years 1, 2, 3 and 4.	This may include currency exchange rate differences. No data is required for years 5, 6 and 7.
3. Adjustment for investing or financing activities	You do not need to enter any data here.	This is a sub-heading.

Table 3	What you need to do:	Notes to help you:
3a. Investment income	You need to deduct any investment income that has impacted your operating cash for years 1, 2, 3 and 4.	You should deduct the income that you have received from your investments as this is not cash that you have received as a result of your operating activities. Endowment income should be recorded in row 3c. No data is required for years 5, 6 and 7.
3b. Interest payable	You need to add any interest paid or payable that relates to your financing activities for years 1, 2, 3 and 4.	You should add any interest payable, for example on bank loans or overdrafts that you have in place, interest relating to finance lease and service concession payments and other interest charges relating to your financing activities, as this is not expenditure that you have incurred as a result of your operating activities. This cash outflow must be included instead in row 8a or row 8b of the cash flow statement. Adjustments to reflect fair value revaluations of loan/bond liabilities that have been recognised as Interest and other finance charges in your financial statements should be reported in row 3f: Other adjustment for investment or financing activities. No data is required for years 5, 6 and 7.
3c. Endowment income	You need to deduct any endowment income for years 1, 2, 3 and 4.	You should deduct any endowment income as this is not cash you have received as a result of your operating activities. No data is required for years 5, 6 and 7.
3d. Loss/(gain) on the sale of tangible and intangible assets	You need to adjust for any loss or gain made on the sale of your tangible and intangible assets for years 1, 2, 3 and 4.	You should deduct the profit from selling assets as this is not cash that you have generated from your operating activities. The cash received for these transactions must be included in rows 7a (‘tangible assets’) and 7b (‘intangible assets’).

Table 3	What you need to do:	Notes to help you:
		No data is required for years 5, 6 and 7.
3e. Capital grant income	You need to deduct any capital grant income received for years 1, 2, 3 and 4.	You should deduct any capital grant income as this is not cash you have received as a result of your operating activities. No data is required for years 5, 6 and 7.
3f. Other adjustment for investment or financing activities	You need to include any other adjustment for investment or financing activities that are not recorded in rows 3a-3e for years 1, 2, 3 and 4.	
4. Cash flows from operating activities before tax	You do not need to enter any data here.	This is a subtotal and is automatically calculated for years 1, 2, 3 and 4. No data is required for years 5, 6 and 7.
5. Taxation paid	You need to enter the amount of taxation paid for years 1, 2, 3 and 4.	This is the amount of taxation you have paid to HMRC. No data is required for years 5, 6 and 7.
6. Net cash inflow/(outflow) from operating activities	You need to manually input net cash inflow/(outflow) from operating activities for years 5, 6 and 7.	This is a subtotal and is automatically calculated for years 1, 2, 3 and 4. For years 5, 6 and 7, please ensure you are including the total value of cash flows and adjustments from rows 2a to 2n and 3a to 3f, as well as any taxation paid (row 5).
7. Cash flows from investing activities	You do not need to enter any data here.	This is a sub-heading.
7a. Proceeds from sales of tangible assets	You need to add any cash proceeds from sales of tangible assets in each year.	This may be a different figure from that included in row 3d which was the profit on the sale, rather than the

Table 3	What you need to do:	Notes to help you:
		cash received from the sale. This row should include the cash received from the sale.
7b. Proceeds from sales of intangible assets	You need to add any cash proceeds from sales of intangible assets in each year.	This may be a different figure from that included in row 3d which was the profit on the sale, rather than the cash received from the sale. This row should include the cash received from the sale.
7c. Capital grants receipts	You need to add any cash proceeds from capital grants in the year for years 1, 2, 3 and 4.	This row is for capital grant receipts only. Please ensure that this is included in the workbook even if not reported in the same way in your financial statements. No data is required for years 5, 6 and 7.
7d. Non-current asset investments disposal	You need to add any cash proceeds from the disposal of non-current asset investments in the year for years 1, 2, 3 and 4.	You only include the disposal of investments that were held as non-current assets prior to sale (e.g. equity investment such as shares in other companies that are not controlled by you). No data is required for years 5, 6 and 7.
7e. Withdrawal of deposits	You need to deduct any withdrawal of deposits that reduce your cash holding at the bank for years 1, 2, 3 and 4.	You should separate out the types of changes to deposits held at the bank – withdrawals should be entered here and new deposits should be entered in row 7j of this table. Withdrawal and new deposits should be entered separately in the cash flow table and should not be netted off. No data is required for years 5, 6 and 7.

Table 3	What you need to do:	Notes to help you:
7f. Investment income	You need to add cash received from investment income for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
7g. Payments made to acquire tangible assets	You need to deduct any cash used for the payments to buy tangible assets in each year.	You should ensure these new tangible assets are included as part of the value in Table 2 row 1e.
7h. Payments made to acquire intangible assets	You need to deduct any cash used for the payments to buy intangible assets in each year.	Ensure these new intangible assets are included as part of the values in Table 2 rows 1a, 1b and 1c.
7i. Non-current investment acquisitions	You need to deduct any cash used for the payments to buy non-current asset investments for years 1, 2, 3 and 4.	Ensure these new non-current asset investments are included as part of the values in Table 2 row 1g. No data is required for years 5, 6 and 7.
7j. New deposits	You need to deduct any cash used for placing new deposits that increase your cash holding at the bank for years 1, 2, 3 and 4.	You should separate out the types of changes to deposits held at the bank – new deposits should be entered here and withdrawals should be entered on row 7e of this table. Withdrawal and new deposits should be entered separately in the cash flow table and should not be netted off. No data is required for years 5, 6 and 7.
7k. Other cash flows from investing activities	You need to record the cash (a) received or (b) used to make any other payments that are not already included elsewhere in rows 7a to 7j for years 1, 2, 3 and 4.	You should include any other cash that you have received or paid during the year. No data is required for years 5, 6 and 7.
7l. Total cash flows from investing activities	Please manually input total cash flows from investing activities for years 5, 6 and 7.	The formula in the cells will automatically calculate the total from data entered in rows 7a to 7k, for years 1, 2, 3 and 4.

Table 3	What you need to do:	Notes to help you:
		For years 5, 6 and 7, please ensure you are including cash flows from rows 7a to 7k, where relevant.
8. Cash flows from financing activities	You do not need to enter any data here.	This is a sub-heading.
8a. Interest paid	You need to deduct any interest paid during the year, that was not part of a finance lease or service concession payment.	You should include interest paid for bank loans, overdrafts or other interest charges paid to people or organisations that have loaned you money.
8b. Interest element of finance lease and service concession payments	You need to deduct any interest element of finance lease or service concession payment in the year.	Capital elements of finance leases or service concession payments should be separately entered in row 8h of this table.
8c. New endowments	You need to enter the value of new endowments for years 1, 2, 3 and 4.	You can only have endowments if you are a charity. No data is required for years 5, 6 and 7.
8d. Endowment payments	You need to enter the value of endowment payments for years 1, 2, 3 and 4.	No data is required for years 5, 6 and 7.
8e. New secured loans	You need to add any new secured loans received in the year.	This is new cash available to you and so increases the cash flow from financing activities. Note that information about borrowings should be provided in full in Table 13 – this is in addition to the information completed here.
8f. New unsecured loans	You need to add any new unsecured loans received in the year.	This is new cash available to you and so increases the cash flow from financing activities. Note that information about borrowings should be provided in full in Table 13 – this is in addition to the information completed here.

Table 3	What you need to do:	Notes to help you:
8g. Repayments of amounts borrowed	You need to deduct cash used to repay existing loans.	Repayment of existing loans reduces the cash available to you and so reduces the cash flow from financing activities. Note that detailed information about borrowings should be provided in full in Table 13 – this is in addition to the information completed here.
8h. Capital element of finance lease and service concession payments	You need to enter the cash paid (or received) for the capital elements of finance leases and service concession payments.	Interest elements of finance leases or service concession payments should be separately entered in row 8b of this table.
8i. Dividends paid	You should enter the amount of dividends paid to shareholders for years 1, 2, 3 and 4.	You should record the cash that was used to pay dividends to shareholders. No data is required for years 5, 6 and 7.
8j. Other cash flows from financing activities	You need to record the cash (a) received or (b) used to make any other payments that are not already included elsewhere in rows 8a to 8i for years 1, 2, 3 and 4.	You should include any other cash that you have received or paid during the year. No data is required for years 5, 6 and 7.
8k. Total cash flows from financing activities	You should manually input total cash flows from financing activities for years 5, 6 and 7.	The formula in the cells will automatically calculate the total from data entered in rows 8a to 8j, for years 1, 3, and 4. For years 5, 6 and 7, please ensure you are including cash flows from rows 8a to 8j, where relevant.
9. (Decrease)/Increase in cash and cash equivalents in the year	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year.
10. Cash and cash equivalents at beginning of the year	You only need to enter data for year 1.	For years 2 to 7, the formula in the cells will automatically calculate the figure for each year.

Table 3	What you need to do:	Notes to help you:
11. Unrealised exchange gains/(losses) on cash and cash equivalents	You should record the unrealised gains or losses on cash and cash equivalents arising from changes in foreign currency exchange rates.	You only need to complete this row if you have reported unrealised exchange differences as a reconciling item, between the opening and closing balances of cash and cash equivalents, in the statement of cash flows in your financial statements.
12. Cash and cash equivalents at the end of the year	You do not need to enter any data here.	The formula in the cells will automatically calculate the figure for each year.
13. Cash management	You do not need to enter any data here.	This is a sub-heading.
13a. Date of lowest cash balance	You need to select the date (month and year from the list available in the drop-down menu) you expect your cash balance to be at its lowest in the year.	You only need to complete this information for the current year (year 3) and the next forecast year (year 4). **The data in this row is for OfS use only and will not be transferred to the Designated Data Body (DDB).**
13b. Lowest cash balance (£000s)	You need to enter the value of 'available cash' you expect at the date of the lowest cash balance you have identified in row 12a.	This should be lowest balance of available cash and any short-term deposits up to 12 months. **This figure should EXCLUDE any short term credit facilities such as overdrafts or revolving credit facility drawdowns.** You only need to complete this information for the current year (year 3) and the next forecast year (year 4). **The data in this row is for OfS use only and will not be transferred to the DDB.**
13c. Of which relates to 'restricted' cash and cash	You need to enter the value of 'restricted' cash included in 13b.	'Restricted' cash means cash which cannot be used for general operations due to any restrictions it is subject to eg Donations or Endowments.

Table 3	What you need to do:	Notes to help you:
equivalents, not available for operations		You only need to complete this information for the current year (year 3) and the next forecast year (year 4). **The data in this row is for OfS use only and will not be transferred to the DDB.**
14. When is cash forecast to fall below a zero balance during the current or next year and how will you manage this?	You need to enter the periods in the current year (year 3) or year 4 that your net cash balance is (or is expected to be) negative. For each period, please state the action you expect to take in each period to manage this situation.	You only need to complete this information if your cash balance is (or is expected to be) negative at any point in the two years under consideration. You can enter a maximum of 1,000 characters into each cell. Please be aware that the counting of characters in Excel may be different to other programs, such as Word. If you need to add additional text beyond 1,000 characters, add the remaining text to the final 'Further information' row in the commentary (see paragraph 117 onwards), specifying the cell in the workbook. **The data in this row is for OfS use only and will not be transferred to the DDB.**

Table 4: Analysis of income

37. Table 4 provides further analysis of the main income included in Table 1.

38. Where possible, we have pre-filled year 1 with data submitted in your previous Annual Financial Return.

39. Providers submitting a financial workbook for the first time will need to enter data for year 1.

40. Some year 2 data (where indicated) will be automatically derived from the data you enter in other tables.

41. The total must match the figure recorded in the audited financial statements and should include income attributable to a share in jointly controlled operations.

Table: Information on how to complete Table 4 Analysis of income from the AFR 2026 workbook

Table 4	What you need to do:	Notes to help you:
1a. Course fees and education contracts	You do not need to enter any data here.	This is an automatically filled row that will be derived from Table 6, row 5.
1b. Of which: relates to transnational education provision	You do not need to enter any data here.	This is an automatically filled row that will be derived from Table 6, row 5.
2. Funding body grants	You do not need to enter any data here	This is a sub-heading.
2a. Office for Students teaching grant	You need to enter the total grant from the OfS for teaching for years 1, 2, 3 and 4. Any other grants from the OfS, other than teaching funding, should be included in row 2b of this table.	You should include the total recurrent grant for teaching, including targeted allocations, as shown in the annual grant letter or additional grant letter from the OfS. No data is required for years 5, 6 and 7.
2b. Office for Students other grants	You need to enter the total grant from the OfS for anything other than teaching funding for years 1, 2, 3 and 4.	You should include all other recurrent grants and non-recurrent grants to support special initiatives as stated in the annual grant letter or additional letters from the OfS.

Table 4	What you need to do:	Notes to help you:
	Teaching grant from the OfS should not be included here but should be included in row 2a.	Capital grants awarded by the OfS should be returned in row 2g. No data is required for years 5, 6 and 7.
2c. Research England research grant	You need to enter the total quality-related research (QR) grant and other research grants from Research England for years 1, 2, 3 and 4.	You should include the total grants for research as shown in the annual grant letter or additional grant letter from Research England. Eligible non-formula research grants received from other parts of UK Research and Innovation (UKRI) should be entered in Table 5. No data is required for years 5, 6 and 7.
2d. Research England other grants	You need to enter the total grant from Research England for anything other than research funding for years 1, 2, 3 and 4.	You should include all grants for knowledge exchange and any non-research grants to support special initiatives as stated in the annual grant letter or additional letters from Research England. QR grant and other research grants should not be included here but should be included in row 2c. Capital grants awarded by Research England should be returned in row 2g. Non-research grants received from other parts of UKRI should be entered in row 4ai. No data is required for years 5, 6 and 7.
2e. Department for Education further education funding	You need to enter any grant funding for further education provision from the DfE for years 1, 2, 3 and 4.	Payments from the DfE for apprenticeships should not be included here but should be returned on Table 6. Capital grants awarded by the DfE should be returned in row 2g.

