



# Endowment Fund Report

For the Year  
to 31 July 2025

# Contents

## Fund overview 4

Financial highlights 6

Fund management and history 7

## Philanthropy 8

## Fund governance 15

Investment committee 16

Terms of reference 17

Investment benchmark 17

Current fund managers 18

Fund performance 19

## Social responsibility and sustainable investment 20

## Fund financials 22

Investment objective 23

Portfolio tables and visuals 24

Endowment analysis and purpose 25

Distributions 26



“Today’s University warmly thanks those who have prioritised support for our students and researchers to make the world a better place. ”



# Fund overview

# Financial highlights

## Total endowment assets (£m)

**£604.8**

2024: £580.4



➔ **Assets grew £24 million in the year.** Endowment assets include fixed-term cash deposits, capital debtors, revenue cash and working capital held by the University's endowments.

## Non-current asset investments (£m)

**£577.6**

2024: £519.4

➔ **Contributing to the £58 million increase** in the year was a £30 million increase in market value of investments and £25 million cash holding at 31 July 2025.

## Number of endowments within fund

**617**

2024: 595

➔ **22 new endowments** were added to the fund in the last year.

## New endowments (£m)

**£8.3**

2024: £5.8

➔ New endowments in the year were almost **wholly of an expendable restricted nature.**

## Income (£m)

**£13.8**

2024: £20.5

➔ **Investment income fell by £6.7 million** in the year, equating to a fall of over 30%.

## Distributions (£m)

**£27.8**

2024: £20.2

➔ **Distributions increased by £7.6 million in the year,** with increases seen in most budget areas across largely salaries and scholarships.

## Unit price (£ per unit)

**£54.94**

2024: £49.33

➔ **The unit price has increased by 11 per cent** from £49.33 to £54.94 giving a fair value gain of £30 million in market value of our investments.

# Fund management and history

The University of Edinburgh had charitable status (No. SC005336) under the legislative framework operative throughout the 2024/25 financial year. The University's endowments are administered as the University of Edinburgh Endowment Fund, overseen by the Investment Committee. Professional fund managers are employed by that Committee on behalf of the University Court.

Investment income is applied for the specific purposes of the relevant endowments, or in the case of other investment funds, for the University's general purposes. All of those purposes are charitable for the purposes of the legislation.

The University of Edinburgh Endowment and Investment Fund ("Endowment Fund") was founded in 1955. The investment objective of the Endowment Fund is to grow the value of the fund and maintain the capital in real terms over the long-term whilst providing an annual income yield to support the activities of the numerous endowments.

The total value of the Endowment Fund is £605 million as at the end of the 2025 financial year. The unit price has increased 11 per cent from £49.33 to £54.94 giving a fair value gain of £30 million.

The Investment Committee of the University is responsible for the oversight and strategic direction of the Endowment Fund investments, including the Andrew Grant Bequest Charity. The University of Edinburgh Court's Governance & Nominations Committee appoints members to the Investment Committee drawn from both Court members and external investment professionals.

Mercers are consultants to the Investment Committee and the Secretary for 2024/25 was the University's Director - Finance Specialist Services.

Since 2003, the University has had a Socially Responsible Investment (SRI) Policy which has endorsed an approach based on 'engagement' with companies on ethical issues. In January 2013 the University became the first in Europe to sign up to the United Nations-supported Principles for Responsible Investment which provides a framework for the University to take environmental, social and corporate governance (ESG) considerations into its investment strategies.



# Philanthropy

# Impact

The impacts of endowments to further and deepen the charitable activities of the University of Edinburgh go back a long way. All the way in fact.

The University itself was founded by an endowment of 8,000 merks left by Bishop Robert Reid of Orkney ‘to fund a College in Edinburgh’, which opened its doors as the ‘Tounis College’ in 1583.

