CARDIFF UNIVERSITY

England & Wales · Charity number 1136855

Details

Status	Registered
Legal form	Other
Registered	2010-07-13
Register	View on the Charity Commission register

Contact

Address	Cardiff University University Secretary's Office Cardiff CF10 3AT
Phone	029 20874297
Email	Governance@cardiff.ac.uk
Website	www.cardiff.ac.uk

Activities

Objects: 1. THE OBJECTS OF CARDIFF UNIVERSITY SHALL BE:(1) TO ADVANCE KNOWLEDGE AND EDUCATION BY TEACHING AND RESEARCH AND BY THE EXAMPLE AND INFLUENCE OF ITS CORPORATE LIFE;(2) TO PROVIDE INSTRUCTION AND COURSES OF STUDY FOR PERSONS SEEKING TO QUALIFY FORDEGREES AND OTHER AWARDS OF THE UNIVERSITY OF WALES, OF CARDIFF UNIVERSITY, AND OFOTHER UNIVERSITIES AND FOR OTHER PERSONS;(3) TO PROMOTE AND MAKE PROVISION FOR RESEARCH AND FOR SUCH METHODS OF ADVANCING, DISSEMINATING, PRESERVING AND APPLYING KNOWLEDGE AS MAY BE DECIDED UPON FROM TIME TO TIME BY CARDIFF UNIVERSITY;(4) TO DEVELOP THE CHARACTER OF THE STUDENTS BY VIRTUE OF ITS CORPORATE LIFE;(5) TO PROMOTE, ITSELF OR JOINTLY WITH OTHERS, HEALTH AND WELFARE WITH SPECIAL REFERENCE TO THE NEEDS OF WALES;(6) TO CONTRIBUTE TO THE SOCIAL, CULTURAL AND ECONOMIC DEVELOPMENT OF WALES AND THE UNITED KINGDOM.2. CARDIFF UNIVERSITY SHALL BE A TEACHING, RESEARCH, EXAMINING AND DEGREE-AWARDING BODY AND SHALL HAVE POWER TO DO ALL LAWFUL ACTS INCLUDING (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) POWER:(1) TO TAKE OVER ALL PROPERTY, RIGHTS, BENEFITS AND LIABILITIES OF, INCLUDING PROPERTYPREVIOUSLY HELD ON TRUST BY, UNIVERSITY OF WALES COLLEGE OF MEDICINE OR ANY OTHERPERSON OR BODY WHOSE OBJECTS ARE NOT INCONSISTENT WITH THIS OUR CHARTER; (2) TO MAKE AWARDS AND CONFER DEGREES AND OTHER DISTINCTIONS OF CARDIFF UNIVERSITY AND FOR GOOD CAUSE TO DEPRIVE A PERSON OF AN AWARD, DISTINCTION OR DEGREE OF CARDIFF UNIVERSITY.

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Activities: The University provides Higher Education to the general public which will also include numerous research activities. For more detail see the Public Benefit Statement within the Annual Financial Statements.

Classification

- **How:** Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** CARDIFF
- Cardiff

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£634,742,186	£692,020,576	£820,584,336	6092
2024-07-31	£649,067,742	£674,408,270	£854,856,218	6253
2023-07-31	£636,380,471	£611,469,000	£677,516,221	6171
2022-07-31	£634,167,000	£725,313,000	£648,659,000	6032
2021-07-31	£604,593,000	£573,201,000	£676,468,000	5809

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Trustees

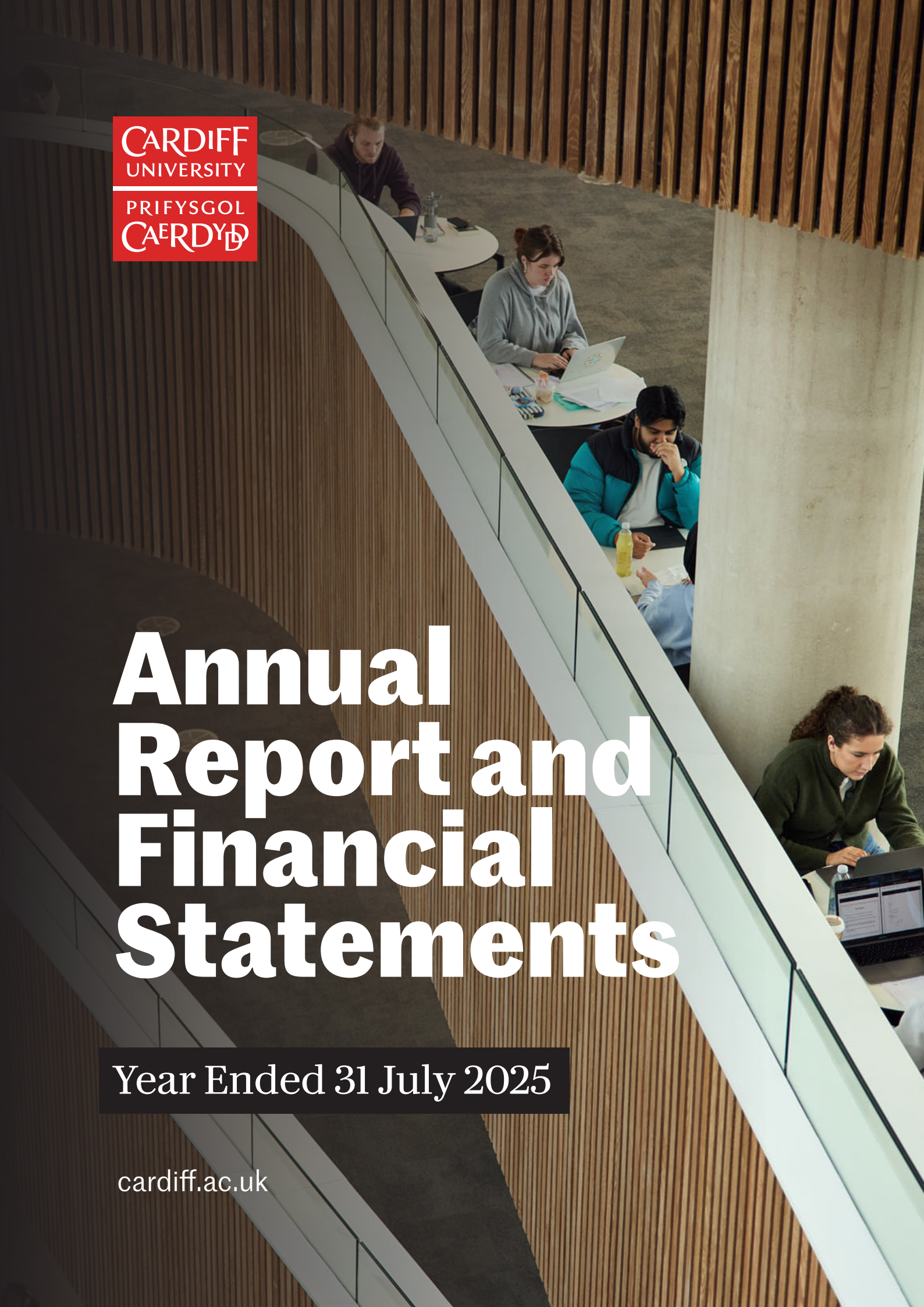
Name	Role	Appointed
Ana Rodrigues Sarmento Guedes de Oliveira		2025-08-01
Craig Alyn Watkins		2025-08-01
Dr ANDREW RODNEY Glanfield		2025-08-01
Dr Catrin Mair Lewis Wood		2023-08-01
Dr Juan Pereiro Viterbo		2023-08-01
Dr Robert Wilton Weaver		2023-07-24
Elizabeth Louise McKenzie		2025-08-01
Elizabeth Peggy Button		2024-01-01
JOHN SHAKESHAFT		2019-08-01
Jennifer Wood		2022-08-01
Katherine Helen Shelton		2024-02-22
Louise Caroline Casella		2025-03-04
Maria Pollard		2025-07-01
Mario Pietro Gualano		2025-08-01
Patrick Younge		2022-01-01
Professor Damian Walford Davies		2021-08-01
Professor Urfan Khaliq		2023-08-01
Professor Wendy Joan Larner		2023-09-01
Sean Peter Strong		2025-07-01
Sian Rees		2024-01-01
Stephen Andrew Joseph Mann		2024-01-01
Suzanne Rankin		2022-04-28

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CARDIFF UNIVERSITY

England & Wales - Charity number 1136855

Accounts

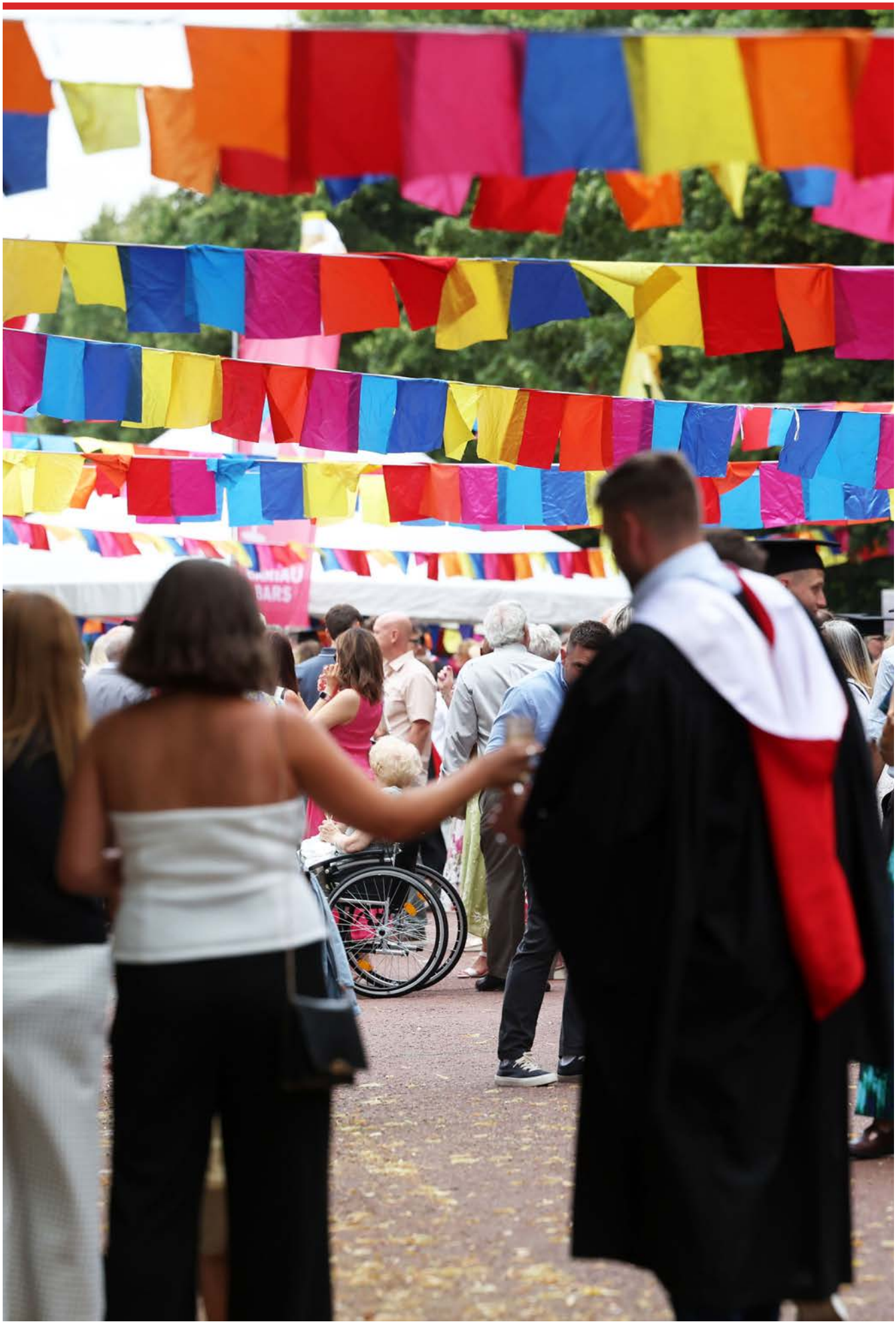


CARDIFF UNIVERSITY
PRIFYSGOL CAERDYDD

Annual Report and Financial Statements

Year Ended 31 July 2025

cardiff.ac.uk



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Charity Name:
Cardiff University

Charity Registration Number:
1136855

Registered Office:
Main Building
Cathays Park
Cardiff CF10 3AT

www.cardiff.ac.uk

Chair of Council's Introduction

Over the last year we have sought to secure the academic future and financial sustainability of Cardiff University.

We have acted promptly to address enduring academic and financial challenges. Our financing model, in common with other universities, proved insufficient for the fulfilment of our purposes in teaching, research and education. In striving to improve the quality of the education of our students, against a real decline in fee income and structural changes in the prime service of learning, we recognise and work with the many difficulties and uncertainties, political, economic and moral, that our staff, students and partners continue to encounter and express.

As Council we tasked the Vice-Chancellor and her Executive Board (UEB) to propose new and timely action to fulfil the University's strategy: *Our Future, Together*. UEB's resulting plan, Academic Futures, focused on delivering our primary purpose - the shape and size of our academic endeavours.

Council expected UEB's initial proposals to encourage engagement and consultation and that with the disclosure and public availability of underlying materials, the plan would be fully informed.

Over a 90-day-consultation period, the proposals were amended and refined with material input from our community and in discussions with external partners. The scrutiny to which they were subjected to was vital, healthy, challenging and welcomed – and has shaped the future of Cardiff University.

Our developed plans, while not yet eliminating the structural deficit, make significant progress towards our intention of being academically and financially sustainable. We expect, for example, to reduce expenditure by £22.5 million combined with the Voluntary Severance Scheme (VSS).

We knew this would be a difficult time for our University, especially for staff at risk of redundancy and students whose courses faced closure. Council's meetings over the year have focused heavily on staff and student wellbeing. Council recognises the stress and at times distress, experienced.

We know that for some, the outcome of the consultation was hard to accept. Council's approval of the final plans provided clarity on the future academic direction of Cardiff University. Had we not acted Cardiff University would have faced a financial crisis and uncertain future. Council believes the steps taken so far are necessary to help secure the long-term and changing future of Cardiff University in an increasingly volatile and unpredictable operating environment.

Council met seven times in the year. Much of our work was related to Academic Futures. Other business included approving the appointment of Cardiff alumnus and former BBC journalist, Laura Trevelyan, as the University's new Chancellor. This post is the University's most senior honorary position; we are delighted that Laura accepted the role. Council also supervised the University's Capital Investment Plans, received updates on Student Experience and the National Student Survey and agreed University Success Measures to monitor delivery of the University's strategy, *Our Future, Together*. We have also celebrated the achievements of our students, at Graduation, Varsity and a range of Student Union-hosted events like the Enriching Student Life Awards.

Chair of Council's Introduction



Expansion of our Transnational Education activity is a key element of *Our Future, Together*. Council approved plans to open a branch of Cardiff University in Astana, Kazakhstan. Aware of the risks associated with Transnational Education we endorsed an incremental approach - four foundation programmes were available from autumn 2025, and the University's portfolio will be extended as we better understand the needs of the Kazakh people and how these align with our academic strengths.

In the year ahead Council will continue to work hard for this University. We expect progress – at pace – in areas including improving academic quality, the staff and student experience, digitisation, streamlining the estate and removing complexity from the organisation. We are in the fortunate position of having reserves designated for the development the University, and we will use them to further enhance the future of Cardiff University – particularly as it competes in a now global Higher Education market.

Leading Council is a privilege and my thanks go to all the staff, students and independent members who have served on Council and various committees over the year. It's been the most challenging to date I've faced as Chair, and whilst the transformation delivering our ambitious *Our Future, Together* is a multi-year project, it will support Cardiff University's standing for future generations.

Finally, my thanks to all the University's students, staff and senior management team – the support you have for this University is phenomenal, and I'm proud to be a part of the Cardiff University community.

Patrick Younge
Chair of Council

28 November 2025

University Strategic Plan

Cardiff University: our future, together
Our path to 2035

Our future direction has been heavily shaped by our past. We were the first Welsh university to admit women and the earliest chartered institution in the UK to employ women as professors. We stood alongside our neighbours in the city over generations, in Wales and beyond, providing a warm Welsh welcome to those displaced by war or needing sanctuary. Student volunteerism and activism is a rich archival theme, demonstrating our tradition of enabling free speech and debate, and encouraging civic participation and action. Our strategy to 2035 embodies our commitment to delivering a better world for future generations, a new manifestation of our progressive history.

Our vision to 2035

By 2035, we want to be:

- recognised globally as a pioneer for research and innovation, built on our strength-in-places, initially through translational excellence in creative industries and advanced manufacturing (compound semiconductors).
- attractive to students of all ages and backgrounds, learning in a variety of ways, taught using the best pedagogy, enabled by flexible delivery and digital innovation.
- the university of choice for regional, national, and global alumni, partners and funders looking for bold and brave approaches to the future.
- a valued and active anchor partner in our city-region, driving significant progress on the Cardiff Capital Region Investment Zone and Academic Health Sciences Precinct.
- an employer and educator of choice, with a vibrant, international staff and student body that is also representative of our diverse city-region.

We will have:

- helped to solve grand challenges in areas such as climate change, biodiversity, health, security, sustainability, and social justice.
- diversified our income, achieving financial sustainability with more commercial revenue from our research and our estate, diverse sources of research and teaching income, and growth in philanthropy.
- made a significant economic and social impact on Cardiff and Wales.
- established a network of well-developed, reciprocal, transnational education partnerships across the globe.
- developed a smaller, high quality, civic campus, which is green, creative, and open, cohabiting and co-locating with communities and partners.

Our Strategic Priorities

1. Culture, cynefin and community

Our university will be an amazing place to research, teach, learn, study and create, which allows excellence to flourish beyond boundaries, enabling curiosity and ambition. We will support all members of our community to thrive.

We will welcome and accept people for who they are - a community where we know and value each other and understand what matters to us. We value diversity and will take the necessary steps to be a genuinely inclusive, positively bilingual and anti-racist university. ‘Cynefin’ is a touchstone for us, a place where people feel they belong. We will work together, leaving no-one behind, clear on our expectations of each other and pursuing shared priorities.

Our values and work will align in a socially responsible university that strives to make Cardiff and Wales, as well as the world beyond, a better place. Our actions and behaviours will engender trust and respect from others, and will inspire students and staff to be lifelong champions. Our strong disposition is to make a difference and to be among the very best.

2. A vibrant and thriving place

We are a capital city university; an anchor institution for Cardiff and Wales, embodying Welshness, embracing the Welsh language, proud of our heritage. We celebrate being multicultural and multilingual, drawing together the best minds from across the globe and nurturing homegrown talent.

We are an integral part of a liveable, creative, bilingual, multicultural city and will work with others to ensure Cardiff is a wonderful city to visit and to work, study and live. We will be open to our partners – locally, nationally, globally - and accessible with a clearly marked 'front door' that says 'croeso'. We will be more visible and present in diverse communities, allowing knowledge to flow in both directions, sharing our spaces and resources.

We will be distinctively of Cardiff and Wales in all that we do, through our outlook, teams, investments, facilities, partnerships, collaborations and ecosystems. We will connect Cardiff and Wales to the world through mutually beneficial connections and global relationships that benefit us all. We will foster social mobility and economic impact, creating a highly skilled workforce and building on joint research and innovation priorities. We will encourage entrepreneurship among our staff, students and alumni, generating spinouts and commercialising our research to create new businesses and jobs. Cardiff staff, students and alumni will be global ambassadors for a Welsh spirit of change-making which is deeply rooted in place and community.

We will improve our campuses, their sustainability, and the shared experience of being here. That means taking seriously the challenge of climate change and decreasing biodiversity, tackling our carbon footprint, enhancing our green infrastructure, and adapting our buildings to enable us to work better together. We will invest in world class approaches – physical and digital – for research and innovation, education, and operations.

3. Co-creating futures

We will work collaboratively as we co-create futures with our staff, students, alumni and partners. We will be agile, innovative and continually evolving. Together, we will adapt to a changeable world and deal with uncertainty. We will take a global outlook and work to establish international partnerships that are genuinely reciprocal. We will embrace, prepare for and actively shape the future throughout our activities. We will be united by a mission to reshape, rewire and renew prospects not just for tomorrow, but far beyond.

Our intellectual curiosity and research intensity will create a depth of understanding from which we will innovate; sustaining and securing the future, enriching lives, supporting social integrity, pioneering public values, embedding one-health, enabling physical and mental well-being, driving decarbonisation and developing new transformational technologies. We will be world-renowned for our impact and underpinning research strengths, working with others to create insights and solutions far beyond those that can be achieved alone.

We will offer flexible, tailored, lifelong learning to our students that gives them choices, agency and a voice, and provide future-proofed knowledge and skills that they can apply in the real world to fulfil their aspirations. We will teach our students in a way that develops them further into resilient, critical, problem-solving change makers who know how to work together in an uncertain, interdisciplinary, cross-sectoral, digitised world. We will help people from all backgrounds transform their lives, place, and society and will have a lifelong commitment to, and relationship with, our students and alumni.

Our measures of success

- Our students of all backgrounds are supported to succeed and have an excellent experience.
- We are a university where our staff feel like they belong (Cynefin).
- We are recognised as one of the best Universities in the World.
- We embrace the Welsh language, offering opportunities to study in Welsh wherever possible.
- We are a financially robust and sustainable institution.
- We operate a more sustainable campus.
- Our research is recognised as world-leading and impactful.
- Our research has practical applications in our community.
- Our student outcomes are amongst the best in the sector – contributing to a skilled workforce.

Delivery of our strategy

Delivery of this strategy will take place across three interrelated time horizons. Horizon One will largely focus on our ways of working, organisational effectiveness and the creation of financial headroom, putting in place the fundamentals that will enable change. Horizon Two will incorporate activity that begins to deliver growth and innovation in the areas that speak to our vision for the future, allowing us to build momentum for change. Horizon Three will take our reinvention further, incorporating activities that will emerge as we work together to co-create our future.



Vice-Chancellor's Review

The 2024/25 academic year has been a particularly challenging one for our University.

Delivering on our new University strategy *Our Future, Together* and securing Cardiff's long-term future in a sector facing significant financial challenges meant we that needed to reshape our activities.

Our Academic Future was a three-month consultation process we launched in January 2025 to help us realise our academic ambitions. It involved staff, students, stakeholders and our campus trade unions who helped shape our plans. I do not underestimate how difficult this has been for many in our community, and we have done everything we can to offer as much support as possible throughout this challenging exercise.

Despite the difficulties of this consultation process, I believe we have now put Cardiff on course for a more sustainable future. Good progress has also been made against our wider strategic priorities and University Success Measures. Below gives a flavour of the excellent work that's happened across our campus over the last year.



Strategic Priority 1:

Culture, cynefin and community

Under this priority, our students of all backgrounds are supported to succeed and have an excellent experience; and we are a university where our staff feel they belong. Our Success Measures by 2035 include performing above benchmarks in the National Student Survey, narrowing our ethnicity awarding gaps, and holding charter marks that recognise our diverse and inclusive culture, among others. Some of our successes against this priority are:

Cardiff secures Race Equality Charter Bronze Award

In February 2025 we were awarded the Race Equality Charter Bronze Award in recognition of our progress to understand and tackle the issues faced by our Black, Asian and minority ethnic community. This was a significant achievement and whilst work remains to be done, this award confirms that we are on the right path. We will now implement the measures in our action plan to make Cardiff University a place where all of our staff and students feel valued, safe and supported as part of a sustaining cynefin and where racism of any kind is eliminated.

Athena Swan awards

Five of our academic Schools successfully received or renewed their Athena Swan awards. The awards recognise several years of hard work, a shared commitment to creating an environment where everyone feels valued and accepted, and real progress on improving gender equality.

National Student Survey (NSS)

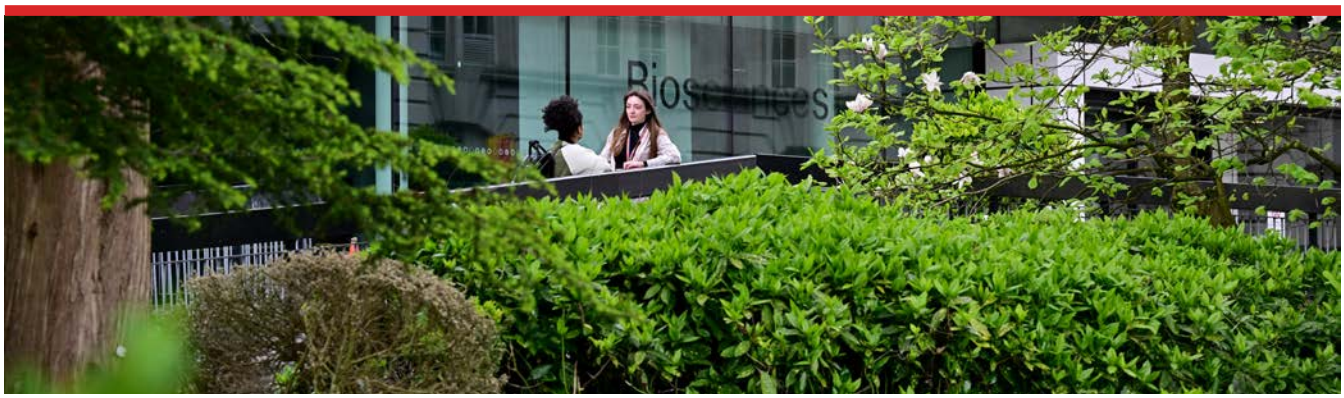
Our National Student Survey Scores (NSS) significantly improved for the second year in a row, with overall satisfaction of our students up to 82%, with improvement in all thematic indicators, and every NSS question at institutional level. These results reflect our commitment to providing an excellent student experience, and the care, hard work and dedication of staff in our academic Schools. The data gives us a solid base to continue to enhance the student experience at Cardiff.

An accessible campus for all

Free period products, additional hearing loops and stoma shelves are just some of the ways we have made our campuses more inclusive and accessible over the last year. We want our buildings and spaces to be welcoming for all - a principle for the future of our estate where our people truly feel they belong.

Report and Support

As part of our commitment to a safer, more inclusive university we introduced a new online platform where students can report incidents of violence, abuse, threats, hate crime, and mental health concerns. Report and Support is an easy-to-use online tool designed with sensitivity to the experiences of those who have endured distressing or harmful incidents of any kind. By reducing the stigma around reporting and providing visible channels for support, we aim to enhance our commitment to inclusion and equality, which benefits everyone on campus.



Strategic Priority 2:

A vibrant and thriving place

This priority sets our course for the following: we are recognised as one of the best universities in the UK and the world; we embrace the Welsh language, offering opportunities to study in Welsh wherever possible; we are a financially robust and sustainable institution; and we operate a more sustainable campus. Our Success Measures by 2035 include being ranked as a top 100 University in the QS World Rankings and in the Top 20 UK institutions in the Times Good University Guide, achieving an underlying operating surplus of 3% of revenue each year, and improving the efficiency of our estate. Progress towards these measures in 2024/25 includes:

Cardiff rises in league tables

A rise in the signal international league table the QS World Rankings, reaffirmed the University's reputation as a leading global teaching and research institution. Ranking 181st in the world and 26th in the UK in such a prominent league table confirms Cardiff as a place of discovery and impact, of vibrant learning and future-proofed teaching, and enhances our standing as a place of world class education and research. It came in the same month as Cardiff was named the number one university in Wales by The Complete University Guide 2026, climbing five places to also rank as one of the top 25 institutions in the UK.

Sustainable Futures 2025-35

Over the past year, we have been developing our new Environmental Sustainability Strategy, Sustainable Futures 2025-35 under the leadership of the University Dean for Environmental Sustainability, Professor Monjur Mourshed. It sets out our ambition to become a zero-carbon, nature-positive institution by recognising that collective action, informed decisions, and a shared sense of responsibility are essential to reducing our impact and inspiring positive change beyond our campus.

New Dean for Welsh Language

Dr Angharad Naylor was appointed Dean for the Welsh Language and will lead on implementing the University's Welsh language strategy Yr Alwad/ Embrace it, coordinating efforts to develop, connect, and raise awareness of Welsh language provision. This underlines our commitment to being an engaged University that is not just in Wales, but is more fully of Wales.

Improving our campus

We have begun work on estates rationalisation, beginning with the sale of the McKenzie House building, and the relocation of Professional Services teams back to the Cathays campus. This is the first step towards our aim to develop a smaller, high quality, civic campus.

Saving energy

Over the Christmas break we had an opportunity to reduce carbon emissions and save money on energy costs. Through extended building closures and thanks to colleagues who pledged to save energy in our Christmas switch off campaign we saved approximately:

- 474 MWh of electricity (enough to power 175 homes for a year)
- 589 MWh of gas (enough to heat 51 homes for a year)
- 234 tonnes of carbon.



Strategic Priority 3:

Co-creating futures

Under this priority, by 2035 our research will be recognised as world leading and impactful, and our student outcomes will continue to be among the best in the sector. Our Success Measures include achieving a top 12 performance for university Grade Point Average (GPA) in REF 2029, and achieving a top 10 performance in the Graduate Outcomes survey. Some of our successes under this priority over the last year include:

Cardiff top in Wales for graduate outcomes

Cardiff University graduates are some of the most employable and sought after by UK employers, according to the latest Higher Education Statistics Agency Graduate Outcomes Survey. Cardiff is ranked 1st in Wales, 13th in the Russell Group, and 26th in the sector for the percentage of graduates working in the UK who were in highly skilled employment 15 months after their course ended.