Table 4	What you need to do:	Notes to help you:
		No data is required for years 5, 6 and 7.
2f. Department for Education teacher training funding	You need to enter any recurrent grant from the DfE for teacher training or other training provision for years 1, 2, 3 and 4.	Any capital grant received from the Department of Education for teacher training should be returned in row 2g. No data is required for years 5, 6 and 7.
2g. Capital grants recognised in the year	You need to enter amounts relating to a specific capital grant awarded from the OfS, Research England, or the DfE for years 1, 2, 3 and 4. You should also enter capital grants from other UK government bodies that have not been disclosed in section 3.	The treatment will depend on whether you have applied the accrual or performance model (under FRS 102). The balance returned should include both capital grants recognised in the year under the performance model, and the release of income from capital grants recognised in the year, under the accruals model. No data is required for years 5, 6 and 7.
2h. Other non-capital funding grants	You need to enter non-capital grant funding from any other UK government body not covered in rows 2a to 2f or section 3 for years 1, 2, 3 and 4.	Capital grants from other UK government bodies that have not been disclosed in section 3 should not be returned here but disclosed in row 2g. No data is required for years 5, 6 and 7.
2i. Total funding body grants	You should manually input figures for years 5, 6 and 7.	The formula in the cells will automatically calculate the total from data entered in rows 2a to 2h for years 1 to 4.
3. Research grants and contracts	You do not need to enter any data here.	This is a sub-heading. If you have not received research income satisfying the criteria set out in Annex A, please do not enter data in rows 3a to 3c.
3a. UK sources	You need to include research grants and contracts from UK sources for years 1, 2, 3 and 4.	Year 2 data is automatically filled from data in Table 5 (row 4, columns 1j to 7). Approved providers will need to complete Year 2. No data is required for years 5, 6 and 7.

Table 4	What you need to do:	Notes to help you:
3b. EU sources	You need to include research grants and contracts from EU sources for years 1, 2, 3 and 4.	Year 2 data is automatically filled from data in Table 5 (row 4, columns 8 to 11). Approved providers will need to complete Year 2. No data is required for years 5, 6 and 7.
3c. Non-EU sources	You need to include research grants and contracts from non-EU sources for years 1, 2, 3 and 4.	Year 2 data is automatically filled from data in Table 5 (row 4, columns 12 to 14). Approved providers will need to complete Year 2. No data is required for years 5, 6 and 7.
3d. Total research grants and contracts	You should manually input figures for years 5, 6 and 7.	The formula in the cells will automatically calculate the total from data entered in rows 3a to 3c for years 1, 2, 3 and 4.
4. Other income	You do not need to enter any data here.	This is a sub-heading.
4a. Other services rendered	You do not need to enter any data here.	This is a sub-heading.
4ai. UK public sources	You need to input all non-research income from UK public sources for other services that you provide for years 1 to 4. This includes the supply of goods and consultancies and activities supporting knowledge exchange.	UK public sources include: • central government • local authorities • health and hospital authorities • UK Research and Innovation (UKRI) • Non-departmental public bodies (NDPBs), including the British Council. Funding from local enterprise partnerships should be reported here, unless it relates to EU funding that has been routed through the local enterprise partnership. In this case, income should be reported in 4aii.

Table 4	What you need to do:	Notes to help you:
		Income received for the funding of posts in clinical and non-clinical academic departments should be returned in row 4c. No data is required for years 5, 6 and 7.
4aii. EU sources	You need to input all non-research income from EU sources for other services that you provide for years 1 to 4. This includes the supply of goods and consultancies.	It should include relevant income from all government bodies operating in the EU, which includes the European Commission. European Social Fund grants are included in this category. Grants from ERASMUS+ (the EU programme for education, training, youth and sport) and similar grants should normally be returned under row 4d (Other EU grant income). No data is required for years 5, 6 and 7.
4aiii. Other sources	You need to enter all non-research income for services rendered to industrial and commercial companies and public corporations on this row that is not covered elsewhere (including UK income from non-public sources) for years 1, 2, 3, and 4.	This includes income from: • non-public UK sources, such as income relating to consultancy or services provided to UK companies • validation fees for courses, such as those run by other providers • non-research income from bodies operating outside the EU. No data is required for years 5, 6 and 7.
4aiv. Total other services rendered	You should manually input figures for years 5, 6 and 7.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and .
4b. Residences and catering operations (including conferences)	You do not need to enter any data here.	You need to enter data in rows 4bi and 4bii. Where you have received combined income for residences and catering operations, you should apportion the income between the two categories (using an estimate if necessary).

Table 4	What you need to do:	Notes to help you:
4bi. Residences operations	You need to enter the gross income from residences operations for years 1, 2, 3 and 4. This includes residential income from conferences.	You should include in this row income for the provision of student accommodation in residences and residential income from conferences. Any income received from catering operations, even where these catering operations operate in halls of residence, should be included in row 4bii. No data is required for years 5, 6 and 7.
4bii. Catering operations	You need to enter the gross income from catering operations for years 1, 2, 3 and 4. This includes catering income from conferences.	You should include income for catering operations in this row, irrespective of where on your premises the catering is provided. Any income received related to residences that is not related to catering should be included in row 4bi. No data is required for years 5, 6 and 7.
4biii. Total residences and catering operations (including conferences)	You should manually input figures for years 5, 6 and 7.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and4.
4c. Income from health and hospital authorities (excluding teaching contracts for student provision)	You need to include all recognised income from UK health and hospital authorities for the funding of any employees, including posts in academic teaching for years 1 to 4. NHS funding for student placements, such as from the Medical Education Tariff fund, should also be included here.	You need to exclude income relating to: • the provision of a service which should be included in row 4ai • research which should be included in Table 5 • teaching contracts, which should be returned as fee income in Table 6 rather than here. No data is required for years 5, 6 and 7.
4d. Other EU grant income	You need to include any other EU grant income that you have not included in any other row in this table for years 1, 2, 3 and 4.	If this EU grant income is subject to change due to the UK leaving the European Union, please provide detail in the financial commentary. No data is required for years 5, 6 and 7.

Table 4	What you need to do:	Notes to help you:
4e. Other capital grants recognised in the year	You need to include capital grants from any sources other than those disclosed under section 2 or 3 for years 1, 2, 3 and 4.	Capital grants from the funding bodies should not be included here but entered in row 2g in this table. Capital grants for the purpose of research (from sources other than the funding bodies) should be returned under the relevant column in Table 5 (year 2 only) or under columns 3a to 3c (other years). No data is required for years 5, 6 and 7.
4f. Income from intellectual property rights	You need to include any income from intellectual property rights for years 1, 2, 3 and 4.	Intellectual property rights income may come, for example, from licences and patents. No data is required for years 5, 6 and 7.
4g. Subcontracted in course fees	You need to enter the fee income for subcontracted in courses.	You need to enter the fee income received for students who you teach under a subcontractual relationship with another provider, where the latter provider has the full contractual responsibility to the student for the provision of education.
4h. Transnational education provision operating income	You need to enter operating income from any transnational education provision.	You need to enter the income received under transnational education arrangements for students registered at another overseas organisation. Any transnational education fee income received for students registered at your provider should be returned within table 6.
4i. Other operating income	This should include all other operating income not covered elsewhere in this table for years 1, 2, 3 and 4.	You should provide an explanation in your commentary if the amount is material to your total income. If you have separately disclosed material items on the face of the statement of income and expenditure, you should confirm this in row 19 (Material items) in Table 1.

Table 4	What you need to do:	Notes to help you:
		If applicable – Grants provided through the government's Coronavirus Job Retention Scheme should be included here. No data is required for years 5, 6 and 7.
4j. Total other income	You should manually input figures for years 5, 6 and 7.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and 4.
5. Investment income	You need to enter any investment income you have received for years 1, 2, 3 and 4. Gains or losses on the value of investment property and investments held by the endowment fund should be excluded as these are accounted for after total income and expenditure (in rows 5 and 6 of Table 1).	Investment income may include: • investment income from endowment funds • other investment income • other interest receivable. No data is required for years 5, 6 and 7.
6. Donations and endowments	You need to include income that you received in the form of donations or funds received from your endowment investments for years 1, 2, 3 and 4.	You can only have endowments if you are a charity. No data is required for years 5, 6 and 7.
7. Total income	You should manually input figures for years 5, 6 and 7.	The formula in the cells will automatically calculate the figure for years 1, 2, 3 and 4.
8. Of which: Net income relating to transnational education provision	You need to include the net value of any income received, or expected, for transnational education provision in years 1 to 4.	This should include all higher education provision delivered outside of the UK and cover the full scope of the HESA Aggregate Offshore Record.[3] Net income is the proportion of the income accounted for by the provider completing the workbook.

[3] See Aggregate Offshore record 2025/26 | HESA.

Table 4	What you need to do:	Notes to help you:
		This income will already be included in row 7 Total income; however, given the range of business models for this activity it is likely to be accounted for in a number of ways. This row should contain the total net income value relating to transnational education at the provider. No data is required for years 5, 6 and 7.

Table 5: Analysis of income – Research grants and contracts – breakdown by source of income and cost centre

42. The information in Table 5 is specifically required and used to support the activities of UK Research and Innovation (UKRI) and Research England.

43. Only providers in the Approved (fee cap) registration category in receipt of research grants and contracts income are required to complete this table. This table will not be visible in the financial workbook for providers in the Approved registration category.

44. This table applies to the last audited financial year only (year 2).

45. The overall total should be the same as that recorded in the audited financial statements.

46. This table should include all income in respect of externally sponsored research (but excludes income from Research England (see Table 4: Analysis of income guidance), SFC, Medr and DfE (NI)):

    - Where the research project scope has been agreed with the sponsor at the outset in the grant or contract awarded to the provider, and/or

    - Where the research project scope has been agreed in a forum, where collaborating external organisations are represented and able to influence the direction of the project and be involved in decisions on the particular research projects to be undertaken by the provider. In such an arrangement the income (and income-in-kind) from external organisations for membership fees necessary to be part of the collaboration will be regarded as research income, provided all other criteria for that income to be returned to the Annual Financial Return as research income are satisfied.

47. Research grants and contracts income recorded in this table should meet the criteria set out in Annex A, 'Conventions relating to research and development contracts'. Further information on research income from charities, placing of research income into the correct income source, and cost centres is also provided in this Annex.[4]

[4] See Regulatory advice 14: Guidance for providers for the Annual Financial Return - Office for Students.

48. For the provider to include research income in its financial tables, the research should be carried out by the provider, or by its subsidiaries where the provider is submitting consolidated financial statements.

49. The income that is included in Table 5 should conform to the accounting policies set out in your financial statements. The income should be stated at full value, including any recovery of indirect costs associated with the research.

50. Where a grant or contract is made for a number of different purposes including research (e.g. research, training, trials and clinical work) only the portion of the grant or contract against which research has been conducted should be included as research income.

51. Where research projects are funded from a number of sources the income should be allocated between the respective headings so that all the income is fully included, but only once. Where an organisation makes a grant on behalf of other organisations in the form of a joint award the grant should be split between those sources according to their contribution. Where a body makes an award in its own right, the award should be recorded according to the status of the organisation and not its funders; an exception is made where charities are funded predominantly from central government (also see paragraphs 21 and 22 of Annex A: Annual Financial Return 2026 additional guidance[5]), and Innovate UK Catapults (see paragraph 61).

52. Some registered charities are also registered companies. Research income from such sources should be reported as being received from a charity, not from a business.

53. Where corporate arms of entities are registered as charities, research income from such sources should be categorised according to the status of the organisation that has signed the research contract with the provider.

54. Capital grants for the purpose of research (for example, grants for land, buildings, or equipment used for research, and the refurbishment of research facilities) should be returned as research income on Table 5. Capital grants from Research England should not be returned on Table 5, but on Table 4 row 2g instead.

55. Grants from the UK Research Partnership Investment Fund (UKRPIF) have been allocated by Research England with co-investment from external sources. The element of the UKRPIF awarded from Research England should be returned in Table 4 row 2g. The element of the UKRPIF awarded from co-investors should be returned as research income on Table 5 under the relevant source.

[5] Available at: Regulatory advice 14: Guidance for providers for the Annual Financial Return - Office for Students.

56. Table 5 should include all research grants and contracts income, including tuition fees for research studentships and fellowships associated with the contract. Grants for research studentships or fellowships that are associated with a wider research grant or contract should be returned under the same column as the grant or contract.

57. Income for general research fellowships (not awarded as part of a wider research grant or contract) should be returned as research income, under the relevant source.

58. Income for general research studentships (not awarded as part of a wider research grant or contract) should be returned in Table 6 under Head 4 (Research training support grants). Research training support grants include CASE, ICASE and IDLA studentship funding in addition to general UKRI training grants and general research studentship income from other sources. Income for general research studentships awarded by charities (as part of an open competitive process) should be returned in Table 6 row 4a (Income for general research studentships from charities (open competitive process)).

59. Income awarded by The Royal Society, British Academy or The Royal Society of Edinburgh and funded from non-government sources should be returned under one of the UK-based charities headings only where the provider has received confirmation from the awarding body that the grant or contract was not government funded.

60. Research income from Knowledge Transfer Partnerships (KTPs), only where it satisfies the Frascati definition of research, should be returned in Table 5 (under the appropriate source), apart from any portion in respect of studentships or tuition fees. Income from non-research related KTPs should be returned on Table 4 under Head 4 (Other income).

61. Research income from Catapults, only where it satisfies the Frascati definition of research, should be returned in Table 5. Awards should be recorded taking account of the status of the Catapult's funders. The proportion assigned to Innovate UK should be returned under column 4 (UK Central Government bodies/local authorities, health and hospital authorities). The rest should usually be returned under column 6 (UK industry, commerce and public corporations).

62. Income for open access funding should be included as research. The cost centres are listed under the sub-heading 'Academic departments'. Providers should enter the research income for each cost centre in the column for the relevant funder.

63. Income from European Social Fund (ESF) grants should not be included in Table 5 but under Table 4 Head 4 (Other income).

64. It can be difficult to identify the correct categorisation of overseas organisations where information about the organisation may be limited and regulatory structures differ from those in the UK. It is particularly difficult to judge whether it is reasonable to treat an

overseas organisation as a charity. For audit purposes, providers should retain evidence in support of their treatment of organisations based overseas.

65. Further to paragraph 51, income awarded through initiatives funded jointly by Research England and other sources, such as the UKRPIF, should not attract additional financial support from elements of Research England funding. Research England decides its level of contribution to these initiatives at the time of their establishment, taking sustainability into account. In order to identify the co-investment that should be deducted from calculations of Research England funding, figures in row 5 should contain the co-investment from external sources on these projects that has been included in Heads 1 to 4.

66. Any research income-in-kind that has been reported within the research income figures in Heads 1 to 4 of this table should also be identified separately in Head 6 'Research income-in-kind (included in Heads 1 to 4 above)'. The present value of any research income-in-kind reported in this table must be included in the research income figure within the provider's audited financial statements.

67. The rows in the table analyse research income by the activity or operation it relates to, broken down by:

- academic department
- academic services
- administration and central services.

68. Income that can be attributed to academic department cost centres should be entered in the relevant cost centre row (1a to 1as). This includes all income in respect of externally sponsored research carried out by, or on behalf of, academic departments (including departments of continuing education).