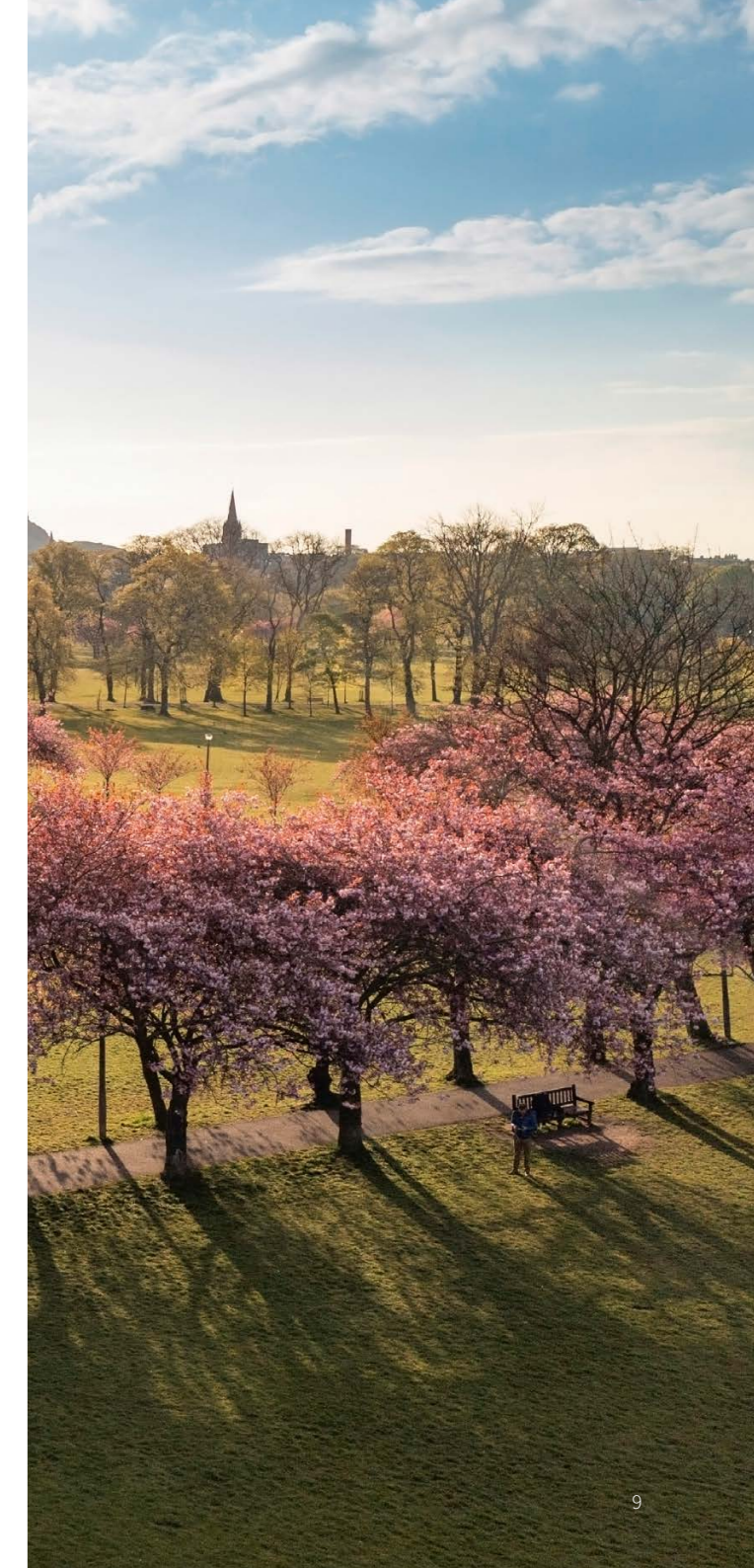
Throughout the course of the University’s near-450 year history since, far-sighted individuals across (but also far beyond) the University’s alumni and staff communities have committed generous lifetime and legacy endowment gifts to provide vital funds for the University’s priorities. These have included student support of all kinds, research to make a difference in the world, and the deepening (and sometimes the introduction) of teaching of a wide range of academic fields via funding for academic positions. Others have simply demonstrated their trust and belief in the University’s charitable goals by leaving vitally important unrestricted endowment gifts.