£4M to attract "world's best" to support Cardiff research

Cardiff University secured over £4M to attract the world's best research minds to Wales. The funding, part of UKRI's £54M Global Talent Fund, is designed to support the UK's leading research-intensive universities to attract outstanding international researchers and research teams from across the globe. Cardiff is the only university in Wales to benefit from the fund alongside 12 other UK universities, including Oxford and Cambridge.

Developing commercial expertise

We launched an exciting new venture - Cardiff Innovations Ltd - which will offer a highly visible and effective 'front door' to connect businesses, investors and collaborators with innovation opportunities to work with us. Wholly owned by us, it will extend our globally recognised research, expertise and advanced facilities. This new company-based approach is a long-term commitment to the social and economic impact for the Cardiff Capital Region, for Wales and the wider world, and delivers on the ambitions we've set ourselves in our strategy.



Vice-Chancellor's Review

Other significant work undertaken during the year included the development of a new model for flexible lifelong learning. We committed to establishing an Institute for Flexible Lifelong Learning which will bring together the knowledge and expertise across the institution to support academic teams in developing and delivering new and expanded flexible lifelong learning opportunities. Learning shouldn't just be confined to time spent in compulsory education – learning should be embraced at all stages of life – and through this new programme, we will give our students more choices, agency, and a voice on how, what, when, and where they learn.

We also explored new opportunities in transnational education, and in May 2025 we decided to move ahead with a branch campus in Kazakhstan. This reflects our ambition to play a full and meaningful role in the future of global higher education, delivering high quality degree programmes in a range of countries, in line with our strategy. Transnational education on this scale is a new endeavour for us, and it will extend our global reach and reputation, as well as diversifying our income. It signals our ambition to make an impact across the world, and is the first in a network of new transnational education opportunities being explored, with others in the pipeline in Singapore, China and India.

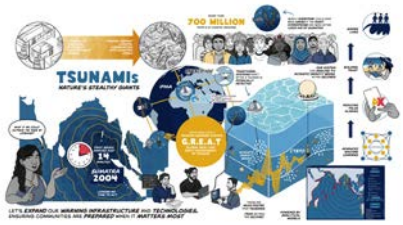
The aim of both of these areas of work is to ensure Cardiff is a university ready to leverage new academic opportunities, prepare students for an adapting world and meet changing market demands as they arise.

Another core element of our strategy focuses on enhancing the contribution of our research to innovation-led growth and real-world commercialisation. An excellent example of this during the year came with the launch of Cardiff University spinout Draig Therapeutics. Launched as a clinical-stage company with a $140 Million (£107 Million) investment from leading international venture investors, Draig will advance the development of novel therapies for major neuropsychiatric disorders such as major depressive disorder. This is the most significant commercial investment into Welsh research to date. As we are guided by our strategy over the coming years, we will continue to strengthen our position for future innovation across the portfolio, for continued economic, social and health benefits.

Over the coming year we will continue to implement our transformation plans to help deliver our strategy and create headroom for our ambitions, even as the challenges facing the sector will likely persist as a backdrop to our activities. The Cardiff University community is rich, diverse and incredibly talented and together I am confident we can continue to deliver significant benefits for Cardiff, Wales and the world.

Professor Wendy Larner
Vice-Chancellor
28 November 2025

News highlights 2024/25



New technology uses underwater sound waves for faster and more reliable tsunami warnings in real-time

A new tool that assesses the level of danger posed by tsunamis in real-time has been made operational on a global scale. The early warning system, Global Real-time Early Assessment of Tsunamis (GREAT), led by a team from the University's School of Mathematics, uses sound waves that travel through the ocean much faster than tsunamis and can be detected by underwater microphones called hydrophones. The technology could help save lives by giving people more time to act and evacuate, and help reduce false alarms.



Archaeology volunteers uncover Bronze Age burial site

Three Bronze Age cremations were discovered underneath Trelai Park, South Wales, as the Caerau and Ely Rediscovering Heritage Project (CAER) resumed excavations at the site. Archaeologists from the University along with community partners and volunteers discovered a pit and a small amount of cremated human remains next to a roundhouse.



Cardiff team becomes first from Wales to win Enactus UK and Ireland Championship

A student team from Cardiff University became the first-ever team from Wales to win the Enactus UK and Ireland National Championship. The event unites students, business leaders, and social entrepreneurs to celebrate social enterprise, showcasing innovative university-led projects making real impact in communities nationwide. The winning team secured the national title with their innovative climate action project, Spiruflow - an algae-based direct air carbon capture system.



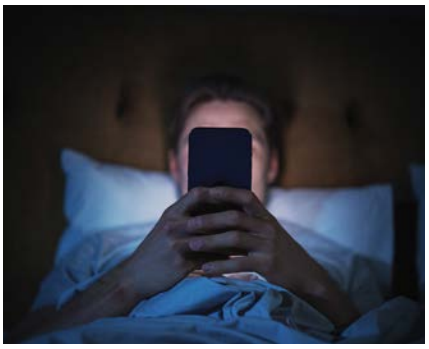
Cardiff scientist elected to lead global gravitational-wave collaboration

Professor Stephen Fairhurst of the School of Physics and Astronomy was elected Spokesperson for the LIGO Scientific Collaboration (LSC) - the first time a Spokesperson has been elected from a non-US institution since the LSC's formation in 1997, over which time it has grown to comprise of over 1,600 scientists and engineers from more than 145 institutions across 18 countries.



Cardiff researchers pioneer technology to close buildings' energy performance gap

Researchers at Cardiff University have developed cutting-edge technology that could transform how buildings are designed, managed, and maintained, offering a powerful new tool in the global fight against energy inefficiency and carbon emissions.



Russian political technologists – experts in "information warfare" – prepare for US elections

Russia's political technologists were planning last year for 'influence operations' designed to impact the US elections by exploiting concerns about immigration, identity politics and culture wars, new analysis by the University's Security, Crime and Intelligence Innovation Institute shows.



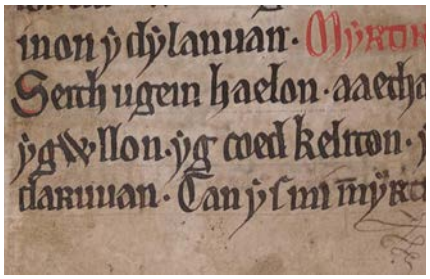
Scientists calculate how many wet wipes enter UK waters per person

As much as 100kg of wet wipes enter the lower reaches of the Taff river according to the first comprehensive model to calculate wet wipe emissions to rivers developed by scientists in the University's Water Research Institute. The model calculates how many natural fibres, regenerated fibres and plastic fibres per person are contributed to rivers annually.



Snacking may impact children's growth

Snacking and grazing throughout the day, as opposed to structured mealtimes, could limit children's growth. Academics in the School of Biosciences analysed changes in the levels of two hormones that control growth and found that snacking or continuous feeding led to hunger hormones staying high – to be effective in promoting growth, hunger hormones need natural ups and downs which were associated with eating three separate, large meals.



Discovering the true origins of Merlin

Merlin wasn't a wizard but a poet and a prophet with an interest in the natural world, studies into the earliest poems about him show. The Myrddin Poetry Project, a joint study between Cardiff University, the University of Wales Centre for Advanced Welsh and Celtic Studies and Swansea University, edited and translated more than 100 poems about the legendary figure, some dating as far back as the 10th century.



Earth's growing thirst is making droughts worse, even where it rains

The atmosphere's growing "thirst" for water has made droughts across the globe 40% more severe, new research involving Cardiff University shows. While lack of rainfall is often thought to be responsible for droughts, scientists have discovered the atmosphere itself is demanding more water out of soil, rivers, and plants.



Bringing work home

Half of people working at home are doing so in the kitchen, on a dining table or in the corner of a room used for other purposes, according to the Skills and Employment Survey 2024. Led by Cardiff University, the survey is the longest-running and most detailed academic study exploring UK workers' experiences.



Sleep problems could double risk of dementia in later life

People who experience sleep disorders are at greater risk of developing dementia and other neurodegenerative conditions later in life, new research by the UK Dementia Research Institute at Cardiff University and the NIH Intramural Centre for Alzheimer's and Related Dementias in the US, shows.


JANSPORT

Alumni and friends supporting Cardiff University

We are so grateful to our donors, fundraisers and volunteers, who continue to show their support through generous donations and gifts in Wills, and by giving their time and expertise.

As the higher education sector faces a challenging financial climate, support from our community of alumni and friends is invaluable, helping Cardiff University in our mission to create and share knowledge for the benefit of all.

The support we receive through gifts and pledges has helped to fund life-changing research and has given talented students the opportunities and financial freedom to succeed.

Our volunteers, many of them alumni, play a vital role in supporting Cardiff students. This year they've generously shared their experiences and expertise through mentoring, internships, and career talks to help equip our students for life after university.

This year #TeamCardiff fundraisers ran thousands of miles, climbed mountains, and even rowed oceans! Alumni, students, staff and friends have helped raise vital funds towards research that really does change lives.

We'd like to extend a huge thank you to everyone for their support this year. Diolch yn fawr.

Nearly

£4.4 million

of new funds were secured* from 649 donors and fundraisers, including 46 organisations, to fund life-changing research and alleviate financial pressures for students.

(*Using CASE Insights definitions)

£1.25 million

was awarded by the Waterloo Foundation to study the impact of nutrition on child brain development.

The gift, the largest to date from the Foundation, will fund a five-year 'Developing Minds' programme at the Neuroscience and Mental Health Innovation Institute (NMHII), focusing on the effects of diet and nutrition on children's neurodevelopment.

With a focus on 'psychiatric nutrigenomics', which examines the interplay between diet, genetics, and mental health, the programme aims to uncover how dietary components and their synergies impact brain health. This research will help establish new public health strategies and interventions.

£910,000

has been kindly donated through gifts in Wills.

These special gifts leave a lasting legacy of support for future generations of students and researchers.

95 members

of Cylch Caerdydd showed their support with a gift of £1,000 or more each year.

2025 marked 10 years of our Cylch Caerdydd community of fundraising ambassadors. Over the last decade, members have given more than £20m, helping to transform the futures of thousands of researchers and students.

£79,000

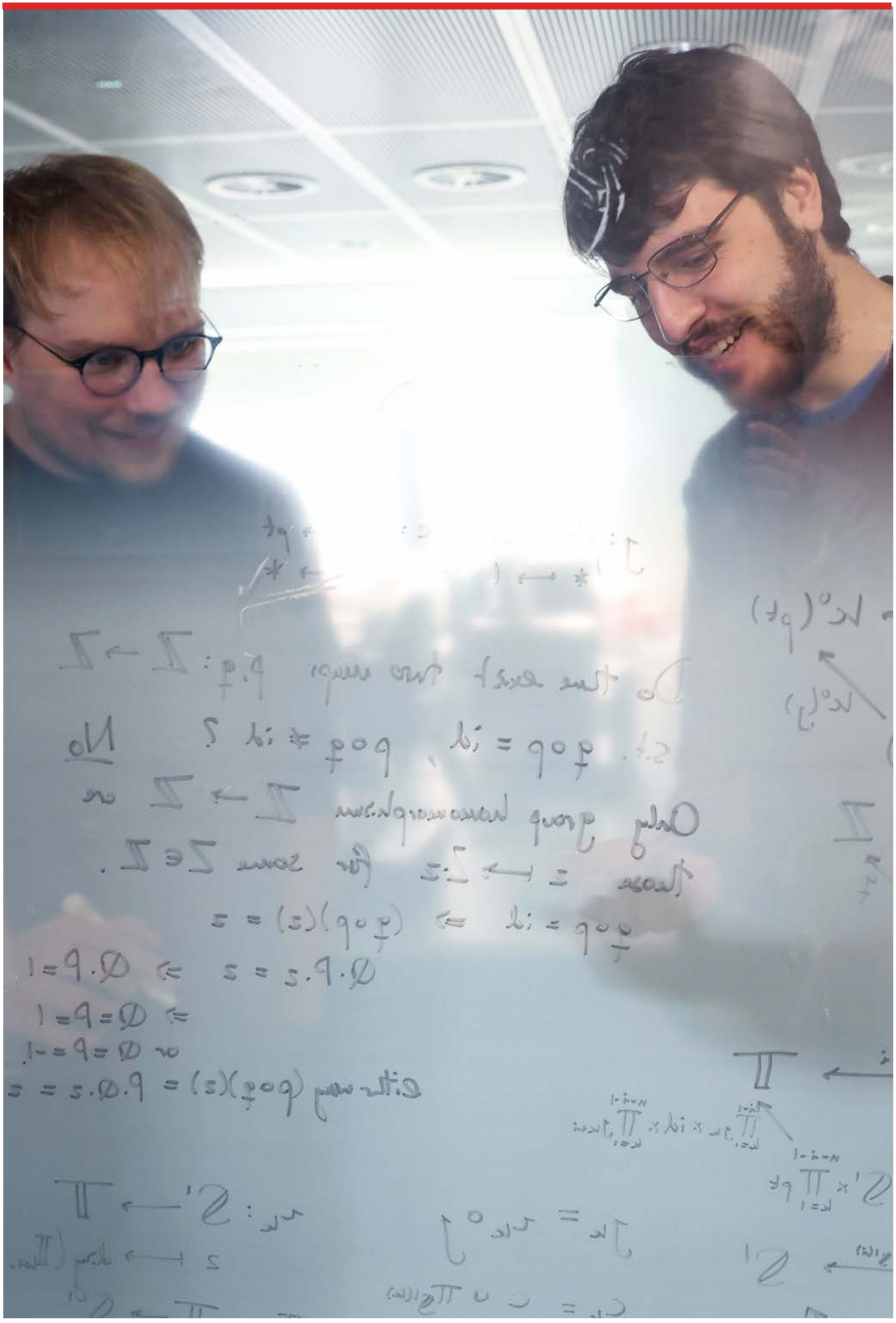
was raised by #TeamCardiff fundraisers.

In October 2024 110 #TeamCardiff fundraisers participated in the Cardiff Half Marathon, raising over £35,000. Our fundraisers also took on London Marathon, Paris Half Marathon, climbed Yr Wyddfa (Snowdon) and rowed 3,200 miles across the Atlantic Ocean. Thanks to everyone who took on challenges this year to raise vital funds for research at Cardiff.

12,312

hours were volunteered by the Cardiff University alumni community.

This year alumni supported Cardiff students with valuable internships, mentoring and career guidance: they helped to build networks and open doors. Volunteers also launched new Alumni Chapters around the world, helping to connect and energise alumni and current students, to represent the University in key regions, and to support Cardiff's global strategy.



Key trends in Higher Education

Cardiff University continues to work with governments and policymakers in both Wales and Westminster.

The election of Eluned Morgan MS as First Minister and of a new Labour Government in Westminster both occurred at the end of the last academic year, but these events set the tone for this year. They have stabilised both the UK Parliament and Senedd Cymru, and have in turn provided the opportunity for more sustained policy development in relation to higher education.

For example, both the UK and Welsh Governments have raised the cap on home tuition fees to £9,535 starting from 2025/26 academic year. The UK Government has also maintained investment in UKRI in order to underpin its Industrial Strategy and has re-engaged with the Erasmus programme. Cardiff University has also benefited from £4.1 million of capital funding provided by the Welsh Government and a share of the UK Government's new Global Talent Fund.

These positive developments have taken place in a wider policy context, the impact of which is more mixed. Most notably the increase in National Insurance contributions have impacted our finances in an already challenging climate; and some of the proposals in the Immigration white paper hinder the ability of Cardiff University to operate as an internationally-influential university. We continue to work alongside sector partners in relation to the sector's international profile, including on the vital role of international students and transnational education in strengthening the higher education sector.

Over the year, there has been significant political and media focus on the financial challenges facing the higher education sector across the UK. Universities, including Cardiff University, have consulted on plans to reduce costs in order to address these challenges. As part of Cardiff's 'Our Academic Future' process, we sought input from elected representatives in both the UK Parliament and Senedd Cymru, and our plans were also heavily scrutinised. Often, these conversations were candid and we ensured that contributions from them were considered as part of the consultation, along with representations from our staff, students, and wider civic society.

On the subject of Cardiff's plans, and higher education finances more widely, Vice-Chancellor, Professor Wendy Larner and Chair of Council, Patrick Younge gave evidence to the Senedd's Children, Young People and Education committee. Professor Larner also gave evidence to the House of Commons' Welsh Affairs Select Committee alongside other Welsh Vice-Chancellors. Working with elected representatives to realise our future ambitions remains a key aspiration for the University.

Both the UK and Welsh Governments have laid the groundwork for future collaboration with higher education over the next year. For example, the Welsh Government is clear in its continued focus around widening participation and equality of opportunity. Its ongoing review of the Seren Academy - with which we are engaged – is an example of this. This year we have contributed to Medr's consultation on their future strategy. This strategy prioritises issues relating to widening participation and student experience, in line with Welsh Government priorities.

The UK Government's high-profile Industrial Strategy also provides an opportunity for Cardiff University to drive regional growth in a number of key industries. Due to Cardiff University's wide research base and strong record of innovation, we are well placed to capitalise on this for the benefit of communities which host us. We expect governments to continue to prioritise the use of key economic sectors to drive regional growth and we know that they expect Cardiff University and Cardiff Capital Region to contribute to this.

Finally, the last year has seen a significant political focus on issues relating to free speech on campuses across the UK. This continues to be an issue of concern among staff, students, and policy-makers and we will continue to uphold our long-standing free speech policy whilst also meeting our commitments to respect at study and work. It is likely that this issue will remain high on political and media agendas for the foreseeable future.

Major Committees and University Executive Board

Report from the Governing Body's key committees

Council has established four major committees whose members it appoints to oversee various aspects of the University's business: the Audit and Risk Committee, the Finance and Infrastructure (previously Finance and Resources) Committee, the Governance Committee, and the Remuneration Committee. All of these committees are formally constituted, each with terms of reference and a membership which includes independent members of Council and a Council independent member as Chair. Major committees may establish sub-committees, such as the Nominations Sub-Committee which is a key sub-committee created to consider and agree recommendations to Council in relation to key appointments.

Audit and Risk Committee

Member	Type	Attendance
Dr Robert Weaver (Chair)	Independent	4/4
Aneesa Ali	Independent	4/4
Pers Aswani	Independent	3/4
Suzanne Rankin	Independent	3/4
Dr Nick Starkey	Independent	4/4
Agnes Xavier-Phillips (term ended 31 Jul 25)	Independent	1/4

The Chair of Council and members of staff or students at the institution are not members of the Committee. Members are not individuals with executive management responsibilities within the institution or members of the Finance and Infrastructure Committee.

Key responsibilities

The Audit and Risk Committee has a key role in advising and assisting the Council in overseeing the assurance and control environment of the University. Its duties cover:

- Assessing and advising Council on the effectiveness of the institution's risk management, control and governance arrangements, and the internal controls and procedures to promote economy, efficiency and effectiveness.
- Oversight of external and internal audit arrangements, including advising the governing body on the appointment of the audit providers, and oversight of the nature and scope of external and internal audits and the effectiveness of the audit processes; and
- Oversight of audit aspects of the University's financial statements, including the independent auditors' opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the management External Auditor's representation letter.

The Committee's terms of reference are closely aligned to the Committee of University Chairs' guidance about audit committees and the Committee takes due regard of this guidance in its operation.

Summary of business

The Audit and Risk Committee met four times during 2024-25. The External Auditors attended all meetings of the Committee and were present for consideration of the annual Financial Statements (including going concern review), management representation letter, and the External Auditor's formal opinion as well as approval of the annual internal audit plan and strategy.

The Committee reviewed the University's risk register and undertook deep dives into a range of key risk areas, including the University transformation programme, student welfare and wellbeing, estates repairs and maintenance, and transnational education. The Committee received detailed reports, including those from internal audit, together with recommendations for the improvement of the University's systems of internal control, management responses and implementation plans, and progress with the high priority external and internal audit recommendations.

The Committee monitored progress with the Fee and Access Plan and a project to map the University's key controls. The Committee considered reports on value for money, complaints, data submitted externally, business continuity, and environmental, social and governance reporting. The Committee also received regular reports on serious incidents, whistleblowing, litigation and financial compliance.

Major Committees and University Executive Board

Finance and Infrastructure Committee

Member	Type	Attendance
John Shakeshaft (Chair)	Independent	6/6
Beth Button	Independent	5/6
Madison Hutchinson (term ended 30 Jun 25)	Student	5/6
Chris Jones	Independent	6/6
Professor Urfan Khaliq	Employee	4/6
Professor Wendy Larner	Employee	6/6
Micaela Panes (term ended 30 Jun 25)	Student	5/6
Maria Pollard (appointed from 01 Jul 25)	Student	-
David Selway	Independent	5/6
Sean Strong (appointed from 01 Jul 25)	Student	-
Professor Damian Walford Davies	Employee	5/6
Jennifer Wood	Independent	6/6
Patrick Younge	Independent	6/6

The Committee's membership includes two members with relevant financial experience gained within a predominantly finance-based role.

Key responsibilities

The broad remit of the Finance and Infrastructure Committee is to advise and assist Council on the University's financial and resource matters. It monitors proposals for achievement, alignment of resources and performance of the University's strategic aims. It has specific duties in respect of the following areas:

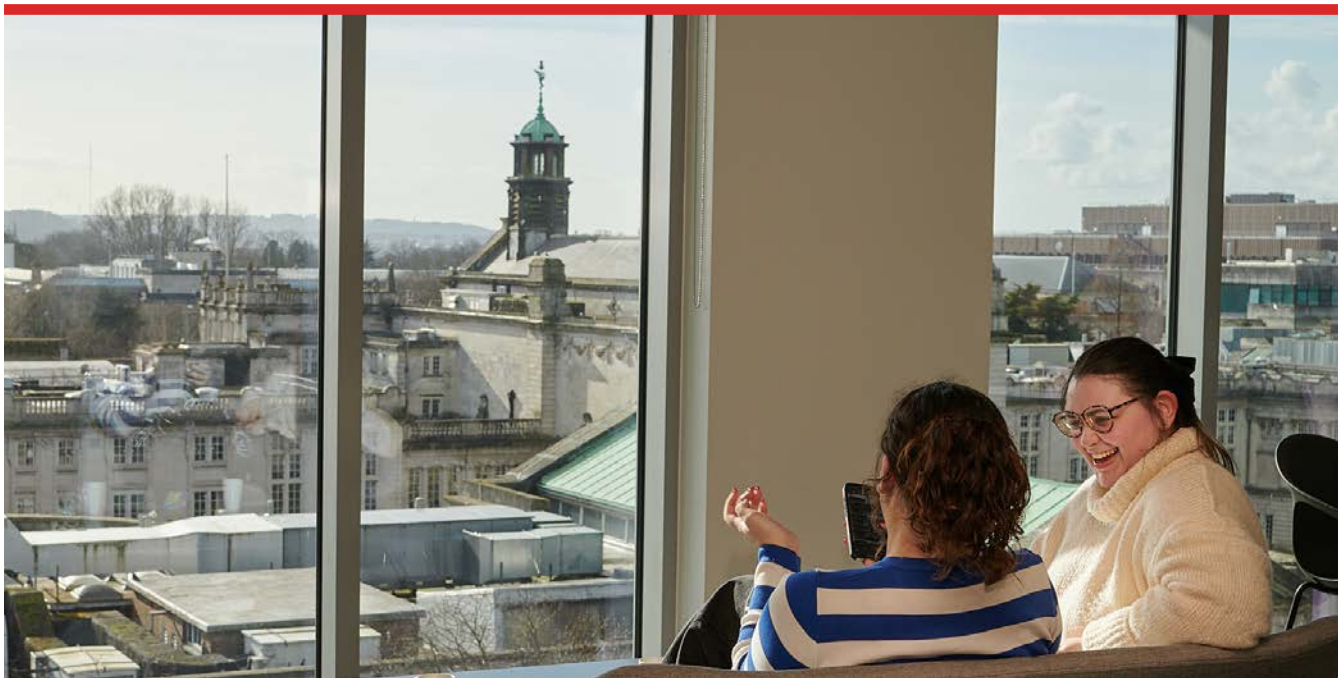
- Resource Allocation, including allocation provided to Students' Union.
- Financial management, including investment and banking.
- Estates and Digital Infrastructure management.
- Human Resources management.

Summary of business

The Committee met five times during the 2024-25 academic year, including a special meeting to recommend the Academic Futures business case to Council. The Committee oversaw the business of its two sub-committees: the Environmental Sustainability Sub-Committee, that oversees the development and implementation of environmental sustainability strategy, policies and programmes of activity; and the Investment and Banking Sub-Committee that monitors and advises on the University's investment strategy and its banking arrangements. At the end of 2024-25, the Committee agreed to disestablish the Environmental Sustainability Sub-Committee.

Over the year, the Committee reviewed performance of the estate, via receipt of the Annual Estates Performance Report, and an options paper for the future of the University estate, and reviewed several business cases for investment. Following approval of the new University Strategy in 2023-24, the Committee reviewed the proposed measures for monitoring performance against the Strategy and reviewed progress with the agreed University success measures during the year.

The Committee continued to receive regular financial updates, oversaw funding for the Students' Union (via the annual Block Grant and Students' Union Financial Agreement Review) and monitored the risks and activities relating to cyber security. The Committee reviewed in detail the Budget for 2025-26 and financial forecasts.



Major Committees and University Executive Board

Governance Committee

Member	Type	Attendance
Judith Fabian (Chair)	Independent	4/4
Professor Dame Janet Finch (term ended 31 March 25)	Independent	3/3
Professor Adam Hedgecoe	Employee	3/4
Madison Hutchinson (term ended 30 Jun 25)	Student	3/4
Professor Wendy Larner	Employee	3/4
Professor Mark Llewellyn	Employee	4/4
David Selway	Independent	4/4
John Shakeshaft	Independent	3/4
Professor Damian Walford Davies	Employee	3/4
Patrick Younge	Independent	4/4

Key responsibilities

The key role of the Governance Committee is to advise and assist the Council on the effectiveness of the governance structure and framework of the University. This includes:

- The University's level of compliance with the mandatory requirements of legislation and other regulations, including the provisions of the Equality Act and the Welsh Language Act;
- Constitutional and legal matters, including the Charter, Statutes and Ordinances;
- Independent Member nominations and appointments.

To discharge its responsibilities, the Governance Committee has established five sub-committees:

- Nominations
- Health, Safety and Wellbeing
- Equality, Diversity, and Inclusion
- Biological Standards
- Open Research Ethics and Integrity.

Summary of business

The Governance Committee met four times in 2024-25. The Committee reviewed progress with the committee review and proposals for a streamlined committee structure. It also monitored completion of the recommendations from the triannual Governance Effectiveness Review undertaken during 2023-24.

The Committee received assurance on a number of areas of legal and regulatory compliance, including with the Welsh Language Standards, the PREVENT Duty, The Modern Slavery Act 2015, the Animals (Scientific Procedures) Act 1996, safeguarding requirements, UK Visas and Immigration regulations, Freedom of Speech, and the Equality Act.

The Governance Committee reviewed the independent member skills matrix and equality and diversity data to consider the composition requirements of an effective and efficient governing body, and recommended to Council a new Council Membership Diversity Policy. The Committee oversaw the appointment of seven new independent members via the Nominations Sub-Committee, and the reappointment of the Chair of Council. The Committee also approved the annual induction and development plan, and oversaw the annual performance reviews of Council members.

Nominations Sub-Committee

Member	Attendance
Judith Fabian (Chair) (Independent)	2/2
Madison Hutchinson (term ended 30 Jun 25) (Student)	1/2
Dr Juan Pereiro Viterbo (Staff – Senate member of Council)	1/2
John Shakeshaft (Independent)	2/2
Dr Robert Weaver (appointed 25 Sep 24) (Independent)	2/2
Patrick Younge (Independent)	2/2

Key responsibilities

The role of the Nominations Sub-Committee is to consider and agree recommendations to Council in relation to key appointments, including the appointment and re-appointment of the Chair and Independent Members to the Council and its committees.

The Sub-Committee ensures that independent member recruitment is achieved through a clear and transparent appointment process, having due regard for the overall skills and experience of the governing body, balance of sector and non-sector knowledge and commitments to diversity and inclusivity.

Summary of business

The Sub-Committee met on two occasions during 2024-25 to agree the role description and approach to recruitment for independent members of Council via the external search firm appointed, Aspen People Ltd, and the shortlist of candidates for interview. Recruitment for the independent member positions was undertaken during April 2025.

Major Committees and University Executive Board

Remuneration Committee

Member	Type	Attendance
Professor Dame Janet Finch (Chair) until 31/03/2025	Lay	1/1
Stephen Mann (Chair) from 01/04/2025	Lay	1/1
Suzanne Rankin	Lay	1/2
John Shakeshaft	Lay	1/2
Patrick Younge	Lay	2/2

The Remuneration Committee has a wholly independent membership of lay members of the Council (who include the Chair and Vice-Chair of Council). The Remuneration Committee shall not be chaired by the Chair of Council. The Director of People and Culture is invited to attend the Committee meetings.

The University's pay policy is published annually on our website.

Key responsibilities

The Remuneration Committee, with advice from the Professorial and Senior Salaries Committee, develops the overall reward strategy and policy to cover the remuneration, benefits, conditions of employment and severance of the senior officers and staff of the University, including Deans and Heads of School.

The Committee is responsible for determining the remuneration, benefits and conditions of employment of the Vice-Chancellor and their direct reports, taking account of affordability, comparative information of the remuneration, benefits and conditions of employment in the Higher Education Sector and elsewhere as appropriate and relevant metrics and performance data.