69. Income from Academic services should be entered in row 2. This includes income received by centralised academic services such as the library and learning resource centres, central computers and computer networks (including maintenance and operating costs), centrally run museums, galleries and observatories, and any other general academic services not covered elsewhere.

70. Income relating to administration and central services should be entered in rows 3a, 3b and 3c. This includes income received for central administration and services, general educational expenditure, and staff and student facilities.

71. The columns in the table analyse research income by the source of that income, as shown in the table below:

Table: Information on how to complete Table 5 Analysis of income – Research grants and contracts from the AFR 2026 workbook

Table 5	What you need to do:	Notes to help you:
1. Department for Science, Innovation and Technology Research Councils, The Royal Society, British Academy and The Royal Society of Edinburgh	You need to include all income from eligible research grants and contracts from the UK Research and Innovation (UKRI) sponsored by the Department for Science, Innovation and Technology Research Councils, The Royal Society, British Academy and The Royal Society of Edinburgh.	Research grants and contracts income should be assigned to the relevant activity or operation (as defined by the cost centres described in rows 1a to 3c). Further information on cost centres is provided in Annex A.[6] Research grants received from UKRI that do not meet the criteria of Table 5 (e.g. allocated by formula) should be entered in Table 4 or Table 6 (for research training support grants).
Column 1a. Biotechnology and Biological Sciences Research Council	You need to include research grants and contracts income from the Biotechnology and Biological Sciences Research Council (BBSRC).	
Column 1b. Medical Research Council	You need to include research grants and contracts income from the Medical Research Council (MRC).	
Column 1c. Natural Environment Research Council	You need to include research grants and contracts income from the Natural Environment Research Council (NERC).	
Column 1d. Engineering and Physical Sciences Research Council	You need to include research grants and contracts income from the Engineering and Physical Sciences Research Council (EPSRC).	
Column 1e. Economic and Social Research Council	You need to include research grants and contracts income from the Economic and Social Research Council (ESRC).	

[6] See Regulatory advice 14: Guidance for providers for the Annual Financial Return - Office for Students.

Table 5	What you need to do:	Notes to help you:
Column 1f. Arts and Humanities Research Council	You need to include research grants and contracts income from the Arts and Humanities Research Council (AHRC).	
Column 1g. Science and Technology Facilities Council	You need to include research grants and contracts income from the Science and Technology Facilities Council (STFC).	
Column 1h. UK Research and Innovation	You need to include all income from eligible research grants and contracts received directly from UK Research and Innovation (UKRI).	This should include income from the UKRI's Future Leaders Fellowship (FLF) scheme, and the UKRI Horizon Europe guarantee scheme (if eligible for Table 5). Income from Research England should be returned in Table 4 (2. Funding body grants, rows 2c, 2d or 2g).
Column 1i. Other	You need to include research income from The Royal Society, British Academy and The Royal Society of Edinburgh.	
Column 1j. Total	You do not need to enter any data here. You should sense check the figures in this column to make sure you have not missed out income in the individual rows.	The formula in the cells will automatically calculate this total from the data that you have entered for each column.
Column 2. UK-based charities (open competitive process)	You need to include all research grants and contracts income from all charitable foundations, charitable trusts etc., based in the UK which are registered with the Charity Commission for England and Wales. This column should also include research income from any exempt charities not covered in columns 1 and 4, those organisations recognised as charities by the	For income from charities to be treated as awarded through open competition and peer review you should ensure that it meets the criteria set out in Annex A.[7]

[7] See Regulatory advice 14: Guidance for providers for the Annual Financial Return - Office for Students.

Table 5	What you need to do:	Notes to help you:
	Office of the Scottish Charity Regulator (OSCR) in Scotland, and charities in Northern Ireland recognised as having charitable status by HMRC or registered with the Charity Commission for Northern Ireland.	
Column 3. UK-based charities (other)	You need to include all research grants and contracts income from all charitable foundations, charitable trusts etc., based in the UK which are registered with the Charity Commission for England and Wales. This column should also include research income from any exempt charities not covered in columns 1 and 4, those organisations recognised as charities by the Office of the Scottish Charity Regulator (OSCR) in Scotland, and charities in Northern Ireland recognised as having charitable status by HMRC or registered with the Charity Commission for Northern Ireland.	This column will include all UK-based charity income which is not treated as awarded through open competition and peer review (included in column 2).
Column 4. UK Central Government bodies/local authorities, health and hospital authorities	You need to include all research grants and contracts income from UK central government bodies, UK local authorities and UK health and hospital authorities, except Research Councils and UK public corporations.	This should include government departments, and other organisations financed from central government funds, including registered charities which are predominantly funded from central government. Research grants and contracts income from non-departmental public bodies (NDPBs), including the British Council, should be included under this column. Where one of these UK-based bodies disburses funds derived from the EU, this should be disclosed in this column. If Innovate UK income satisfies the criteria set out in Annex A, it should be included in

Table 5	What you need to do:	Notes to help you:
		column 4; otherwise, it should be returned as Other income (Table 4 row 4ai).
Column 5. UK industry, commerce and public corporations	You need to include all research grants and contracts income from industrial and commercial companies (including community interest companies (CICs)) and public corporations operating in the UK.	Public corporations are publicly owned trading bodies, usually statutory corporations, with a substantial degree of financial independence.
Column 6. UK other sources	You need to include all research grants and contracts income from UK sources other than the four UK funding bodies and not covered by Columns 1 to 5.	This should include income from other UK higher education providers.
Column 7. EU government bodies	You need to include all research grants and contracts income from all government bodies operating in the EU, which includes the European Commission.	Funding from bodies within the UK is excluded from these columns. Where one of these UK-based bodies disburses funds derived from the EU, this should be disclosed in column 4. Where a portion of a grant from the ERASMUS+ (the EU programme for education, training, youth and sport and similar grants) was granted for research and spent on research, that portion may be returned as research income and returned under this column.
Column 8. EU-based charities (open competitive process)	You need to include all research grants and contracts income from an EU body with exclusively charitable purposes consistent with the definition set out in the Charities Act 2011 and which exists for the public benefit in a manner which is consistent with the public	For income from charities to be treated as awarded through open competition and peer review you should ensure that it meets the criteria set out in Annex A.[8]

[8] See Regulatory advice 14: Guidance for providers for the Annual Financial Return - Office for Students.

Table 5	What you need to do:	Notes to help you:
	benefit guidance[9] published by the Charity Commission for England and Wales.	
Column 9. EU industry, commerce and public corporations	You need to include all research grants and contracts income from industrial and commercial companies and public corporations (defined as publicly owned trading bodies, usually statutory corporations, with a substantial degree of financial independence) operating in the EU outside of the UK.	Such income received from a multinational company should be coded depending on the location of the office making the award, e.g. a multinational with a French subsidiary making the award would be coded as EU.
Column 10. EU other	You need to include all EU-based non-competitive charities and any other EU income that cannot otherwise be allocated more specifically.	
Column 11. Non-EU (non-UK) -based charities (open competitive process)	You need to include all research grants and contracts income from a non-EU body with exclusively charitable purposes consistent with the definition set out in the Charities Act 2011 and which exists for the public benefit in a manner which is consistent with the Public Benefit Guidance published by the Charity Commission for England and Wales.[9]	For income from charities to be treated as awarded through open competition and peer review, please see description under the section for column 2 above.
Column 12. Non-EU (non-UK) industry, commerce and public corporations	You need to include all research grants and contracts income from industrial and commercial companies and public corporations (defined as publicly owned trading bodies, usually statutory corporations, with a substantial degree of financial independence) operating outside of the EU.	Income received from a multinational company should be coded depending on the location of the office making the award, e.g. a multinational with a US subsidiary making the award would be coded as non-EU.
Column 13. Non-EU (non-UK) other	You need to include all non-EU-based non-competitive charities and any other non-EU income that cannot otherwise be allocated more specifically.	

[9] See Charitable purposes and public benefit - GOV.UK.

Table 5	What you need to do:	Notes to help you:
Column 14. Total	You do not need to enter any data here. You should sense check the figures in this column to make sure you have not missed out income in the individual columns.	The formula in the cells will automatically calculate this total from the data that you have entered above.

Table 6: Analysis of income – Course fees and education contracts analysed by domicile, mode, level and source

72. Table 6 collects further information about course fees and education contracts analysed by domicile, mode, level and source.

73. Providers should include all fee income, including short courses, self-financing full-cost courses funded and support grants in respect of all and only those students on courses for which fees are charged. Providers should include income arising from courses provided for other bodies where they charge either a block fee to cover a specified number of students or a fee per individual student. Providers should also include income relating to the teaching of NHS personnel (e.g. nursing or midwifery courses).

74. Only those tuition fees received by the provider for the students that it is contractually responsible for should be reported in Table 6. Where the provider teaches students under a subcontractual relationship with another provider, where the latter provider has the full contractual responsibility to the student for the provision of education, tuition fees received should be reported in Table 4 (4g Subcontracted in course fees).

75. Where the amount of the tuition fee is reduced or, in substance, the right to consideration of tuition fees is reduced, income receivable should be shown net of the discount. If payment from an outside fund (including Overseas Research Students Awards Scheme (ORSAS)) is received to meet the cost of fees, such income should be shown as income. The total tuition fees should be the same as that shown in the audited financial statements (with the exception of fee income described in paragraph 74, which should be reported in Table 4).

76. Charges for bad or doubtful course fee debts should not be deducted from income, but included in row 3b of Table 8 (203 General education expenditure). Bad or doubtful fee debts are where invoices/bills have been issued but not yet collected and are considered by the provider as unlikely to be paid by the creditors that owe the amount.

77. The definitions in the following table will help you analyse your higher education course fees by domicile, mode and level (rows 1a to 1d).

Table: Information on how to complete Table 6 Analysis of income – Course fees and education contracts from the AFR2026 workbook

Table 6	Notes to help you:	Definitions:
Domicile (UK and Non-UK))	UK students are those higher education students who have a permanent or home address that is inside the UK only prior to entry of study. Students from the Channel Islands and Isle of Man should be returned as Non-UK domicile students. Non-UK students are those higher education students whose permanent or home address prior to entry is outside the UK prior to entry of study. You should not use the fee of the student to determine the domicile that they are assigned. Some Non-UK domiciled students may be eligible for the UK-based fee cap, but they should be returned in the Non-UK category.	The derived field Z_PERMADDGRP5[10] should be used to assign the domicile of a student: • **UK** Z_PERMADDGRP5 values 01, 02, 03, 04 and 07 • **Non-UK** All other Z_PERMADDGRP5 values (except Z9)
Mode (full-time and part-time)	Full-time higher education students are those normally required to attend a higher education provider for periods amounting to at least 24 weeks within the year of programme of study, those on thick or thin sandwich courses, and those on a study-related year out of their provider. During that time students are normally expected to undertake periods of study, tuition or work experience which amount to an average of at least 21 hours per week. Part-time higher education students are those who do not meet the requirements of full-time.	The derived field Z_MODEGRP4[11] should be used to assign the mode of study of a student: • **Full-time** Z_MODEGRP1 value 01 • **Part-time** Z_MODEGRP1 value 02

[10] See Data Dictionary (derived fields) at HESA - Data Dictionary (derived fields).

[11] See Data Dictionary (derived fields) at HESA - Data Dictionary (derived fields).

Table 6	Notes to help you:	Definitions:
Level (undergraduate, PGCE, postgraduate taught, postgraduate research)	Undergraduate students are those studying towards a first degree, higher education certificate or diploma, or equivalent, or students registered for an academic credit that can be counted towards one of these qualifications. Postgraduate research students are students whose qualification aim is a research-based higher degree. A research-based higher degree is a postgraduate programme comprising a research component (including a requirement to produce original work) which is larger than any accompanying taught component when measured by student effort. PGCE students are students whose qualification aim is a Postgraduate Certificate in Education (at master level). Students whose qualification aim is a Professional Graduate Certificate in Education (at honours level) should be returned as undergraduate. Postgraduate taught students are those who are studying a course leading to higher degrees, diplomas and certificates (including professional qualifications) which usually require a first degree as an entry qualification, but do not meet the requirements to be a research student and are not aiming for a PGCE (for full-time students). PGCE and other postgraduate taught course fees should be returned separately for full-time.	The derived field Z_LEVELGRP2[12] and QUALCAT[13] field should be used to assign the level of study of a student: • **Undergraduate** Z_LEVELGRP2 values 03 and 04 • **PGCE** QUALCAT value M0016 (for full-time students only) • **Postgraduate taught** Z_LEVELGRP2 value 02 (and not included in PGCE for full-time students) • **Postgraduate research** Z_LEVELGRP2 value 01

[12] See Data Dictionary (derived fields) at HESA - Data Dictionary (derived fields).

[13] See Data Dictionary (collected fields) at HESA - Data Dictionary (collected fields).

Table 6	What you need to do:	Notes to help you:
1. Higher education course fees	You do not need to enter any data into this row.	Course fees should be in respect of credit bearing higher education courses or students registered for an academic credit that can be counted towards one of these qualifications. Credit is a formal, quantified recognition of learning achievement. Course fees should include: • all tuition fees paid by students directly or by the Student Loan Company on their behalf • all tuition fees paid by a sponsoring company or by an agency for students' tuition (e.g. the Department of Health for medical courses, the DfE for teacher training courses, the Education and Skills Funding Agency for apprenticeships). Course fees should not include: • any tuition fees received for students who the provider teaches on behalf of another provider as part of a subcontractual arrangement. These fees should be returned in Table 4 under row 4g.
1a. UK-domiciled students	You do not need to enter any data into this row.	This is a sub-heading.
1ai. to 1aviii.	You need to enter, for each financial year, the total income for UK-domiciled higher education students. You must only enter the income of those students who are studying for the defined mode and level. Details of the split of mode and level are given in the table above.	For each row (1ai to 1avii), you need to include the total course fees of higher education students from the UK. The formula in the cells in the total row (aviii) will automatically calculate total UK fees.