The historic and more recent case studies provided in this report are intended to highlight not just the extent to which endowment gifts continue to benefit

committed students, teachers and researchers on today’s campus - in some cases via gifts made literally hundreds of years ago - but also how the University has stewarded these commitments via careful investment and ensuring funds are spent in accordance with donors’ wishes.

Today’s University warmly thanks those who have prioritised support for our students and researchers to make the world a better place. Should you be inspired by this report to want to explore the wide range of options for endowed giving at different levels and over flexible time periods, we will be delighted to discuss options with you. Our goal is always to create a fund that will have maximum impact over the mid to long-term, while fully reflecting the priorities and values of our donors.

**Chris Cox**  
Vice Principal (Philanthropy & Advancement)





Joyce Darlington and her husband, Lieutenant Colonel Anthony Darlington, at her OBE investiture.

## Joyce Darlington

Joyce Darlington (née Blow), a distinguished alumna of the University of Edinburgh, dedicated her life to making a difference, both professionally and personally.

Born and raised in Fife, Joyce attended Bell Baxter School in Cupar before pursuing a degree in History at the University of Edinburgh. After graduating in 1950, she embarked on what became a wide-ranging career spanning senior roles in the private, governmental, public, and charitable sectors. Her experience led the University to invite her to become a founding Trustee of the University of Edinburgh Development Trust in 1990, which still manages gifts and philanthropic commitments in support of the University's work today.

Embodying her extraordinary generosity to help others succeed, when Joyce passed away in 2021 the University learned that her longstanding commitment to education had been carefully woven into her legacy planning via an endowed gift to support access to education.

Baroness Neville-Jones, a close friend of Joyce and Executor for her bequest plans, comments: *"Throughout her life, Joyce's commitment to the University remained steadfast, extending over 35 years as a loyal supporter of its scholarship fund, driven by her passion for education. The University worked with me to confirm a targeted use of the income from Joyce's endowment, to maximise impact for students who otherwise might not meet their full academic potential. That led to the creation of the **Darlington Scholarships**, a long-term endowed programme that is unique in Scotland and we believe across the whole of the UK, to remove the considerable financial barriers that prevent many undergraduate students at the University of Edinburgh from the lowest income backgrounds from progressing to postgraduate study. It has been heartening to see the strong demand for the programme from students determined to seize educational opportunity, exactly as Joyce would have wanted."*

## Mary Dick

Mary Dick (1 June 1791- 14 July 1883), was sister of the Vet School's Founder, William Dick, and was central to the endeavour of establishing what is now fondly known as the 'Dick Vet'.

Records show she had a role in what we would now understand to be 'student support' and, indeed, that erring students had to report to her!

In 1905, a £11,500 benefaction out of her estate established the '**Mary Dick Chair in Physiology**' – a Professorship that continues to make significant contributions to learning and research for student and wider scientific communities to this day.



Professor Simone Meddle (pictured third from right) with students at the undergraduate research event in 2023

Professor Simone Meddle, current holder of the Mary Dick Chair of Physiology, leads the Vet School's Division of Veterinary Biomedical Sciences.

Her research group investigates how environmental and social cues can trigger functionally important behaviours in animals (such as food intake, stress and reproduction).

Professor Meddle teaches extensively on a number of the School's undergraduate and postgraduate courses.



Mary Dick

# Alan and Anne McFarlane

In discussion with the University, we have set up endowment funds intended, first, to improve undergraduate access to education and, second, research within the School of History uncovering the impact of Scottish diaspora.

We've been pleased to see how the endowed funds have been used by and within the University. We enjoy the updates from student scholarship recipients, including from the History PhD students funded by the endowment, who create new knowledge and interpretations through their research. It is satisfying to see the endowment funds being put to good use.

Thanks to good investment returns within the University Endowment fund, we and the University agreed to increase drawdown from the endowment to support higher future expenditure. Outcomes include extra funding for a postdoctoral researcher as part of our support for Scottish History, Widening Participation, and other key programmes.