The Vice-Chancellor's remuneration package is determined according to a number of factors including, but not limited to:

- the leadership, management and academic experience within the higher education sector
- the breadth of leadership responsibilities for one of the UK's largest universities consisting of 32,725 students as well as a global community of 205,000 alumni in more than 200 countries
- the financial responsibilities for an institution with an annual income of over £625 million; and which contributes more than £3.7 billion to the UK economy, generating £6.40 for every £1 we spend and supports 1 in 135 jobs in Wales.

Summary of business

During 2024-25, the Committee reviewed and approved the output of the 2024 Limited Senior Salary Review. The Committee also agreed to carry out Banding review in 2025/26. In addition, it agreed not to carry out a full performance Senior Salary Review in 2025. It received the annual update on the Gender and Ethnicity Pay Gap and on Equal Pay and Senior Pay Governance. The Committee also undertook its annual review of the Committee of University Chairs (CUC) HE Senior Staff Remuneration Code and confirmed the University has adopted the Code. The Committee, through the Chair, reports to Council at least twice a year.

Major Committees and University Executive Board

Senate

Member	Type	Attendance
Professor Wendy Larner	Employee	5/5
Dr Mohammad Al-Amri (appointed 01.08.2025)	Employee	-
Professor Rudolf Allemann	Employee	4/5
Professor Stuart Allan	Employee	3/5
Professor Rachel Ashworth (until 31.08.2024)	Employee	-
Professor Anthony Bennett	Employee	3/5
Dr Emma Blain (until 04.07.2025)	Employee	4/5
Shola Bold (until 30.06.2025)	Student	2/5
Professor Kate Brain (until 31.07.2025)	Employee	5/5
Professor Gill Bristow	Employee	2/5
Dr Andreas Buerki (until 18.06.2025)	Employee	5/5
Professor Kate Button (appointed 01.12.2024)	Employee	3/4
Professor Christine Bundy (until 30.04.2025)	Employee	2/3
Dr Cindy Carter (until 31.03.2025)	Employee	0/3
Eve Chamberlain	Student	5/5
Professor David Clarke	Employee	5/5
Dr Lisa Clayton (appointed 01.08.2025)	Employee	-
Lauren Cockayne	Employee	1/5
Professor Vicki Cummings	Employee	3/5
Professor Juliet Davis	Employee	4/5
Michelle Deininger	Employee	3/5
Dr David Doddington (until 26.06.2025)	Employee	5/5
Dr Derek Dunne (until 26.06.2025)	Employee	4/5
Professor Dominic Dwyer	Employee	5/5
Justin Edwards (appointed 01.05.2025)	Employee	0/1
Professor Tim Edwards (appointed 01.09.2024)	Employee	3/5
Professor Edwin Egede	Employee	2/5
Molly Elliott (appointed 01.07.2025)	Student	-
Professor Rachel Errington	Employee	4/5
Fflur Evans	Employee	4/5
Professor Dylan Foster Evans	Employee	5/5
Dr Diana Garrisi (appointed 01.08.2025)	Employee	-
Graham Getheridge (until 31.12.2024)	Employee	0/1
Professor Hayley Gomez	Employee	5/5

Member	Type	Attendance
Dr Sandy Gould (until 27.06.2025)	Employee	4/5
Professor Julian Gould-Williams	Employee	4/5
Professor Clare Griffiths	Employee	2/5
Professor Mark Gumbleton	Employee	3/5
Professor Thomas Hall (until 31.03.2025)	Employee	2/3
Hanan Haliru (appointed 01.07.2025)	Student	-
Dr Natasha Hammond-Browning	Employee	2/5
Professor Adam Hedgecoe	Employee	5/5
Dr Alastair Hemmens (appointed 01.08.2025)	Employee	-
Professor Monika Hennemann (appointed 01.08.2025)	Employee	-
Dr Jonathan Hewitt (until 31.07.2025)	Employee	0/5
Suzanne Hughes (appointed 01.08.2025)	Employee	-
Madison Hutchinson (until 30.06.2025)	Student	3/5
Professor Aseem Inam	Employee	3/5
Dr Anthony Ince resigned 27.06.2025	Employee	3/5
Professor Nicola Innes	Employee	3/5
Claire Jaynes (until 30.04.2025)	Employee	2/4
Luke Jehu	Employee	4/5
Megan Jenkins (appointed 01.08.2025)	Employee	-
Professor Dafydd Jones (until 26.06.2025)	Employee	5/5
Dr Kathryn Jones	Employee	4/5
Dr Nicholas Jones	Employee	5/5
Steve Jorgensen-Corfield (appointed 01.05.2025)	Employee	0/1
Dr Hesam Kamalipour	Employee	3/5
Dr Tahl Kaminer (until 27.06.2025)	Employee	4/5
Professor Deborah Kays	Employee	3/5
Professor Andrew Kerr	Employee	2/5
Professor Urfan Khaliq	Employee	4/5
Professor Mark Llewellyn	Employee	4/5
Dr Jan Machielsen (appointed 01.08.2025)	Employee	-
Dr Riccardo Maddalena (appointed 04.06.2025)	Employee	0/1
Professor Eshwar Mahenthiralingam	Employee	5/5
Dr Christie Margrave (appointed 01.08.2025)	Employee	-

Major Committees and University Executive Board

Senate *continued*

Member	Type	Attendance
Professor Joy Myint (appointed 10.02.2025)	Employee	4/4
Cynwal ap Myrddin (appointed 01.07.2025)	Student	-
Dr Olaya Moldes Andres	Employee	3/5
Claire Morgan	Employee	0/5
Greg Mothersdale	Employee	3/5
Ana Nagiel Escobar (until 30.06.2025)	Student	5/5
Rebecca Newsome (until 31.07.2025)	Employee	0/5
Professor Gerard O'Grady	Employee	5/5
Gareth Owen (appointed 25.05.2025)	Employee	1/5
Joanne Pagett (until 31.07.2025)	Employee	4/5
Micaela Panes (until 30.06.2025)	Student	5/5
Dr Vassiliki Papatsiba	Employee	2/5
Catrin Edith Parry (until 30.06.2025)	Student	4/5
Dr Juan Pereiro Viterbo	Employee	3/5
Dr Oliver Pierce (appointed 21.02.2025)	Employee	3/4
Professor Jenny Pike	Employee	4/5
Professor Simon Pope	Employee	4/5
Maria Pollard (appointed 01.07.2025)	Student	-
Michael Reade (until 31.07.2025)	Employee	5/5
Kate Richards	Employee	5/5
Professor Stephen Riley	Employee	5/5
Dominic Roche (until 31.07.2025)	Employee	1/5
Professor Barbara Ryan (appointed 18.10.2024 until 09.02.2025)	Employee	1/1
Professor Karl Schmidt	Employee	5/5
Dr Yasemin Sengul Tezel (appointed 17.12.2024)	Employee	4/5
Professor Gavin Shaddick	Employee	1/5
Professor Katherine Shelton	Employee	4/5
Dr Andy Skyrme	Employee	0/5
Professor Luke Sloan (appointed 01.04.2025)	Employee	1/5
Helen Spittle	Employee	3/5
Georgia Spry (until 30.06.2025)	Student	5/5
Tracey Stanley (until 25.04.2025)	Employee	2/4
Professor Phil Stephens	Employee	3/5
Sean Strong (appointed 01.07.2025)	Student	-
Professor Patrick Sutton	Employee	3/5
Joshua Tandy (appointed 01.07.2025)	Student	-
Dr Catherine Teehan (until 31.07.2025)	Employee	4/5
Professor Michal Tombs (appointed 01.08.2025)	Employee	-
Cadi Rhys Thomas	Employee	5/5
Grace Thomas (until 31.12.2024)	Employee	0/1
Dr Jonathan Thompson	Employee	4/5
Ruth Thornton (appointed 25.05.2025)	Employee	1/1
Dr Katja Umla-Runge (appointed 01.08.2025)	Employee	-
Professor Damian Walford Davies	Employee	5/5
Matt Walsh	Employee	5/5
Professor Roger Whitaker	Employee	4/5
Professor John Wild (until 17.10.2024)	Employee	-
Professor Jianzhong Wu	Employee	5/5
Dr Xuesheng You	Employee	2/5

Key responsibilities

The Senate is established by the University's Charter, which gives it responsibility for the ordering of the academic affairs of the University, both in teaching and in research, and powers to make Academic Regulations. It draws its membership from the academic staff, professional services staff and students of the Institution. Senate keeps under review the educational policy of the University and provides Council with assurance that the academic affairs of the University are appropriately managed.

In turn, Senate has established standing panels and Sub-Committees to support it in discharging its responsibilities, such as the Academic Standards and Quality Committee and the Education and Student Experience Sub-Committee.

Summary of business

Senate met five times during the 2024-25 academic year, including a special meeting requested by members to discuss the Academic Futures proposals. Key areas of strategic business included updates on the National Student Survey results and actions, updates on work around research culture the Research Excellence Programme, and the College and Schools Transformation Project. Senate received and considered a report on progress with the recommendations from the Bicameral Review and reviewed the Academic Futures business case prior to consideration by Council.

Senate considered the Annual Quality Report, the Annual Enhancement Report and approved a number of proposals to vary academic regulations and policies. Senate received the Institutional Response to the 2024 Student View and received the Student View for 2025. Regular reports of business from Senate's sub-committees, including the Academic Standards and Quality Committee and the Education and Student Experience Committee, were received.

Major Committees and University Executive Board

University Executive Board

Member	Type
Professor Wendy Larner (Chair)	Employee
Professor Rudolf Allemann	Employee
Laura Davies	Employee
Sally-Ann Efstathiou (from 10 Sep 24)	Employee
Professor Nicola Innes (from 05 Nov 2024)	Employee
Professor Urfan Khaliq	Employee
Dr David Langley	Employee
Daniel Lawrence (from 14 Oct 24)	Employee
Claire Morgan	Employee
Professor Stephen Riley	Employee
Dr Paula Sanderson	Employee
Professor Gavin Shaddick	Employee
Professor Damian Walford Davies	Employee
Darren Xiberras	Employee
Professor Roger Whitaker	Employee

All members of the University Executive Board attend weekly senior meetings. Given the frequency of these meetings, the attendance is not recorded in the table above.

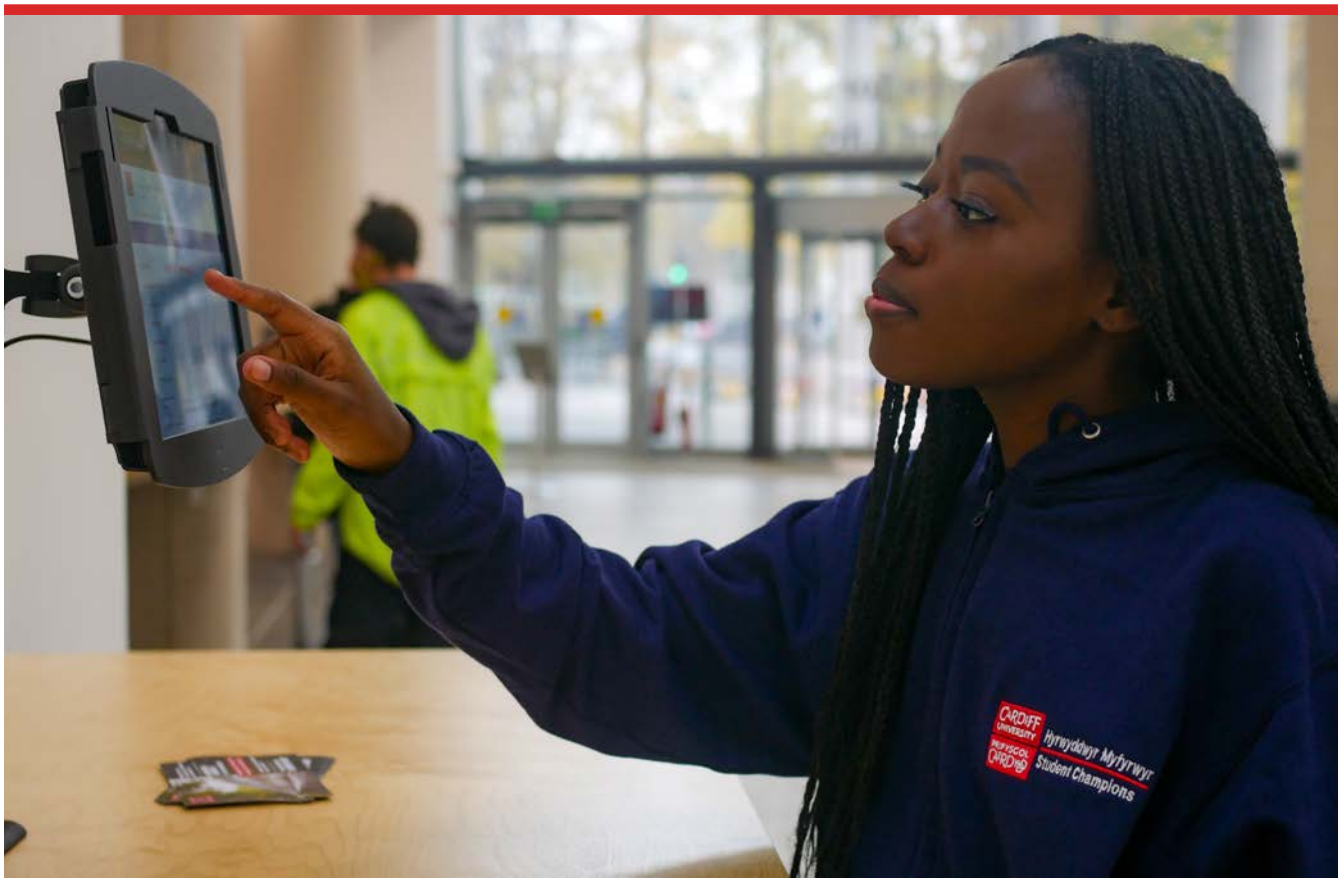
Key responsibilities

The University Executive Board is the University's senior executive team. The Medr Terms and Conditions of Funding (which were in force during 2024/25) defines the Senior Executive Team in accordance with Financial Reporting Standard 102 (FRS 102)'s definition for 'key management personnel'; that is "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity".

The broad remit of UEB is to assist the Vice-Chancellor in the performance of their duties as the Chief Executive Officer including developing and delivering strategy, operational plans and budgets, monitoring and approving University policies and procedures, and managing operating and financial performance.

Summary of business

Through 2024-25, the UEB developed and engaged in a period of collective consultation with our community – both internal and external – on proposed changes designed to realise the ambitions as set out in '*Our future, together*', and to secure the University's long-term future. UEB also assumed the role of Transformation Board, with one meeting per month dedicated to transformation providing oversight of all activities in the strategy roadmap. Key initiatives included approval for the introduction of a network of Hubs across our campuses as part of the Colleges, Schools and Professional Services transformation, establishing the Cardiff Futures Initiative, shaping understanding of what it means to be a Global-Civic university, and development of Cardiff University Kazakhstan.



Annual Pay Policy Statement

This Pay Policy provides the framework for decision making in respect of remuneration and in particular decision making on remuneration for senior staff.

Senior Pay Remuneration

All senior staff are covered by the University's Senior Pay Policy, which is published annually. This reviews performance on a biennial basis across four broad categories, and allows performance-based awards, as well as reviewing equity. Data drawn from the Universities and Colleges Employer Association's (UCEA) Senior Staff Remuneration Survey and the Russell Reward Survey are used to provide evidence for any market adjustments.

The policy is set by the Remuneration Committee, whose terms of reference can be found within the University's Ordinances. The Remuneration Committee is the body that has overall responsibility for the University's approach to senior remuneration.

As part of this role, it takes decisions on the pay of the most senior individuals in the University, including the Vice-Chancellor.

The Remuneration Committee is appointed by and answerable to the University Council, which is the supreme authority of the University.

The Committee directly reviews and determines the remuneration, benefits and conditions of employment of the President and Vice-Chancellor and his/her direct reports.

It gives delegated authority to the Professorial and Senior Salaries Committee to make recommendations on the remuneration of Professors and senior staff not covered directly by the Committee itself.

The numbers of all staff paid above £100k are published in the financial accounts, broken down into £10k pay bands. Directly reimbursed expenses for senior staff who are members of the University Executive Board are also published. All expense claims and payments made to senior members of the University are in accordance with the University's financial regulations. These apply to all staff and are reviewed and approved annually by the University Council.

Vice-Chancellor Remuneration

The remuneration of the current Vice-Chancellor is set by the Remuneration Committee, which comprises of independent lay members of Council, through the Senior Salary Review process. The Vice-Chancellor's base salary is also reviewed in line with national pay awards for the Higher Education sector.

The Chair of Council presents performance assessments to the Remuneration Committee for inclusion in the Senior Salary Review process. The Remuneration Committee make the final decision on the rewards given for comparable performance assessments. The Vice-Chancellor's salary, in line with the Senior Salary Review, is also assessed against equity and market concerns.

The Vice-Chancellor's performance is reviewed according to a number of factors including, but not limited to:

- the Vice-Chancellor's leadership, management and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- The performance of the University according to the strategy and agreed metrics.

Remuneration for other staff groups

The majority of other staff are on the National Framework Agreement (NFA) pay spine and covered by the University's Grading Structure which consist of 9 grades. These grades are supported by the Higher Education Role Analysis HERA and HAY role evaluation methodology.

Staff on NFA pay scales gain pay increases annually based on increased skill, knowledge and experience, until they reach the top of the grade's core range. They are also subject to any nationally agreed pay awards.

The Clinical Pay Scale covers clinical staff, and replicates the NHS pay ranges. Clinical staff gain increases annually based on increased skill, knowledge and experience, until they reach the top of the grade range. Clinical consultants also gain commitment awards above the top of the consultant grade range.

The Outstanding Contribution Award Scheme (OCAS) recognises exceptional performance and contribution, resulting in both one-off awards, and any accelerated incremental progression.

Living Wage Employer

The University is an accredited Living Wage employer and as a result all staff receive at least the Living Wage Foundation rate of pay.

Pay Ratio

The ratios between the Vice-Chancellor's salary and the median pay of staff and the Vice-Chancellor's total remuneration and the median total remuneration of staff are disclosed in the Annual Report and Financial Statements.

Major Committees and University Executive Board

Exit policy

All settlement agreements, including voluntary severance, for professorial, professional service directors and senior staff are reported biannually to the Remuneration Committee, with details of both the severance payment and the saving to the University. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.

Emoluments of the Vice-Chancellor 2024/25 Section

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The Vice-Chancellor's performance is reviewed according to a number of factors including, but not limited to:

- the Vice-Chancellor's leadership, management and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- The performance of the University according to the strategy and agreed metrics.



Financial Review

Financial Performance Overview

The University recorded an underlying operating deficit of £33.4 million for 2024/25, before exceptional items (see table below). This represents a worsening position relative to the previous year's underlying deficit (£31.2 million). The total comprehensive result swung to a £34.3 million loss from a £177.3 million surplus in 2023/24, with last year's surplus driven by a one-off £162.8 million pension credit related to the USS pension scheme and a £36.9m investment gain.

Like many universities, Cardiff operated in an environment of high inflation, constrained public funding, and international student market volatility. Increased utility and pay costs following Russia's invasion of Ukraine, have left a lasting impact on our cost base. At the same time we have faced a reduction in international student numbers due to stricter visa rules and global economic uncertainty. This confluence of factors made 2024/25 a challenging year financially for Cardiff University, as it was for many of our peers.

Throughout the year, the University took proactive steps to strengthen its financial resilience. We exercised disciplined budgeting and firm cost control to mitigate inflationary pressures, and we prioritised investments that directly support strategic outcomes. In parallel, longer-term measures were initiated to address the structural deficit, notably through the *Academic Futures* programme (detailed under "Future Outlook").

Summary of group results

The underlying operating deficit of £33.4m reconciles to the total deficit of £34.3m as follows:

Summary of group results	2024/25 £m	2023/24 £m
Total comprehensive (deficit)/ surplus for the year	(34.3)	177.3
Impairment on the revaluation of assets	1.6	-
Specific debt provisions	2.4	-
Gain on valuation of investments	(4.5)	(36.9)
(Gain)/Loss on disposal of fixed assets	(0.8)	0.2
Actuarial (gain)/loss on pensions	(12.4)	3.4
(Deficit)/Surplus before other gains/(losses)	**(48.0)**	**144.0**
Other pension movements	(2.8)	(5.8)
USS pension provision credit	-	(162.8)
Other gains	(6.9)	(6.6)
Voluntary Severance/Voluntary Redundancy	24.3	-
Underlying operating deficit	**(33.4)**	**(31.2)**

The financial statements for the year ended 31 July 2025 consolidate the results of the University, its subsidiary companies University College Cardiff Consultants Limited and International Learning Exchange Limited ("Taith") and the joint ventures of Cardiff Medicentre and Evidence to Impact Ltd.

Looking at the components of the year's financial performance in more detail:

Income and Student Recruitment

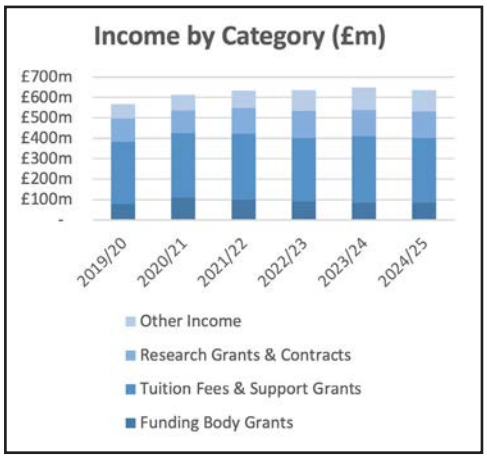
Total income declined by 2.2%, from £649.1 million in 2023/24 to £634.7 million in 2024/25. The drop was largely attributable to shortfalls in tuition and other operating income:

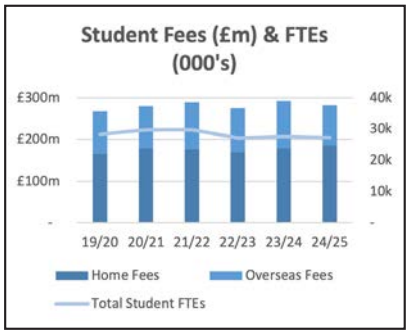
- **Tuition fee income** fell by £10.3 million (–3%) to £317.9 million. After growth in the previous year, we did not meet our 2024/25 fee income target. This was largely due to external factors – notably a slowdown in international student recruitment amid new UK visa restrictions and broader global economic

uncertainty, which tempered overseas enrolments. Home student fee income remained capped (the Welsh Government raised the tuition cap to £9,250 to match England, effective 2024/25).

- **Other income** (from student residences, commercial activities, partnerships, and other services) fell by £4.2 million (–4.4%) to £91.0 million. This decline reflects lower one-off project income and a general tightening of external funding for services, as well as the non-recurrence of certain short-term grants and activities in the prior year.
- **Donations and endowments** income was £1.4 million, down £2.8 million (–66.8%). The prior year included a one-time £1.3 million gift-in-kind (a land transfer from Cardiff City Council for sports facilities).
- **Investment income** decreased by £1.2 million (–10.2%) to £10.5 million, reflecting slightly lower average cash balances and interest rates towards year-end.
- **Funding body grants** income (largely from Medr) decreased slightly by £0.2m (-0.3%) to £83.0m.

Offsetting these declines, research grants and contracts income grew by £4.5 million (+3.5%) to £131.0 million – a positive result, driven by Cardiff's strength in winning new research awards. However, the gains were not enough to fully counteract the drops elsewhere, leading to the overall decline in total income for the year.





Student	2024/25	2023/24*
Undergraduates	22,768	22,404
Postgraduate Taught	3,057	3,796
Postgraduate Research	1,400	1,378
Total	**27,225**	**27,578**
Home	23,061	22,729
Overseas	4,164	4,849
Total	**27,225**	**27,578**

*Restated from prior year after confirmation of final student numbers

The University's student enrolments reflected the challenging recruitment climate. Total student headcount in 2024/25 was 27,225, a decline of 1.3% from 27,578 in the previous year. This reduction was mainly in postgraduate taught (Master's) students and in overseas (non-UK) students, consistent with the external factors noted above. Postgraduate taught numbers fell by around 20%, from 3,796 to 3,057, which aligns with the dip in international intake (overseas students decreased to 4,164 from 4,849). By contrast, undergraduate numbers grew slightly (22,768, up by 364 students year-on-year) and postgraduate research students held steady (1,400, up from 1,378). The proportion of home students increased, totalling 23,061 (85% of the student body) alongside 4,164 overseas students (15%).

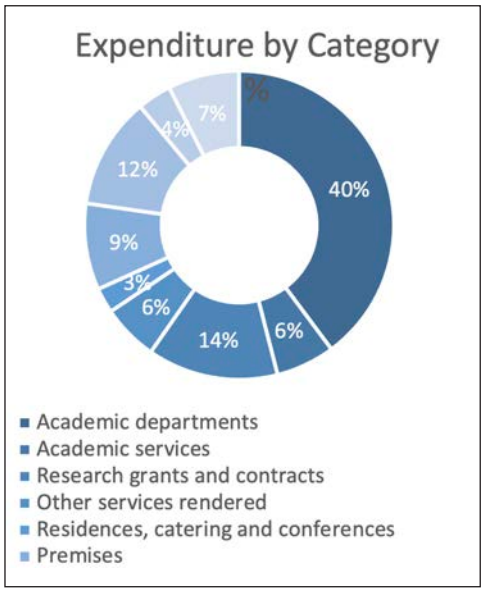
Expenditure and Cost Management

In the face of falling income, cost control measures across both staff and non-staff spending were intensified during 2024/25 to manage financial pressures. These efforts yielded a reduction in the University's underlying cost base:

- **Total expenditure** (excluding movements in pension provisions and the costs of voluntary severance schemes) was £670.5 million, a decrease of 1% compared to £680.0 million in 2023/24. Management enacted strict limits on discretionary expenditure, focusing resources on business-critical areas and strategic priorities.
- **Staff costs** (excluding non-cash pension items and severance schemes) slightly increased by £1.9m or 0.5% (including pension charges staff costs were approximately £4.3 million or 1.1% lower than the prior year). Staff costs before pension adjustments increased only marginally, even as we delivered the full national pay award and upheld our Living Wage pledge. Average full-time-equivalent (FTE) staff count fell by 2% to 6,098, reflecting the impact of a voluntary severance and voluntary redundancy programme launched during the year. All staff departures occurred through voluntary means, helping us to maintain a sustainable pay cost going forward and maintain cordial industrial relations. In addition, an accounting credit of £1.7 million (related to an updated calculation of annual leave accruals) benefited the staff cost line. These savings largely offset the nationally agreed pay awards (ranging from 2.5% to 5.7% in August 2024, with additional adjustments to maintain our Living Wage commitment) and an increase in employer National Insurance contributions following UK Government decision to increase this tax on employers in the Autumn of 2024. Staff costs concluded the year at 59.7% of income (2024: 59.0%) – a stable ratio that reflects effective

mitigation of pay-related inflation to keep this key ratio stable.

- **Other operating expenses** (non-staff costs) were £230.0 million, down £4.6 million from 2023/24. Non-pay spending was tightly controlled: activities and purchases were restricted to those essential for core operations, student support, and revenue generation. The University also benefited from energy-saving initiatives and efficiency gains in procurement to partially mitigate cost increases. Travel, catering, and other discretionary spend remained low as part of prudent financial management.

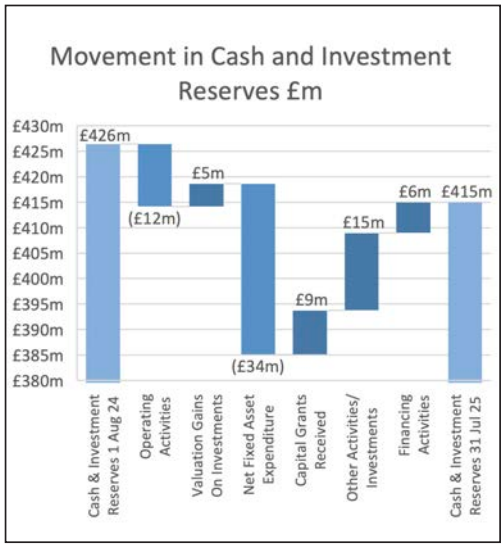


Voluntary Severance/Voluntary Redundancy

During the year, the University made the difficult decision to implement a Voluntary Severance and Voluntary Redundancy Scheme ("*Academic Futures*" voluntary phase) to help reduce the payroll to a sustainable level. These schemes resulted in an exceptional cost of £24.3 million in 2024/25. While this one-off expense contributed to the overall deficit, it is a strategic investment in the University's future financial health. The reduction in staff through voluntary means will generate substantial recurrent savings – £22 million per annum once fully implemented. These savings will improve our expenditure run-rate in subsequent years, supporting Cardiff's aim to "return the University's cost base to a position where we can afford to pay for all our activity on a sustainable long-term basis".

Cash Flow and Liquidity

Operating Cash Outflow: The University managed its cash carefully during 2024/25, but the underlying deficit translated into a net operating cash outflow of £12.4 million for the year. After accounting for cash used in servicing debt, investing in capital projects, and transferring some funds into longer-term investments, cash and cash equivalents decreased by £26.9 million, from £105.8 million to £78.9 million at 31 July 2025. This reduction was expected and reflects our strategic use of cash reserves to fund vital investments and restructure costs in-year. The Statement of Cash Flows (see page 66 of the Financial Statements) provides further detail on these movements.