Table 6	What you need to do:	Notes to help you:
1b. Non-UK domiciled students	You do not need to enter any data into this row.	This is a sub-heading.
1bi. to 1bviii.	You need to enter, for each financial year, the total income for Non-UK domiciled higher education students. You must only enter the income of those students who are studying for the defined mode and level. Details of the split of mode and level are given in the table above.	For each row (bi to bvii), you need to include the total course fees of higher education students from Non-UK countries. The formula in the cells in the total row (bviii) will automatically calculate total Non-UK fees.
1c. Total higher education course fees	You do not need to enter any data into this row.	This is a subtotal row and will be automatically calculated from the data entered in the rows above.
2. Non-credit bearing course fees	You need to enter all fee income received in respect of non-credit-bearing educational courses including liberal adult education, continuing education or extra-mural courses.	You should ensure that this information is not double counted in any other row you have filled in Table 6.
3. Further education (FE) course fees	You need to enter the fee income received for the provision of FE/non-advanced courses.	Non-advanced courses include A-levels, NVQ Level 3, Study Programme, National diploma, national certificate of Edexcel. You should ensure that this information is not double counted in any other row you have filled in Table 6.
4. Research training support grants	You do not need to enter any data into this row.	Research training support grants should contain all income received for research studentships that are not part of a wider Table 5 eligible research contract. Income for research studentships should be entered into either row 4a (Income for general research studentships from charities (open

Table 6	What you need to do:	Notes to help you:
		competitive process)) or row 4b (Other research training support grants) depending on the source of income. Research training support grants include CASE, ICASE and IDLA studentship funding as well as general UKRI training grants and research studentship grants from other sources.
4a. Income for general research studentships from charities (open competitive process)	You need to enter income from charities (awarded by open competitive process) for general research studentships (that is those not part of a research project or grant), including the tuition fee element.	You may have received income from charities for general research studentships. These studentships provide financial support for postgraduate research students. This row is for the studentships that have been awarded through an open competitive process (in accordance with the principles described in Annex A). The student income or bursary element that is passed on by you should be excluded if it has been accounted for as an agency arrangement.
4b. Other research training support grants	You need to enter grants made by UK Research and Innovation (UKRI) and other bodies in support of the training of research students. It should include bench fees and Collaborative Awards in Science and Engineering (CASE), ICASE and IDLA awards. It should also include Doctoral Training Centres, Doctoral Training Grants and Collaborative Training Accounts, (or similar postgraduate grants), including the tuition fee element.	The student income or bursary element that is passed on by you should be excluded if it has been accounted for as an agency arrangement. External income received in respect of research studentships (or fellowships) awarded as part of an eligible Table 5 research grant or contract should not be returned in this row, but under the relevant source in Table 5.

Table 6	What you need to do:	Notes to help you:
4c. Total research training support grants	You do not need to enter any data into this row.	The formula in the cells will automatically calculate the total from the data that you have entered in rows 4a and 4b.
5. Total course fees and education contracts	You do not need to enter any data into this row.	The formula in the cells will automatically calculate the total from the data that you have entered above.
6. Of which: Net fee income relating to contracted out activity	You need to include the 'net fee income' you have retained as the lead provider for academic delivery that is carried out by another party (the delivery partner) on your behalf. You should return net fee income relating to all activity that is contracted out to the delivery partner through a subcontractual partnership or franchise arrangement, including credit bearing, non-credit bearing and closed programmes. This does not include income from validation only arrangements or offshore/transnational education provision.	Net fee income is the proportion of the tuition fees paid by students (either directly or via the Student Loan Company) that is retained by you as the lead provider under these arrangements. For students who study both at the lead provider and elsewhere, you should only include the portion of the fee income you retain as the lead provider. This should NOT include income from pure validation only arrangements. It should NOT include offshore or Transnational education provision (this is returned in either table 4 row 4h for Transnational education operating income or table 6, row 7 for Transnational education fee income). Fee income that you receive from a lead provider for courses that you provide as a delivery partner should be returned in Table 4 under row 4g.
7. Of which: Net fee income relating to transnational education provision	You need to include the net fee income included in rows 1-5 above that are related to transnational education provision you carry out.	

Table 7: Higher education student full-time equivalents (FTEs)

78. Table 7 analyses higher education student FTEs by domicile, mode, level and entrant status and in most cases should relate to the higher education course fees and educational contracts data recorded in Table 6. Only students registered at the OfS-registered provider and included in the Student record (or due to be included for forecast students) should be returned in this table. The following types of students should therefore not be included in Table 7:

- Students registered at subsidiary companies of the provider should not be included in Table 7; however, the fee income associated with these students will be included in Table 6.
- Students where the whole of their programme of study is outside of the UK should not be returned in Table 7 (these are students who are returned to the Aggregate offshore record); however the fee income associated with these students will often be included in Table 6.
- Students subcontracted in from another provider should not be included in Table 7 (as they will be returned by the registering provider). Fee income associated with subcontracted in students will be returned on Table 4 under Row 4g.

79. The data being collected in Table 7 will be used to provide context to the financial tables and will not be used for funding purposes. Where individualised student data has not been returned to the DDB or the DfE, which is usually the case for newly registered providers, this data may be used to determine initial OfS registration fees. The data in this table will not be transferred to the DDB.

Population

80. The population of students for the Annual Financial Return should be as consistent as possible with the higher education student session population[14] (where Z_POPSES_CYC = 1). You should follow the definition set out as closely as possible. This means that there may need to be adjustments made for reporting in financial years rather than academic years. The population should therefore include all higher education students for each financial reporting year, except:

    a. students who are dormant for the entire session (those who have suspended studying but have not formally de-registered)

    b. students who are intercalating out to another provider for the entire session

[14] See Data Dictionary (derived fields) at HESA - Data Dictionary (derived fields).

c. incoming visiting and exchange students

d. postdoctoral students

e. students primarily studying outside the UK

f. where the whole of the programme of study is outside of the UK

g. students who are on the 'wrapper' programme aim of Apprenticeship Standards.

Domicile, mode and level

81. You will be required to return the students in the population by domicile, mode and level. The definitions for domicile, mode and level are the same as described in the guidance for Table 6 (these are the same as those used in the Student record). They are as follows:

Table: Information on how to complete Table 7 Higher Education student full-time equivalents (FTEs) from the AFR 2026 workbook

Table 7	Notes to help you	Definitions:
Domicile (UK and Non-UK)	UK students are those higher education students who have a permanent or home address that is inside the UK only prior to entry of study. Students from the Channel Islands and Isle of Man should be returned as Non-UK domicile students. Non-UK students are those higher education students whose permanent or home address prior to entry is outside the UK prior to entry of study. You should not use the fee of the student to determine the domicile that they are assigned. Some Non-UK domiciled students may be eligible for the UK-based fee cap, but they should be returned in the Non-UK category.	The derived field Z_PERMADDGRP5[15] should be used to assign the domicile of a student: • **UK** Z_PERMADDGRP5 values 01, 02, 03, 04 and 07 • **Non-UK** All other Z_PERMADDGRP5 values (except Z9)

[15] See Data Dictionary (derived fields) at HESA - Data Dictionary (derived fields).

Table 7	Notes to help you	Definitions:
Mode (full-time and part-time)	Full-time higher education students are those normally required to attend a higher education provider for periods amounting to at least 24 weeks within the year of programme of study, those on thick or thin sandwich courses, and those on a study-related year out of their provider. During that time students are normally expected to undertake periods of study, tuition or work experience which amount to an average of at least 21 hours per week. Part-time higher education students are those who do not meet the requirements of full-time.	The derived field Z_MODEGRP1[16] should be used to assign the mode of study of a student: • **Full-time** Z_MODEGRP1 value 01 • **Part-time** Z_MODEGRP1 value 02
Level (undergraduate, PGCE, postgraduate taught, postgraduate research)	Undergraduate students are those studying towards a first degree, HE certificate or diploma, or equivalent, or students registered for an academic credit that can be counted towards one of these qualifications. Postgraduate research students are students whose qualification aim is a research-based higher degree. A research-based higher degree is a postgraduate programme comprising a research component (including a requirement to produce original work) which is larger than any accompanying taught component when measured by student effort. PGCE students are students whose qualification aim is a Postgraduate Certificate in Education (at master level). Students whose qualification aim is a Professional Graduate Certificate in Education (at honours level) should be returned as undergraduate.	The derived field Z_LEVELGRP2[17] and QUALCAT[18] field should be used to assign the level of study of a student: • **Undergraduate** Z_LEVELGRP2 values 03 and 04 • **PGCE** (for full-time students only) QUALCAT value M0016 • **Postgraduate taught** Z_LEVELGRP2 value 02 (and not included in PGCE for full-time students) • **Postgraduate research** Z_LEVELGRP2 value 01

[16] See Data Dictionary (derived fields) at HESA - Data Dictionary (derived fields).

[17] See Data Dictionary (derived fields) at HESA - Data Dictionary (derived fields).

[18] See Data Dictionary (collected fields) at HESA - Data Dictionary (collected fields).

Table 7	Notes to help you	Definitions:
	Postgraduate taught students are those who are studying a course leading to higher degrees, diplomas and certificates (including professional qualifications) which usually require a first degree as an entry qualification, but do not meet the requirements to be a research student and are not aiming for a PGCE (for full-time students). PGCE and other postgraduate taught course fees should be returned separately for full-time.	

Entrant and continuing students

82. For each financial year, FTEs should be returned by distinguishing students as either an entrant or continuing. A student is an entrant if their higher education course commencement date falls within the period the financial year covers. Otherwise, they should be returned as continuing for that financial year.

83. The definition for an entrant can be considered broadly equivalent to the Z_ENTRANT_CYC derived field in the Student record.[19] However, as the Student record covers the academic year 1 August to 31 July, its equivalence will vary dependent on the period the financial year covers.

84. Students repeating the first year of a course should not be included as new entrants, whereas those entering directly into the second or later year of a course could be. Where a student starts more than one higher education course in the same financial year they can be considered as a new entrant for each course.

Calculating FTE

85. FTE should be calculated on a similar basis to the Z_STULOAD_CYC derived field in the Student record,[20] taking into account any adjustments made for reporting in financial years rather than academic years.

[19] See Derived Fields and their dependencies at HESA - Derived Fields and their dependencies.

[20] See Derived Fields and their dependencies at HESA - Derived Fields and their dependencies.

86. The Z_STULOAD_CYC derived field is reported out of 100. Once you have calculated the Z_STULOAD_CYC for each student to be included in the table, you will then need to divide this by 100. Once you have aggregated the FTE to be returned in each cell, you will then need to round each figure to the nearest whole number.

87. For student data, providers should include (in the categories indicated for each row) the number of students enrolled or forecast to be enrolled during each financial year, expressed as FTE as defined above.

Table 7	What you need to do:	Notes to help you:
1. Higher education student full-time equivalent (FTE)	You do not need to enter any data into this row.	FTEs should be in respect of students on credit bearing higher education courses or students registered for an academic credit that can be counted towards one of these qualifications. Credit is a formal, quantified recognition of learning achievement.
1a. UK-domiciled students	You do not need to enter any data into this row.	This is a sub-heading.
Rows 1ai to aviii	You need to enter, for each financial year, the total FTE for UK-domiciled students. You must only enter the FTE of those students who are studying for the defined mode and level. Details of the split of mode and level are given in paragraph 81.	For each row (1ai to 1avii), you need to include the total FTE of students from the UK that are studying or will be studying with you during the financial year. The formula in the cells in the total row (aviii) will automatically calculate the total from the FTEs that you have entered.
1b. Non-UK domiciled students	You do not need to enter any data into this row.	This is a sub-heading.
Rows 1bi to 1bviii	You need to enter, for each financial year, the total student FTE for Non-UK domiciled students. You must only enter the FTE of those students who are studying for the defined mode and level. Details of the split of mode and level are given in paragraph 81.	For each row (bi to bvii), you need to include the total FTE of students from Non-UK countries that are studying or will be studying with you during the financial year. The formula in the cells in the total row (bviii) will automatically calculate the total from the FTEs that you have entered.

Table 7	What you need to do:	Notes to help you:
1c. Total higher education student FTE	You do not need to enter any data into this row.	This is a subtotal row and will be automatically calculated from the data entered in the rows above.

Table 7a: Higher education student entrant full-time equivalents (FTEs) from non-UK domiciles

88. Table 7a is a subset of Table 7 and asks for information about the number (FTE) of entrants from particular international domiciles in years 3 and 4. The coverage must be consistent with Table 7.

Table: Information on how to complete Table 7a Higher Education student full-time equivalents (FTEs) from non-UK domiciles from the AFR 2026 workbook

Table 7a	What you need to do:	Notes to help you:
Rows 1ai to avii	You need to enter, for years 3 and 4, the FTE number of entrants from the following key non-UK domiciles: China, India, Nigeria, Pakistan, USA, and All Other domiciles. You must only enter the FTE of those students who are studying for the defined mode and level. Details of the split of mode and level are given in paragraph 81. Guidance on 'entrants' is provided in paragraph 83.	The aggregate of these FTEs should equate to the relevant figures in Table 7 – Non-UK entrants for years 3 and 4. 'Other domiciles' is the aggregate of all other domiciles not separately listed.
Row 1aviii	You do not need to enter any data into this row.	The formula in the cells will automatically calculate the totals from the data that you have entered in rows 1a to avi.
Row 1aix	Where students in the 'OTHER DOMICILES' column above are from a domicile that accounts for more than 50% of total overseas entrants, please select this domicile from the drop-down.	The drop-down should include all countries (excluding the key domiciles listed above) recognised by the government of the UK.[21]
Row 1ax	Where students in the 'OTHER DOMICILES' column above are from a domicile that accounts for more than 50% of total overseas entrants,	The purpose of this is to identify where a provider is more reliant on non-UK students from a particular domicile.

[21] See Geographical names index - GOV.UK.

Table 7a	What you need to do:	Notes to help you:
	please provide the total student FTE from this domicile. [If this is not applicable leave this row blank.]	

Table 8: Analysis of expenditure – breakdown by activity and cost centre

89. To complete Table 8, providers should enter data about expenditure in the relevant rows and columns. Expenditure is broken down by activity (as defined in the column) and cost centre (as defined in the row).

90. Additional guidance on cost centres can be found in Annex A.

91. This table applies to the last audited financial year only (year 2).

Table: Information on how to complete Table 8: Analysis of expenditure – breakdown by activity from the AFR 2026 workbook

Table 8 (columns)	What you need to do:	Notes to help you:
Column 1. Academic staff costs	You need to include all staff costs associated with those staff classified as academic.	Academic staff costs should cover academic staff who have a contract of employment with the provider, and/or for whom the provider is liable to pay Class 1 National Insurance contributions. Academic staff are defined as staff at least one of whose contracts of employment was for an academic function and whose contract activity can be categorised as 'Managers, directors and senior officials', 'Professional occupations' or 'Associate professional occupations', as defined by the ONS 2020 Standard Occupational Classification (SOC) major groups 1, 2 or 3. This may therefore include vice-chancellors and other senior academic managers, medical practitioners, dentists, veterinarians and other health care professionals whose contract of employment includes an academic function. The academic employment function may be teaching, research, teaching and research, or neither teaching nor research (where an academic professional that has taken up a senior administrative responsibility but there is no change to the academic function in their contract of employment).