The endowments we made are living sources of funds which support students and expand research today and beyond. The impact is evident. We continue to work with the University's development and academic staff to map out future uses of the funds. Edinburgh works hard to maximise the impact of people's financial gifts.

**Alan and Anne McFarlane**



Alan and Anne McFarlane

# McFarlane PhD Scholars

## Carissa Chew

Carissa Chew, from England, is studying a PhD in History. Her research explores the experiences of people of mixed Black/South Asian heritage in late colonial and early postcolonial East Africa.

## Zuzubee Huidrom

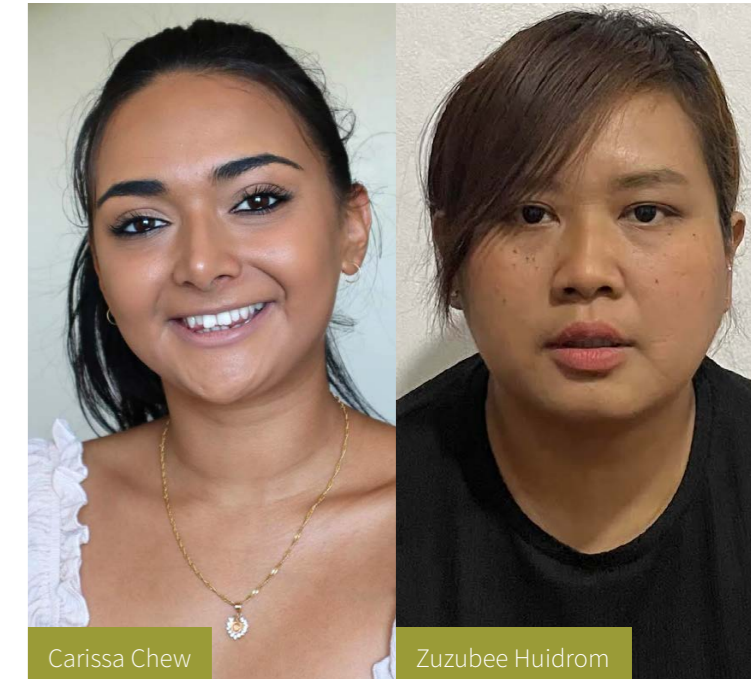
I am Zuzubee Huidrom, from Manipur (India), and I am currently pursuing a PhD in History, examining how the Second World War affected Manipuri women's lives and exploring how they navigated these challenges.

## Davide Lamparelli

My name is Davide Lamparelli and I am a PhD candidate in History at the University of Edinburgh. Although I originally come from Italy, I have been living in Scotland since I started my undergraduate studies in 2018, except for a brief interlude in the Netherlands where I completed my Master's degree. Thanks to the McFarlane Scholarship, I am researching the emotional reactions of Irish and Scottish people to receiving transnational solidarity during the Great Famines of 1845-1855, and the impact of solidarity on Irish and Scottish identities and political relationships.

## Christopher Wheeler

Christopher returned to academia having retired from a long business career. Having been awarded a BA in history by the University of Oxford and an MA from the University of Warwick, he is currently in the process of completing his PhD at the University of Edinburgh. A Londoner, Christopher has retired to the Cotswolds.