Despite this outflow, the University retains a robust short-term liquidity position. At 31 July 2025, the University held £415 million in cash and current asset investments (2024: £426 million). This figure includes short-term deposits and investments that can be liquidated to support cash needs, £68.2 million of which is in a ring-fenced Bond Repayment Fund (earmarked to repay the £400 million public bond in 2055), and £53.5 million representing the market value of the University's permanent endowment fund. Even excluding the bond fund and endowments, the remaining balance of free cash and near-cash investments provides a robust liquidity buffer equivalent to roughly two months of expenditure, in line with the University's reserves policy target (see Reserves Policy below).

This liquidity enables the University to meet obligations reliably and manage timing variances in funding with confidence. Indeed, management and Council have affirmed that Cardiff has sufficient short-term liquidity to deal with current uncertainties. However, it is recognised that relying on reserves is not a sustainable strategy indefinitely – hence the ongoing focus on improving the underlying financial performance so that, in the long run, annual operating cash inflows will cover expenditure and maintain our liquidity at the desired level without erosion.

Treasury and Credit Facilities: The University prudently manages its financing and has additional liquidity available if required. We have in place a five-year £60 million Revolving Credit Facility (RCF) with HSBC to cover any short-term working capital needs. This facility was not utilised at all during 2024/25, reflecting the strength of our cash management and the sufficiency of internal funds throughout the year. The RCF remains available as a standby resource to assist liquidity in the future if required.

Financial Review

Investments and Borrowings

Investment Portfolio Performance: In a year of market volatility, the University's investment portfolios delivered a respectable result. Overall, our investment balances (endowments and other long-term funds) increased by £4.5 million in market value over 2024/25. This follows a gain of £36.9 million in 2023/24, which was driven by the post-pandemic recovery in global markets. We continue to manage the investment portfolio on a total return basis, balancing income generation with capital growth within an acceptable risk appetite and ethical framework (including a commitment to responsible investing). Interest and dividend income during the year of £10.5 million was outweighed by interest expenses on borrowings, resulting in a net interest cost of £2.2 million (versus effectively zero net cost in the prior year). This swing is attributable to lower cash deposit interest as cash balances and interest rates were reduced during the year.

Debt and Financing: The University's overall borrowings stood at £443.5 million as of 31 July 2025, up slightly from £426.7 million the year before. This increase was mainly due to drawing down £18.2 million in new unsecured loans from Salix Finance to fund approved carbon-reduction projects in our estate (Salix loans provide upfront capital for energy efficiency initiatives, at favorable terms). The majority of Cardiff's debt is our long-term Public Bond, which has a nominal value of £400 million (issued in 2015) at a fixed interest rate of 3.0% and is repayable in 2055. At year-end, the bond's carrying value was £419.8 million. We are pleased to note that Moody's Investor Services reaffirmed the bond's credit rating at A1/stable outlook during the year, reflecting confidence in the University's credit quality and financial management.

To ensure we can repay the bond in 2055, the University has established the dedicated Bond Repayment Fund mentioned above. Over past years we have set aside £52.6 million of reserves into this fund, which is invested for growth. As at 31 July 2025, (including non-current investments of £16.1m) the fund's value had grown to £84.3 million, on track toward the long-term goal of accumulating the £400 million by the maturity date.

Balance Sheet Strength

Despite the year's deficit, Cardiff University retains a strong balance sheet underpinned by significant asset values and reserves. At 31 July 2025, the University's consolidated net assets were £821 million, a decrease of 4.0% from £855 million in 2024. Unrestricted general reserves (excluding revaluation reserves and restricted funds) comprised £478 million of this total, representing 58% of net assets. The reduction in net assets during the year was driven primarily by the reported deficit and depreciation of fixed assets.

It should be noted that the balance sheet does not capture one of Cardiff's most valuable assets – our people. The dedication and talent of our staff enabled the University to navigate the past year's challenges and continue delivering high-quality teaching and research. The University's leadership recognizes that our staff remain our most important and valued asset, critical to our success and future sustainability. We invest in our people through staff development, wellbeing initiatives, and the fostering of an inclusive community, which in turn supports our financial and academic performance.

Looking at other balance sheet indicators, capital investment commitments stood at £13.7 million at year-end (down from £19.4 million a year prior). This reduction in commitments aligns with a careful approach to capital projects – focusing on essential investments in our estate while deferring or re-scoping non-critical projects in light of financial constraints. Similarly, the University's operating lease obligations reduced to £34.2 million (from £37.1 million), as we systematically seek to divest leased premises or renegotiate contracts to reduce ongoing costs. These steps are part of our broader strategy to improve efficiency and direct resources to priority areas.

Finally, Cardiff maintains a comprehensive approach to risk management that underpins balance sheet strength. The University continuously scans the horizon for emerging risks (financial and non-financial) and updates its risk register accordingly. Key institutional risks – including those related to student recruitment, research funding, cost inflation, and regulatory changes – are regularly reviewed by the University Executive Board and by Council through its Finance & Infrastructure Committee and Audit & Risk Committee. Mitigation plans are in place for all principal risks, and Council is kept informed of risk levels and responses (the Annual Report provides further detail on principal risks and uncertainties in pages 48-55). This vigilant governance ensures that the University is not complacent about the challenges ahead and is ready to respond to adverse scenarios, thereby protecting our balance sheet and stakeholders' interests.

Reserves Policy

In support of long-term financial sustainability, the University maintains a Reserves Policy to ensure an appropriate level of liquid funds ("free reserves") is held to protect Cardiff's future activities. This policy seeks to balance two principles: (1) the need to spend income in a timely manner to achieve our mission, and (2) the need to retain sufficient reserves to manage uncertainty and safeguard the University's financial viability for the long term. In essence, while Council aims to deploy funds towards our charitable and strategic objectives as soon as practicable, it is also prudent to hold back a portion as a buffer against unexpected events or downturns.

When determining the level of "free funds" (unrestricted liquid reserves) to maintain, Council considers the University's future needs and potential risks, in line with Charity Commission guidance. In particular, the following factors are reviewed annually:

- Income Outlook: The forecast levels of income in coming years, including the reliability and diversity of each source of income and prospects for developing new revenue streams. (For

example, a heavy reliance on one income source might warrant higher reserves as insurance against volatility.)

- Expenditure and Investment Plans: The projected expenditure in future years based on planned activity, and any significant funding required for infrastructure projects or capital developments. This ensures the University can meet planned commitments and strategic investments.
- Contingencies and Risk Buffer: An analysis of potential future needs, opportunities, contingencies or risks that could arise (such as economic recessions, funding cuts, or emergent strategic opportunities), especially those that could not be met by in-year income alone if they occurred. The likelihood and impact of each risk are considered, and reserves are calibrated to enable the University to respond effectively.
- Debt Obligations: The University's ability to meet its long-term debt repayments as they fall due. In particular, Council designates funds for the future repayment of the 2055 bond. To this end, a separate Bond Repayment Fund has been established (as noted above and in Note 24 to the accounts) to accumulate assets to fully repay the £400 million bond at maturity. This fund is excluded from "free" reserves since it is dedicated for specific purposes.
- Overall Risk Assessment: The aggregate financial risk facing the University, based on the best evidence available. This includes considering downside scenarios (e.g. multiple adverse events occurring together) and ensuring reserves are sufficient to cover such scenarios to an acceptable level of confidence.

Council reviews the Reserves Policy and the calculation of the required reserve level annually. The current target level of unrestricted free funds is set at £100 million, which approximately equates to two months of University expenditure. This target takes into account the size and complexity of Cardiff University, our risk profile, and sector norms. Holding two months' spending in reserve provides a cushion to allow time for corrective actions in the face of financial shocks, while still ensuring the vast majority of income is directed to immediate academic purposes.

In calculating free funds for policy purposes, the University excludes certain categories of funds that are not available for general use. Specifically, funds raised through long-term debt (e.g. bond proceeds) are designated for strategic capital investment projects and thus not counted toward liquid reserves.

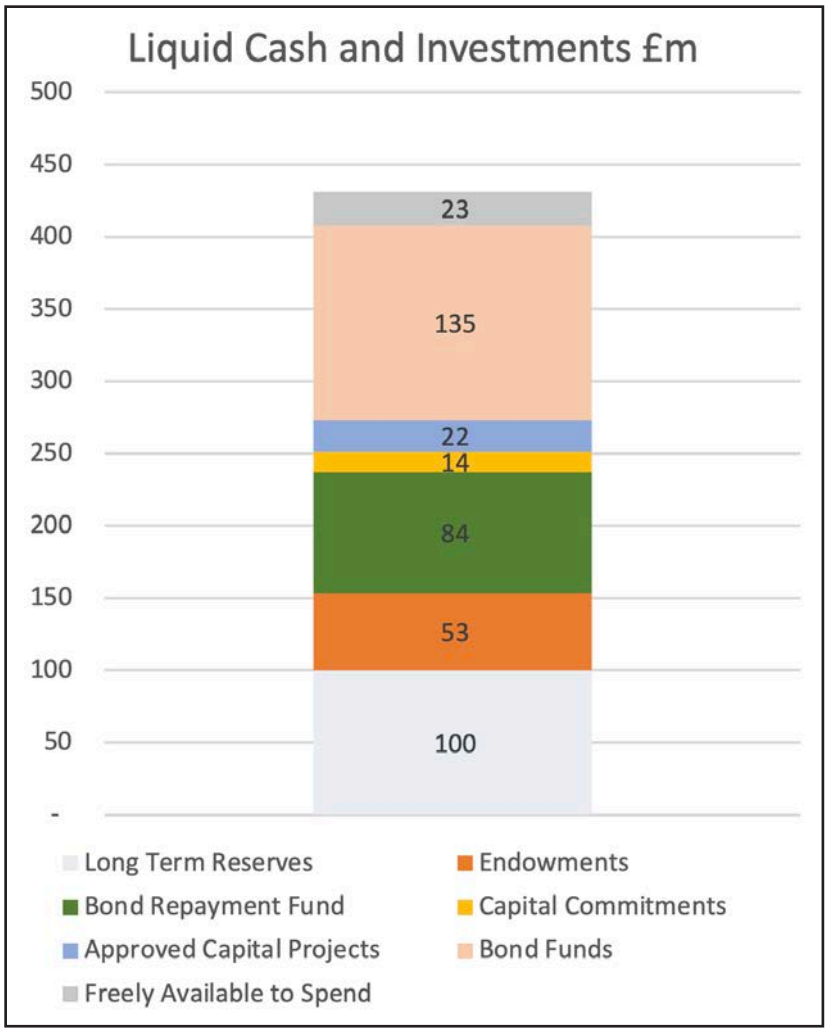
Similarly, restricted donations and endowments are excluded, as those must be used for the specific purposes intended by donors and cannot be repurposed freely. The focus is on unrestricted, spendable reserves that Council can deploy at its discretion to sustain operations or seize strategic opportunities.

As of 31 July 2025, Cardiff's level of free reserves was above the £100 million policy target. A summary of free funds can be seen below.

John Shakeshaft
Chair of Finance & Infrastructure Committee

Darren Xiberras
Chief Financial Officer

28 November 2025



Environmental Reporting

Cardiff University is committed to leadership in sustainability and improving our environmental performance. As a leading institution of higher learning, we are responsible for shaping a sustainable future for ourselves and society through education, research, engagement, and operational excellence.

Sustainability and technological transformation lie at the very heart of our institutional strategy, *Our future, together*.

Our recently updated environmental sustainability plan, Sustainable Futures, is rooted in our institutional strategy, where sustainability and technological transformation lie at the very heart of our strategic vision. The plan is especially shaped by the Well-being of Future Generations (Wales) Act 2015, allowing us to act sustainably for both current and future generations. It embodies our vision of "Transformation through Collective Agency", recognising that meaningful progress requires mobilising our entire University community for concerted climate action. We reaffirm our commitment to the United Nations Sustainable Development Goals (SDGs); we share their universal call to action to protect the planet, end poverty, and ensure peace and prosperity for all.

Our vision is to integrate environmental sustainability into all aspects of our institutional life by combining technological innovation with inclusive and collaborative action to develop solutions that are both technically sound and socially responsible, capable of fostering sustained and systemic change.

We are committed to achieving carbon net-zero (Scope 1 and 2) and progressing towards net-zero greenhouse gas emissions, while delivering nature-positive outcomes and enhancing social, economic, health, and well-being impacts across our activities. Our four sustainability goals are based on the vision outlined in our institutional strategy. We will:

- act as a globally responsible university by minimising the environmental impact of our activities, promoting responsible consumption, and extending our positive influence through education, research, partnerships, and governance.
- build a resilient and healthy university by integrating climate adaptation, nature-based solutions, and resilience thinking into our estates and decision-making, enhancing institutional resilience and well-being.
- drive a prosperous and innovative university by leveraging our data and campus as a hub for innovation, facilitating sustainability-focused work experience, and through cross-sector partnerships for innovation and inclusive growth.
- foster an inclusive and connected university community by empowering our community with knowledge and skills to take sustainability action in everyday practice; fostering a shared purpose and promoting equitable participation.

Our aims, for the 2025-26 academic year are:

- We will operationalise our environmental plan - *Sustainable Futures* - through a distributed operational structure, annual action planning, and transparent reporting, ensuring our sustainability journey is driven by a culture of continuous improvement and shared purpose.
- We will publish a Net Zero Implementation Plan, proposing the most effective actions that we should take to work towards net zero carbon (Scopes 1 & 2).
- We will complete our programme of "quick wins" to decarbonise our estate which include energy efficiency measures such as LED lighting, Solar PV, upgrades to equipment and expansion of our existing heat pump. We will measure and monitor the carbon benefits of this programme.
- We will continue to consider and

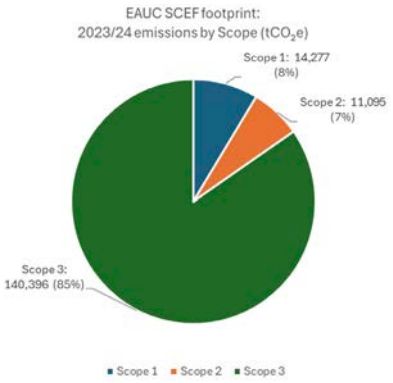
Environmental Reporting

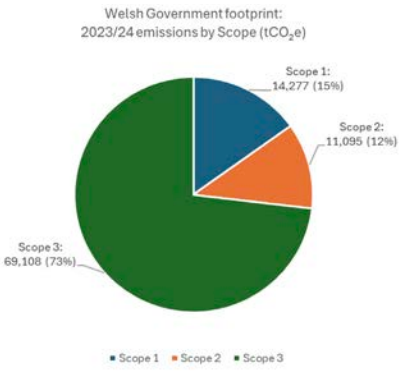
seek opportunities for low carbon heat and energy efficiency funding.

- We will continue to adopt our Responsible Procurement Policy to help understand and eventually mitigate the emissions from our supply chain. This activity accounts for most of our Scope 3 emissions.
- We will prioritise the consideration of low carbon staff business travel, which is a large proportion of our Scope 3 emissions after our supply chain. We will then start to consider student travel.
- We will continue to maintain accreditation to ISO 14001 Environmental Management System.
- We will continue to develop and implement awareness campaigns and sustainable behaviour programmes to foster individual and collective responsibility for resilience and sustainability.
- We will increase participation in LEAF (Laboratory Efficiency Assessment Framework), which focuses on our laboratories and continue our Green Impact programme for our general office and teaching areas.
- We will continue to work towards our biodiversity action plan (ERBAP), ensuring we maintain and enhance biodiversity and promote ecosystem resilience across our estate.

Carbon emissions

Our Environmental Sustainability Sub-Committee chaired by the Dean for Environmental Sustainability is responsible for taking forward our sustainability action. We have committed to achieving net zero carbon for Scope 1 (direct emissions) and 2 (indirect emissions) by 2030 (timeframe to be reviewed in Autumn 2025 when our Net Zero Implementation Plan is presented, to ensure that we focus on carbon reduction ahead of any offset) and before 2050 for Scope 3 (indirect emissions). Our Net Zero Implementation Plan has been drafted to suggest the projects and resources required to work towards net zero for Scopes 1 and 2. Once adopted, we will publish our plan on our website.





In addition to submitting our 2023/24 carbon footprint to the Welsh Government as part of the Public Sector Net Zero Reporting requirements, we have adopted the EAUC's (Environmental Association for Universities and Colleges) Standardised Carbon Emissions Framework (SCEF) as our primary carbon footprint methodology. The SCEF, based on the Greenhouse Gas Protocol, is a voluntary reporting standard developed for the Higher Education sector, and it provides a more comprehensive Scope 3 emissions inventory than the Welsh Government framework. The Scope 1 and 2 reporting standards are consistent across the Welsh Government and SCEF guidance, with both frameworks showing that our 2023/24 emissions were 14,277 tCO_2e (Scope 1) and 11,095 tCO_2e (Scope 2). Our total Scope 1 and 2 emissions increased by 1% from the 2022/23 reported total. This reflects an improvement in gas data collection rather than a material increase in emissions; our total energy consumption reduced by 1% over the same period.

In line with the SCEF, Scope 3 procurement emissions are calculated using the Higher Education Supply Chain Emissions tool (HESCET), which uses Higher Education categorisations, whereas for the Welsh Government footprint, Standard Industrial Classification (SIC) codes are used. The SCEF also includes emissions from student commuting, unlike the Welsh Government framework. As a result, our Scope 3 and total emissions vary widely across the two frameworks. Under the SCEF footprint, our 2023/24 Scope 3 emissions were 140,396 tCO_2e, an increase of 0.1% from 2022/23. Under the Welsh Government guidance, our Scope 3 emissions were 69,108 tCO_2e, a 3% decrease from 2022/23. Our total 2023/24 emissions were 165,768 tCO_2e per the EAUC SCEF (a 0.3% increase) and 94,480 tCO_2e per Welsh Government Public Sector reporting (a 2% decrease).

Procurement and Supply Chain

Procurement remains a major contributor to Cardiff University's Scope 3 emissions with purchased goods, services and works accounting for the majority. In 2025, our WRAP Sustainable Procurement Maturity Score rose from 27% in 2022 to 65%, with three categories (Measurement, Capabilities, and Policy & Strategy) reaching 75%, the highest maturity level.

Responsible Procurement is one of four strategic pillars for Procurement Services, driving our commitment to sustainability and social value. In July 2024, we launched a Responsible Procurement Policy, embedding ESG principles, whole-life costing and the purchase hierarchy into procurement decisions. A Supplier Code of Conduct followed in January 2025 with 38 strategic suppliers signed up during the pilot phase, with full integration into tendering planned for late 2025.

We've baselined Scope 3 emissions at 125,438 tCO_2e using spend-based analysis and continue to evaluate supplier reporting maturity. A risk heat map now informs targeted tender questions with ESG KPIs to be introduced into contracts.

Environmental Reporting

Supplier engagement has expanded through collaboration with Student Futures and On Site. We've reached out to 130 active suppliers to support initiatives such as internships, mentoring, and work placements and aim to engage more through our tendering process in early 2026. Also, four On Site Interns who are young adults with learning disabilities, have completed placements within the Procurement team.

All procurement staff have completed Responsible Procurement training and over 200 stakeholders have participated in webinars. Circular economy principles are embedded in all tenders since July 2024 with reuse and refurbishment promoted across all categories. The adapted purchase & waste hierarchy ensures all forms of waste are considered at the beginning of the tender through prevention, re-use, recycling or disposing responsibly.

These actions align with Cardiff University's net zero ambitions and demonstrate leading progress in embedding sustainability across our supply chain.

Transport and Travel

The University umbrella travel plan (2022 – 2027) has been approved to address the impact that university travel has on the environment, the local area and the health and wellbeing of our staff and students. It places active travel modes (walking, cycling, wheeling) at the top of an agreed travel hierarchy. The five-year strategy which aligns with local and national policy, and best practice includes a focused approach each year on the key elements of our transport operations. Alongside the focused review is an action plan of measures that will encourage and support use and uptake of sustainable transport. During the 2024/25 academic year the focus of the travel plan was on measures to support student travel (including review of international student travel). This work is ongoing and provides a challenge to be able to influence not just the journey to and from the University on a daily basis but more widely relating to travel on placements and also the journey to and from Cardiff.

The focus of the travel plan for the 2025/2026 academic year will be on undertaking a full staff and student travel survey and consultation, review of progress against the action plans and modal share targets set to be able to provide a fully refreshed travel plan for the next period starting in 2027.

Waste and Recycling

During 2022/23, our focus was on establishing a dedicated team to drive waste minimisation efforts across the University. In early July 2023, our Waste Minimisation Manager joined with the ambition to implement measures aimed at both reducing waste and increasing recycling activity.

The initial priority has been to carry out waste and recycling audits across key University buildings. These audits have helped us gain a clearer understanding of our current performance and identify opportunities to further minimise waste and improve recycling practices.

Over the past two years, we have significantly refined our waste data collection processes. In addition to recording waste tonnages, we are now also identifying key areas for improvement. The quality and comprehensiveness of our data have improved substantially, with all waste streams now fully captured.

Our waste data for 2021/22 has been set as the new baseline against which we will measure and report future waste minimisation and recycling achievements. Following the completion of the 2024/25 academic year, our data shows clear progress in recycling rates, particularly in the amount of material being reused, compared to the previous two years.

Our general waste and recycling scheme continues to operate effectively. In addition, new initiatives are being developed, such as the launch of a University-wide furniture reuse portal and the installation of updated waste signage at all Halls of Residence waste compounds. Measures to better involve and communicate with cleaning teams across all academic buildings have resulted in a significant reduction in recycling contamination rejections by our main waste contractor. These, and many more, initiatives will continue to be implemented with the aim to continually reduce overall waste generation across all areas of the University.

Looking ahead, we plan to increase communication and engagement activities to raise awareness among staff and students about the importance of recycling. These efforts are intended to encourage more effective recycling behaviours and higher levels of participation.

In 2024/25, we developed our Waste Minimisation Strategy in partnership with Procurement Services. This strategy will focus on embedding significant behavioural change initiatives to divert recyclable materials from the general waste stream and to reduce waste overall. A key area of focus will also be improving the quality of recycled materials, in line with the requirements of the Workplace Recycling Regulations that came into force in April 2024. This will be supported through targeted messaging as part of our 'Recycle Right' communications campaign.

THE Impact Rankings

The Times Higher Education (THE) Impact Rankings provide the only global performance table that assess universities against the United Nations' Sustainable Development Goals (SDGs). Calibrated indicators provide comprehensive and balanced comparisons across three broad areas: research, outreach and stewardship.

This year the University was ranked in the 101-200 band. There are a total of 17 SDGs in the rankings and for 2025, Cardiff submitted data for 12.

Cardiff has one SDG ranked in the top 50 - SDG13 Climate Action. SDG13 has seen a substantial increase in rank; having been placed in the 101-200 band last year, it has increased at least 72 places to be ranked 29th in the world. Others either remained the same or decreased in ranking

Environmental Reporting

Education for Sustainable Development (ESD)

Our approach to ESD is guided by our Education for Sustainable Development Action Plan Overview 2024-2030 and further supported through our Environmental Sustainability Action Plan 2024-25.

Over the coming decade we aim to transform our learning and teaching environment in order to provide our students with "***...choices, agency and a voice and provide future proofed knowledge and skills that they can apply in the real world to fulfil their aspirations. We will teach our students in a way that developed them further into resilient, problem solving change makes, who know how to work together in an uncertain, interdisciplinary, cross sectoral, digitised world***."

The Education for Sustainable Development (ESD) Steering group and Champions network has continued its work in 2024-25. We have networks of ESD Champions across our Colleges. A survey of practices has identified over 80 case studies across our Schools that address a breadth of global challenges, enabling our students to engage with the relationship between their academic disciplines and all 17 of the UN Sustainable Development Goals (SDGs).

We have also established staff support for teaching and learning relating to ESD through collaboration with the Learning and Teaching Academy. This includes an online toolkit and a series of workshops, led by experienced ESD staff, to support and develop staff understanding and implementation of Education for Sustainable Development in teaching practice. Through this activity we aim to support staff at various levels of ESD (from novice to expert).

Curriculum 2035 is a collaborative, long-term initiative led by Cardiff University aimed at transforming our curricula to attract and inspire students. Through this transformative approach, we seek to empower Cardiff University students and staff as positive changemakers, ready to tackle the challenges that matter to them, to our partners, and to our local and global communities. The initiative will re-connect teaching and research in ways that facilitate collegial dialogue and teaching as a research engaged practice.

The Living Lab initiative was launched in June 2024, as part of our Strategy's commitment to using "...our university as a living lab to co-define our challenges and work together on solutions." Following this launch there has been uptake and living labs run in about 20% of Schools and further events to promote the concept of living labs are already underway.

Ecosystem Resilience and Biodiversity Action Plan (ERBAP)

In 2024-25, we continued the work to deliver our Ecosystem Resilience and Biodiversity Action Plan (ERBAP) and comply with the Section 6 Duty of the Environment (Wales) Act 2016.

Our achievements over the last 12 months include the following:

- We mapped 5.6ha of our green estate using a Geographic Information System (GIS) software.
- We completed Phase 1 and Phase 2 habitat surveys on our academic sites and Talybont.
- We surveyed our academic sites and Talybont to identify butterfly, day-flying moths and other invertebrate species.
- As part of the University's Living Labs programme, our students surveyed bird and bat assemblages at nine University sites using acoustic monitoring devices, placed wildlife cameras at three sites to look at activity patterns of mammal and bird species, analysed bee and wildflower data for Cardiff submitted by citizen scientists to the Spot-a-Bee app, and evaluated biodiversity and ecosystem services provision on our green roofs. We also ran two workshops to define design principles that integrate biodiversity, architecture and user experience for the outdoor spaces surrounding our Park Place buildings.
- With the help of our partners, we ran grassland, butterfly and day-flying moth surveying training sessions and a Nature Walk, with over 60 staff and students joining on these activities.
- Our Biodiversity Hubs developed biodiversity enhancement plans for their green spaces, and one of them received a Keep Wales Tidy grant to implement the plan in the new academic year. They continued to organise events throughout the year to raise awareness, fundraise, and contribute to ERBAP survey and habitat enhancement efforts.
- We signed up to Plantlife's 'No Mow May' campaign for a fifth consecutive year. Leaving our green spaces to grow during May benefits the wildflowers and wildlife, which both play a part in sequestering our carbon emissions. Welsh Government 'It's for Them' signage has been placed at further university sites to explain why we changed the way we manage our green spaces.
- With the support of Coed Caerdydd, we have planted nine crab apple trees in the Hadyn Ellis Building raised beds.
- As part of the Greening Cathays project led by the School of Pharmacy, we installed new planters in the community garden in the grounds of Roy Jenkins Hall. We also installed, decorated and replanted several planters across Cathays with the help of community groups, and launched a bee-friendly garden at a local primary school. We delivered engagement sessions on bees and other pollinators at Cathays primary schools, organised a three-day pop-up exhibition 'Nature on our Doorstep' at the Hadyn Ellis Building back in March, and delivered our biodiversity engagement stalls at a series of events throughout the year.
- In May 2025, we were awarded a WWF-Cymru Community Grant to support our BuzzyWalks: Discovering the world of pollinators and wildflowers project. Building from the success of our Friends in Nature and Greening Cathays projects, BuzzyWalks allowed us to expand








NATURE
ON OUR
DOORSTEP
MEET THE OTHER RESIDENTS OF CATHAYS..
17-19TH MARCH 2025
10am-4pm



our engagement with University students, primary schools and residents of Cathays, while supporting the development of routes for Nature Walks on our city campus and creating content for a Nature Guide comprising fauna, flora, and fungi species found in the University's green areas.

- We continued our outreach and engagement work by delivering internal and external talks, and our engagement stall during Freshers' Week, Cardiff Science Festival, Sustainability Fortnight, and at the Cardiff University Primary School Graduation.
- We strengthened existing links with our nature partners (e.g. via the Cardiff City Nature Network, Cardiff Local Nature Partnership, and the Section 6 Biodiversity and Resilience of Ecosystems Duty Working Group).
- Over the coming academic year, we will be preparing our Section 6 Duty report, publishing the Ecosystem Resilience and Biodiversity Action Plan (ERBAP) 2026-2028, which will include further biodiversity initiatives and an implementation plan for greening the University estate and management of green spaces. We will also work to achieve Nature Friendly Grounds Accreditation (a new SOS-UK nature scheme).

Hedgehog Friendly Campus

The University was awarded Hedgehog Friendly Campus Gold Accreditation in July 2024, and we will maintain this accreditation until 2027. We continued our work to raise awareness and promote hedgehog populations in our campus and across the city, working alongside our nature partners, hedgehog rescues, local community groups and primary schools. As part of the Greening Cathays project, and in collaboration with Sherman Theatre and Buffoon Media, we also ran a series of engagement sessions about hedgehogs with primary schools in Cathays. Some of the outcomes of this project were part of our pop-up exhibition Nature on our Doorstep, others can be seen on the Pharmabees website and our YouTube Channel. In May, in collaboration with Cardiff Council and Cardiff Local Nature Partnership, we deployed wildlife cameras for the second year in a row across nine University sites and Bute Park, as part of the National Hedgehog Monitoring Programme. Footage captured during these surveys has been uploaded to MammalWeb. Citizen scientists are encouraged to help with footage classification. Our Biodiversity Hubs continued to run events to support hedgehogs, such as regular litter picks, participating in the Big Hog Friendly Litter Pick Challenge, donating items to hedgehog rescues, 'Building Homes for Wildlife' workshops, and placing hedgehog houses, log piles, and hedgehog crossing signs on campus.