Table 8 (columns)	What you need to do:	Notes to help you:
Column 2. Other staff costs	You need to include all other staff costs associated with those staff not classed as academic.	Other staff costs should cover all other staff who have a contract of employment with the provider, and/or for whom the provider is liable to pay Class 1 National Insurance contributions. Other staff are those that do not have an academic employment function. They include managers, non-academic professionals, student welfare workers, secretaries, administrators, caretakers and cleaners or any other staff whose contract of employment does not include an academic function.
Column 3. Total staff costs	You do not need to enter any data here. You should sense check the figures in this row to make sure you have not missed out costs in the individual columns above.	The formula in the cells will automatically calculate this total from the data that you have entered in the academic and other staff cost individual rows above.
Column 4. Restructuring costs	You need to include any one-off significant costs incurred as a result of undertaking a restructure or reorganisation.	You can only enter these costs in row 7b – Other expenditure. Restructuring costs include redundancy costs or other one-off costs relating to the restructure of the organisation. This total will be used to pre-fill row 2b of Table 1 (year 2).
Column 5. Other operating expenses	You need to include any other operating expenses, in the relevant cost centre row, that are not included in the other columns.	Other operating expenses include costs for non-contracted staff and all other non-staff costs (except for those recorded in column 6 Depreciation and amortisation, and column 7 Interest and other finance costs). This could include non-capitalised equipment and expenditure on maintenance contracts. Total other operating expenses (row 8) will be calculated from the data you enter in this column. This total will be used to pre-fill row 2c of Table 1 (year 2).

Table 8 (columns)	What you need to do:	Notes to help you:
Column 6. Depreciation and amortisation	You need to enter depreciation and amortisation charges, apportioned by cost centre.	Total depreciation and amortisation (row 8) will be calculated from the data you enter in this column. This total will be used to pre-fill row 2d of Table 1 (year 2), so should match your financial statements. This should include depreciation on tangible assets and amortisation of intangible assets or goodwill. Depreciation on capitalised equipment should be recorded according to where the assets being depreciated are located. It is not necessary to apportion the depreciation for 'central' equipment over the cost centres. Depreciation on buildings must only be included in rows 4b, 5a and/or 5b. Deprecation on buildings used for residential, catering and conference operations should be recorded in rows 5a and 5b and depreciation for other buildings should be recorded in row 4b. This row should also include depreciation relating to embedded accommodation in hospitals involving clinical and pre-clinical departments.
Column 7. Interest and other finance costs	You need to enter the interest and other finance costs that you have incurred.	You should include all the interest that you pay to people and organisations that have loaned you money or any other kind of financing. This may be loans and financing from directors and shareholders as well as from banks and other external sources. Interest and other finance costs could also include the interest element of finance leases and service concession payments and interest on pension scheme deficits. Interest and other finance costs should be allocated to the relevant rows under Heads 4 – Premises, 5 – Residences and catering operations) and 7 – Other expenditure (including row 7a Pension cost adjustments).

Table 8 (columns)	What you need to do:	Notes to help you:
		Total interest and other finance costs (row 8) will be calculated from the data you enter in this column. This total will be used to pre-fill row 2e of Table 1 (year 2), so should match your financial statements.
Column 8. Total expenditure	You do not need to enter any data here. You should sense check the figures in this row to make sure you have not missed out costs in the individual columns above.	The formula in the cells will automatically calculate this total from the data that you have entered above. The total should match your financial statements.

Table: Analysis of expenditure – breakdown by cost centre

Table 8 (rows)	What you need to do:	Notes to help you:
1. Academic departments	You need to include all expenditure directly incurred by or on behalf of academic departments, including departments of continuing education, and expenditure incurred in connection with special and short courses.	Expenditure should be allocated to the academic department cost centres shown in rows 1a to 1as. Where departments run supplementary continuing education courses, expenditure on these courses should be attributed to the parent departmental cost centre, rather than row 1aj Continuing education (cost centre 136). Row 1aj should include expenditure on continuing education courses which are run by separate departments of continuing education or extra-mural studies.
2. Total academic services	You need to include expenditure incurred by centralised academic services	Centralised academic services may include: • library and learning resource centres • central computers and computer networks (including maintenance, operating costs, materials costs and the pay of staff involved in managing and running the installation(s))

Table 8 (rows)	What you need to do:	Notes to help you:
		• expenditure on centrally run museums, galleries and observatories (except those run by academic departments) • any other general academic services not covered elsewhere, e.g. international liaison office and industrial liaison. If teaching is carried out by an academic services unit, these teaching activities should be included under the appropriate academic department under section 1 of this table. Expenditure recorded in this row may include depreciation on assets (other than buildings) used in providing centralised academic services. Depreciation on buildings should be recorded in row 4b Premises – Other expenditure.
3. Administration and central services	You do not need to enter any data into this row.	This is a sub-heading row.

Table 8 (rows)	What you need to do:	Notes to help you:
3a. Central administration and services	You should include expenditure incurred on central administration and services.	Central administration and services include expenditure on administrative staff, including payments to heads of providers, professors, deans, tutors, faculty officers and the like, as are made in respect of central (as distinct from departmental) administrative work. The following costs (not included in sections 1 and 2) should be included: public relations, advertising, recruitment, removal expenses of staff, publications (excluding educational publications), bank charges (excluding interest), prospectuses, regulations, etc. You should also include costs of faculty offices in respect of central administrative work, legal and audit fees, internal audit, rating or tax advisers, superannuation management (including where outsourced), general insurance costs not included elsewhere, postage where centrally charged and telephone costs (calls, rental and non-capitalised equipment) where centrally charged.
3b. General education expenditure	You should include general education expenditure broken down by: 3bi. National bursaries 3bii. Provider specific (including departmental) bursaries and scholarships 3biii. Other general expenditure.	Other general education expenditure (3biii) includes costs associated with widening participation activity, student recruitment (home and overseas), fee remission and provisions for bad debts in respect of unpaid fees, costs incurred on examinations (including external examiner salaries, printing, etc.), fellowships, scholarships, prizes and other expenditure of a general educational nature. The following items, that cannot be appropriately charged elsewhere, should also be included: educational publications, public lectures, concerts and exhibitions, subscriptions and contributions to learned societies and similar bodies, contributions to representative bodies and agencies, works of art, contributions to the provider's press, research projects not returned under other heads, representation at conferences, explorations and expeditions, administration of non-departmental arts centres.

Table 8 (rows)	What you need to do:	Notes to help you:
3c. Staff and student facilities	You should include expenditure incurred on the provision of facilities and amenities for the use of students and/or staff.	This includes careers advisory services, student counselling, all grants to student societies, emoluments to wardens of halls of residence, accommodation office, athletic and sporting facilities (excluding maintenance), transport, OTC (including Air and Naval squadrons), chaplaincy, crèches and the higher education provider's health service.
4. Premises	You should show all expenditure incurred (whether centrally or departmentally) on the management of premises and on roads and grounds, broken down by: 4a. Repairs and maintenance 4b. Other expenditure.	Premises include academic buildings, central academic services, art centres, health service premises, pavilions, sports buildings, etc. Repairs and maintenance costs represent the expenditure incurred on the maintenance of premises, including the pay of staff involved (including estates administration staff). It covers expenditure to keep premises in good repair, and to replace and or maintain existing systems, as well as maintenance provision charges. Provisions are permissible where there is a legal or constructive and quantifiable liability. Other expenditure represents expenditure on premises not covered by row 4a, including rates, payments made for the rental of premises, recurrent costs of energy, water and sewerage, costs of insuring premises and their contents, cost of cleaning (i.e. salaries, wages and materials, and payments in respect of contract cleaning) and the cost of portering and security services. Row 4b, column 6 should also include depreciation of all buildings (except residential, catering and conference buildings). This includes depreciation relating to embedded accommodation in hospitals involving clinical and pre-clinical departments.

Table 8 (rows)	What you need to do:	Notes to help you:
5. Residences and catering operations (including conferences)	You do not need to enter any data into this row.	This is a sub-heading.
5a. Residences operations	This section should show the gross expenditure incurred in providing residences operations (including conferences related to residences).	This should include the cost of maintenance of premises, salaries and any other identifiable costs relating to these operations. The depreciation costs and financing costs of these operations should be included under column 6 (‘Depreciation’) and column 7 (‘Interest and other finance costs’) within this section. The long-term maintenance provision charge for residences and catering and conferences operations should be returned under column 5 (‘Other operating expenses’).
5b. Catering operations	This section should show the gross expenditure incurred in providing catering and any related conference operations.	This should include the cost of maintenance of catering premises, salaries and any other identifiable costs relating to these operations. The depreciation costs and financing costs of these operations should be included under column 6 (‘Depreciation’) and column 7 (‘Interest and other finance costs’) within this section. The long-term maintenance provision charge for residences and catering operations should be returned under column 5 (‘Other operating expenses’).
6. Research grants and contracts	You should provide a total of the direct costs attributed to research grants and contracts with appropriate analysis between the sources of income.	Research costs are analysed between: • DSIT Research Councils (rows 6ai - 6aviii) • other (The Royal Society, British Academy and The Royal Society of Edinburgh, row 6aix) • other UK and Non-UK sources (defined in rows 6b to 6m). Costs should be further analysed by cost type as defined in columns 1, 2, 5 and 6.

Table 8 (rows)	What you need to do:	Notes to help you:
7. Other expenditure	You do not need to enter any data into this row.	This is a sub-heading.
7a. Pension cost adjustment	Where relevant, you should show the FRS 102 adjustment made to staff costs relating to defined benefit schemes that you have recorded in the income and expenditure account and pension provision movements in respect of new deficit recovery plans.	This includes the adjustment made to reflect the difference between actual contributions made and service costs for Local Government Pension Schemes (LGPS) and a provider's own defined benefit scheme and the pension provision movement in respect of new deficit recovery plans for other multi-employer pension schemes, such as the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL). These costs should be pro-rated between academic and other staff costs in columns 1 and 2. The interest and finance costs should be recorded in column 7. Pension contributions should be recorded as a staff cost (in columns 1 and 2) under the cost centres described above.
7b. Other	You should include any expenditure not covered by the other sections in this table.	This should include direct costs attributed to other services rendered and any expenditure not covered by the other expenditure categories in this table.
8. Total expenditure	You do not need to enter any data into this row.	This total row will be automatically calculated for you.

Table 9: Analysis of expenditure – staff costs

92. To complete Table 9, providers must enter data about the number and costs of their staff including salaries and wages and, if applicable, the remuneration of higher paid staff.

93. The heading on the row states which type of expenditure providers need to enter data about and the heading on the column states which year the data relates to.

94. Where possible, we have pre-filled year 1 with data submitted in your previous Annual Financial Return.

95. Providers submitting a financial workbook for the first time will need to enter data for year 1.

96. Grants provided through the government's Coronavirus Job Retention Scheme should be reported in Table 4, 4h Other operating income and should not be netted off against staff costs.

Table: Information on how to complete Table 9 Analysis of expenditure – staff costs from the AFR 2026 workbook

Table 9	What you need to do:	Notes to help you:
1. Staff costs	You do not need to enter any data into this row.	This is a sub-heading.
1a. Salaries and wages academic staff	You need to include the costs of the salaries and wages of your academic staff for years 1, 2, 3 and 4. This includes staff you employ to carry out research activities.	You should include the costs of your academic staff salaries and wages (including bonus payments) but **not** costs associated with any pension or national insurance contributions you make on behalf of your staff. You should include the costs of salaries and wages of all staff for whom you are liable to pay Class 1 national insurance contributions and/or who have a contract of employment with you. No data is required for years 5, 6 and 7.
1b. Salaries and wages non-academic staff	You need to include the costs of salaries and wages for your non-academic staff, such as your administrative staff and any other staff you	You should include the costs of non-academic staff salaries and wages (including bonus payments) but **not** costs associated with any pension or national insurance contributions you make on behalf of staff.

Table 9	What you need to do:	Notes to help you:
	employ to carry out non-teaching or non-research activities for years 1, 2, 3 and 4.	You should include the costs of salaries and wages of all staff for whom you are liable to pay Class 1 national insurance contributions and/or who have a contract of employment with you. No data is required for years 5, 6 and 7.
1c. Total salaries and wages	You should manually input figures for years 5, 6 and 7	This row will be automatically calculated from the data recorded in rows 1b and 1c for years 1, 2, 3 and 4.
1d. Directors'/trustees' remuneration	If relevant you need to include the total costs paid to company directors or trustees for remuneration for years 1, 2, 3 and 4. This should not include remuneration paid to staff directors/trustees for acting in their capacity as staff members.	This is unlikely to apply to most higher education providers. No data is required for years 5, 6 and 7.
1e. Social security costs	You need to include the cost of any national insurance contributions you make on behalf of your staff for years 1, 2, 3 and 4.	You should include all the national insurance contributions you make for all your staff including academic and non-academic staff. No data is required for years 5, 6 and 7.
1f. Employer Universities Superannuation Scheme (USS) contributions	You need to include the costs of any payments you make into the pensions of staff in the Universities Superannuation Scheme for years 1, 2, 3 and 4.	You might not have any staff in this pension scheme. Employee/salary sacrifice contributions should not be included here but in the salary rows above (1a, b or c). No data is required for years 5, 6 and 7.
1g. Employer Teachers' Pension Scheme (TPS) contributions	You need to include the costs of any payments you make into the pensions of staff in the Teachers' Pension Scheme for years 1, 2, 3 and 4.	You might not have any staff in this pension scheme. Employee/salary sacrifice contributions should not be included here but in the salary rows above (1a, b or c). No data is required for years 5, 6 and 7.

Table 9	What you need to do:	Notes to help you:
1h. Employer Local Government Pension Scheme (LGPS) contributions	You need to include the contributions you make into the pensions of staff in the Local Government Pension Scheme for years 1, 2, 3 and 4.	You might not have any staff in this pension scheme. Employee/salary sacrifice contributions should not be included here but in the salary rows above (1a, b or c). No data is required for years 5, 6 and 7.
1i. Employer Other pension contributions and costs	You need to include any pension related contributions and costs that have not been captured in 1f, 1g or 1h above for years 1, 2, 3 and 4.	If you have employees who are members of any scheme(s) not listed in 1f, 1g or 1h above, then please enter the costs of any contributions you make here. Employee/salary sacrifice contributions should not be included here but in the salary rows above (1a, b or c). No data is required for years 5, 6 and 7.
1j. Changes to pension provisions and pension adjustments (USS)	You need to enter the non-cash charge or credit relating to the accounting treatment of USS pension provisions as shown in your Statement of comprehensive income for years 1, 2, 3 and 4. This reflects the in-year movement in the amount of your USS pension provision liabilities.	Any year-on-year non-cash changes to pension provisions for the Universities Superannuation Scheme should be reflected here. This includes the pension provision movement reflecting any new deficit recovery plan agreed for the USS. No data is required for years 5, 6 and 7.
1k. Changes to pension provisions and pension adjustments (Other)	You need to enter the non-cash charge or credit relating to the accounting treatment of pension provisions as shown in your Statement of comprehensive income for years 1, 2, 3 and 4. This reflects the in-year movement in the amount of your pension provision liabilities.	Any year-on-year non-cash changes to pension provisions for your defined benefit pension schemes should be reflected here. This includes the FRS102 adjustment reflecting the difference between employer contributions and service costs for LGPS or your own defined benefit schemes, and the pension provision movement in respect of new deficit recovery plans for other multi-employer pension schemes, such as SAUL (but excluding USS, which should be reported in row 1j). No data is required for years 5, 6 and 7.