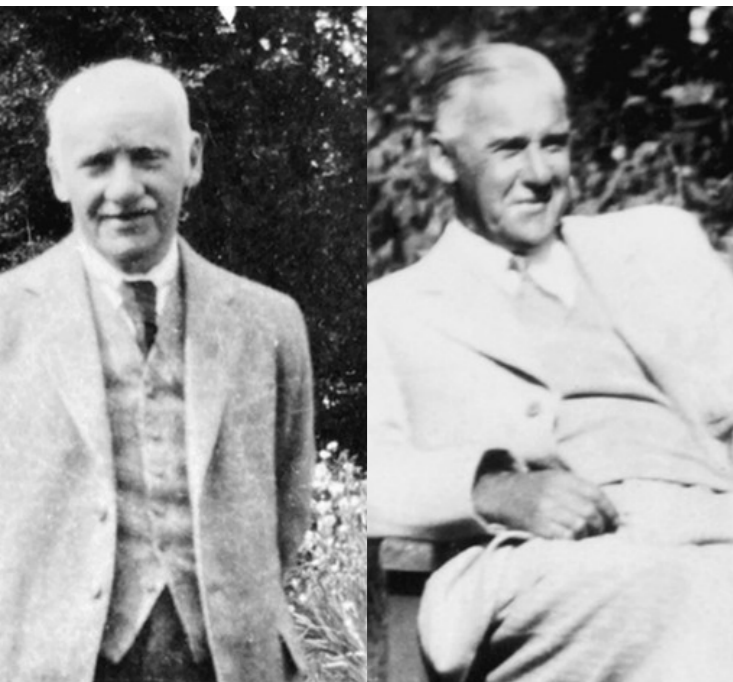
Carissa Chew

Zuzubee Huidrom



Davide Lamparelli

Christopher Wheeler



From left to right: Drs George (c1920), Pollok (c1935), Alastair (1994) and Patricia (2016) Donald

# Patricia Donald

My great grandfather (Dr George Donald) started our family general practice in Leith Mount in 1883, with my grandfather (Dr Pollock Donald), father (Dr Alastair Donald) and then me following in his footsteps until 2018.

Descending from this lineage of community-serving GPs and having no children of my own to continue our family's legacy, I wanted to support the training of future doctors. I heard about the University of Edinburgh's Scholarship scheme and as an alumna I decided to establish an endowment fund for medical student scholarships at the University of Edinburgh as a gift from 4 generations of GPs in practice in Edinburgh.

One of the key reasons I have valued partnering with the University has been the range of support provided for students. Not only does the University encourage applications from schools around Scotland, but they also offer continuing support through the years as a student. The medical school has a strong history of outstanding teaching of our future medics in a way that emphasises wholistic patient care, which aligns strongly with my beliefs and approach as a GP. Furthermore, the University's commitment to

nurturing every aspect of student development resonates with my interests in both their academic success and overall wellbeing. This endowment programme has allowed us to offer scholarships that recognise the significant financial challenges many aspiring doctors face and also ensure that every recipient thrives in an optimal environment.

Receiving stories on the scholars' progress highlights the enduring impact of these scholarships, not just on the lives of the students, but also the communities they will go on to serve. I feel reassured that my fund is invested wisely to ensure continuing scholarships and that the individuals will be supported through their university experience. It gives me great pride that the endowment model ensures these scholarships will be available for years to come, supporting the development of compassionate, skilled medical professionals.

**Dr Patricia Donald**



# Fund governance

# Investment committee

The Investment Committee of the University is responsible for the oversight and strategic direction of the endowment investments, including the Andrew Grant Bequest Charity. The University of Edinburgh Court appoints members to the Investment Committee drawn from both Court members and external investment professionals.

## Responsibilities include:

- Sets investment policy and strategy
- Determines asset allocation
- Identifies Fund Managers
- Monitors fund performance
- Advises University Court on its investment programme

## Investment Adviser:

Mercer

## Auditors:

PricewaterhouseCoopers LLP

## Custodian:

BNY Mellon

## Meeting dates in 2024/25:

20 August 2024  
19 November 2024  
25 February 2025  
20 May 2025

## Investment Committee members as at 1 August 2024

Alastair Laing (Convener)  
Carolyn Aitchison  
Henry Cobbe  
Mark Connolly  
Doreen Davidson  
Jock Millican  
Dr Jim Roth  
Lee Hamill  
Catherine Martin

## Investment Committee members as at 31 July 2025

Alastair Laing (Convener)  
Carolyn Aitchison  
Henry Cobbe  
Mark Connolly  
Doreen Davidson  
Jock Millican  
Dr Jim Roth  
Nirmal Borkhataria  
Catherine Martin

# Terms of reference

## Investment Committee Terms of Reference

### Purpose

To consider the corporate governance, University reputation and other related implications of the University's investments, in particular to consider strategic formulation and risk containment and to review and monitor both long and short-term investments.