Changing Steps Cardiff

Changing Steps is a free to join rewards programme funded by the University. It is designed to help staff and students get around more sustainably. It rewards sustainable travel for commuting and leisure trips to and from campus, and encourages regular walking, running, wheeling, and cycling activity for health and wellbeing.

162,000 active and sustainable journeys were recorded on the Changing Steps Cardiff app between September 2023 and July 2024, with an average of 333 activities per participant. Whilst this is a reduction in journeys recorded compared to the previous year, users of the app are making considerably more sustainable journeys (an increase from 162 to 333 per user). Users of the programme are equally split between staff and students.

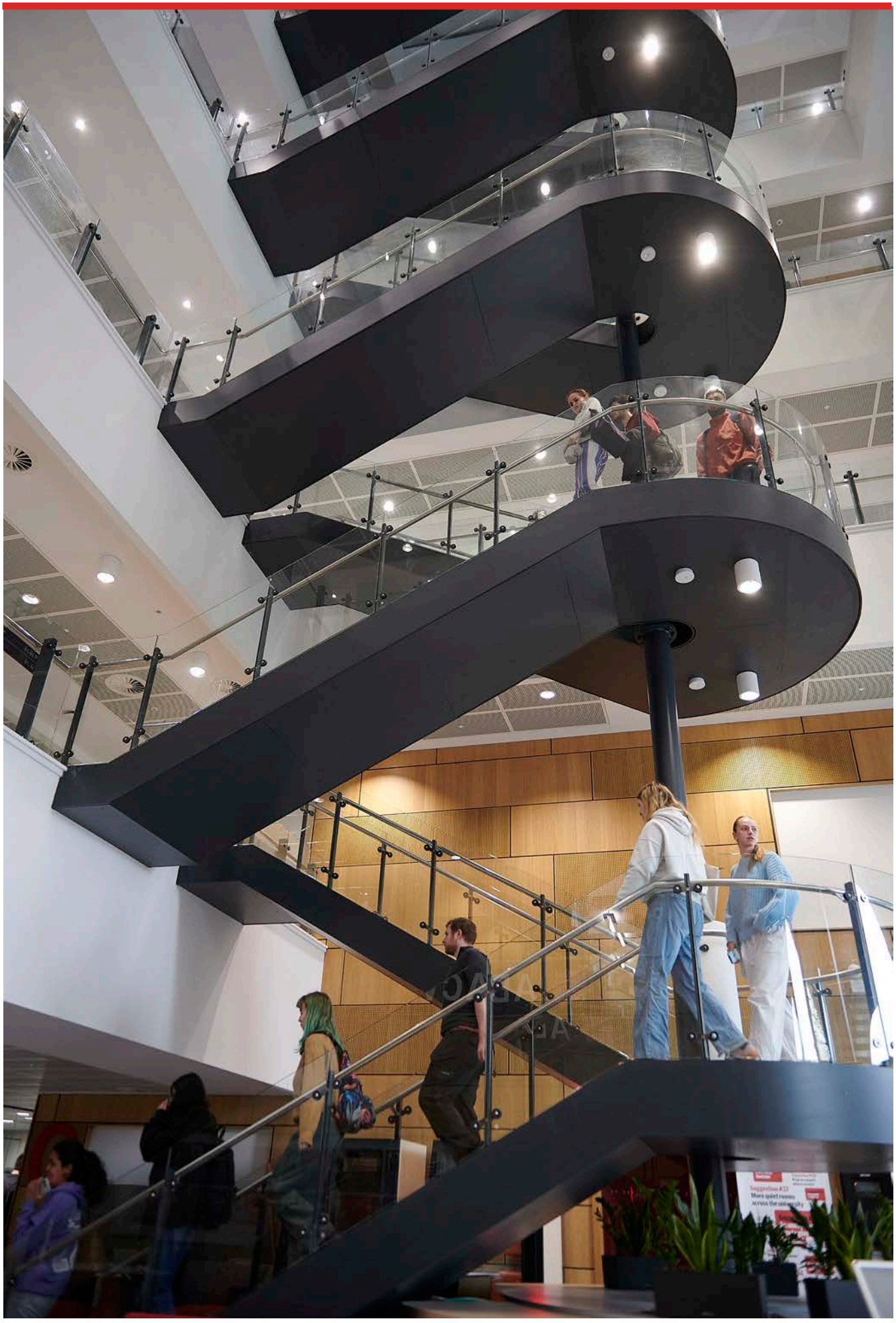
- **35%** of users reported walking more often with 24% walking on two or more additional days a week versus prior to joining the initiative
- **23%** of users reported cycling more often. 14% of users reported starting to cycling following sign up to the initiative
- **12%** of users reported travelling by bus more often
- **58%** of users reported driving less often in general.

Approximately 78,000 journeys have directly replaced single occupancy car trips equating to 34,000kg of CO_2 avoided.

Sustainability Engagement

In 2024 we recruited a Sustainability Engagement Officer who has developed and implemented the below awareness campaigns and sustainable behaviour programmes to foster individual and collective responsibility for resilience and sustainability:

- **Christmas Switch Off** - We organised a Christmas Switch Off competition ahead of the Christmas break, encouraging staff to switch off all non-essential equipment before the holidays. The School and Department with the most switch off pledges relative to their size each won £100 to invest in a sustainability initiative of their choice.
- **Green Impact** - We re-instated the Green Impact programme following a three-year pause. Green Impact is an accreditation programme and competition that supports Cardiff University's Schools and Departments in growing their environmental and social impact. Staff and students collaborate in teams to complete a bespoke online toolkit of sustainability actions, designed by the University's sustainability team to reflect our unique context and priorities. This year over 100 staff members and students took part in the programme, forming 25 School/Departmental level teams, and completing 225+ sustainable actions at the University.
- **Sustainability Fortnight** - In the first two weeks of April, we held our annual Sustainability Fortnight. This year's fortnight included a dynamic and inspiring programme of 25 events and activities delivered by staff and students from a wide range of Schools and departments, alongside external partners. The Fortnight offered opportunities to connect, collaborate, and engage with key themes such as sustainable travel, responsible consumption, sustainable research and careers, Living Labs, biodiversity, student voice, and community-led change. It also provided opportunities to better understand the University's institutional approach to sustainability.



Estates Report

The Future of our Estate is being developed through consultation to meet the University Strategy *Our future, together* to:

"Have a smaller, high quality, civic campus, that is green, creative, and open."

Through consultation principles an outline long term plan has been developed to reduce and consolidate the University Estate. Further work is taking place to test and model the plan, and to understand operational changes and policies required to achieve the required outcome.

In the last three years properties have been vacated and sold to provide future capital receipts and an overall reduction in the estate of c20,000m2. This work will continue where opportunities can be taken and they fit with the principles identified in the Future of our Estate.

The first phase of Hubs across the estate are under construction for delivery by September 2025. In each location they will be linked to Café areas, and provide hot and cold water facilities, a front desk, staff offices, and overall c300 study seats.

The first phase of the Residential strategy, a new c600 bed accommodation block at Talybont, is being progressed with the consultants currently being appointed.

The University continue to work with Cardiff and Vale Health Board on future planning on the Heath Hospital site.

Our commitment to Net Zero continues as we near the completion of our first major programme of works funded by a loan from Salix. This has seen new LED lighting, and Solar Pvs. We have obtained a further loan through the Welsh Government Digarbon scheme to improve the thermal properties of two of our buildings in Cathays, allowing a future phase to change the heating to an air source heat pump solution. We continue to develop the net zero implementation plan and planning funding opportunities.

The Operations and Net Zero team have been working together to improve our energy management, monitoring and usage. This has included a major upgrade of our Building Energy Management System, increased metering, and pipe insulation works. This continues working alongside IT on proofs of concepts for energy controls alongside occupancy.

An annual programme on backlog maintenance to replace transformers, roof replacements, obsolete fire alarm systems, replacement boilers, and fabric improvements has been carried out.

Accessibility across the estate is under a continuous improvement plan with work being undertaken in two buildings in the last year including additional power doors and accessible toilet provision.

New systems have been introduced improving the data held and collected within the department. This will be used for increased reporting and more informed decision making for space usage, disposals, maintenance, energy saving interventions, and decarbonisation.



Public Benefit Statement

Cardiff University is a registered charity (no. 1136855). It exists to create and share knowledge and to educate for the benefit of all. Its Royal Charter, first granted in 1884, sets out its constitutional arrangements and objects.

Embodied within the objects is the fundamental principle of the advancement of education, empowering the University to research, teach, examine, and award degrees. The objects also contain obligations to develop the character of students, promote health and welfare—especially in Wales— and contribute to social, cultural, and economic development.

A member of the Russell Group of research-intensive universities, Cardiff University sees fundamental research as essential to human aspiration and critical to the development of cultural artefacts, technologies and services that improve the quality of life for all. In setting and reviewing the University's objectives and activities, the University's Council has had due regard to the Charity Commission's guidance on the reporting of public benefit, particularly its supplementary guidance on the advancement of education.

The University's strategy – *Our future, together* – sets out our path to 2035: to co-create and share new knowledge and to deliver a better world for future generations. It maps how Cardiff University will improve the health and wellbeing of staff and students; demonstrates how we will achieve financial sustainability through diversification of income; and explains how student satisfaction and experience will improve. It reiterates our commitment to civic engagement and puts forward a vision for research and innovation that will see the University recognised globally as a pioneer.

In the years ahead, our strategy will build on our strong sense of place in Cardiff, South Wales and Wales more widely. We are committed to using our research strengths, expertise, and knowledge to help government, health services and wider society to support a skills-led economy. We will champion key projects that support our diverse community and we will continue to enhance and celebrate our Welsh identity and the Welsh language culture of our campus.

Our priorities for our students are to provide an excellent, high quality student experience, ensuring their graduate outcomes – whether that's work, further education or travel – are among the best in the sector, and they are equipped to contribute to a skilled workforce. Building on our strong track record in widening participation, we will ensure that students from a variety of backgrounds have access to the benefits of higher education and are supported to achieve their potential – an objective that is also coupled with work on retention and student success.

The University's research will help solve grand challenges in areas such as climate change, biodiversity, health, security, sustainability and social justice. Our bespoke facilities allow for innovative collaborations with industry, government, and wider society and offer enhanced support for students to engage in innovation and entrepreneurial training. Our research will continue to have practical application in our communities with an increase in the number of spinout companies we create.

As we work together to cocreate our future, a global outlook will run through all of our activities. We will build genuinely reciprocal partnerships with institutions around the world and will aim to close the gap in degree outcomes for students of different ethnicities.

Over the next ten years, through our strategy, we are committed to delivering a better world for future generations.



Statement of Corporate Governance

The University's legal status derives from a Royal Charter first granted by Queen Victoria in 1884 to found the University College of South Wales and Monmouthshire. The University's objects, powers and framework of governance are set out in its Charter and its supporting Statutes, the latest amendments to which were approved by the Privy Council in 2022.

Embodied within the Charter are fundamental principles such as the University's power to teach, examine, carry out research and award degrees. The Charter also gives Council its 'supreme authority', establishes Senate for 'ordering of the academic affairs', and establishes the President and Vice-Chancellor as 'the chief academic and executive officer' and Chair of Senate.

The University was registered as a charity in 2010 (1136855).

Council

The Council is the governing body and thus the supreme authority of the University, which means that it is ultimately accountable for the conduct and activity of the University and its representatives. The Council is responsible for the administration and management of the affairs of the University and for agreeing the general strategic direction of the institution.

The Council is committed to conducting its business in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). The Council complies with the Committee of University Chairs (CUC) Higher Education Code of Governance published in September 2020 and the CUC Audit Committee Code of Practice (May 2020).

In the preparation of this statement the Council of the University has had regard for the guidance issued by the Charity Commission:

(i) that there was no element of the CUC HE Code of Governance with which the University's practice was not consistent; and

(ii) that the University's fundraising policies and practices are fully aligned with the Fundraising Regulator's requirements set out in the University's Code of Fundraising Practice. No fundraising complaints were received during the reporting period.

The University's commitment to all funders of the University, and additional commitments to philanthropic donors to the University is available on the University's website:

https://www.cardiff.ac.uk/donate/other-ways-to-give/funders-rights

The University has adopted the Universities in Wales Governance Charter. Following approval of the new University strategy 'Cardiff University: *our future, together*, our path to 2035', Council has agreed a number of University Success Measures relating to culture, cynefin and community. The University has now achieved full implementation of the Commitment to Action.

The Council remains committed to ongoing stakeholder engagement. Development of the proposals to shape the academic future of the University in order to deliver the University strategy involved wide-ranging consultation with internal and external stakeholders. This process was closely overseen by Council and the focus during early 2025-26 will be on identifying and understanding any lessons learned.

The University undertakes regular Council effectiveness reviews with the last external review undertaken in 2024. The report of the external review concluded that the Council could be assured that academic governance was marked as 'improving'. Furthermore that the Council membership is largely reflective of the diversity of the organisation, including in relation to gender and ethnicity,

Statement of Corporate Governance



and is performing well relative to data on other governing bodies in the sector. An action plan to support the implementation of the recommendations from the review was approved by Council in May 2024 and all but five actions have now been completed. The completed actions related to improving the diversity of the Council membership, and the information, training and induction for members of the Senate The remaining actions relate to more clearly defining the role and responsibilities of the Senate within the University's governance documents and will be progressed as part of a constitutional reform project during the forthcoming academic year. The next external effectiveness review will take place during the 2027-28 academic year.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner. The University has in place a Whistleblowing (Public Interest Disclosure) Policy to enable staff, students and other members of the University to raise concerns which are in the public interest. The Policy is brought to the attention of new staff at Induction and is displayed on the University's website; the effectiveness of the Policy is reviewed on an annual basis by the Audit and Risk Committee. Oversight of the University's financial and resource management and strategy is undertaken by the Finance and Infrastructure Committee; during 2024-25 both the Committee and the Council took due regard of the recommendations from the Gillies Report in reviewing the University's financial strategy and the 2025-26 Budget.

The transparency and openness of financial reporting through financial statements is reviewed annually by the Audit and Risk Committee.

During the 2024-25 academic year, the Council met seven times and approved the establishment of Cardiff University Kazakhstan, proposals to reshape the academic activity of the University, the 2025-26 Budget, and a number of business cases. The Council monitored progress across a range of University activities, including the University Success Measures, quality and standards, student experience, finance, estates performance, human resources, and transformation activities. The University seeks to achieve transparency in its governance arrangements and decisions by communicating key decisions to staff and students through BLAS (the staff newsletter) and student news, and publishing the minutes of the Council, Audit and Risk Committee, and the Senate on its website.

The Council has a majority of members from outside the University (described as independent members). Council membership also includes staff and students. The Nominations Sub-Committee (a sub-committee of the Governance Committee) is responsible for overseeing the recruitment process and recommending new independent members to Council for approval. Independent members of Council are recruited in an open, fair and transparent manner and due regard is given to equality and diversity, the need to balance skills and expertise as well as geographical location.

The Council is committed to boardroom diversity; we continue to build on our Strategic Equality Plan actions to promote and develop an inclusive culture and governance by addressing diversity of decision-making committees. This commitment is reflected during 2024-25 by the approval of the Council Membership Diversity Policy, which requires annual monitoring and review of equality data to inform processes for independent member recruitment and induction. The latest review of Council data identified achieving greater diversity in relation to age and religion as priority areas for independent member recruitment during 2024-25 as part of the Council's commitment to equality, diversity and inclusion having already made progress in relation to age diversity as part of the previous recruitment exercise. All vacancies for independent members of Council are advertised externally and recruitment activity is supported by an external search agency, as well as being communicated to staff, students and current members of Council, with expressions of interest particularly welcome from under-represented groups.

Statement of Corporate Governance



During 2024-25 we continued to be a launch partner for Perrett Laver's Governor Apprenticeship Scheme, with our fourth consecutive apprentice governor recently having completed the scheme. The scheme supports boardroom diversity by enabling a diverse and talented pool of candidates otherwise lacking in board room experience, to gain that experience.

Independent members do not receive any payment, apart from the reimbursement of expenses, for the work they do for the University. On appointment, Council members are required to complete a Register of Interests entry.

The current Register of Interests is publicly available on our website:

https://www.cardiff.ac.uk/about/organisation/governance/council

All new members of Council receive an induction to the University and their responsibilities as a member of the governing body, and are supported by a mentor during their first year of membership. There is an annual development programme which focuses on key strategic development areas and information sharing, and which creates opportunities for discussion between Council members and the University's Executive Team. Feedback is collated from all members of Council to inform the annual development schedule and the induction pack is reviewed annually to ensure the currency of the information provided to new members.

The Chair of Council holds an annual meeting with individual members of Council and this feedback is used to inform and improve the effectiveness of the governing body. The Chair of Council held annual review meetings during Spring 2025 and the Chair of Council's next annual review will be conducted by the Vice-Chair of Council, who also undertakes the role of Senior Independent Governor, during Autumn 2025. The Audit and Risk Committee also conducts regular reviews of its effectiveness in line with the CUC HE Audit Committees Code of Practice; the last review was undertaken during 2023-24.

Accountable Officer

The chief executive and principal academic and administrative officer of the University is the Vice-Chancellor, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.

Under the Terms and Conditions of Funding between the University and Medr, the Vice-Chancellor is the Accountable Officer of the University and in that capacity can be summoned to appear before the Audit Committee of the Welsh Government.

Management

As chief executive of the University, the Vice-Chancellor has responsibility for the development of institutional strategy, the identification and planning of new developments, and the shaping of the institutional ethos. The Provost and Deputy Vice-Chancellor, Pro Vice-Chancellors, University Deans and the senior professional officers all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council.

Council Membership

All of those persons listed below served as Charity Trustees throughout the year covered by this Report.

Unless otherwise indicated they also occupied these positions on the date on which the Report was approved.

Name	Category	Attendance at Council
1. **Beth Button**	Independent	6/7
2. **Louise Casella** (appointed 04 Mar 25)	Independent	4/5
3. **Judith Fabian** (term ended 31 Jul 25)	Independent	7/7
4. **Professor Dame Janet Finch** (resigned 31 Mar 25)	Independent	1/3
5. **Madison Hutchinson** (term ended 30 Jun 25)	Student	6/6
6. **Chris Jones** (term ended 31 Jul 25)	Independent	6/7
7. **Professor Urfan Khaliq**	Employee	5/7
8. **Professor Wendy Larner**, Vice-Chancellor	Employee	7/7
9. **Jeremy Lewis** (term ended 31 Jul 25)	Independent	6/7
10. **Stephen Mann**	Independent	6/7
11. **Micaela Panes** (term ended 30 Jun 25)	Student	6/6
12. **Dr Juan Pereiro Viterbo**	Employee	7/7
13. **Maria Pollard** (appointed 01 Jul 25)	Student	1/1
14. **Suzanne Rankin**	Independent	3/7
15. **Dr Siân Rees**	Independent	5/7
16. **David Selway** (term ended 31 Aug 25)	Independent	4/7
17. **John Shakeshaft**, Vice Chair of Council	Independent	7/7
18. **Professor Katherine Shelton**	Employee	6/7
19. **Sean Strong** (appointed 01 Jul 25)	Student	0/1
20. **Professor Damian Walford Davies**	Employee	7/7
21. **Dr Robert Weaver**	Independent	7/7
22. **Dr Catrin Wood**	Employee	7/7
23. **Jennifer Wood**	Independent	6/7
24. **Agnes Xavier-Phillips** (term ended 31 Jul 25)	Independent	6/7
25. **Patrick Younge**, Chair of Council	Independent	7/7

Member attendance is reviewed with the Chair of Council as part of the annual member review process, unless already discussed during the year.

The University must adopt a definition of independence for independent membership of governing bodies to provide a robust approach to identifying and managing conflicts of interest.[1]

Council Membership



Left to right:
Professor Katherine Shelton, Maria Pollard, Tukiya Mutupa, Stephen Mann, Judith Fabian, Professor Wendy Larner, Dr Robert Weaver, Jeremy Lewis, Patrick Younge, Professor Damian Walford Davies, Dr Siân Rees, Agnes Xavier-Phillips, Professor Urfan Khaliq, David Selway, Dr Juan Pereiro Viterbo, Chris Jones, Louise Casella, Dr Catrin Wood.

How is independence defined and tested?

There are several circumstances which may prevent a person being appointed as an independent member of the governing body. The Governing Body's Nominations Sub-Committee has oversight of the appointment process and responsibility for considering these factors.

In response to the Universities in Wales Charter Commitment to Action, the University has adopted a Statement of Independence based on the Welsh Secretaries Group guidance, including a Definition of Independence and Principles of Independence for independent membership. The University defines 'senior employees' as University Executive Board members in this context.

The robust process for ensuring independence through the recruitment and training of members is also set out in the Statement of Independence. When considering applications and interviewing prospective new governors, recruitment panels shall establish whether the individual has any relationships or statuses that might give rise to a conflict of interest or loyalty, as defined in the Principles of Independence and including being related to any senior employee of an organisation gaining a pecuniary advantage from the University.

The University's Statement of Independence is available on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

How does the governing body manage conflicts of interests?

A Register of Interests of all Council and Audit and Risk Committee members is maintained by the Secretary to Council and is available publicly on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

If any member of a Committee has any pecuniary or other interest, direct or indirect, in any contract or proposed contract or other matter involving financial transaction, that interest shall be disclosed to the Committee as soon as practicable. All Committees request that members and officers disclose any interests at the start of each Committee meeting, and the Member shall take no further part in the consideration or discussion of, or vote on, any position with respect thereto. A member of any Committee is not considered to have a pecuniary or personal interest in matters under discussion merely because he/she is a member of staff or student at the University.

As set out in the Statement of Independence section 4, the University Secretary (as Clerk to the governing body) is accountable for highlighting issues of independence or conflict to the Chair.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner. The Whistleblowing (Public Interest Disclosure) Policy enables staff, students and other members of the University to raise conflict of interest concerns which they feel have not been addressed through existing procedures.

1. Source: The Governance Charter for Universities in Wales – Commitment to Action is available at https://www.medr.cymru/wp-content/uploads/2024/07/Universities-of-Wales-Governance-charter-commitments-English.pdf

Statement of Internal Controls and Principal Risks

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

System of Internal Control

The system of internal control is designed to manage rather than eliminate the risk of non-achievement of policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the University's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them effectively.

Council confirms that this process has been in place and operating effectively for the year ended 31 July 2025 and up to the date of approval of the financial statements and accords with Medr guidance.

As the governing body, Council has responsibility for ensuring that a sound system of control is maintained and for reviewing the effectiveness of the arrangements. It meets at regular intervals to consider the plans and strategic direction of the institution and receives assurance reports from the Chair of the Audit and Risk Committee concerning internal control. During 2024-25, in order to strengthen the system of internal controls the University is developing both strategic and operational internal control frameworks so that the control environment is clearly documented and can be actively monitored. The Audit and Risk Committee has monitored progress with the framework's development and has concluded that this provides evidence that the control environment is robust.

The Audit and Risk Committee receives regular reports from the Internal Audit service. Council confirms that the Head of Internal Audit is unequivocally free to act in an independent manner in pursuit of their professional business and is not fettered in their scope or reporting. An independent opinion is provided on each report relating to the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. A summary of the work undertaken by the Internal Audit service is provided in an Annual Report. This provides an independent opinion on the adequacy and effectiveness of the University's arrangements for the provision of risk management, internal control, governance and value for money and data quality.

Considering the completion of the approved audit plan for 2024-25 and the supporting information; the University's arrangements for risk management, control and governance, and value for money and data quality are adequate and effective.

The Vice-Chancellor is the University's Accountable Officer, responsible for providing Medr with clear assurances that the institution has an effective policy of risk management. The Chief Operating Officer and University Secretary is the Chief Risk Officer, responsible for promoting effective risk management across the University.

The University Executive Board (UEB) is the senior management team of the University providing strategic risk review, challenge and advice to the Vice-Chancellor who has overall responsibility for the institutional management of risk. The strategic risk register

and supporting documents are submitted to UEB members at pre-defined intervals for recommendation of inclusion at the Finance and Infrastructure Committee, Audit and Risk Committee, and Council. A comprehensive audit of risk management processes was carried out in 2024 and reported an assurance rating of 'adequate' reflecting that appropriate arrangements were in place and could be further strengthened by the audit findings recommendations. These included two Priority 2, three Priority 3 recommendations all of which have been captured within the risk management improvement plan due to delivered over a 5-year cycle. The audit also identified two value for money recommendations that have both been implemented.

As described in the Risk Management Policy a risk register hierarchy is in place where Professional Service, School and College level registers (which are managed locally) feed up to the strategic risk register in-line with pre-defined scoring thresholds/trigger points. All risks are aligned to the Institution's agreed risk appetite and tolerance statements which allows for the identification of risk themes and patterns relating to areas such as reputation, finance, compliance etc. Project and programme risk management sits outside of the hierarchy with project risk management aligned to the Project and Programme Risk Management Framework which is overseen by UEB.

Risk reporting at strategic level is delivered in-line with a clearly articulated Risk Management Policy. The strategic risk register produces a balanced portfolio of risk exposure which focuses on the treatment of risk themes, aligned to our risk appetite and tolerance impact categories. A review of the strategic risk register is currently underway which has been triggered by the implementation of the new '*Our Future, together*' strategy. Operational risk management is managed at local level with clear reporting lines and aligned governance.

Risk is the responsibility of all staff with mechanisms in place to enable all staff to have a voice in risk identification, management and reporting. The strategic risk radar report and staff intranet site are just two examples of risk tools introduced to boost risk interaction, understanding and awareness across the institution.