Table 9	What you need to do:	Notes to help you:
1l. Other staff related costs	You need to include any staff related costs that have not been captured in the rows above within this table for years 1, 2, 3 and 4.	This could, for example, include the cost of external staff training courses. No data is required for years 5, 6 and 7.
1m. Total staff costs	You should manually input figures for years 5, 6 and 7.	This row will be automatically calculated from the data above for years 1, 2, 3 and 4. This data will be used to pre-fill row 2a of Table 1. year 1 and 2 totals should be consistent with your financial statements.
1n. Total staff costs (excluding changes to pension provisions and pension adjustments)	You do not need to enter any data here.	This row will be automatically calculated from the data above for years 1, 2, 3 and 4. We do not require data for years 5, 6 and 7.
2. Average staff numbers	You do not need to enter any data into this row.	This is a sub-heading.
2a. Average academic staff numbers (FTE)	For years in the past, you need to enter the average number of academic (including research) staff you employed during the year. For the current and future years, you need to enter the average number of staff you expect to employ in each of the years. This data must be entered as a full-time equivalent (FTE) for years 1, 2, 3 and 4.	These should be expressed as full-time equivalents (FTEs) and should be consistent with the staff disclosed in your financial statements (if staff headcount is disclosed in your financial statements, this should be converted to FTEs). For staff data, the definition of full-time is where a staff member is normally required to work for periods amounting 260 days within a year, 7 hours a day (this includes annual leave). The FTE for a part-time staff member should be calculated by comparison with an equivalent full-time staff member, or, if providers do not employ any full-time staff, to the equivalent of the 7 hours per day for 260 days per year pattern. No data is required for years 5, 6 and 7.

Table 9	What you need to do:	Notes to help you:
2b. Average non-academic staff numbers (FTE)	For years in the past, you need to enter the average number of non-academic staff you employed during the year. For the current and future years, you need to enter the average number of staff you expect to employ in the year. This data must be entered as a full-time equivalent number (FTE) for years 1, 2, 3 and 4.	Please see paragraph above for definition of full-time. No data is required for years 5, 6 and 7.
2c. Total staff numbers (FTE)	You should manually input figures for years 5, 6 and 7.	This row will be automatically calculated from the data in the relevant rows above for years 1, 2, 3 and 4. The total for audited years should be consistent with those disclosed in your audited accounts.
3. Basic salary of higher paid staff (including head of provider)	You do not need to enter any data here.	This is a section sub-heading.
3a. Total	You do not need to enter any data here.	This will calculate the number of staff paid £100,000 or above the information you input below it.
Split into bandings as follows:	You need to enter the number of staff, including the head of provider, with a full-time equivalent basic salary of £100,000 and above per annum into the relevant salary band (starting at £100,000 and then increasing by £5,000 increments). Where the head of provider has only been in post for part of the year, please enter the FTE number, equivalent to the time they have been in post, in the relevant full-time equivalent salary banding.	Staff and salary bandings should be counted in accordance with guidance in the accounts direction. Higher paid staff, i.e. staff paid £100k or more, should be included regardless of whether the provider considers them ‘senior’. You only need to enter data for the years in the past (years 1 and 2); you do not need to enter any data for the current year or years in the future.

Table 9	What you need to do:	Notes to help you:
	If you do not have any staff paid £100,000 or above then you should leave this table blank.	

Table 10: Analysis of expenditure – severance payments

97. To complete Table 10, providers must enter data about severance costs including the costs of compensation and other benefits such as pension contributions and the estimated value of any benefits other than cash. This data is required for the head of the provider and summary data is required for any other severance costs related to the loss of office of any staff at the provider or any group related company such as (but not limited to) a parent company or a subsidiary company. Providers must enter data about expenditure on the correct rows for all rows that are applicable (but only for the current financial year and the previous financial year).

Table: Information on how to complete Table 10 Analysis of expenditure – severance payments from the AFR 2026 workbook

Table 10	What you need to do:	Notes to help you:
1. Compensation for loss of office paid to the head of the provider	You do not need to enter any data here.	This is a sub-heading.
1a. Loss of office at the provider	You need to enter the costs of compensation paid to the head of the provider.	This must be the costs of compensation paid to the head of your provider for loss of office in the provider. If there has been more than one head of provider, you should combine these in the relevant year. Do not include the costs of any payments made to other members of staff here.
1b. Loss of office at any of the provider's parent or subsidiary undertakings or any office(s) connected to the provider's affairs	You need to enter the costs of compensation made to the head of your provider for the loss of positions in related companies.	If you are part of a group, for example if you have a parent company or a subsidiary company, then the head of your provider might also have held positions in other companies in the group. You must enter the costs of any compensation paid for the loss of these positions here. Do not include the costs of any payments made to other members of staff here.
1c. Where the compensation includes	You need to enter the total estimated value of any non-cash benefits awarded to the head of the provider.	You might have awarded some non-cash benefits to compensate for loss of office, for example shares in your company or a company car.

Table 10	What you need to do:	Notes to help you:
benefits other than cash: estimated money value		You need to estimate the money value of all the non-cash benefits and enter it here. You should not include additional pension contributions here as these are captured elsewhere in these tables (1e). Do not include information about any payments made to other members of staff here.
Where the compensation includes benefits other than cash: nature of the benefit details	You need to detail all the benefits included in your calculation of the amount entered in 1c in the text box (cell B16).	Do not include information about any payments made to other members of staff here. You can enter a maximum of 500 characters into this cell. Please be aware that the counting of characters in Excel may be different to other programs, such as Word. If you need to add additional text in this cell beyond 500 characters, add the remaining text to the final 'Further information' row in the commentary (see paragraph 117 onwards), specifying this cell in the commentary.
1d. Where the compensation includes additional pension contributions relating to the employment with the provider: amount of the pension contribution	You need to enter the costs of any additional pension contributions made to compensate for loss of office.	You might have made additional contributions to the head of your provider's pension scheme as part of their compensation. The cost of these additional contributions must be entered here. Do not include information about any payments made to other members of staff here.
2. Aggregate of compensation for loss of office paid across the whole provider (includes head of provider)	You do not need to enter any data here.	This is a sub-heading.
2a. Loss of office at the provider	You do not need to enter any data here.	This is a sub-heading.

Table 10	What you need to do:	Notes to help you:
2ai. Total amount of compensation paid across the whole provider	You need to enter the total of all amounts you paid as compensation for loss of office for all members of staff affected.	You must include the costs of compensation made to the head of your provider and other staff who have been paid compensation for loss of office including the estimated value of any non-cash benefits made. You should enter data for your provider's staff only.
2aii. Number of people to whom this was payable	You need to enter the total number of staff who received compensation for loss of office.	You must include the head of your provider in this number.
2b. Loss of office at any of the provider's parent or subsidiary undertakings or any office(s) connected to the provider's affairs	You do not need to enter any data here.	This is a sub-heading.
2bi. Total amount of compensation paid across the whole provider	You need to enter the total of all amounts paid as compensation for loss of office for all members of staff affected across the wider group.	You must include the costs of compensation made to the head of your provider for loss of office in related companies such as a parent company or subsidiary. You must also enter the costs of compensation paid to other staff for loss of office in any companies related to your provider such as a parent company or subsidiary company. This must include the estimated value of any non-cash benefits made. You should enter data for staff in companies related to your provider only.
2bii. Number of people to whom this was payable	You need to enter the total number of staff who received compensation for loss of office.	

Table 11: Head of provider remuneration

98. To complete Table 11, providers must enter data about the total remuneration of the head of the provider. You must enter data about expenditure on all applicable rows. You should refer to the OfS accounts direction[22] for additional guidance on what remuneration should be included.

99. You are only required to enter data for the last audited financial year (year 2) and the previous financial year (year 1). Where possible, we have pre-filled year 1 with data submitted in your previous Annual Financial Return.

100. The heading on the row states which type of expenditure the data relates to and the heading on the column states which year the data relates to.

Table: Information on how to complete Table 11 Head of provider remuneration from the AFR 2026 workbook

Table 11	What you need to do:	Notes to help you:
1a. Name of individuals serving as head of provider during the two years	You need to enter the full names the person(s) who held the position of head of your provider in the current and previous financial year.	Where there is a change in the head of your provider (including the appointment of an acting or interim head) either between years or during a year, you must make the disclosures set out separately for each individual and provide the start and end dates of appointments for year 1 and year 2 (last audited year). Where a previous head of provider continues to receive remuneration in an employed or consultancy role after they cease to be the head of your provider, such as in an advisory or sabbatical role, this should be included in the total with an explanation.
1b. Start date of service in head of provider role (DD/MM/YYYY)	You need to enter the date that the head of your provider took on the role.	

[22] See Regulatory advice 9: Accounts direction - Office for Students.

Table 11	What you need to do:	Notes to help you:
1c. End date of service in head of provider role (DD/MM/YYYY)	If the head of your provider ceased to serve in the role during the past year you need to enter the date that they stopped serving.	Any payments made to the head of provider after the end of service date that relate to the head of provider role, should be returned in the last financial year in which they were in post.
2. Disclosures relating to head of provider role	You do not need to enter anything here.	This is a sub-heading.
2a. Annualised basic salary awarded before salary sacrifice arrangements and any waivers	You need to enter the annualised basic salary the head of provider would receive if they were in post for full the 12-month period.	You should calculate the basic salary prior to any adjustment for salary sacrifice for the period the head of provider is in post during the year. If this is for anything less than the full 12 months of the reporting year, this figure then needs to be annualised. This must include any market supplements that are paid. For these reporting purposes, basic salary should exclude bonus payments, allowances, and clinical excellence awards and other such payments. For the avoidance of doubt, any amount the head of provider has chosen to waive should be INCLUDED, and separately disclosed in row 10 to allow for accurate reporting of the remuneration awarded to the provider.
2b. Basic salary paid	You do not need to enter anything here.	This is a sub-heading.
2bi. Basic salary paid before salary sacrifice arrangements	You need to enter the value of the basic salary paid to your head of provider including salary sacrifice arrangements.	You should calculate the basic salary. This must include any market supplements that are paid. For these reporting purposes, basic salary should exclude bonus payments, allowances, and clinical excellence awards and other such payments. If the head of provider has chosen to waive some elements of basic salary this amount should also be EXCLUDED, and the amount waived reported separately in row 10.

Table 11	What you need to do:	Notes to help you:
2bii. Deductions to reflect salary sacrifice arrangements	You need to enter the value of any salary sacrifice arrangements you have with your head of provider.	This row captures the cash value of salary sacrificed by the head of provider. As a result, the non-cash benefits received in return for the salary sacrificed should not be reported in other headings unless they represent taxable or non-taxable benefits that exceed the cash value of salary sacrificed.
2biii. Basic salary paid after salary sacrifice arrangements	You do not need to enter anything here.	This is a subtotal of the information recorded in rows 2bi to 2bii and will be automatically calculated for you.
2c. Salary in lieu of pension and payments in lieu of pension contributions	You need to enter the value of any salary paid to your head of provider in lieu of pension.	You should include payments made to the head of provider that are made instead of the payments into the head of provider's pension scheme. This is effectively additional salary and so needs to be disclosed separately to ensure transparency and ensure it can be considered appropriately as part of the remuneration package.
2d. Payment of dividends	You need to enter the value of any dividends paid to your head of provider.	You must include the amount of dividends paid and agreed and include any dividends paid instead of salary (i.e. where the head of the provider takes a lower salary because the remuneration package includes dividends as well as or instead of salary).
2e. Performance related pay and other bonuses	You need to enter the value of any performance related pay or any other bonus payment(s) made.	You must include the amount of performance related pay paid during the financial year including any deferred payment arrangements. Where the head of provider has chosen to waive any of this pay then the amount waived should be excluded, and disclosed in row 10.
2f. Pension contributions	You need to enter the value of any pension contributions you made on behalf of your head of provider.	You must include the value of any contributions you made to your head of your provider's pension scheme(s). It excludes any voluntary or additional head of provider-funded direct contribution or additional voluntary contribution-type

Table 11	What you need to do:	Notes to help you:
		arrangements that the head of provider has asked to be set up by you and to which you do not contribute.
2g. Any other sums paid under any pension scheme in relation to employment with the provider	You need to enter the value of any payments you made to your head of provider under any pension scheme(s) relating to the periods they worked for you.	You should identify separately the cost, if any, of paying into any other pension schemes for the head of the provider that are not disclosed elsewhere in the remuneration disclosure.
2h. Compensation for loss of office	You need to enter the value you might have paid to your head of provider for compensation for loss of office.	These values may have been disclosed in Table 10 – you should include the total compensation here.
2i. Total disclosures relating to head of provider role (before salary sacrifice)	You do not need to enter anything here.	This is a subtotal of the information that you have entered in rows 2bi, 2c to 2h and will be automatically calculated for you.
3. Other taxable benefits	You do not need to enter anything here.	This is a sub-heading.
3a. Company cars	You need to enter the value of any company car(s) you made available to your head of provider.	
3b. Subsidised loans including mortgage subsidies	You need to enter the value of any subsidised loans or mortgage subsidies you made available to your head of your provider.	
3c. Subsidised accommodation	You need to enter the value of any accommodation subsidies you made available to your head of provider.	In respect of accommodation, to arrive at the figure for taxable benefits, providers should use the sums declared for P11D or P60 purposes – these may need to be adjusted if the figures are collated for a period drawn across two tax years.