### Objectives

To manage the investment portfolio asset allocations to deliver the following objectives:

- A financial return for the portfolio that exceeds CPI + 4%, net of fees, over the medium term (3-5 years), with dividend yield targeting budgets agreed with the University;

- Implement restrictions that reflects adherence to the University's Responsible Investment Policy in acting as a responsible investor (e.g. tobacco, arms, fossil fuels, anti-slavery, conflict minerals); and
- Make a positive contribution to environmental and social impact through wherever possible investing in ESG (Environmental, Social & Governance) compliant funds and considering investment in other assets that deliver financial and non-financial benefits.

# Investment benchmark

## Strategic Benchmark – The Edinburgh Model

The University has delegated responsibility to set the fund's strategic benchmark to the Investment Committee. The Investment Committee has adopted a bespoke model benchmark for the asset allocation, "The Edinburgh Model", which aims to use the long-term nature of the Fund to improve the risk adjusted returns achieved.

The Edinburgh Model has been developed for the Fund using advice provided by their Investment Consultants. All day to day investment decisions outside any direct investments such as property have been delegated to authorised investment managers. The strategic benchmark reflects the choice and mix of funds in which the Fund invests. The Edinburgh Model is consistent with the Investment Committee's views on the appropriate balance between seeking an enhanced long-term return on investments and accepting greater short-term volatility and risk.

The University monitors fund performance relative to the Edinburgh Model. It is intended that the investment strategy will be reviewed at least every three years. In considering the investment strategy, the Investment Committee will seek advice as required.

# Current fund managers

Baillie Gifford	Global Equity	Edinburgh based independent investment manager. University of Edinburgh Endowment Fund.
M&G	Private Debt	Wholly owned by Prudential plc. Manager of fixed income, equity and real estate on behalf of Prudential.
Hermes - HPUT	Property	Owned by BT Pension Scheme. Hermes Property Unit Trust.
Wellington	Multi Sector Credit	Independent employee-owned investment firm with >150 active partners. Independent research team incorporating higher level of ESG factors into investment analysis.
Nordea	Multi Strategy	Nordea Investment Management, founded in 1990 as Unibank Investment Management, is a subsidiary of Nordea AB, a publicly traded holding company.
Mercer PM	Private Markets	Expects to benefit from the global shift towards a lower carbon economy and the need to address resource scarcity issues. Investments include those in renewable and resource management, water infrastructure and energy efficiency.
BlackRock	Global Impact Equity World Equity Value Factor ESG	BlackRock was founded in 1988 and has acquired a number of firms, including Merrill Lynch Investment Managers in 2006 and Barclays Global Investors in 2009. The firm has been publically-traded since 1999. It is headquartered in New York and has investment management offices throughout the world.
Old College Capital	Venture Capital	100% University of Edinburgh subsidiary managing venture fund for exploitation of UoE IP.
Epidarex	Venture Capital	Epidarex Fund II is invested through Old College Capital (Strategic Investments). Epidarex invests in early-stage, high growth life science and health technology companies in under-ventured markets within the UK and US.
Pentech	Venture Capital	Pentech Ventures Fund II specialises in seed, start-up, and early venture investments in UK and Ireland. It seeks to invest in businesses with global potential in enterprise software, telecommunications software, internet, mobile, and tech media sectors.
Northern Trust	Emerging Mkts Equity	Norther Trust Corporation, founded in 1889. NT Emerging Markets Custom ESG Equity Index Fund.
Deaconess House	Property	University of Edinburgh Investment Property based at Deaconess House, providing UG Accommodation exclusively to UoE.
LGIM (via Mercer)	Passive Sustainable Equity	Legal & General Investment Management (LGIM) is one of Europe's largest institutional asset managers and a major global investor. The firm has managed pension fund assets since the 1930's. The index fund product range was established in 1985.
NB Crossroads	Private Markets	NB provides a broader universe of investors access to Neuberger Berman's private equity co-investments and GP-led secondary private equity solutions. The Fund invests in institutional-quality direct investments alongside leading private equity managers.