Principal Risks

Principal risk title	Risk summary 2024-2025
Regulatory Compliance **Risk Event:** If the University fails to identify, define, document, and communicate legal and regulatory requirements (such as Welsh Language Standards, SSSI protection, GDPR, increasingly stringent UKVI regulations, tax legislation, PREVENT, ICO, Medr etc.)	Cardiff University has a detailed Regulatory Compliance Risk Assurance Map which demonstrates how the University understands, articulates, and complies with its legal and regulatory responsibilities. The assurance map lists the legal and regulatory framework for each area of compliance for the University including how the three lines of assurance apply to each area of compliance. A review of the map is underway, which will include review of compliance frameworks to consider availability of evidence for the specific compliance requirements for each area of legal/regulatory compliance and detailing how processes are applied, monitored and assurance reported. In addition to this, a quarterly review is undertaken to explore and map any new legislation which has been implemented during the previous period and any significant case law that provides relevant information on the application of legislation. Horizon scanning is also carried out for legislation which is in development stages/under consideration. This work is also supported by a Regulatory Assurance Heat Map, which is also currently under review. The Heat Map allows the University to readily identify the higher risk areas of legal and regulatory compliance using measures such as availability of up to date policy & procedure, internal audit findings and arrangements for monitoring and reporting to review the levels of assurance which are in place for each area. The Assurance Map requires regular updates to reflect developments in compliance arrangements. This aids in the understanding that the University has of how this risk is being mitigated, where further work is required and which actions can be taken should an element of this risk materialise. Work is also currently underway to develop an internal controls framework that will assist with oversight of controls in place for legal and regulatory compliance.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2024-2025
Cyber & Information Security **Risk Event:** If the University suffers a cyber-attack and/or an information security breach	Cardiff University has a multi-layered approach to Cyber and Information Security. We prepare and review our ability to respond to cyber-attacks and data breaches through scenario planning and testing the effectiveness of both business continuity and disaster recovery contingency plans. The University is regularly audited by cyber experts and is currently accredited for both Cyber Essentials and Cyber Essentials + (this is cyber assurance provided by the National Cyber Security Centre). The University has a mandatory all staff information security training module, and regularly undertakes awareness raising campaigns to highlight cyber and information security risks. We have protected the University through the use of best-in-class cyber security tools and information governance controls. We proactively manage cyber and information security risk to reduce the university's exposure to current and emerging threats. We detect threats using the latest national and international threat intelligence data combined with a full suite of monitoring tools.
Financial Sustainability **Risk Event:** If the University becomes financially unsustainable in the medium to long-term	The University continues to face a challenging external financial environment, with sustained inflationary pressures, eroded real-terms tuition fee income, and uncertainty in international student recruitment due to visa policy changes. In this context, the risk of financial unsustainability remains high across the UK higher education sector. Cardiff has taken proactive steps to mitigate this risk. Our integrated planning process ensures close alignment between academic, financial, and workforce strategies. Budget control and forecasting are underpinned by scenario modelling, and robust monitoring arrangements are in place through Council, Finance & Infrastructure Committee and UEB. The new 2035 strategy "*Our Future Together*" with the supporting transformation programme, spearheaded by the Academic Futures programme provides a clear route to academic and financial sustainability. This approach embeds financial sustainability within curriculum design, digital innovation, and staff structures. This is supported by a multi-year transformation budget, a revised Financial Strategy, and targeted measures to restore operating surpluses over time.
Carbon Net Zero **Risk Event:** If the University does not make significant progress in achieving its ambitions of reaching carbon net zero (Scope 1 and 2) by 2030	The Environmental Sustainability Sub-Committee has continued to drive, and give assurance on, progress towards net zero goals. This is now monitored as a University Success Measure. Though controls and actions have reduced our risk status, that risk remains significant. Work to establish a baseline for the University's carbon emissions is complete, with annual reporting of our emissions now established. We are now undertaking more granular monitoring and are developing an energy modelling platform for future net zero energy modelling. We are on programme to complete the initial project funded by Salix to reduce our carbon emissions in October 2025. We have secured additional funding through Digarbon to undertake fabric improvements which will provide carbon savings and enabling a future move to remove gas heating. Other key levers and mitigations include divestment of elements of our legacy estate, committed resource to improve metering, transition our fleet to electric vehicles, and engagement with users on energy efficiencies. Comprehensive feasibility work has been undertaken, and this will be incorporated into our net zero (scopes 1 and 2) implementation plan. Academic leadership in this area has been enhanced by the appointment of a University Dean of Environmental Sustainability.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2024-2025
Academic Standards **Risk Event:** If standards of awards are not appropriately set and maintained	The University has a well-established academic quality system, complying with regulatory requirements and aligned with sector norms, with implemented controls to ensure the risk is managed. The academic quality system enables the required assurance statements on academic standards to be provided by Council to Medr. In June 2025 the University appointed to a new post of Dean for Academic Quality to strengthen academic leadership in this area. Actions are being taken through the Mark Processing Project to address issues and strengthens controls to minimise assessment mark errors. A new marking and moderation policy and an academic feedback policy were implemented in 2024-25. The policies will introduce more effective and efficient processes for the maintenance of academic standards and enhance the feedback students receive on assessments. Action is being taken to fully implement an Inclusive Education Framework to address the ethnicity awarding gaps: the gaps between the good degree outcomes (1st and 2-1) of UK Black, Asian, and Minority Ethnic students and UK white students.
Quality of Education and Student Experience **Risk Event:** If the quality of the student experience does not meet stakeholder needs or expectations	NSS action plans are in place across all Schools and Professional Services to address key issues, particularly where we are below sector benchmark. The Marks Processing Project is successfully addressing mark errors issues, with a 75% reduction over the past 12-month period, and with new SOPs rolled out to Schools. The implementation of a new Timetabling system continues, with successful delivery of exams and resits timetables, and work underway on the 2025/26 timetable. New Education Deans have been appointed for Education Quality, Curriculum and Innovation and Student Success. Work is underway to develop principles for a future curriculum, including innovative approaches for teaching large cohorts. A pilot approach of streaming live lectures received mixed feedback from students, and a commitment has been made to move away from this approach. The Academic Futures proposals have led to anxiety and concern for students, which we have addressed through engagement via Schools and Colleges. Planning is underway to roll out Hubs to bring together student and staff education support in a more coherent and consistent way. Cardiff University Kazakhstan is being established for a first intake in 2025/26 with quality processes and mechanisms for gathering student feedback also being developed. A new Institute of Flexible Lifelong Learning is also being established..
Dental School **Risk Event:** If the School of Dentistry fails to provide the clinical teaching facilities necessary to meet PSRB competencies and Welsh Government commissioned graduates	Cardiff University has an established strategic partnership with the Cardiff and Vale University Health Board (CVUHB) that enables robust risk mitigation and monitoring of the University Dental Hospital (UDH) estate via formal governance structures. The senior management teams in the College of Biomedical and Life Sciences and CVUHB are actively reviewing future opportunities to reduce reliance on the existing estate for dental education to mitigate against concerns with the ageing infrastructure.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2024-2025
Student Welfare and Wellbeing **Risk Event:** If the University does not provide sufficient or appropriate welfare, wellbeing, and mental health support	In line with the wider sector, we have seen significant increases in demand for student wellbeing and counselling support. Counselling and wellbeing services are under considerable pressure, with unacceptable waiting lists currently in place (in excess of 14 weeks). The Students Union has flagged this as one of their key areas of concern in their 2025 Student View. We are currently undertaking a review of the service to improve timeliness of provision, and signpost students through the most appropriate route to support depending on their needs. A pilot 'Wellbeing Student Connect' service (with funding via Medr) has been well received and has assisted in effectively triaging support and providing immediate assistance at the point of need. We are exploring how best to roll this out more widely, in the context of new student hubs for 2025/26. The Student Support and Intervention Team is able to deal with urgent student disclosures, including around sexual and domestic violence, and offer support within 24 hours. The roll out of the Report and Support system has also been well received and has provided a reporting platform (where students can report anonymously if they choose) which will enable us to better target resources and monitor trends over time. The Tackling Abuse and Sexual Violence Against Women Task and Finish group has made significant change but more is planned so it has now become a Working Group. We have also created a new University Mental Health and Wellbeing Strategy, with an aligned Student Mental Health and Wellbeing Strategy and Implementation Plan. A significantly updated Suicide Prevention Action Plan has also been written with an ongoing Working Group being established. The ground-breaking partnership with the NHS for mental health liaison and support continues to expand across Wales and collect data on trends. Through this service we can also provide CBT support for students and mental health nurse-led services on site.
Estate Repair and Maintenance **Risk Event:** If University buildings are not in a sufficient state of repair to ensure service delivery	The repair and maintenance of the estate continues to require substantial investment. The risk is managed through prioritisation of backlog maintenance works by compliance, health & safety, student experience and business continuity plans. The condition survey along with experience of the team is being used to inform the backlog maintenance required. The budget and resourcing in an annual cycle reduces the work which can be implemented without disruption. A 5-year plan is being produced to enable timely planning and budgeting to reduce reactive maintenance. Cardiff and Vale Health Board are unable to satisfactorily maintain the space used by the University on the hospital site. In response the University are reducing space requirements in hospital owned and maintained buildings.
Research Income **Risk Event:** If research income reduces to below an acceptable threshold	Cardiff University has a large and diverse research portfolio supported through a variety of funders and recognises the importance of this income stream to the financial sustainability of the institution. It has invested in a large-scale change programme to create a one-University approach to support research applications and awards. This includes a new online system and a new delivery model for professional service teams supporting research activities which is now embedded across the institution. In addition, a Research Income Group has been instigated to monitor and further refine our approach to maximising cost recovery. Through investments in physical infrastructure such as the Social Science Park (SPARK) and Translational Research Hub (TRH) the University is well placed to apply for large scale grants. A coordinated programme of engagement with external funders is well established which includes a programme of support for European funding schemes which includes investment in additional professional support.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2024-2025
Future Research Quality **Risk Event:** If research income reduces to below an acceptable threshold	Cardiff University continues to consolidate interventions to support sustaining and enhancing research quality and transforming research culture, with dedicated resources to support academic departments coordinate programmes of activity. Action planning, implementation and review cycles have been introduced for all academic Schools involving senior management and the Pro Vice-Chancellor for Research, Innovation and Enterprise. The University has reinvested in an institution wide research leave scheme, providing colleagues with a period of strategic and focused leave to pursue activities aligned to the development of high-quality research and/or impact as well as supporting positive research culture behaviours and values. Following the analysis of an institution wide Research Culture Survey conducted in 2022, an action plan is delivering support for cultural changes aligned to strengthening the wider research environment. Our Wellcome Trust funded 'Ignite' programme continues to support colleagues to work together to develop positive research culture and empower the next generation of research culture leaders.
UK Visas and Immigration **Risk Event:** If the UK Visas and Immigration (UKVI) sponsor license is suspended or revoked	The University has a multi disciplined approach to maintaining compliance with UK Visas and Immigration (UKVI) international student compliance regulations. We regularly assess the effectiveness of our UKVI controls, testing procedures to maintain the required evidence and databases to support UKVI reporting requirements. We proactively manage risks to reduce threat to the University's student route sponsor licence, without which we would be unable to recruit international students. There is regular discussion between the professional services departments who are responsible for the international student journey to enable the smooth running of processes that contribute to positive student experience, as well as regular training and update sessions with academic and School staff. Mitigating actions are in place to maintain a robust University position for upcoming UKVI audit visits, including automation of reporting processes, regular monitoring of University policy and procedure, and the establishment of internal networks that provide opportunities for student visa compliance knowledge sharing and engagement activities for University staff.



Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2024-2025
Staff Safety and Wellbeing **Risk Event:** If the University is unable to maintain its commitment to the health, safety and wellbeing of staff including its statutory duty of care (considering physical and psychological safety)	Cardiff University has a multi-layered approach to monitoring the management of safety, health, environment and wellbeing (SHEW). The University is certified to international standards for the management of H&S, environmental management and psychological safety. The University's SHEW management system is regularly audited by an external audit provider in addition to centrally managed ongoing internal SHEW audits and local oversight of SHEW issues. The University monitors SHEW performance via its Health, Safety and Wellbeing (HSW) Committee which also provides the opportunity to consult with the recognised Trade Unions. SHEW Committees at College/Professional Services level feed into the HSW Committee. A central advisory service supports the institution in its management of SHEW issues underpinned by a network of locally based Safey Officers, Environmental Compliance Officers and Dignity & Wellbeing Contacts. The University also have access to occupational health provision and an employee assistance programme to support staff. The University embarked on a transformation programme to deliver its strategy and ensure financial and academic sustainability during 2024/25. This inevitably impacted on staff wellbeing. Whilst preparatory measures were undertaken to prepare for the impact, it was not possible to offset the impact of the changes completely. The University takes it duty of care to staff extremely seriously and in order to mitigate the impact as much as possible, the following additional steps were taken to support staff: ▪ Staff wellbeing strategy aligned to the stages of the transformation ▪ Review and update of the organisational stress risk assessment ▪ Enhancement of the staff wellbeing support offer
International Student recruitment targets not met. **Risk Event:** If we do not meet our student recruitment targets (International)	This risk was previously held on the Strategic Risk Register, but during the 2024-25 academic year it was identified that this risk had materialised. Cardiff University is not alone in witnessing the materialisation of this risk as this has been identified as an issue which is impacting multiple HEI across the Russell Group and sector. Difficulties faced by the sector are well-documented and include increased competition for international students. Mitigation for this issue is being managed through the extensive transformation programme which is currently underway, including our TNE enterprises.

Responsibilities of the Council of Cardiff University

In accordance with the University's Charter, the Council is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control.

The Council is responsible for ensuring the University and Group Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the University's Charter, the Accounts Direction and Terms and Conditions of Funding issued by Medr, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions 2019, the Charities Act 2011 and other relevant accounting standards.

The Council, through its Accountable Officer, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and its subsidiaries and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year. The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the University's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the University and Group and to enable it to ensure that the Financial Statements comply with applicable law and regulations.

The Council is also responsible for safeguarding the assets of the University and Group and for taking reasonable steps for the preventions and detection of fraud and other irregularities.

In preparing these Financial Statements, the Council is required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.

The Council has taken reasonable steps to:

- ensure that funds from Medr, Welsh Government and other Funding Bodies are used only for the purposes for which they have been given and in accordance with the Medr Terms and Conditions of Funding and Financial Management Code; and any other conditions which Medr or any other Funding Body may from time to time prescribe.
- ensure that income, where appropriate, has been applied in accordance with paragraph 145 of the Medr's Financial Management Code (FMC);
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.
- safeguard the assets of the University and its subsidiaries and prevent and detect fraud; and
- secure the economical, efficient and effective management of the resources and expenditure of the University and its subsidiaries.

Any system of internal financial control can, however, provide reasonable, but not absolute, assurance against material misstatement or loss.

On behalf of the Council
Professor Wendy Larner
Accountable Officer
28 November 2025

Independent Auditor's Report to the Council of Cardiff University

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Cardiff University ("the Institution") for the year ended 31 July 2025 which comprise the Consolidated and Institution Statements of Comprehensive Income, the Consolidated and Institution Statements of Changes in Reserves, the Consolidated and Institution Statement of Financial Position, and the Consolidated and Institution Statements of Cash-Flow and the related notes, including the Statement of Principle Accounting Policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Institution's affairs as at 31 July 2025 and of the Group's and of the Institution's income and expenditure, gains and losses, changes in reserves, and cash flows for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under the Charters and Statutes of the Institution and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit and Risk Committee.

We were first appointed as auditor by the Council on 7 July 2022. The period of total uninterrupted engagement is for the four financial years ended 31 July 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview		
Materiality: Group financial statements as a whole		£6.3 million (2024: £6.3 million) 0.99% of Group total income (2024:0.97%)
Key audit matters		**Change since 2024**
Recurring risks	Research Grants & Contract Income	◀▶
	Valuation of Cardiff University Pension Fund Liabilities	◀▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, (unchanged from 2024), in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Group and Institution: Research Grants and Contract Income (£131 million (2024: £127 million))	**2024-25 income** The Institution manages a significant number of projects from a range of public and private sources with a variety of contractual requirements in terms of treatment of direct and overhead costs and other evidence/compliance requirements. Research grants and contracts income are accounted for under the Performance Model. Unless specifically disallowed, in most cases expenditure on the grant purpose is presumed to be the performance condition and therefore income is generally recognised in line with the related expenditure, including apportioned overhead costs. We have identified a significant risk of fraud and error due to: • The risk of inappropriate apportionment of overhead costs resulting in inappropriate recognition of research income; • The risk of non-compliance with grant terms and conditions resulting in income not being recognised in line with the Institution's accounting policies or relevant accounting standards. • The risk of non-compliance with grant terms and conditions resulting clawback of funding by research funders.	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: • Test of Detail: For a sample of research expenditure recorded in the year, we assessed whether the expenditure incurred was in accordance with the terms and conditions of the relevant contract; • Test of Detail: For a sample of research expenditure recorded in the year, we assessed whether overhead rates applied were appropriate by reference to the terms of the grant agreement; • Test of Detail: For a sample of research projects with underlying milestones, we assessed whether income had been appropriately recognised based upon whether the milestone had been met in accordance with the grant agreement. We also agreed the income recognised to invoices raised and cash receipts. • Test of Detail: We inspected the reconciliation of research expenditure to corresponding research income to assess whether income had been accounted for in accordance with the requirements of the relevant accounting standards. • Test of Detail: For a sample of research projects with large accrued and deferred income balances at year-end, we inspected the grant agreements, cash received to date, and the payment profile to assess whether research expenditure and income had been accounted for in the appropriate accounting period. • Inquiry: We inquired with management as whether there were any disputes or significant issues on any projects that could impact on recognition of the research grants and contract income. **Our results** The results of our testing were satisfactory and we considered the amount of research grants and contract income recognised by the Group and the Institution to be acceptable (2024: acceptable).

	The risk	Our response
Group and Institution: Valuation of Cardiff University Pension Fund Liabilities Present value of scheme liabilities for Cardiff University Pension Fund: £205.0 million (2024: £230.0 million). Refer to note 1 (accounting policy) and note 25 (financial disclosures).	**Subjective estimate valuation** The Institution and Group are a member of a number of defined benefit schemes, including the Cardiff University Pension Fund ("CUPF"). The CUPF scheme is the largest scheme. The valuation of the CUPF scheme liabilities (before deducting scheme assets) involves the selection of appropriate actuarial assumptions, most notably the discount rate, salary increase, and mortality rates. The selection of these assumptions is inherently subjective and small changes in these assumptions and estimates used to value the CUPF scheme liabilities could have a significant effect on the financial position of the Institution and the Group. The effect of these matters is that, as part of our risk assessment, we determined that valuation of the CUPF scheme liabilities has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 25) disclose the sensitivity estimated by the Institution and the Group.	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: • **Our actuarial expertise**: We challenged, with the support our own actuarial specialists, the key assumptions and estimates used in the calculation of the CUPF scheme liabilities being the discount rate, salary increases and mortality rate. This included comparing key assumptions against our own benchmark ranges derived from externally available data and against those used by other universities reporting on the same period. • **Assessing external actuaries' credentials:** We assessed the competence and independence of the external actuary engaged by the Group. • **Assessing transparency:** We considered the adequacy of the Group's disclosure in respect of the CUPF retirement benefits, in particular the gross scheme liabilities and the sensitivity of the scheme liabilities to the assumptions used. **Our results** We found the resulting estimate of the CUPF scheme liabilities for the Group and the Institution to be acceptable (2024: acceptable).

3. Our application of materiality and an overview of the scope of our audit

Our application of materiality

Materiality for the Group financial statements as a whole was set at £6.3 million (2024: £6.3 million), determined with reference to a benchmark of Group total income for 2024/25 of £636 million (2024: £648 million), of which it represents 0.99% (2024: 0.97%).

Materiality for the Institution financial statements was set at £6.2 million (2024: £6.2 million), determined with reference to a benchmark of Institution total income for 2024/25 of £629 million (2024: £637 million), of which it represents 0.99% (2024: 0.97%).

We consider total income, rather than a surplus-related benchmark, to be the appropriate benchmark as the Institution is a not-for-profit organisation.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 65% (2024: 65%) of materiality for the financial statements as a whole,

which equates to £4.1 million (2024: £4.1 million) for the Group and £4.0 million (2024: £4.0 million) for the Institution. We applied this percentage in our determination of performance materiality based on the level of control deficiencies and misstatements identified during our prior year audit.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £315k (2024: £310k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Impact of controls on our group audit

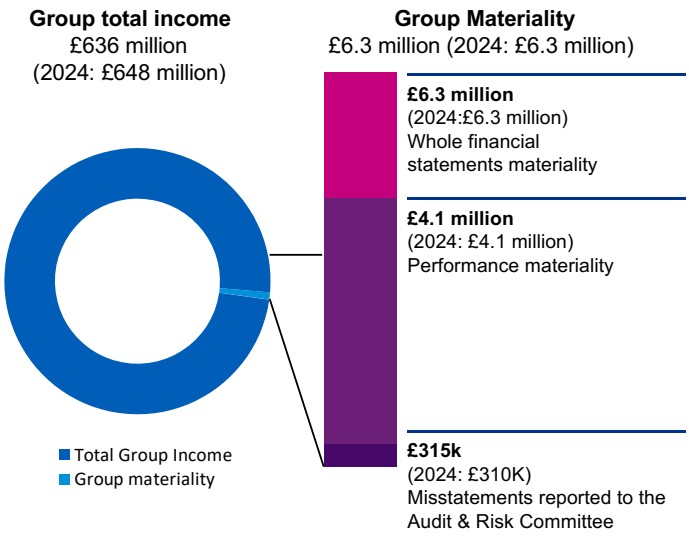
The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

Overview of the scope of our audit

This year, we applied the revised group auditing standard in our audit of the consolidated financial statements. The revised standard changes how an auditor approaches the identification of components, and how the audit procedures are planned and executed across components.

In particular, the definition of a component has changed, shifting the focus from how the entity prepares financial information to how we, as the group auditor, plan to perform audit procedures to address group risks of material misstatement.

We identified the Group as a whole to be a single component, having considered the Group's operational structure, the Group's legal structure, the existence of common information systems, and our ability to perform audit procedures centrally. Accordingly, we performed audit procedures on the single component using the Group materiality levels set out above.



4 Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the Institution or to cease their operations, and as it has concluded that the Group's and the Institution's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Institution's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Institution's available financial resources over this period were:

- A reduction in tuition fee income; and
- Impact of inflation on underlying cost base.

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the Council's sensitivities over the level of available financial resources indicated by the Group's financial forecast taking account of severe, but plausible adverse effects that could arise from these risks individually and collectively.

Our procedures also included:

- Critically assessing assumptions in base case and downside scenarios relevant to liquidity, in particular in relation to tuition fee income and the timing of related cash flows including knowledge of the entity's plans and the sector in which it operates.
- We also compared past budgets to actual results to assess the Council's record of budgeting accurately.
- We considered whether the going concern disclosure in note 1 to the financial statements gives a full and accurate description of the Council's assessment of going concern.

Our conclusions based on this work:

- We consider that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the Council's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Institution's ability to continue as a going concern for the going concern period; and
- We found the going concern disclosure in note 1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Institution will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Audit and Risk Committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Council and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reading a copy of the Group's risk register.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk that Research Grants and Contract Income is overstated through recording revenues in the wrong period, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts and unusual cash and borrowing journals.
- Performing testing as detailed in Section 2 of our report in relation to the fraud risk that Research Grants and Contract Income is overstated through recording revenues in the wrong period.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Audit and Risk Committee and other management (as required by auditing standards), and discussed with the management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities legislation, and higher education related legislation and regulation), taxation legislation, pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: GDPR, Health and Safety legislation, employment and social security legislation, and the higher education regulatory requirements of the Commission for Tertiary Education and research (Medr), recognising the regulated nature of the Institution's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Council and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Council of Cardiff University

6. We have nothing to report on the other information in the Annual Report

The Council (the members of which are the Trustees of the Institution for the purposes of charity law) is responsible for the other information, which comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion the information given in the Vice Chancellor's Review, Financial Review, Statement of Corporate Governance, and Statement of Internal Control (which together constitutes the Trustees' Annual Report for the financial year) is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the Institution has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.
- We have nothing to report in these respects.

8. Respective responsibilities

Council's responsibilities

As explained more fully in its statement set out on page 56, Council is responsible for: the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the Institution or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT OF OTHER LEGAL AND REGULATORY REQUIREMENTS

9. Reporting on other legal and regulatory requirements

We are required to report on the following matters prescribed in the Financial Management Code issued under the Higher Education (Wales) Act 2015 and the Accounts Direction to Higher Education Institutions for 2024/25 issued by Medr ("the Accounts Direction").

The regulation of the Welsh Higher Education sector was transferred from HEFCW to Medr, the Commission for Tertiary Education and Research on 1 August 2024. The Financial Management Code and Terms and Conditions of Funding 2024/25 issued by HEFCW remain in place at the date of our report. In view of this transfer, any reference to HEFCW in our report should be read as also referring to Medr.

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the Institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income, where appropriate, has been applied by the Institution in accordance with paragraph 145 of the HEFCW's Financial Management Code;
- Funding Council grants (including grants from Medr) have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding 2024/25 issued by HEFCW; and
- the requirements of Medr's Accounts Direction have been met.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council in accordance with Section 4 of the Charters and Statutes of the Institution and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act.

Our audit work has been undertaken so that we might state to Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institution and the Council for our audit work, for this report, or for the opinions we have formed.

Jonathan Brown

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants.

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX
28 November 25

Consolidated and Institution Statements of Comprehensive Income

Year ended 31 July 2025

	Note	Consolidated 2025 £'000	Consolidated 2024 £'000	Institution 2025 £'000	Institution 2024 £'000
Income					
Tuition fees and education contracts	2	317,942	328,285	317,942	328,285
Funding body grants	3	82,964	83,213	82,964	83,213
Research grants and contracts	4	130,952	126,500	131,021	126,600
Other income	5	90,986	95,186	83,684	83,898
Investment income	6	10,509	11,707	10,381	11,544
Donations and endowments	7	1,388	4,177	1,682	4,493
Total Income		634,741	649,068	627,674	638,033
Expenditure					
Staff costs	8	375,010	373,137	375,010	373,137
Staff cost – Voluntary Severance/Redundancy	8	24,349	-	24,349	-
Staff costs – decrease in USS pension scheme provision	10	-	(162,794)	-	(162,794)
Other operating expenses	10	230,017	234,623	222,604	223,377
Depreciation	11	49,805	50,632	49,805	50,632
Interest and other finance costs	9	12,839	16,033	12,839	16,033
Total Expenditure	10	692,020	511,631	684,607	500,385
Operating (deficit)/surplus before other gains and losses		**(57,279)**	**137,437**	**(56,933)**	**137,648**
Gain / (loss) on disposal of fixed assets		833	(174)	833	(174)
Impairment of tangible fixed assets	11	(130)	(593)	(130)	(593)
Gain on sale of non-current investments	12	7,323	7,115	7,323	3,184
Gain on valuation of investments	15	4,524	36,923	4,524	36,923
Share of (deficit) / surplus in joint venture	12	(318)	70	-	-
(Deficit)/Surplus for the year		**(45,047)**	**180,778**	**(44,383)**	**176,988**
Other Comprehensive Income					
Impairment on the revaluation of assets		(1,622)	-	(1,622)	-
Actuarial gain/(loss) in respect of pension schemes	21	12,400	(3,440)	12,400	(3,440)
Total comprehensive (deficit)/ surplus for the year		**(34,269)**	**177,338**	**(33,605)**	**173,548**
Represented by:					
Endowment comprehensive income for the year		385	6,850	385	6,850
Net restricted comprehensive expenditure for the year		(14)	(92)	(14)	(92)
Unrestricted comprehensive (expenditure) / income for the year		(34,640)	170,580	(33,976)	166,790
		(34,269)	**177,338**	**(33,605)**	**173,548**

All items of income and expenditure relate to continuing activities.

The Notes on page 67 to 102 form part of these financial statements.

Consolidated and Institution Statements of Changes in Reserves

Year ended 31 July 2025

Consolidated	Income and expenditure account			Revaluation reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2023	46,247	160	329,170	301,939	677,516
Surplus / (deficit) from the income and expenditure statement	6,850	(92)	174,020	-	180,778
Other comprehensive expenditure	-	-	(3,440)	-	(3,440)
Total comprehensive surplus / (deficit) for the year	6,850	(92)	170,580	-	177,338
Transfers between reserves	-	-	5,587	(5,587)	-
Balance at 31 July 2024	**53,097**	**68**	**505,337**	**296,352**	**854,854**
Surplus / (deficit) from the income and expenditure statement	385	(14)	(45,418)	-	(45,047)
Other comprehensive income	-	-	10,778	-	10,778
Total comprehensive surplus / (deficit) for the year	**385**	**(14)**	**(34,640)**	**-**	**(34,269)**
Transfers between reserves			6,933	(6,933)	-
Balance at 31 July 2025	**53,482**	**54**	**477,630**	**289,419**	**820,585**

Institution	Income and expenditure account			Revaluation Reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2023	46,247	160	330,681	301,939	679,027
Surplus / (deficit) from the income and expenditure statement	6,850	(92)	170,230	-	176,988
Other comprehensive expenditure	-	-	(3,440)	-	(3,440)
Total comprehensive surplus / (deficit) for the year	6,850	(92)	166,790	-	173,548
Transfers between reserves	-	-	5,587	(5,587)	-
Balance at 31 July 2024	**53,097**	**68**	**503,058**	**296,352**	**852,575**
Surplus / (deficit) from the income and expenditure statement	385	(14)	(44,754)	-	(44,383)
Other comprehensive income	-	-	10,778	-	10,778
Total comprehensive surplus / (deficit) for the year	**385**	**(14)**	**(33,976)**	**-**	**(33,605)**
Transfers between reserves	-	-	6,933	(6,933)	-
Balance at 31 July 2025	**53,482**	**54**	**476,015**	**289,419**	**818,970**

The Notes on page 67 to 102 form part of these financial statements.

Consolidated and Institution Statements of Financial Position

Year ended 31 July 2025

	Note	Consolidated 2025 £'000	Consolidated 2024 £'000	Institution 2025 £'000	Institution 2024 £'000
Non-current assets					
Tangible fixed assets	11	937,952	956,775	937,952	956,775
Investments	12	19,666	17,353	18,140	15,508
		957,618	974,128	956,092	972,283
Current assets					
Stocks	13	273	268	273	268
Trade and other receivables	14	60,509	61,656	61,038	61,608
Investments	15	336,151	320,690	336,151	320,690
Cash and cash equivalents	16	78,908	105,806	75,656	103,037
		475,841	488,420	473,118	485,603
Creditors: amounts falling due within one year	17	(158,276)	(159,436)	(155,767)	(157,053)
Net current assets		317,565	328,984	317,351	328,550
Total assets less current liabilities		1,275,183	1,303,112	1,273,443	1,300,833
Creditors: amounts falling due after more than one year	18	(446,729)	(430,263)	(446,729)	(430,263)
Pension provisions	21	-	(15,197)	-	(15,197)
Other provisions	22	(7,869)	(2,798)	(7,744)	(2,798)
Total net assets		**820,585**	**854,854**	**818,970**	**852,575**
Restricted Reserves					
Income and expenditure - endowment reserve	23	53,482	53,097	53,482	53,097
Income and expenditure - restricted reserve		54	68	54	68
Unrestricted Reserves					
Income and expenditure - unrestricted		477,630	505,337	476,015	503,058
Revaluation reserve		289,419	296,352	289,419	296,352
Total Reserves		**820,585**	**854,854**	**818,970**	**852,575**

The Notes on page 67 to 102 form part of these financial statements.

The financial statements on pages 63 to 102 were approved by Council on 26 November 2025 and were signed on its behalf on 28 November 2025 by:

Patrick Younge
Chair of Council

Professor Wendy Larner
Vice-Chancellor

Darren Xiberras
Chief Financial Officer

Consolidated and Institution Statements of Cash-flow

Year ended 31 July 2025

	Note	Consolidated 2025 £'000	Consolidated 2024 £'000	Institution 2025 £'000	Institution 2024 £'000
Cash flow from operating activities					
(Deficit) / surplus for the year		(45,047)	180,778	(44,383)	176,988
Adjustment for non-cash items					
Depreciation	11	49,805	50,632	49,805	50,632
Impairment of fixed assets	11	129	593	129	593
Gain on disposals of fixed assets	11	833	940	833	940
Share of operating deficit / (surplus) in JV's	12	318	(70)	-	-
Receipt of donated assets		-	(1,250)	-	(1,250)
Non-cash pension credits	21	(2,797)	(168,575)	(2,797)	(168,575)
(Increase)/ decrease in stock	13	(5)	21	(5)	21
Decrease in debtors	14	1,147	2,744	569	4,026
Decrease in creditors	17,18	(1,255)	(8,602)	(1,381)	(9,414)
Increase/ (decrease) in other provisions		5,071	(724)	4,946	(724)
Adjustment for investing or financing activities					
Capital grant income	3,5	(9,203)	(8,467)	(9,203)	(8,467)
Investment income	6	(10,509)	(11,707)	(10,381)	(11,544)
Interest payable	9	11,668	11,693	11,668	11,693
New endowments	23	(672)	(2,129)	(672)	(2,129)
Gain on disposal of non-current investments	12	(7,323)	(7,115)	(7,323)	(3,184)
Gain on current investments	15	(4,524)	(36,923)	(4,524)	(36,923)
Net cash inflow from operating activities		(12,364)	1,839	(12,719)	2,683
Cash flows from investing activities					
Capital grant receipts		8,717	9,763	8,717	9,763
Investment income	6	10,509	11,707	10,381	11,544
(Increase)/ decrease in deposits	15	(10,937)	106,672	(10,937)	106,672
Payments made to acquire fixed assets	11	(34,618)	(53,740)	(34,618)	(53,740)
Non-current investment acquisitions	12	(3,219)	(3,295)	(3,219)	(3,295)
Proceeds from sale of fixed assets		1,052	769	1,052	769
Non-current investment disposal proceeds	12	7,910	1,553	7,910	1,553
Net cash (outflow)/inflow from investing activities		(20,586)	73,429	(20,714)	73,266
Cash flows from financing activities					
Interest paid	9	(12,142)	(12,160)	(12,142)	(12,160)
Endowment cash received	7	672	2,129	672	2,129
Repayments of amounts borrowed	17,18	(700)	(2,259)	(700)	(2,259)
New unsecured borrowings	18	18,222	6,242	18,222	6,242
Net cash inflow / (outflow) from financing activities		6,052	(6,048)	6,052	(6,048)
(Decrease)/increase in cash and cash equivalents in the year		(26,898)	69,220	(27,381)	69,901
Cash and cash equivalents at beginning of the year		105,806	36,586	103,037	33,135
Cash and cash equivalents at end of the year	16	78,908	105,806	75,656	103,036

The Notes on page 67 to 102 form part of these financial statements.