Table 11	What you need to do:	Notes to help you:
3d. Other taxable benefits	You need to enter any taxable benefits made available to your head of provider if these are not captured in 3a, 3b and 3c above. Please provide further details of what has been included within this row in the text box (cell B35).	You should refer to the relevant OfS accounts direction,[23] which sets out what must be disclosed under taxable benefits.
3e. Total other taxable benefits	You do not need to enter anything here.	This is a subtotal of the information you have entered in rows 3a to 3d and will be automatically calculated for you.
4. Non-taxable benefits	You do not need to enter anything here.	This is a sub-heading. In this section (rows 4a to 4c) you need to enter the non-taxable benefits that are available only to senior members of staff or available only to the head of your provider. You do not need to include any non-taxable benefits that flow from simply being a member of your staff and that are made available to all members of staff.
4a. Contributions to relocation costs	You need to enter the amount of any relocation costs you paid to your head of provider.	You should refer to the relevant OfS accounts direction, which sets out what must be disclosed under contributions to relocation costs.
4b. Living accommodation	You need to enter the estimated costs of any living accommodation you made available to the head of your provider.	You should refer to the relevant OfS accounts direction guidance, which sets out what should be disclosed under living costs.
4c. Other non-taxable benefits	You need to enter the value of any other non-taxable benefits you made available to your head of provider that are not captured above.	You should refer to the relevant OfS accounts direction, which sets out what must be disclosed under other non-taxable benefits.

[23] See Regulatory advice 9: Accounts direction - Office for Students.

Table 11	What you need to do:	Notes to help you:
	Please provide further details of what has been included within this row in the text box (cell B43).	
4d. Total non-taxable benefits	You do not need to enter anything here.	This is a subtotal of the rows you have entered in rows 4a to 4c and will be automatically calculated for you.
5. Other remuneration	You do not need to enter anything here.	This is a sub-heading.
5a. Compensation for loss of benefits	You need to enter the value of any payments you made to your head of provider to compensate them for the removal of any benefits they received previously.	
5b. Ex-gratia and remuneration payments while on sabbatical	You need to enter the value of any non-contractual payments and other remuneration made to your head of provider while on sabbatical.	
5c. Payments for consultancy work that are made to the individual for work delivered using the provider's resources	You need to enter the estimated value associated with any consultancy work your head of provider undertook using your resources, for example use of research facilities or use of any other of your staffs' time while employed by you.	
5d. Other remuneration	You need to enter the value of any other remuneration made to the head of your provider which have not been captured above.	

Table 11	What you need to do:	Notes to help you:
	Please provide further details of what has been included within this row in the text box (cell B52).	
5e. Total other remuneration	You do not need to enter anything here.	This is a subtotal of the information you have entered in rows 5a to 5d and will be automatically calculated for you.
6. Total remuneration (before salary sacrifice)	You do not need to enter anything here.	This is a total of the information you have entered and will be automatically calculated for you.
7. Head of provider's remuneration expressed as a pay multiple of all other employees' remuneration	You do not need to enter anything here.	This is a sub-heading.
7a. Head of the provider's basic salary divided by the median pay (salary)	You need to enter the relationship between the head of your provider's basic salary and that of all other employees including academic and non-academic staff expressed as a pay multiple.	The pay multiple must be expressed as the head of your provider's basic pay (before salary sacrifice arrangements) divided by the median basic pay for staff at your provider (on a full-time equivalent basis). Pay multiples should be rounded to the nearest one decimal place. An example of how to calculate the pay multiple is included in the relevant OfS accounts direction.
7b. Head of the provider's total remuneration divided by the median total remuneration	You need to enter the relationship between the head of your provider's total remuneration and that of all other employees including academic and non-academic staff expressed as a pay multiple.	The pay multiple must be expressed as the head of your provider's total remuneration (before salary sacrifice arrangements) divided by the median total remuneration for staff at your provider (on a full-time equivalent basis). Pay multiples should be rounded to the nearest two decimal places. An example of how to calculate the pay multiple is included in the relevant OfS accounts direction.
8. Has your head of provider or any previous head of provider disclosed	Please select 'Yes' or 'No'.	This information is required to ensure that the remuneration of the head of the provider is disclosed in full even in

Table 11	What you need to do:	Notes to help you:
above been appointed as acting interim head, or are they on a secondment from another organisation?	If 'Yes', you are required to provide brief details in the text box (cell B64).	circumstances when the person is acting as interim head or is on secondment. Amounts returned in rows 2 to 7 of the table must include the total remuneration paid to the individual, not just the portion allocated to the secondment or acting up role.
9. Is your head of provider or any previous head of provider disclosed above employed or paid by another entity, rather the provider themselves?	Please select 'Yes' or 'No'. If 'Yes' provide brief details of the entity that is responsible for funding the remuneration in the text box (cell B68).	This information is required to ensure that the remuneration of the head of provider is disclosed in full, even in circumstances when this is paid by an entity other than the registered provider. Amounts returned in rows 2 to 7 of the table must include the total remuneration paid to an individual, regardless of the source of the funding used to pay that remuneration.
10. Has your head of provider or any previous head of provider disclosed above chosen to waive, or not accept, some element of their remuneration?	Please select 'Yes' or 'No'. If 'Yes' provide a brief explanation of the amount awarded but not accepted or received and waived in the text box (cell B72).	We are aware that heads of providers may have chosen to waive some element of their remuneration, particularly in light of the coronavirus pandemic, and we are asking for this information to inform our understanding of how this has affected the sector as a whole. This could include remuneration paid to the head of provider and subsequently donated, for example, to student hardship funds.

Table 11	What you need to do:	Notes to help you:
11. Supporting commentary	You can provide a commentary supporting the data you have entered above if you wish to in the text box (cell B75). You can enter a maximum of 1,000 characters into this cell. Please be aware that the counting of characters in Excel may be different to other programs, such as Word. If you need to add additional text in this cell beyond 1,000 characters, add the remaining text to the final 'Further information' row in the commentary (see paragraph 117 onwards), specifying this cell in the commentary.	

Table 12: Analysis of capital expenditure

101. The heading on the row shows the breakdown of capital expenditure by type and the heading on the column shows how capital expenditure was financed.

102. Capital expenditure covers all expenditure which increases the value of a provider's (or a subsidiary undertaking's) fixed assets, including the purchase of land, buildings, those items of equipment which are included in the provider's register of fixed assets and shown in the balance sheet, and any intangible assets such as licences, intellectual property and IT software.

103. The capital expenditure should be consistent with the additions to tangible and intangible assets shown in a note to the balance sheet.

104. Capital expenditure should include fees and irrecoverable VAT.

105. This table applies to the last audited financial year only (year 2).

Table: Information on how to complete Table 12 Analysis of capital expenditure by capital expenditure type (defined in rows) from the AFR 2026 workbook

Table 12 (rows)	What you need to do:	Notes to help you:
1. Residences operations	You do not need to enter any data here.	This is a section sub-heading for capital expenditure on residences operations.
1a. Buildings	You need to enter the amount of capital expenditure incurred on residences and conference land and building projects.	Capital expenditure should be apportioned by the source of finance used (columns 1 to 10 as described in the table below).
1b. Equipment and intangible assets	You need to enter the amount of capital expenditure incurred on the purchase of equipment within residences and conference operations.	Capital expenditure should be apportioned by the source of finance used (columns 1 to 10 as described in the table below).

Table 12 (rows)	What you need to do:	Notes to help you:
2. Catering operations	You do not need to enter any data here.	This is a section sub-heading for capital expenditure on catering operations.
2a. Buildings	You need to enter the amount of capital expenditure incurred on catering and conference land and building projects.	Capital expenditure should be apportioned by the source of finance used (columns 1 to 10 as described in the table below).
2b. Equipment and intangible assets	You need to enter the amount of capital expenditure incurred on the purchase of equipment within catering and conference operations.	Capital expenditure should be apportioned by the source of finance used (columns 1 to 10 as described in the table below).
3. Other operations	You do not need to enter any data here.	This is a section sub-heading for capital expenditure on other operations.
3a. Buildings	You need to enter the amount of capital expenditure incurred on non-residential, non-catering and non-conference land and building projects.	Capital expenditure should be apportioned by the source of finance used (columns 1 to 10 as described in the table below).
3b. Equipment and intangible assets	You need to enter the amount of capital expenditure incurred on the purchase of equipment within non-residential, non-catering and non-conference operations.	Capital expenditure should be apportioned by the source of finance used (columns 1 to 10 as described in the table below).
4. Total capital expenditure	You do not need to enter any data into this row.	The total is automatically calculated from the data entered in rows 1 to 3.

Breakdown by source of funds (defined in columns)

106. You should indicate how these funds have been spent by apportioning capital expenditure by:

- Residences, catering and/or other operations
- Building and/or equipment.

107. Guidance on the type of expenditure (rows 1a to 3b) is described in the table above.

Table: Information on how to complete Table 12 Analysis of capital expenditure by source of funds (defined in columns) from the AFR 2026 workbook

Table 12 (columns)	What you need to do:	Notes to help you:
Column 1. Funding body grants	You should include capital grants allocated by the funding bodies.	These are capital grants received by funding bodies, used in the year, to provide assets which have been capitalised.
Column 2. Retained proceeds of sales	You should include the contribution from proceeds of sales.	
Column 3. Internal funds	You should include capital expenditure financed internal funds.	This includes retained funds, accumulated surpluses or profits.
Column 4. Existing loans (excluding new loans in year)	You should include capital expenditure financed by existing loans (excluding new loans drawn down in the year).	
Column 5. New loans in year	You should include capital expenditure financed by new loans drawn down in the year.	

Table 12 (columns)	What you need to do:	Notes to help you:
Column 6. Existing director loans (excluding new in year)	You should include capital expenditure financed by existing director loans (excluding new loans drawn down in the year).	
Column 7. New director loans in year	You should include capital expenditure financed by new director loans drawn down in the year.	
Column 8. Leasing	You should include all sums funded by finance leases and capitalised.	
Column 9. Private Finance Initiative	You should include all sums funded by Private Finance Initiatives/Non-profit distribution projects and capitalised.	
Column 10. Other external sources	You should include amounts provided through other external sources not included in other rows.	This will include amounts provided as bequests, donations or all other sources of finance used to fund capital expenditure.
Column 11. Total actual spend	You do not need to enter any data into this row.	The total is automatically calculated from the data entered in rows 1 to 10.

Table 13: Financial commitments drawn and commitments agreed with lender but not yet drawn down

108. Financial commitments are any loans which are borrowed for long-term periods (over 12 months), usually repaid in a series of annual, semi-annual or monthly payments, as well as other contractual financial commitments, such as finance leases and interest rate swaps.

109. Financial commitments fully, partially or agreed but not yet drawn down at the end of the last audited financial year (Year 2) should be included in this table.

110. The number on the row corresponds to the number of financial commitments. For example, if providers have three financial commitments, these would be included on rows 1, 2 and 3.

111. Where a provider submitted financial forecasts to the OfS previously, this table has been pre-populated with the information returned in that return. You will need to review these and either update, remove or add financial commitments. You can remove rows by using the 'Submit row' feature in the workbook, which is described in the below table.

112. The data contained within this table is for the OfS only and will not be transferred to the DDB.

Table: Information on how to complete Table 13 Financial commitments from the AFR 2026 workbook

Table 13	What you need to do:	Notes to help you:
Column: Lender's name	You need to select the name of the lender of the financial commitment from the drop-down menu. If the lender is not listed, select 'other' and enter the details in the following column.	This is the name of the organisation or person that is lending money to you. This could include, but is not limited to, a bank, company or individual.
Column: Lender description if 'Other: specify'	Detail the name of the lender in this column if 'other' is selected in the previous column.	
Column: Type of commitment	You need to include the type of financial commitment.	Types of commitment include, but are not limited to: • overdraft • finance lease

Table 13	What you need to do:	Notes to help you:
		• private bond • public bond • revolving credit facility • sale and leaseback • service concession arrangement • swap • term loan • inter-company loan • joint venture • loans from directors • other (please specify in commentary).
Column: Secured/ unsecured	You need to indicate whether the borrowing is secured or unsecured.	Secured includes debt held over a particular asset or a floating charge arrangement over your asset base. This is a new data requirement prompted by growing interest in security of debt at higher education providers. This column will need to be completed for each individual financial commitment.
Column: Approximate value of security (or book value of specified assets on which security is held) (£000s)	You need to state the value of the security of the assets on which the security is held.	This data requirement is prompted by growing interest in security of debt at higher education providers. This column will need to be completed for each individual financial commitment.
Column: Date of commitment (month, year)	You need to include the date the commitment was first taken out.	

Table 13	What you need to do:	Notes to help you:
Column: Sum originally committed by the lender (£000s)	You need to include the principal sum lent.	This is the total lent from the facility, whether drawn down or not. For example, for revolving credit facilities or overdrafts, please enter the value of the facility.
Column: Capital sum owed at the end of Year 2 (£000s)	You need to include the amount owed to the lender at the end of Year 2.	This is the expected outstanding balance.
Column: Undrawn sum (£000s)	You need to include the amount of the funds not yet received or drawn down.	
Column: Period of loan (years)	You need to include the length of the commitment agreed with the lender.	
Column: Date of the end of the agreement (month, year)	You need to include the date at which the commitment is due to be repaid in full.	
Column: Repayment basis	You need to state the basis on the financial commitment is being repaid.	Select from the following repayment options: • None – no payments are being made. If applicable, interest is accumulating and the principal and any compound interest will be due at maturity. • Interest only – interest is being paid, and the principal will be repaid at maturity. • Repayment – interest and capital repayments are being to repay the debt in full over the term of the debt. • Mixed – interest and some repayment of the principal are being made, but there will still be some of the principal to repay at maturity.
Column: Sum to be repaid at maturity	You need to include the final amount owed to the lender at the end of the term (if applicable). This is typical of	If the principal sum is being repaid gradually over the term of the loan, there is likely to be zero in this column.

Table 13	What you need to do:	Notes to help you:
(including compound interest) (£000s)	bullet type repayments, where all or part of the principal sum or accumulated interest is due at the end of the borrowing agreement.	However, in some cases, principal sum may not be repaid over in the term and there may be an outstanding balance owed at the end of the term. Any sum, including any accumulated interest, owed at the end of the term may be repaid (in full or in part) from internal sources of cash or refinanced by new financial commitment. A compound interest is calculated by multiplying the initial principal amount by one plus the annual interest rate raised to the number of compound periods. For example, if a loan taken out of £1 million for a period of 10 years has a compound interest rate of 2 per cent, the sum to be repaid at maturity would be (£1 million x 1.02^{10}) £1.22 million.
Column: Interest rate type	You need to include the type of interest rate that applies to the financial commitment.	Interest rates tend to fall into the following categories: • Fixed • Variable • Fixed/Variable – part subject to fixed rate, and part subject to variable • Other – e.g. interest-free.
Column: Interest rate at the end of Year 2 (estimate for undrawn facilities)	You need to include the interest rate applicable at the end of Year 2.	Where debt is not drawn down, please enter the applicable rate debt if it were drawn down. Please enter interest rates as a percentage and to two decimal places e.g. 4.56% (not 0.04564).
Column: Additional comments	Use this if you wish to explain anything about each financial commitment that is not covered by previous columns.	There is a 500 character limit on each cell in this column.