# Fund performance

Our investment consultant, Mercer Limited, provides quarterly performance monitoring for the University of Edinburgh Endowment and Investment Fund (the "Fund").

Returns are shown net of fees versus the Fund's primary objective of achieving a return in excess of Consumer Price Inflation ("CPI") plus 4% per annum ("p.a."). Performance data is presented to 30 June 2025, the quarter-end closest to the University's 31 July financial year-end.

Annualised returns (%)	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)	Since Inception* (p.a.)
Fund returns	4	5.4	4.8	4.3	7.3	8.1
Objective CPI + 4% p.a.	2.7	7.7	8.6	9.2	7.4	6.5
Performance relative to Objective	1.3	-2.3	-3.8	-4.9	-0.1	1.6

→ Figures shown are net of fees and based on performance provided by the Investment Managers, BNY Mellon, Mercer estimates and LSEG Datastream.

\* Inception date 1 July 1996.



## Social responsibility and **sustainable** investment

# Principles for Responsible Investment

The University first created a **Socially Responsible Investment (SRI) policy in 2003 which was revised in 2006. This policy sought to protect and enhance the long-term value of the fund by ensuring the University was a responsible investor.**

The United Nations-supported Principles for Responsible Investment (PRI) Initiative is an international network of investors working together to put the six Principles for Responsible Investment into practice. Its goal is to understand the implications of sustainability for investors and support signatories to incorporate these issues into their investment decision making and ownership practices. In implementing the Principles, signatories contribute to the development of a more sustainable global financial system.

The University is following in the footsteps of over 1,000 companies and \$30 trillion of assets from major worldwide funds, representing a growing social conscience to investing responsibly. Edinburgh University became the first in Europe to sign up in January 2013.

In February 2016 the Social Responsibility and Sustainability department took charge of the development of the policy and produced the Responsible Investment Policy Statement. The statement summarises the approach the University

takes to responsible investing, and highlights the progress made, along with actions planned, in response to policy decisions and strategic objectives relating to environmental, social and governance considerations.

Since 2003, the University has had a Socially Responsible Investment (SRI) Policy which has endorsed an approach based on 'engagement' with companies on ethical issues. In January 2013 the University became the first in Europe to sign up to the Principles for Responsible Investment which provides a framework for the University to take environmental, social and corporate governance (ESG) considerations into its investment strategies.

A Responsible Investment Advisory Group has been created and now commenced its work. The Group's purpose is to advise on the University's approach to responsible investment, enabled through oversight of the Responsible Investment Policy, working closely and collaboratively with the Investment Committee.

➔ More information: [Principles for Responsible Investment](#)



## Fund financials

## Investment objective

**The University's Endowment Fund is invested in the University of Edinburgh Endowment and Investment Fund which is invested with a number of fund managers and in different asset types to diversify risk.**

The investment objective of the Endowment and Investment Fund is to grow the value of the fund and maintain the capital in real terms over the long-term. The benchmark is to exceed CPI + 4% net of fees over the medium term (3-5 years) whilst providing an annual income yield to support the activities of the numerous endowments.

There is a commitment to invest further in private equity via Old College Capital which is the venture investment arm of the University of Edinburgh providing growth and development finance into early- and mid-stage spin-out and start-up companies as part of syndicated venture capital rounds.

The largest portion of the Fund's assets continue to be invested in equities given their potential for delivering good long-term real returns whilst maintaining adherence to the University's Responsible Investment Policy in acting as a responsible investor.



# Portfolio tables and visuals

Non-current asset investments	31st July 2025 £m	31st July 2024 £m
Baillie Gifford	151.9	133.8
BlackRock	60.1	54.5
Mercer Passive Sustainable Global Equity (LGIM)	58.9	52.6
Wellington	50.4	49.9
Hermes Property Unit Trust	48.2	46.6
Nordea	46.8	46.3
Deaconess	40.2	39.1
Northern Trust	37.9	33.3
M&G	16.0	20.4
Mercer Private Investment Partners	13.9	14.4
Old College Capital	13.3	12.4
Epidarex	10.5	10.4
Pentech	2.9	4.1
NB Crossroads	1.4	-
Cash	25.2	1.5
	<b>577.6</b>	519.3

← **Portfolio by fund manager.** Baillie Gifford are our largest fund manager, responsible for 26% of total non-current asset investments. All other fund managers have an allocation of 10% or less. Allocation of non-current asset investments across fund managers is broadly unchanged from prior year. At 31 July 2025 there was £25 million of funds held as cash. This cash has since been invested and is now placed across our portfolio of fund managers.