Notes to the Financial Statements

Year ended 31 July 2025

1. Statement of Principal Accounting Policies

Basis of preparation

This consolidated financial information has been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, the Financial Reporting Standard (FRS 102) and the Charities Act 2011. The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial information is prepared in accordance with the historical cost convention (modified by the revaluation of land and buildings and the measurement of certain financial instruments at fair value).

The Group and University's activities, together with the factors likely to affect its future development, performance, and position, are set out in the Financial Review which forms part of the Board of Council's Report. The Council's Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

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

- The Council has reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements.
- After reviewing these forecasts, the Council is of the opinion that, taking account of severe but plausible downsides, such as reduction in tuition fee income and cost inflation, the Group and parent Institution will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, Council is confident that the Group and parent Institution will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore has prepared the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial information consolidates the financial statements of the Institution, and its subsidiary undertakings University College Cardiff Consultants Limited and International Learning Exchange Programme Limited for the financial year to 31 July. It does not include those of the University Students' Union, SETsquared Partnership, CVCP Properties plc or the Cardiff Partnership Fund Limited as the Council does not exercise control over their financial and operating activities.

Uniform accounting policies are adopted throughout the Group. Joint ventures are accounted for using the equity method.

Recognition of income

Tuition fee income is stated gross, apart from expenditure that is a discount (including prompt payments) or fee waivers and is credited to the Consolidated Statement of Comprehensive Income. Bursaries and scholarships (including those administered by third parties) are accounted for gross as expenditure and not deducted from income.

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customer, or the terms of the contract have been satisfied.

Investment income is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

Funds the Institution receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the Institution where the Institution is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Grant funding including funding council block grants, research grants from government sources and grants (including research grants) from non-government sources are recognised as income when the performance related conditions have been met and the Institution has become entitled to the income. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the Institution is entitled to the funds and is retained within the separate restricted reserve until such time that it is utilised in line with such restrictions.

Donations with no restrictions are recognised in income when the Institution is entitled to the funds.

1. Statement of Principal Accounting Policies (continued)

Investment income and movements in fair value of endowments are recorded in income in the year in which they arise and as either restricted or unrestricted income according to the terms of the endowment.

Restrictions applied to the individual endowment funds

There are four main types of donations and endowments identified within reserves:

1. **Restricted donations** - the donor has specified that the donation must be used for a particular objective.
2. **Unrestricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Institution.
3. **Restricted expendable endowments** - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Institution has the power to use the capital.
4. **Restricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Capital grants are recognised in income when the Institution is entitled to the funds subject to any performance related conditions being met.

Provision for doubtful debts

Provision is normally made for individual debts where recovery is thought to be in doubt based on the aging of the debt past its due date, other known circumstances relating to the individual debtor, such as referred to debt collection agency, and post year end recovery of debts. Any un-provided debts are deemed as recoverable.

Pension schemes

The three principal defined benefit pension schemes for the Institution's staff are the Universities Superannuation Scheme (USS), the Cardiff University Pension Fund (CUPF), and the Local Government Pension Scheme (LGPS). The funds are actuarially valued every three years by a professionally qualified actuary using either the aggregate method or the attained age method with the rates of contribution payable being determined by the scheme's trustees on the advice of the actuary.

Universities Superannuation Scheme

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. Because the scheme is now in a surplus position and deficit recovery contributions are no longer required, the amount credited to the profit and loss account in the year ended 31 July 2024 represented the release of the deficit recovery liability. Expenses related to the scheme are recognised through the profit and loss account.

Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which the Institution pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Comprehensive Income in the periods during which services are rendered by employee.

Defined benefit plan:

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

In addition, the National Health Service (NHS) Pension Scheme is in operation for certain staff. The NHS scheme is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution rates determined by HM Treasury. This is accounted for as a defined contribution

1. Statement of Principal Accounting Policies (continued)

scheme. To comply with The Pensions Act 2008, the Institution also uses the NEST defined contributions pension scheme for eligible non-contractual workers.

Employment benefits

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

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into GB Sterling, the functional currency of the Institution, at year-end rates and the resulting exchange differences are included in the determination of the deficit or surplus for the year.

Operating leases

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

Fixed assets

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Freehold and Long Leasehold property assets in existence on the transition to FRS 102 (1st August 2014) were measured on the basis of deemed cost, being market fair value or deemed cost of replacement.

The difference between the revalued amount and historical cost is credited to a revaluation reserve.

An amount equal to the depreciation in excess of that on the historical cost basis is transferred from the revaluation reserve to retained earnings.

Land and buildings

Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the Institution.

Land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives, in years, as follows:

Academic buildings and listed buildings	50
Pre 1990 residence sites	25
Post 1990 and Talybont North residences	50
Residential Houses	50
Semi-permanent buildings	25
New UHW site buildings	50
Old UHW site buildings	25
Refurbishments	15

Leasehold buildings are depreciated over the shorter of the lease term or the expected useful lives shown above.

No depreciation is charged on assets in the course of construction.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets, in line with component accounting.

Componentised items are depreciated on a straight-line basis over their expected lives, in years, as follows:

Component	Life
Building shell	20-50
Refurbishment	15
Mechanical and engineering services	10-25
Fit out	10-50

Plant and Equipment

Plant and equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition unless purchased as part of a new build or major building infrastructure refurbishment.

All other equipment is capitalised, with the exception of equipment funded from Research Grants which costs under £50,000 which is also written off in the year of acquisition.

Capitalised plant and equipment are stated at cost less accumulated depreciated and impairment losses over their expected useful life of between four and ten years, for equipment, as appropriate.

No depreciation is charged on assets in the course of construction.

Fully depreciated equipment is written off once the asset is no longer in use or no longer in existence.

Social Science Research Park (SBARC|SPARK) building

The University's Social Science Research Park (SBARC|SPARK) provides many opportunities for the University to provide its core services.

The SBARC|SBARK building is 11,604 m2. Approximately 15% of this space is allocated to university start-ups, spin-outs, researchers and other stakeholders, providing support for inter-disciplinary co-location and collaboration, rented out on short term lease agreements. These stakeholders have been selected on the basis that they contribute towards Cardiff University's ability to deepen its partnerships with industry and other organisations, generating economic and social value through innovation, which is aligned to the University's strategy for Research and Innovation. The building is at the heart of the University Campus and this space is held to support the University's aims, rather than for commercial rent or capital appreciation. Accordingly, the whole building is accounted for as a fixed asset and is held at depreciated cost.

The activities are all hugely beneficial to the University in respect of enhancing its reputation, promoting the services available being the provision of world-class and world-recognised social sciences research, to foster and develop partnerships through a range of innovation, enterprise and engagement activities and events, to support the wider regional economy, and to enhance the breadth and volume of research opportunities for students and student entrepreneurs.

1. Statement of Principal Accounting Policies (continued)

Investments

Non-current asset investments are held on the Balance Sheet at cost less impairment.

Interests in joint ventures are accounted for using the equity method in the Institution's financial statements. Under this method, the Institution recognises its share of the joint venture's net assets and its share of the results in the statement of comprehensive income.

Current asset investments are held at fair value with movements recognised in the total comprehensive income for the year.

Stocks

Stocks held are building materials, medical/bioscience consumables, and trading consumables of the Estates Works Unit, College of Biomedical and Life Sciences and Catering, respectively. They are valued at the lower of cost or net realisable value.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Maintenance of premises

The Institution has a rolling maintenance plan which is reviewed on an annual basis. The cost of routine corrective maintenance is charged to the statement of comprehensive income, unless the expenditure results in an underlying improvement to the asset and is capitalised in accordance with FRS 102.

Taxation status

The Institution is a registered charity within the meaning of Chapter 1 Section 3 of the Charities Act 2011 and as such is a charity within the meaning of Section 6 to the Finance Act 2010. Accordingly, the Institution is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes for public benefit.

All subsidiary companies are liable to Corporation Tax and Value Added Tax (VAT). The Institution's principal activities are exempt from VAT, but certain ancillary supplies and services are liable to VAT at various rates. Expenditure includes irrecoverable VAT charged by suppliers to the Institution. The Institution does not have to pay Stamp Duty Land Tax when buying and leasing a property.

Provisions

Provisions are recognised when the Institution has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Financial instruments

The Institution has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments for its consolidated and Institution financial statements.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the total comprehensive income for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the total comprehensive income for the year.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the surplus or deficit, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

1. Statement of Principal Accounting Policies (continued)

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the Institution, are held as a permanently restricted fund which the Institution must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the Institution is restricted in the use of these funds.

The bond repayment fund, a designated reserve, was created in 2019/20 for the purpose of being able to give a reasonable likelihood of being able to meet the bond repayment of £400m, due on 7 December 2055 (note 24).

Significant estimates and judgements

Significant estimates and judgements used in the preparation of this financial information were as follows:

(i) Recoverability of debtors

The normal accounting policy for the assessment of recoverability of debtors and the subsequent doubtful debt impairment provisioning regarding the collection of students fees and Commercial and Research debt has been applied.

Students have been required to clear their current fees before progressing to another academic year. For students who have completed their course but have fees outstanding their full certification is withheld until their fee debt is cleared, in line with Institution Tuition fee policy.

We continue to monitor closely overseas debt and act as appropriate.

Tuition fee debt

The year-end tuition fees doubtful debt impairment provision is assessed on the basis of all overdue debt by fee debtor category regardless of aged profile, with particular categories attributing more risk than others.

The resulting aggregated debt impairment provision is reduced by subsequent fee settlements received after 31 July 2025 from debtors within these same categories. All other tuition fee debt is deemed recoverable.

Tuition fee debt at 31 July 2025 was £5.5m (2024: £6.1m) (see Note 14). After applying our debt impairment policy, the doubtful debt impairment provision is £4.5m (2024: £5.0m) after assessment of receipts received after 31 July 2025.

Commercial and Research Debt

General debt impairment assessment policies have been applied.

Overall, Commercial and Research debt at 31 July 2025 was £14.3m (2024: £15.7m) (see Note 14).

After applying the doubtful debt impairment policy, £0.4m is assessed at risk (2024: £0.5m) and subject to doubtful debt impairment provision.

(ii) Leasehold Property Dilapidations

The Institution has recognised its future estimated obligation to return short term leasehold properties to their original state on the termination of the lease arrangement, based on the current market works cost estimate provided by a professional property surveyor on assessing the current status of each relevant building.

As at the 31 July 2025, it is assumed that the Institution will exit each lease on the relevant date as there are no plans or indications to counter this view.

The resulting estimated provision(s) will be subject to future annual review for both relevance, i.e. future plans to exit or renew, and to the application of inflation, based on relevant industry cost price indexation data.

Future cost inflation fluctuations will be recognised in the Statement of Comprehensive Income and Expenditure as a repairs and maintenance cost.

1. Statement of Principal Accounting Policies (continued)

(iii) Retirement benefit obligations

Estimate – CUPF and LGPS

The Institution operates its own scheme, Cardiff University Pension Fund (CUPF) and participates in a Local Government Pension Scheme (LGPS); both are defined benefit schemes. Actuarial valuations of the schemes are carried out as determined by the trustees at intervals of not more than three years.

Pension costs under FRS 102 are assessed in accordance with the advice of independent actuaries based upon latest actuarial valuations and assumptions determined by the actuaries.

The assumptions are based upon information supplied to the actuaries by the Institution, supplemented by discussions between the actuary and management, where relevant. The assumptions are documented in Note 25.

As at 31 July 2025, the LGPS and CUPF fund, under FRS 102 accounting treatment, has resulted in a pension asset. The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2025 the surplus recognised as an asset in the statement of financial position is £nil (2024: £nil).

Estimate - USS

At 31 July 2023, the institution's balance sheet included a liability of £165,245k for future contributions payable under the deficit recovery agreement, which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. The remaining liability of £165,245k was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 25.

Judgement - USS

FRS 102 distinguishes between a group plan and a multi-employer scheme. A group plan comprises entities under common control, typically with a sponsoring employer. A multi-employer scheme, such as the Universities Superannuation Scheme (USS), covers entities not under common control and is often industry-wide. Where an employer has entered into an agreement with the scheme to fund a deficit, a liability is recognised for contributions payable under that agreement (to the extent they relate to the deficit), with the corresponding expense charged to profit or loss in accordance with Section 28 of FRS 102. If the scheme is no longer in a liability position, judgement remains necessary to determine whether any ongoing obligations or disclosures are required.

(iv) Research Income Recognition

All research grants are considered to have a performance condition. The type of performance condition is determined by reviewing the research grant's contract. For the majority of research grants, income is recognised in accordance with the level of service as established by the pre agreed project spending budgets, and where actual spend profiles differ from budgeted spend profiles the income is recognised in line with the actual spend. For some research grants, the level of service is tied to a milestone being met; as a result, the revenue for these grants is recognised on a cash received basis.

2. Tuition Fees and Education Contracts

Consolidated and Institution

	2025 £'000	2024 £'000
UK and European Union Undergraduate	168,967	161,606
UK and European Union Postgraduate	11,042	11,041
Overseas (including part-time)	97,304	114,334
Part Time (UK and European Union)	4,701	5,502
	282,014	292,483
Education contracts	17,346	16,802
Research training support grants	12,505	11,971
Non-credit bearing fees	6,077	7,029
	317,942	328,285

3. Funding Body Grants

Consolidated and Institution

	2025 £'000	2024 £'000
Recurrent grant	71,322	70,802
Specific grants	2,442	4,363
Capital grants - buildings	4,442	1,605
Capital grants - equipment	4,758	6,443
	82,964	83,213

4. Research Grants and Contracts

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Research Councils	49,565	47,681	49,565	47,681
UK-based charities	24,038	22,187	24,038	22,187
UK Government bodies	35,727	32,962	35,796	33,062
UK Industry	7,557	8,539	7,557	8,539
European Commission	4,207	5,589	4,207	5,589
Overseas	8,235	7,506	8,235	7,506
Other grants and contracts	1,623	2,036	1,623	2,036
	130,952	126,500	131,021	126,600

5. Other Income

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Other services rendered:				
UK Central Government	18,947	18,908	18,970	19,124
UK Health Authorities	11,506	10,722	11,506	10,722
UK Industry	851	895	851	895
European Union	1,607	1,669	1,607	1,669
Overseas	252	47	252	47
UK Universities	847	856	847	856
Other Sources	6,699	7,916	7,787	9,565
Total other services rendered	40,709	41,013	41,820	42,878
Residences, catering and conferences	33,060	31,593	33,060	31,593
Exempt VAT recoverable	563	1,103	563	1,103
Other capital grants	3	419	3	419
Other income	16,651	21,058	8,238	7,905
	90,986	95,186	83,684	83,898

6. Investment Income

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Income from investments	9,428	10,163	9,300	10,000
Income from endowment investments (Note 23)	1,081	1,544	1,081	1,544
	10,509	11,707	10,381	11,544

7. Donations and Endowments

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
New endowments (Note 23)	672	2,129	672	2,129
Donations with restriction	2	23	2	23
Unrestricted donations	714	2,025	1,008	2,341
	1,388	4,177	1,682	4,493

8. Staff Costs

Consolidated and Institution

	2025 £'000	2024 £'000
Staff costs:		
Wages and salaries	297,615	299,132
Social security costs	34,123	30,984
Other pension costs	43,272	43,021
	375,010	373,137
Voluntary Severance/Redundancy	24,349	-
	399,359	373,137

The above figures exclude payments made to staff on behalf of the National Health Service.

Exceptional restructuring costs of £24.3 million were incurred in the year in relation to a voluntary severance and redundancy scheme. The scheme is expected to deliver ongoing savings and support financial sustainability.

Consolidated and Institution

	2025 FTE	2024 FTE
Average staff numbers by major category:		
Senior	84	79
Academic	2,814	2,895
Professional Support	1,795	1,818
Support	1,399	1,462
	6,092	6,254
Closing staff numbers by major category:		
Senior	88	80
Academic	2,712	2,916
Professional Support	1,750	1,840
Support	1,336	1,463
	5,886	6,299

Key management personnel compensation

The Institution considers that key management personnel are those who serve as members of the University Executive Board having authority and responsibility for planning, directing, and controlling the activities of the Institution. Staff costs include compensation paid to key management personnel.

	2025 £'000	2024 £'000
Key management personnel compensation	2,970	2,371
FTE	14.5	11.8

One member of key management personnel had an extended period of absence in the year, and as such the above reflects not only the compensation of that individual, but also the individual to whom key management responsibility fell during that time period.

A list of current members of University Executive Board is publicly available on our website: https://www.cardiff.ac.uk/about/organisation/university-executive-board

8. Staff Costs (continued)

Compensation for loss of office to higher paid employees

Compensation payments of £2,331k (2024: £43k) were made to 18 (2024: 2) higher paid employees in year. All compensation payments for loss of office to higher paid employees during the year related to participation in the voluntary severance and voluntary redundancy schemes.

Other higher paid staff

The remuneration of higher paid staff (excluding the Vice-Chancellor) reflected in the ranges below exclude employer pension contributions, bonuses, and compensation for loss of office but include payments made on behalf of the NHS in respect of its contractual obligation to Institution staff under separate NHS contracts of employment. These payments are excluded from the Institution's Income and Expenditure account. Of the 185 staff earning in excess of £100,000 in 2025 (2024: 176), 54 (2024: 48) include such payments on behalf of the NHS.

Salary Band	2025 NHS No.	2025 Other No.	**2025 Total No.**	2024 NHS No.	2024 Other No.	**2024 Total No.**
£100,000 - £104,999	1	31	**32**	-	21	**21**
£105,000 - £109,999	-	18	**18**	1	27	**28**
£110,000 - £114,999	1	17	**18**	-	20	**20**
£115,000 - £119,999	1	24	**25**	2	11	**13**
£120,000 - £124,999	-	5	**5**	2	14	**16**
£125,000 - £129,999	1	3	**4**	4	1	**5**
£130,000 - £134,999	2	5	**7**	3	6	**9**
£135,000 - £139,999	2	8	**10**	6	3	**9**
£140,000 - £144,999	5	3	**8**	4	6	**10**
£145,000 - £149,999	4	4	**8**	1	5	**6**
£150,000 - £154,999	2	3	**5**	1	4	**5**
£155,000 - £159,999	1	-	**1**	2	2	**4**
£160,000 - £164,999	4	2	**6**	1	2	**3**
£165,000 - £169,999	5	-	**5**	5	-	**5**
£170,000 - £174,999	3	3	**6**	2	1	**3**
£175,000 - £179,999	-	2	**2**	1	2	**3**
£180,000 - £184,999	1	-	**1**	2	1	**3**
£185,000 - £189,999	-	1	**1**	4	-	**4**
£190,000 - £194,999	6	-	**6**	4	-	**4**
£195,000 - £199,999	3	-	**3**	1	-	**1**
£200,000 - £204,999	3	1	**4**	-	2	**2**
£205,000 - £209,999	3	1	**4**	-	-	**-**
£210,000 - £214,999	3	-	**3**	-	-	**-**
£215,000 - £219,999	-	-	**-**	-	-	**-**
£220,000 - £224,999	1	-	**1**	1	-	**1**
£225,000 - £229,999	-	-	**-**	1	-	**1**
£235,000 - £239,999	1	-	**1**	-	-	**-**
£240,000 - £244,999	1	-	**1**	-	-	**-**
	54	131	**185**	48	128	**176**

Costs related to Voluntary Severance, Voluntary Redundancy, and associated Payments In Lieu of Notice (PILON) are considered to be associated with "Compensation for loss of office". Consequently, these termination-related payments are excluded from the analysis above.

8. Staff Costs (continued)

Emoluments of the Vice-Chancellor	2025 £'000 Current	2024 £'000 Current	2024 £'000 Former
Salary	294	267	26
Bonus	-	-	-
Benefits-in-kind	28	30	9
	321	297	35
Pension Death in Service Enhanced Opt-out contribution only	43	45	2
	364	342	37

The benefits-in-kind received by the Vice-Chancellor are as follows (£'000s):

Private medical insurance	2
Permanent accommodation	23
Services supplied	3

The remuneration of the current Vice-Chancellor is set through the Senior Salary Review Process by the Remuneration Committee, which comprises of independent lay members of Council. The Vice-Chancellor's base salary is also reviewed in line with national pay awards for the Higher Education sector.

The Vice-Chancellor's reported salary in 2024 reflects 11 months (aligned to her appointment date) whilst that for 2025 reflects a full 12 months in post. The Vice-Chancellor received the same pay award as other University staff.

The Chair of Council presents performance assessments to the Remuneration Committee for inclusion in the Senior Salary Review process. The Remuneration Committee make the final decision on the rewards given for comparable performance assessments. The Vice-Chancellor's salary, in line with the Senior Salary Review, is also assessed against equity and market concerns.

The Vice-Chancellor's performance is reviewed according to a number of factors including, but not limited to:

- the Vice-Chancellor's leadership, management, and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- The performance of the University according to the strategy and agreed metrics.

The current Vice-Chancellor's full-time equivalent basic salary is 6.5 times (2024:6.7) the median pay of all staff, where the median pay is calculated on a full-time equivalent basis for the salaries and wages paid by the Institution.

The current Vice-Chancellor's full-time equivalent total remuneration is 7.2 times (2024:7.4) times the median total remuneration of all staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Institution.

As per Medr Accounts Direction, remuneration includes personal service companies that are deemed by the Institution to be employees under HMRC Intermediary Regulations (IR35) and paid through payroll and reported to HMRC via "Real-time Information" (RTI) reporting.

9. Interest and Other Finance Costs

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Bond interest & finance costs	11,639	11,582	11,639	11,582
Bank loan interest	29	111	29	111
	11,668	11,693	11,668	11,693
Net charge on pension schemes (Note 21)	1,171	1,070	1,171	1,070
Unwind of discount on USS pension provision (Note 21)	-	3,270	-	3,270
	12,839	16,033	12,839	16,033

10. Analysis of Expenditure by Activity

Consolidated

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2025 £'000	Total 2024 £'000
Academic departments	217,146	48,363	-	265,509	274,535
Academic services	22,139	18,993	-	41,132	38,908
Research grants and contracts	54,519	36,625	-	91,144	87,271
Other services rendered	17,358	21,980	-	39,338	40,353
Residences, catering and conferences	5,464	12,142	29	17,635	20,166
Premises	8,679	51,723	-	60,402	56,393
Administration and central services	50,288	27,604	-	77,892	75,641
Other expenses (see Page 80)	3,385	12,587	11,639	27,611	36,307
Pension fund adjustments	(3,968)	-	1,171	(2,797)	(5,781)
	375,010	230,017	12,839	617,866	623,793
Depreciation (note 11)				49,805	50,632
Staff costs – Decrease in USS pension scheme provision (note 21)				-	(162,794)
Staff costs – Voluntary Severance/Redundancy Scheme				24,349	-
Total per Statement of Comprehensive Income and Expenditure				692,020	511,631

Institution

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2025 £'000	Total 2024 £'000
Academic departments	217,146	48,363	-	265,509	274,535
Academic services	22,139	18,993	-	41,132	38,908
Research grants and contracts	54,519	36,625	-	91,144	87,271
Other services rendered	17,358	21,964	-	39,322	40,351
Residences, catering and conferences	5,464	12,142	29	17,635	20,166
Premises	8,679	51,722	-	60,401	56,393
Administration and central services	50,288	27,604	-	77,892	75,641
Other expenses (see Page 80)	3,385	5,191	11,639	20,215	25,063
Pension fund adjustments	(3,968)	-	1,171	(2,797)	(5,781)
	375,010	222,604	12,839	610,453	612,547
Depreciation (note 11)				49,805	50,632
Staff costs – Decrease in USS pension scheme provision (note 21)				-	(162,794)
Staff costs – Voluntary Severance/Redundancy Scheme				24,349	-
Total per Statement of Comprehensive Income and Expenditure				684,607	500,385

10. Analysis of Expenditure by Activity (continued)

Other operating expenses include	2025 £'000	2024 £'000
External auditors' remuneration in respect of audit services	238	232
External auditors' remuneration in respect of audit-related services	2	2
External auditors' remuneration in respect of non-audit services	Nil	Nil
Operating lease rentals		
Land and buildings	2,010	2,404
Other	105	167

Other expenses include:

- a credit in staff costs of £1,716k (2024: charge of £1,870k) relating to the movement on the Employee Leave Accrual (Note 17)

11. Tangible Fixed Assets

Consolidated and Institution

	Land and Buildings			Equipment	Total
	Freehold £'000	Long leasehold £'000	Assets in the Course of Construction £'000	£'000	£'000
Cost or valuation					
At 1 August 2024	788,363	306,829	9,274	177,891	1,282,357
Additions at cost	12,889	560	9,673	9,832	32,954
Disposals	(277)	(659)	-	(2,391)	(3,327)
Projects completed	3,829	1,250	(5,079)	-	-
At 31 July 2025	**804,804**	**307,980**	**13,868**	**185,332**	**1,311,984**
Valuation (i)	368,931	229,472	-	-	598,403
Cost	435,873	78,508	13,868	185,332	713,581
At 31 July 2025	804,804	307,980	13,868	185,332	1,311,984
Accumulated depreciation					
At 1 August 2024	121,053	73,035	-	131,494	325,582
Charge for year	22,145	9,251	-	18,409	49,805
Eliminated on disposal	(60)	(658)	-	(2,388)	(3,106)
Impairments (ii)	-	2,098	-	(347)	1,751
At 31 July 2025	**143,138**	**83,726**	**-**	**147,168**	**374,032**
Net book value					
At 31 July 2025	661,666	224,254	13,868	38,164	937,952
At 31 July 2024	667,310	233,794	9,274	46,397	956,775

(i) A full valuation of the Institution's Estate was carried out on 31 July 2014 by Cooke and Arkwright Chartered Surveyors in accordance with the RICS Valuation – Professional Standards January 2014 (the Red Book) to establish deemed cost. Of the total valuation of £609m, £557m was at fair value by depreciated replacement cost and £52m was at fair value. Since this valuation, some of these buildings have been sold or disposed leading to a lower valuation figure in the table above.

Certain buildings have been funded from U.K. Treasury sources at a cost of £132m. Should these particular buildings be sold, the Institution would use the proceeds in accordance with the Medr Terms of Funding.

Land and buildings include non-depreciated land of £118m (2024: £118m).

Spend on capital projects incurred and completed in year is recognised in freehold additions rather than through assets in the course of construction.

(ii) An impairment of £1,751k has been recognised on certain properties due to plans for demolition and revised lease terms, reducing their carrying amounts to reflect recoverable value.

12. Non-Current Investments

	Consolidated			Institution		
	Investment in joint ventures	Other Investments	Total	Equity investment in joint ventures	Other Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2024	3,817	13,535	17,352	2,003	13,505	15,508
Additions	-	3,219	3,219	-	3,219	3,219
Disposals	-	(587)	(587)	-	(587)	(587)
Share of operating deficit in joint ventures	(318)	-	(318)	-	-	-
Balance at 31 July 2025	3,499	16,167	19,666	2,003	16,137	18,140

The Institution has investments in the following:

Investment In Joint Ventures

Cardiff Medicentre
The Institution holds an investment of £2,003k (2024: £2,003k) representing an 89% shareholding in Cardiff Medicentre with Cardiff and Vale UHB holding the remaining 11%. This Group's total investment after its share of operating surpluses is £3,533k (2024: £3,817k). This interest is treated as a joint venture as the Institution has joint control with Cardiff and Vale UHB.

Evidence to Impact Ltd
Evidence to Impact Ltd, a company limited by guarantee and registered in the UK, is a social enterprise spun out from the Institution and the University of Bristol. This group's share of net liabilities as at 31st July 2025 is £34k. This interest is treated as a joint venture as the Institution has 50:50 joint control with the University of Bristol.

Other Investments

University College Cardiff Consultants Limited (UC3)
The results of UC3, a company limited by guarantee and registered in the UK, have been included by consolidation in the financial information. The company's principal activity is the commercialisation of the intellectual property and other outputs of research generated by the academic schools of the Institution. The company is also responsible for the Institution's interests through shareholdings in a number of spin-out companies arising from the Institution's research and other operations. All shareholdings in spin-out companies held by UC3 are recorded at cost, less any impairment.