Table 14: Access and participation investment

113. Only providers with an approved access and participation plan are required to complete Table 14.

114. The row headings in the table correspond to the four categories of access and participation investment, and the column headings state which year the data relates to. Years 1 and 2 are required to be completed for this table.

115. The data returned in years 1 and 2 of Table 14 must be consistent with the disclosure on access and participation expenditure returned in the notes to the provider's audited financial statements.

116. Where possible, we have pre-filled year 1 with data submitted in your previous Annual Financial Return. This can be amended if necessary.

Table: Information on how to complete Table 14 Access and participation investment from the AFR 2026 workbook

Table 14	What you need to do:	Notes to help you:
1. Access and participation investment	You do not need to enter any data into this row.	This is a sub-heading.
1a. Access investment	Return expenditure in the financial year on activities and measures that support the ambitions set out in an access and participation plan, where they relate to access to higher education.	This figure must match that disclosed in the notes to your financial statements.
1b. Financial support investment	Return expenditure provided to underrepresented or disadvantaged students in the financial year (such as bursaries, scholarships, etc.).	This figure must match that disclosed in the notes to your financial statements.
1c. Support for disabled students	Return expenditure that can include, but is not limited to, the disabled students' premium.	This figure must match that disclosed in the notes to your financial statements.
1d. Research and evaluation investment	Return expenditure related to research and evaluation.	This figure must match that disclosed in the notes to your financial statements.

Table 14	What you need to do:	Notes to help you:
1e. Total access and participation investment	You do not need to enter any data here.	This row will be automatically calculated from the data above.

Commentary

117. The commentary does not form part of the financial workbook. It should be submitted separately via the OfS portal, using the template which can be downloaded from the portal.

118. The commentary questions require providers to add narrative to support their submission of the financial and student number tables.

119. Providers should submit a commentary that answers each question set out in the table below.

120. This will provide context for a provider's financial performance, financial position and plans, as well as collecting additional information that lends itself better to a narrative format. This will ensure that the OfS is able to make a rounded judgement of a provider's financial viability and sustainability, and thus of its compliance with condition D.

Table: Information on how to complete the AFR2026 Commentary file

Commentary question	Notes to help you
1. Forecast assumptions	Assumptions and mitigations underpinning the forecast should be set out in the table, along with the financial impact of these being detailed in the Assumptions table in the workbook. The first column 'AFR Table' sets out the table location in the workbook for which the assumption will have been made. Below are specific rows to review for assumptions made in Tables 1-9: For student numbers, you should comment on changes in data included in Table 7. For higher education franchised in student FTE and non-higher education student FTE (which are not returned in Table 7), if FTE is not available, please provide an explanation of how these areas of activity are changing over time.

Commentary question	Notes to help you
	For student fee income levels, you should comment on changes in data included in Table 6. For Office for Students grant, you should comment on changes in data included in Table 4 rows 2a and 2b. For Research England grant, you should comment on changes in data included in Table 4 rows 2c and 2d. For staff costs, you should comment on changes in data included in Table 1 row 2a. For other income, you should comment on changes in data included in Table 1 row 1d. For pension contribution rates, you should comment on changes in data included in Table 9 rows 1f to 1i. For pension provision, you should comment on changes in data included in Table 2 row 8a. For inflation in salaries and wages, you should explain here what assumptions you made for data included in Table 9 rows 1a to 1b. For interest costs, you should give details on interest for new borrowing only, as for the existing borrowing the data is already included in Table 13. For building maintenance costs, you should detail here assumptions made in your forecast. For contingency, you should explain here whether any contingency has been included in your forecast and give details of value(s) and area(s) it relates to.
2. How do you ensure your business's financial viability and sustainability? How are material risks to viability and sustainability identified and managed?	'Financially viable' means that the OfS judges that there is no reason to suppose the provider is at material risk of insolvency within a period of three years from the date on which the judgement is made.

Commentary question	Notes to help you
	'Financially sustainable' means the OfS judges that the provider's plans and protections show that it has sufficient financial resources to fulfil conditions D(iii) and D(iv) of ongoing registration for the period of five years from the date on which the judgement is made, and that it is likely to be able to operate in accordance with these plans and projections over this period.
3. What do you consider to be the most significant five or more risks to the financial viability and sustainability of your provider, and how are these risks managed? Are these risks reported in your provider's risk register?	Across the sector, providers face a variety of significant risks to their financial viability and sustainability. Please provide the five most significant to you and what steps you are taking to manage these risks.
4. If the financial forecasts include assumptions about planned cost saving targets please set out, for each academic year, how much of these savings are 'identified' and how much are 'yet to be identified'.	If applicable, where you have factored cost savings targets into your forecast, please provide details of these savings and whether they have been 'identified' or are 'yet to be identified'.
5. What processes are in place in relation to cash management? Describe the processes for monitoring rolling cashflow forecasts. What timeframe do these forecasts cover and how are these reported to the governors?	Please provide brief details of your cash management policies, in particular the processes you have in place, if any, for monitoring your rolling cashflow forecasts.
6. If the financial forecast assumes that net liquidity days would fall below 30 days (including negative liquidity) at any point during year 3 or 4, what mitigations are in place or are considered to ensure there is adequate funds available to manage financial risk scenarios?	You only need to complete this information if you are expecting your net liquidity days to fall below 30 days for the current year (year 3) and the next forecast year (year 4). 30 days is a reporting trigger only. The OfS does not set financial targets for providers. As autonomous organisations, providers should set their own liquidity levels that ensure their viability and sustainability. Net liquidity days are calculated as: ((cash and cash equivalents + current asset investments - overdrafts - bank loans and external borrowing falling due within one year - loans from directors falling due within one year) / (total expenditure -

Commentary question	Notes to help you
	depreciation and amortisation - changes to pension provisions and pension adjustments))*365. Please note, if applicable, that reportable events procedures should still be followed in addition to what is submitted in this return.
7. Where the financial and student number forecasts include any significant year-on-year changes which are significant in relation to your overall finances, i.e. worth over 10 per cent of the total income or expenditure or of a large absolute value on the statement of income and expenditure (Table 1 of the workbook), please comment on the reasons for these movements. The explanation must include details about any material exceptional income or expenditure items.	Referring to Table 1 of your completed financial tables, please explain any significant movements (we suggest ±10 per cent in any one year as a starting point). This will help us to understand changes in your accounts and provide assurance on material changes that might have occurred and the reasons for these.
8. Where the financial and student number forecasts include significant year-on-year changes which are significant in relation to your overall finances, i.e. worth over 10 per cent of the total assets or liabilities or of a large absolute value on the statement of financial position (Table 2 of the workbook), please comment on the reasons for these movements. The explanation must include details about any material exceptional items.	Referring to Table 2 of your completed financial tables, please explain any material changes that have occurred, or you are forecasting to occur. This will help us to understand changes in your accounts and provide assurance on material changes that might have occurred and the reasons for these.
9. Where the financial and student number forecasts include any significant year-on-year changes which are significant in relation to your overall finances, i.e. worth over 10 per cent of	Referring to Table 3 of your completed financial tables, please explain any significant movements (we suggest ±10 per cent in any one year as a starting point). This will help us to understand changes in your accounts and provide assurance on material changes that might have occurred.

Commentary question	Notes to help you
the total cash inflow or outflow or of a large absolute value on the statement of cash flows (Table 3 of the workbook), please comment on the reasons for these movements. The explanation must include details about any material exceptional cash items (you may cross-refer to other questions if appropriate).	
10. If you teach or plan to teach any subcontracted in higher education provision, please provide details of these arrangements. This should include the names of the partner providers, the student FTE in these relationships and the value of income received by your provider. How is this area of activity forecast to change in the forecast period?	If applicable, please provide details of any arrangements you have in place for franchised in higher education students and how this is forecast to change through the forecast period.
11. If you subcontract out or plan to subcontract out any higher education provision to other providers, please provide details of these arrangements. This should include the names of the partner providers, the student FTE in these relationships and the value of income retained by your provider. How is this area of activity forecast to change in the forecast period?	If applicable, please provide details of any arrangements you have in place for franchised out higher education students and how this is forecast to change through the forecast period.
12. If you deliver or plan to deliver any non-higher education provision, please provide details of these arrangements, including the value of income generated from it. How is this	If applicable, please provide details of any non-higher education student provision you deliver and how this is forecast to change through the forecast period.

Commentary question	Notes to help you
area of activity forecast to change in the forecast period?	
13. If you deliver higher education courses validated by another provider(s), please advise who the validators are and if any changes of validators are expected in the period covered by the forecast.	If applicable, please provide details of any provision or planned provision that is validated by another provider.
14. Describe any recent scenario planning/ sensitivity analysis/stress testing that has been undertaken to understand and mitigate risks to financial viability and sustainability. Describe the scenarios that you have tested your financial resilience against and how this has been reported to the governors. What is the impact on income, expenditure, liquidity and covenant compliance (if applicable)?	It is not expected that scenario planning, sensitivity analysis or stress testing is done for the sole purpose of answering this commentary question. Rather we would like to understand what you have already done, or planned to do, to mitigate the risks of uncertainty in your forecasts. Please provide as much detail as possible.
15. Describe the actions you would take to manage a 10 per cent shortfall in forecast income in the next two years.	Should your forecast income in the next two years be 10 per cent lower than anticipated, please explain what actions you would take to mitigate against this shortfall.
16. If relevant, please set out the debt covenants in place for the existing borrowing and describe how you manage your compliance with them. Do your forecasts show that you will continue to meet these covenants for the full forecast period?	This question is only applicable if you have borrowings that have covenants attached. Please provide details on these and state the periods (if applicable) where you are forecasting you will not meet these – if you are forecasting that these will not be breached, then it would be helpful to state this explicitly. If there are occasions where this is forecast to happen, what mitigating actions are you going to take? If you have had any independent reviews of your covenant compliance, please provide any details or results of them.

Commentary question	Notes to help you
17. Have there been any covenant breaches, or have you agreed covenant waivers or amendments in the most recent financial year for which audited financial statements are available, or since? What happened as a result? Please provide details.	This question is only applicable if you have borrowings that have covenants attached.
18. If, after the year 2 financial year end date, an overdraft, revolving credit facility or any other short-term credit facilities have been arranged or are being arranged at present, please provide details below, including facility type, size, availability dates and stage of approval by the lender.	This is to help us understand your whole financial position, including items that are not included in your financial statements. If you have no plans to have an overdraft, revolving credit facility or any other short-term credit facility, please state 'n/a'.
19. If new borrowing is forecast or refinancing of the existing borrowing will be required in the forecast period, please provide the details of the assumptions made: including facility type, size, timing and stage of approval by the lender (if already being arranged). If debt refinancing is required, please advise what actions are being considered should it not be possible to secure new debt.	Please provide details of any new borrowing you are intending to take out over the forecast period or any refinancing of borrowing in the forecast period. In a scenario where this borrowing is not approved, what impact would this have on your forecast and what mitigations do you have at your disposal to ensure you remain financially viable and sustainable?
20. If your provider is a member of a corporate group, please provide a group structure diagram (this can be supplied in a separate document if you wish) and advise if any changes to the group structure are foreseen in the period covered by the forecast.	If applicable, please provide a group structure diagram and details of any changes planned to this structure over the forecast period.

Commentary question	Notes to help you
21. If your provider is a member of a corporate group, please comment on the financial standing of the group.	If applicable, please provide details of the financial strength of your corporate group, indicating their ability to meet financial obligations and their overall financial health.
22. If your provider relies on financial support of a third party or benefactor, or a financial guarantee is in place, please provide further details on this.	If you rely on financial support of a third party, or have a financial guarantee in place, please provide details of this including any current end date to those agreements and plans to extend them if applicable.
23. Please provide any details or narrative to explain estimates you have provided in the Assumptions table – Backlog maintenance section (2a and 2b) on the total value of any capital investments needed to bring your infrastructure, facilities and equipment up to a 'good' standard of condition that is suitable for delivering high quality higher education and student experience. This question only applies where the provider is responsible for the cost of repairs and maintenance – it may not apply to leased/rental properties or equipment.	This question is in conjunction with the 'Backlog maintenance' area in the Assumptions table of the workbook. Please provide any detail or narrative to support the estimates you have supplied in the workbook (2a and 2b). A guide to the definition of 'good' is by reference to the HESA Estates Management Return guidance, as follows: HESA EMR[24] Condition B – Sound, operationally safe, and exhibiting only minor deterioration – Typically features one or more of the following: • maintenance will have been carried out, • minor deterioration to internal/external finishes, • few structural, building envelope, building services or statutory compliance issues apparent, • likely to have minor impacts upon the operation of the building. This cost estimate may be different from the gross value of the 'aspirational capital investment' plans.

[24] See Estates Management record 2023/24 | HESA.

Commentary question	Notes to help you
24. Does the cash or short-term investments balance in Year 2 include any restricted funds (not available for operational purposes)? If so, please provide a breakdown of the figures and explain the nature of the restrictions. How are these restricted funds forecast to change in Years 3-7?	If you have any cash or short-term investments that are restricted for use, please provide a breakdown of these in relation to the total balances and provide details of the restrictions in place.
25. If you have forecast any provisions in your statement of financial position, what do these relate to and what underpins the forecast? Please provide here any additional commentary regarding assumptions underpinning the forecast. This is to supplement the information recorded in the workbook, if necessary.	Please provide a breakdown of the provisions you have entered into your statement of financial position and the provision movements. This is to help us understand your whole financial position, including items that are not included as part of your financial statements.
26. Where there is a balance shown in any year for 'Other Reserves' in Table 2 of the workbook, what comprises this balance?	Referring to Table 2 row 11c, please provide a breakdown of what you have included in this row, including values and descriptions.
27. If you have separately disclosed material items in your audited financial statement of comprehensive income and expenditure, please give details of what these relate to.	Where you have disclosed a material item on the face of your statement of comprehensive income and expenditure, you should: • state the value • confirm where in Table 1 you have recorded this, i.e. row number • give an explanation of the material item disclosed.
28. If there is any other information that would help the OfS in understanding your provider's financial viability and longer-term sustainability, please provide this below.	This section is for you to provide any further information that you think will help us understand your financial viability and sustainability position. In particular, if there are any areas of the financial tables under the heading 'other' which are of material value, please use this opportunity to explain what these are.

Commentary question	Notes to help you
	Please use this space to provide any further information you wish to bring to our attention, or any further explanation supporting your entries in the tables. Include any details of any material off balance sheet items that you may hold but have not included in your financial tables.

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