→ **Portfolio by asset class.** Investments are allocated across a mixture of assets. The largest of these is equities that accounts for 45% of total investments. Multi asset (27%) and property (15%) are the next two significant asset class holdings. Mix across assets is broadly unchanged from prior year.

Bank deposits held at fund managers



# Endowment analysis and purpose

This table provides a breakdown of endowment assets as presented in the 2024/25 ARA.

A reconciliation of £577.6 million non-current asset investments to £604.8 million total endowment assets is included in note 22 of the ARA.

Largely responsible for the difference between the two balances is a £25.8 million fixed-term deposit with the remaining small amount being revenue cash and working capital.

Endowment assets	Permanent unrestricted endowments	Permanent restricted endowments	Expendable restricted endowments	31st July 2025 £m	31st July 2024 £m
Capital	7.8	149.5	384.9	542.2	508.6
Accumulated income	0.7	20.3	41.6	62.6	71.8
	8.5	169.8	426.5	604.8	580.4
<b>Analysis by type and purpose</b>					
Chairs and lectureships	-	8.3	26.2	34.5	56.4
Prizes and scholarships	-	61.9	97.0	158.9	136.8
Other	8.5	99.6	303.3	411.4	387.2
	8.5	169.8	426.5	604.8	580.4

→ **Permanent unrestricted** endowments are those where the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.

→ **Permanent restricted** endowments are those where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

→ **Expendable restricted** endowments are those where the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University can convert the donated sum into income.

# Distributions

Distributions expenditure in the year was £27.8 million, spent on a mixture of different purposes and across all colleges and professional services group.

Most endowments are restricted in nature meaning distributions (spend) must be under the terms in which we received it. This can mean that income in any year can often exceed distributions.

Distributions by budget area	31st July 2025 £m	31st July 2024 £m
College of Medicine & Veterinary Medicine	10.8	5.2
University Secretary's Group	7.5	5.7
College of Arts, Humanities & Social Sciences	5.7	5.3
College of Science & Engineering	2.5	1.3
Information Services Group	0.7	0.4
Central Services	0.5	2.2
Corporate Services Group	0.1	0.1
<b>Total</b>	<b>27.8</b>	20.2

➔ **Distributions by budget area.** Spend in the College of Medicine & Veterinary Medicine grew significantly in the year, now accounting for nearly 40% of all distributions in the year. Driving this was significant spend on salaries. Spend in the University Secretary's Group grew by over 30%. One third of spend in this area is towards tuition fees.

Distributions by purpose	31st July 2025 £m	31st July 2024 £m
Salaries	8.3	4.1
Scholarships	5.9	4.2
Tuition fees	3.5	3.8
Chairs	1.3	1.8
Prizes	0.2	0.2
Other	8.6	6.1
<b>Total</b>	<b>27.8</b>	20.2

➔ **Distributions by purpose.** Greatest spend is on salaries, more than doubling to £8.3 million in the year. Over 65% of salaries were within the College of Medicine & Veterinary Medicine and largely related to spend across the Centre For Inflammation Research, Anne Rowling Fund and the Edinburgh Dental Institute. Spend on scholarships also rose notably in the year, growing 40% to £5.9 million. Included within other spend are fund fees and charges.

---

**[www.ed.ac.uk](http://www.ed.ac.uk)**

Published by:  
The University of Edinburgh

Photography:  
All photos and images used in this publication are protected by copyright and may not be reproduced without permission. No part of this publication may be reproduced without the written permission of the University of Edinburgh.

© The University of Edinburgh 2026

The University of Edinburgh is a charitable body registered in Scotland, with registration number SC005336.