Mobeus
The Institution made an original commitment (in 2016) to invest £10m in the Mobeus Equity Partners IV LP fund and another £15m in the Mobeus Equity Partners V LP Fund. Both funds contribute to the bond repayment fund for the repayment of the £400m bond capital in December 2055.

On 8 July 2024, the Mobeus Equity Partners IV LP fund was renamed as Mobeus 1 LP, and Mobeus Equity Partners V LP fund was renamed as Mobeus 2 LP.

In the year, additions to Mobeus 1 LP were £nil (2024: £nil) and divestments proceeds were £311k (2024: £851k), of which a gain of £7,323k was realised (2024: £705k). As at 31 July 2025, the investment fund is held at a net cost of £3,824k (2024: £4,135k).

In the year, additions to Mobeus 2 LP were £2,097k (2024: £2,008k) and divestment proceeds £152k (2024: £370k). As at 31 July 2025, the investment fund is held at a net cost of £9,952k (2024: £8,007k).

Cash and cash equivalent balances relating to both Mobeus funds and Pantheon (see below) are combined to form part of the Bond Repayment Fund (Note 24).

Pantheon

The Institution made a commitment (in 2023) to invest US$6m in the Pantheon 2021 – Cardiff University fund. This fund contributes towards the bond repayment fund as per Mobeus above.

In the year, additions to the Pantheon fund were £1,122k (2024: £1,287k) and divestment proceeds were £124k (2024: nil). The investment fund is held at a net cost of £2,285k (2024: £1,287k)

Cardiff Partnership Fund Limited
The Institution owns a 100% shareholding of £0.1k (2024: £0.1k) in the Cardiff Partnership Fund Limited, the holding company of the unincorporated Cardiff Partnership Fund Limited Partnership. This company is not consolidated on the basis that the Institution does not exercise control over the activities that rest with an independent board.

CVCP Properties plc
The Institution owns a less than 2% shareholding of £76k (2024: £76k) in CVCP Properties plc. This company owns property providing office and accommodation space, principally to Universities UK. All shareholders are UK universities in membership of Universities UK and Universities UK itself. This company is not consolidated.

SETsquared Partnership
In September 2021, the Institution joined the SETsquared Partnership, an Institution incubator network. This company is not consolidated.

International Learning Exchange Programme Limited ("ILEP")
Following the UK Government's decision to withdraw from the Erasmus+ scheme, the Welsh Government announced a new learning scheme to continue to benefit staff and students from international exchanges in a similar way to Erasmus+, not just in Europe but also further afield. The scheme will run from 2022 to 2026. To safeguard transparency, the Institution agreed to operate the programme on behalf of the Welsh Government through a wholly owned subsidiary company. ILEP was incorporated on 22 June 2021 and commenced operations on 1 August 2022. The results of ILEP have been included by consolidation in the financial statements.

13. Stocks

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Residences and Catering	75	78	75	78
Maintenance	61	61	61	61
Academic Departments	137	129	137	129
	273	268	273	268

14. Trade and other receivables

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Amounts falling due within one year:				
Trade Debtors:				
- Tuition fees	5,544	6,075	5,544	6,075
- Research grants & contracts	7,084	9,239	7,084	9,239
- Other Services	7,231	6,477	6,866	5,883
Less: Trade Debtors impairment provision (i)	(4,819)	(5,497)	(4,819)	(5,497)
Net Trade Debtors	15,040	16,294	14,675	15,700
Other Debtors	3,614	3,139	3,612	3,139
Amount due from subsidiary undertaking	-	-	1,864	1,690
Prepayments	9,415	8,524	8,978	7,971
Accrued Income				
- Research grants and contracts	19,180	21,668	19,180	21,668
- Other Income	10,256	9,657	9,725	9,066
Total Debtors	57,505	59,282	58,034	59,234
Amounts falling due after more than one year:				
Compound semiconductor Centre Limited	-	2,374	-	2,374
Student Union Loan	3,004	-	3,004	-
Total debtors	60,509	61,656	61,038	61,608

(i) Further information regarding the judgements and estimates in relation to the impairment can be found in Note 1: Accounting Policies on Page 71 "Recoverability of debtors".

15. Current Investments

Consolidated and Institution

	Endowment Investments £'000 (Note 23)	Other Investments £'000	2025 Total £'000	2024 Total £'000
Short term investment in shares	-	178,146	178,146	184,914
Short term bonds	-	86,155	86,155	70,825
Other short-term investments	51,119	18,930	70,049	64,951
Short term deposits	1,801	-	1,801	-
	52,920	283,231	336,151	320,690

The increase in fair value of current investments in the year was £4,524k (2024: £36,923k).

The University has changed its investment strategy in terms of short-term deposits, and most are now deemed cash and cash equivalents in the current year (Note 16).

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at the time of placement.

16. Cash and Cash Equivalents

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Operational bank accounts	6,752	22,011	3,500	19,242
Cash-in-hand	2	8	2	8
Money market funds	5,521	3,880	5,521	3,880
Cash funds held by investment fund managers	7,843	45,816	7,843	45,816
Cash fund held within endowment funds	563	3,954	563	3,954
Short term deposits	58,227	30,137	58,227	30,137
	78,908	105,806	75,656	103,037

17. Creditors: amounts falling due within one year

	Consolidated		Institution	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade creditors	9,642	13,329	9,561	13,263
Social security and other taxation	9,254	8,882	9,254	8,882
Sundry creditors	13,469	12,014	12,884	11,285
Deposits	131	139	131	139
Employees leave entitlement accrual	9,875	11,591	9,875	11,591
Accruals	35,026	29,531	34,893	29,436
Deferred income (see below)	79,921	83,250	78,211	81,757
Unsecured loans	739	-	739	-
Secured loans	175	700	175	700
Amounts due to subsidiary undertaking	44	-	44	-
	158,276	159,436	155,767	157,053

Deferred Income

Included in deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Tuition Fees	6,684	6,097	6,684	6,097
Research grants and contracts	46,603	49,301	46,672	49,573
Other Income	25,066	25,796	23,287	24,031
Capital grant income	1,568	2,056	1,568	2,056
	79,921	83,250	78,211	81,757

18. Creditors: amounts falling due after more than one year

Consolidated and Institution	2025 £'000	2024 £'000
Sundry Creditors	3,217	3,584
Unsecured loans (vi)	23,724	6,242
Secured loan	-	175
Public Bond (i)	294,353	294,216
Public Bond Tap (ii)	125,435	126,046
Total loans and long-term debt	443,512	426,679
	446,729	430,263

Analysis of secured and unsecured loans

Due within one year or on demand (Note 17)	914	700
Due between one and five years	3,160	3,296
Due in five years or more	440,352	423,383
Due after more than one year	443,512	426,679
	444,426	427,379

Included in loans are the following:

Lender	Term	Secured/ Unsecured	Interest rate %	Borrower	2025 £'000	2024 £'000
Salix (v)	2032	Unsecured	-	Institution	8,834	6,242
Salix (vi)	2045	Unsecured	2.05	Institution	15,630	-
Royal Bank of Scotland (iii)	2025	Secured	Base + 0.225	Institution	175	875
					24,639	7,117

(i) The 39-year public bond of £300 million was issued in February 2016 and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 3.1%.

(ii) A £100m bond tap was issued in February 2021 at a premium and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 1.9%.

(iii) Royal Bank of Scotland originally advanced £14 million to the Institution to finance the cost of Talybont Court. The loan is secured on Talybont Court and is repayable by 1 October 2025 by equal instalments of £0.7m per annum. Interest is payable on the loan at 0.225% above Base Rate.

(iv) In August 2024, the Institution took out a 5-year unsecured Revolving Credit Facility with HSBC Bank for £60m. As at 31 July 2025, the facility had not been utilised.

(v) The University received a public benefit concessionary loan of £6.2 million in 2024 from Salix Finance Limited in partnership with the Welsh Government. In July 2025 the University received £2.6m under the same terms. The loan has a repayment period of seven years and is interest free where repayments will commence January 2026. Loan repayments appear twice annually in line with the repayment schedule, with repayments due until October 2032.

(vi) The University received a public benefit concessionary loan of £15.5 million in March 2025 from Salix Finance Limited in partnership with the Welsh Government. The loan has a repayment period of twenty years and attracts interest of 2.05%. Repayments of accrued interest will be paid annually with capital repayments made from 2028. This loan will be used to further the University's Carbon Net Zero Agenda.

19. Consolidated and Institution Reconciliation of Net Debt

	Consolidated	Institution
	£'000	£'000
Net debt 1 August 2024	321,573	324,342
Movement in cash and cash equivalents	26,898	27,381
Repayment of secured loans	(700)	(700)
Proceeds from new unsecured loans	18,221	18,221
Other non-cash changes (bond interest)	(474)	(474)
Net Debt 31 July 2025	365,518	368,770
Change in net debt	43,945	44,428

Analysis of net debt		Consolidated		Institution	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000
Borrowings: amounts falling due within one year					
Secured loans		175	700	175	700
Unsecured loans		739	-	739	-
	(Note 17)	914	700	914	700
Borrowings: amounts falling due after more than one year					
Secured Loans		-	175	-	175
Unsecured loans		23,724	6,242	23,724	6,242
Public Bond		294,353	294,216	294,353	294,216
Public Bond Tap		125,435	126,046	125,435	126,046
	(Note 18)	443,512	426,679	443,512	426,679
Less: Cash and cash equivalents	(Note 16)	(78,908)	(105,806)	(75,656)	(103,037)
Net debt		365,518	321,573	368,770	324,342

20. Financial Instruments

The Institution has the following financial instruments which are all denominated in sterling:

		Consolidated		Institution	
	Note	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Financial Assets					
Financial assets at fair value through surplus or deficit:					
Investments in equity and listed bonds	16	334,350	320,690	334,350	320,690
		334,350	320,690	334,350	320,690
Measured at amortised cost:					
Trade and other receivables	14	21,658	21,807	23,155	22,903
Cash and cash equivalents	16	78,908	105,806	75,656	103,037
Investments in short term deposits	15	1,801	-	1,801	-
		102,367	127,613	100,612	125,940
Measured at cost less impairment:					
Non-current investments	12	19,666	17,353	18,140	15,508
		19,666	17,353	18,140	15,508
Total Financial Assets		456,383	465,656	453,102	462,138
Financial Liabilities measured at amortised cost:					
Public Bond	18	294,353	294,216	294,353	294,216
Public Bond Tap	18	125,435	126,046	125,435	126,046
Loans	18	24,639	7,117	24,639	7,117
Trade creditors	17	9,642	13,329	9,561	13,263
Other creditors	17,18	16,817	15,737	16,232	15,008
Accruals	17	35,026	29,531	34,893	29,436
Total Financial Liabilities		505,912	485,976	505,113	485,086

21. Pension Provision

Consolidated and Institution

	CUPF fund obligations (Note 25)	LGPS fund obligations (Note 25)	2025 Total Pension Provision	2024 Total Pension Provision
	£'000	£'000	£'000	£'000
At 1 August 2024	15,197	-	15,197	180,332
Utilised in year	-	-	-	(5,721)
Additions/ (reductions)	(15,708)	(660)	(16,368)	(163,754)
Discount rate changes (Note 9)	511	660	1,171	4,340
At 31 July 2025	-	-	-	15,197

LGPS Fund

The actuary has estimated that the net pension asset as at 31 July 2025 is an asset of £16,030k (2024: asset of £12,940). The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2025 the surplus recognised as an asset in the statement of financial position is £nil (2024: £nil).

22. Other Provisions

Consolidated	Voluntary Severance/ Redundancy Scheme £'000	Leasehold Property Dilapidations £'000	Marking Assessment Boycott £'000	Other £'000	2025 Total £'000	2024 Total £'000
As at 1 August	-	(1,296)	(722)	(780)	(2,798)	(7,453)
(Additions) / Reductions	(4,739)	-	53	(385)	(5,071)	4,655
Closing balance as at 31 July	**(4,739)**	**(1,296)**	**(669)**	**(1,165)**	**(7,869)**	**(2,798)**

Institution	Voluntary Severance/ Redundancy Scheme £'000	Leasehold Property Dilapidations £'000	Marking Assessment Boycott £'000	Other £'000	2025 Total £'000	2024 Total £'000
As at 1 August	-	(1,296)	(722)	(780)	(2,798)	(7,453)
(Additions) / Reductions	(4,739)	-	53	(260)	(4,946)	4,655
Closing balance as at 31 July	**(4,739)**	**(1,296)**	**(669)**	**(1,040)**	**(7,744)**	**(2,798)**

The University as a whole is subject to a number of legal claims and other matters, the outcomes of which are uncertain and may give rise to liabilities or other adverse consequences which cannot currently be quantified.

Provisions for Leasehold Property dilapidations are recognised as per Note 1 Page 71.

23. Endowment reserves

Consolidated and Institution

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2025 Total £'000	2024 Total £'000
Capital opening balance	2,934	25,914	28,848	1,578	30,426	26,905
Accumulated income	1,727	16,896	18,623	4,047	22,670	19,341
	4,661	42,810	47,471	5,625	53,096	46,246
New endowments	-	210	210	462	672	2,129
Income for year	86	834	920	118	1,038	1,469
Expenditure	(78)	(512)	(590)	(142)	(732)	(819)
	8	322	330	(24)	306	650
(Decrease) / increase in market value	(53)	(481)	(534)	(58)	(592)	4,072
Closing balance	**4,616**	**42,861**	**47,477**	**6,005**	**53,482**	**53,097**
Represented by:						
Capital	2,898	25,729	28,627	1,574	30,201	30,426
Accumulated income	1,718	17,132	18,850	4,431	23,281	22,671
	4,616	**42,861**	**47,477**	**6,005**	**53,482**	**53,097**

23. Endowment reserves (continued)

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2025 Total £'000	2024 Total £'000
Analysis by type of purpose:						
Appeal Fund	-	108	108	-	108	107
Chairs	-	15,154	15,154	-	15,154	15,372
Lectures	-	1,260	1,260	-	1,260	1,248
Hardship Funds	12	2,840	2,852	1,178	4,030	4,048
Scholarships	-	12,000	12,000	1,038	13,038	12,419
Prizes	-	3,573	3,573	46	3,619	3,596
Research	-	1,873	1,873	3,016	4,889	4,844
General	4,604	6,053	10,657	727	11,384	11,462
	4,616	42,861	47,477	6,005	53,482	53,096
Analysis by asset:						
Current asset investments						
- investment units					51,119	49,143
Cash & cash equivalents					2,363	3,953
					53,482	53,096

24. Bond repayment fund

Cardiff University's 39-year public bond of £300m, issued in February 2016, along with the subsequent £100m tap issued in February 2021, will be redeemed at their principal amounts of £400m on 7 December 2055 and the Institution will have to repay this sum on that date.

In July 2019 Council approved the creation of a Bond Repayment Fund (BRF) which has as its sole objective to deliver £400m in cash in 2055.

The bond repayment fund forms part of the unrestricted funds in the statement of financial position.

The Institution has, to date, invested £52.6m (2024: £58.4m) on a total return basis to generate the repayment.

Total fund value	2025 £'000	2024 £'000
Cash held for investment	6,048	975
Current investments	62,226	61,253
Non-current investments	16,062	13,428
	84,336	75,656

25. Pension Schemes

Different categories of staff were eligible to join one of six different schemes:

(i) Universities Superannuation Scheme (USS)
(ii) Cardiff University Pension Fund (CUPF)
(iii) Local Government Pension Scheme (LGPS)
(iv) Cardiff University Pension Scheme (CUPS)
(v) National Health Service Scheme (NHSPS)
(vi) NEST workplace pension scheme

The nature of the schemes above are detailed below.

Cardiff University Pension Scheme is a new Defined Contribution Scheme effective from 1 January 2022 in co-ordination with the closure of the CUPF DB scheme to new members,
The tender for a DC Scheme to be available for new members was undertaken and Legal and General appointed to provide the scheme. The DC scheme allows members flexibility in contribution rates and a member could choose to contribute 0%, but still benefit from Institution contributions into the scheme. Any flexibility which allows members to pay zero or very low contributions may result in some members who have previously opted out of pension scheme to opt in. The additional benefits of life insurance and income protection are available for members from 1st March 2022.
Elements of the DC scheme that are offered.
Institution 10% fixed Member 6.5% default, option to reduce to 4%,2%,0% Life Insurance 5x basic salary, Income Protection.

The **NHSPS** which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government. Scheme is a defined benefit public service pension scheme, which operates on a pay-as-you-go basis. A new reformed scheme was introduced on 1 April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1 April 2012 were within ten years of normal pension age to continue participating in the old 'final salary' NHS Pension Scheme arrangements (the 1995 and 2008 sections).

An HM Treasury pension scheme valuation for funding purposes was carried out as at March 2012. The Scheme Regulations have been changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate. The employers' contribution rate payable by the Institution during the year ended 31 July 2025 remained unchanged at 14.38% of total pensionable earnings.

NEST is a defined contributions pension scheme for eligible non-contractual workers.

Consolidated and Institution

The total pension cost for the period was:	2025 £'000	2024 £'000
Universities' Superannuation Scheme (USS)	32,942	33,017
Cardiff University Pension Fund (CUPF)	7,064	7,139
Local Government Pension Scheme (LGPS)	150	150
Cardiff University Pension Scheme (CUPS)	1,418	1,228
National Health Service Pension (NHSPS)	1,687	1,475
NEST	11	12
	43,272	43,021
USS minimum funding guarantee adjustment	-	(162,794)
	43,272	(119,773)

25. Pension Schemes (continued)

(i) The Universities Superannuation Scheme

The Institution participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total cost charged to the Consolidated Statement of Comprehensive Income is £nil (2024: £38,762k) including Pension Choice, but excluding the impact of the change in the deficit recovery plan, as shown in note 21.

A deficit recovery plan was put in place as part of the 2020 valuation. It required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of income and expenses in the prior year.

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

Since the institution cannot identify its share of the Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1bn and the value of the scheme's technical provisions was £65.7bn indicating a surplus of £7.4bn and a funding ratio of 111%.

The deficit recovery contributions due within one year for the institution are £nil (2024: £5,721k).

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.
https://www.uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles

Price inflation – Consumer Prices Index (CPI)

3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)

RPI/CPI gap:

1.0% p.a. to 2030, reducing to 0.1% p.a. from 2030

Pension increases (subject to a floor of 0%):

Benefits with no cap:
CPI assumption plus 3bps

Benefits subject to a 'soft cap' of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%):
CPI assumption minus 3bps

Discount rate (forward rates):

Fixed interest gilt yield curve plus:
Pre-retirement: 2.5% p.a.
Post retirement: 0.9% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

25. Pension Schemes (continued)

Mortality base table:

101% of S2PMA 'light' for males and 95% of S3PFA for females

Future improvements to mortality:

CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.40% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.80% p.a. for males and 1.60% p.a. for females

The current life expectancies on retirement at age 65 are:

	2025	2024
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.4
Males currently aged 45 (years)	25.7	25.6
Females currently aged 45 (years)	27.2	27.2

(ii) Cardiff University Pension Fund

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision. As at 1 January 2022, the fund was closed to new members.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 July 2022.

Following consultation with members, a Deed of Amendment effecting the change to future benefits was executed by the Institution and the Trustees of the Fund. The change impacts the benefits accrued from an effective date of 1 January 2022. A summary of the changes to benefit accrual from this date is set out below:

The actual rate reduced from 80ths to 85ths.

Pension increases reduced in line with CPI inflation up to a maximum of 2.5% p.a.; and

The Normal Retirement Date increased from age 65 to age 66.

As these changes only impact benefits in relation to service from 1 January 2022, there is no impact on the Defined Benefit Obligation (DBO).

An estimated valuation of the defined benefit schemes was performed at 31 July 2025 by qualified actuary. The Fund deficit under FRS 102 has decreased from £15.2m as at 31 July 2024 to a surplus of £3.6m as at 31 July 2025. The asset has not been recognised as such on the Statement of Financial Position.

Under the latest Schedule of Contributions dated 23 June 2023, the University contributes the following:

17.0% of pensionable earnings in respect of all active CARE members who have elected to participate in salary sacrifice.

10.5% of pensionable earnings in respect of all members who have not elected to participate in salary sacrifice.

18.0% of pensionable earnings in respect of Final Salary members who have elected to participate in salary sacrifice.

From 1 August 2023 until 31 July 2029, the University agrees to pay deficit contributions of £4,800,000 per annum.

The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

The actuary has made Guaranteed Minimum Pensions (GMP) equalisation allowance, and the result has been included with the scheme's' FRS 102 disclosures.

The Virgin Media case, officially known as Virgin Media v NTL Pension Trustees II Limited (and others), involves a Court of Appeal ruling that confirmed any rule alterations to a contracted-out defined benefit (DB) pension scheme made without the necessary section 37 confirmation are void. This applies to both past and future service rights. As of 31 July 2025, the University has not conducted detailed investigations into the implications of this case.

25. Pension Schemes (continued)

As the potential impact on the Defined Benefit Obligation (DBO) cannot be measured with sufficient reliability, no allowance for this case has been included in the DBO calculation for the year ended 31 July 2025. The University will review this matter again for the year ending 31 July 2026.

(iii) Local Government Pension Scheme

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 March 2022.

Salary sacrifices of pension contributions is not permitted in the LGPS scheme.

An estimated valuation of the defined benefit schemes was performed at 31 July 2025 by qualified actuary. The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

As at 31 July 2025, the LGPS fund FRS 102 actuarial report resulted in a pension asset £16,030k, (2024: £12,940k). The asset has not been recognised as such on the Statement of Financial Position, as there is no automated entitlement to a refund from the scheme. The £16,030k is eliminated by an additional asset valuation charge to Other Comprehensive Expenditure.

Assumptions relating to CUPF and LGPS

The financial assumptions used to calculate scheme liabilities under FRS 102 are:

	CUPF At 31 July 2025 % p.a.	LGPS At 31 July 2025 % p.a.	CUPF At 31 July 2024 % p.a.	LGPS At 31 July 2024 % p.a.
Price Inflation (RPI)	3.00	n/a	3.15	n/a
Price Inflation (CPI)	2.70	2.50	2.80	2.60
Rate of increase in salaries	2.70	3.50	2.80	3.60
Rate of increase of pensions in payment	2.70	2.50	2.80	2.60
Increases to deferred pensions before retirement	2.70	2.50	2.80	2.60
Discount rate	5.70	5.70	4.95	5.00

Key non-financial assumptions relate to member life expectancy at the accounting date, based on actual mortality experience of members within the Funds carried out as part of the latest formal actuarial valuations (see above), and allow for expected future mortality improvements, the accounting assessments are based on the life expectancy of male and female members at age 65 in normal health as shown below.

	CUPF At 31 July 2025	LGPS At 31 July 2025	CUPF At 31 July 2024	LGPS At 31 July 2024
Pensioner – male	20.8	21.9	20.4	21.8
Pensioner – female	23.5	24.2	23.4	24.1
Non-pensioner (currently aged 45) – male	21.4	22.2	21.0	22.1
Non-pensioner (currently aged 45) – female	24.6	25.0	24.4	24.9

Funder membership data summary at last actuarial valuation	CUPF July 2022	LGPS March 2022
Active members	1,798	29
Deferred members	1,887	85
Pensioners and dependants	1,137	237

25. Pension Schemes (continued)

Scheme Assets and Liabilities	2025 CUPF £m	2025 LGPS £m	2024 CUPF £m	2024 LGPS £m
The assets in the scheme at fair value were:				
Equities	28.9	-	29.9	28.0
Property	-	-	-	2.4
Government bonds	-	41.9	-	3.3
Corporate bonds	-	-	20.3	2.9
Multi Asset Credit	-	-	-	2.1
Liability Driven Investments	103.9	-	87.8	-
Diversified Growth	46.5	-	48.7	-
Private Markets	28.8	-	26.5	-
Cash	0.5	-	1.6	1.7
Other	-	-	-	0.7
Scheme assets at fair value	208.6	41.9	214.8	41.1
Scheme liabilities at present value	(205.0)	(25.9)	(230.0)	(28.2)
Asset Ceiling	(3.6)	(16.0)	-	(12.9)
Net pension asset/(liability) recorded within pension provisions (Note 21)	**-**	**-**	**(15.2)**	**-**
Analysis of the amount charged within Operating Surplus				
Operating cost				
Current service cost	6.0	0.2	6.2	0.2
Past service cost	-	-	-	-
Administrative expenses	1.0	-	0.9	-
Total operating cost:	7.0	0.2	7.1	0.2
Financing cost:				
Interest expense on liabilities	11.1	1.3	10.9	1.4
Interest income on assets	(10.6)	(2.0)	(10.4)	(2.0)
Total financing cost:	0.5	(0.7)	0.5	(0.6)
Total charge/(gain) within Operating Surplus before tax	**7.5**	**(0.5)**	**7.6**	**(0.4)**
Amounts recognised in Other Comprehensive Income:				
Actuarial losses/(gains) from assets	16.9	-	(1.0)	(1.6)
Actuarial losses/(gains) on liabilities	(32.2)	(2.3)	4.9	0.1
Effect of asset ceiling as per IAS19 approach	3.6	3.1	-	2.1
Total loss/(gain) to Other Comprehensive Income before tax	**(11.7)**	**0.8**	**3.9**	**0.6**
Analysis of movement in deficit:				
Deficit at beginning of year	15.2	-	15.1	-
Contributions by the Institution - normal	(11.0)	(0.3)	(11.4)	(0.2)
Operating cost	7.0	0.2	7.1	0.2
Financing cost	0.5	(0.7)	0.5	(0.6)
Loss/(Gain) recognised in Other Comprehensive Income	(11.7)	0.8	3.9	0.6
Deficit at end of year	**-**	**-**	**15.2**	**-**

25. Pension Schemes (continued)

Changes to the present value of scheme liabilities:	2025 CUPF £m	2025 LGPS £m	2024 CUPF £m	2024 LGPS £m
Present value of scheme liabilities at start of the year	230.0	28.2	216.7	28.0
Current service cost	6.0	0.2	6.2	0.2
Interest expense on liabilities	11.1	1.4	10.9	1.4
Contribution by participants	0.2	-	0.2	-
Actuarial losses/(gains) on liabilities	(32.2)	(2.3)	4.9	0.1
Actual benefit payments	(10.1)	(1.6)	(8.9)	(1.5)
Present value of scheme liabilities at the end of the year	**205.0**	**25.9**	**230.0**	**28.2**
Changes in the fair value of scheme assets:				
Fair value of scheme assets at the start of the year	214.8	41.1	201.6	38.8
Interest Income on assets	10.6	2.1	10.4	2.0
Actuarial gains/(losses) on assets	(16.9)	-	0.9	1.6
Contributions by the Institution	10.9	0.3	11.4	0.2
Contributions by participants	0.2	-	0.2	-
Net benefits paid out	(10.1)	(1.6)	(8.9)	(1.5)
Expenses	(1.0)	-	(0.8)	-
Fair value of scheme assets at the end of the year	**208.5**	**41.9**	**214.8**	**41.1**

CUPF and LGPS assets do not include any of the Institution's own financial instruments, or property occupied by the Institution.

Sensitivity of movement in key assumptions

The approximate impact of changing the key assumption on the present value of the funded defined benefit liabilities as at 31 July 2025 is set out below.
In each case, only the assumption mentioned is altered; all other assumptions remain the same. The sensitivity table is based on an illustrative percentage change; however, the estimates could vary by greater, and possibly material, amounts either individually or in combination.

	Funded Defined Benefit Liability (£m)		
CUPF	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	201.7	205.0	208.3
Rate of general increase in salaries	208.3	205.0	201.7
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	210.8	205.0	199.2
LGPS	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	25.5	25.9	26.2
Rate of general increase in salaries	25.9	25.9	25.9
Rate of increase to pensions and rate of revaluation of pension accounts	26.1	25.9	25.6
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	26.4	25.9	25.2

26. Capital Commitments

Consolidated and Institution	2025 £'000	2024 £'000
Commitments contracted	13,677	19,437

27. Operating Lease obligations

Consolidated and Institution

Future minimum lease payments due	Land and buildings £'000	Other £'000	Total 2025 £'000	Total 2024 £'000
Not later than one year	1,831	76	1,907	2,129
Later than one year and not later than 5 years	7,042	47	7,089	5,649
Later than five years	25,250	-	25,250	29,277
Total lease payments due	34,123	123	34,246	37,055

Land and building leases are held in respect of office premises and car parking facilities. Other leases comprise vehicle and other equipment leases.

28. Related Party Transactions

All transactions involving organisations in which a member of the Council may have an interest are conducted in accordance with the Institution's financial regulations and normal procurement procedures. The Institution maintains a Register of Interests of members of Council and senior officers.

The list below represents the trading transactions and year-end close balances with organisations of which the relevant Council member or senior officer holds a position of influence in both the related party and the Institution.

Organisation	Charity/ company number	Description	Location	Council member or senior officer	Income	Expenditure	Debtor	Creditor
					£'000	£'000	£'000	£'000
Academy of Medical Educators	05965178	The Academy of Medical Educators (AoME) is the multiprofessional organisation for all those involved in medical education – the education and training of students and practitioners in medicine, dentistry and veterinary surgery.	Cardiff, Wales, UK	RILEY, PROF STEPHEN	-	1	38	-
Advance HE	04931031	Advance HE is a member-led charity of and for the sector that works with partners across the globe to improve higher education for staff, students and society.	York, England, UK	Dr DAVID LANGLEY	-	123	-	81
Association of Commonwealth Universities	RC000017	We are a global network of universities with a shared commitment to building a better world through international collaboration in higher education.	London, England, UK	BETH BUTTON	-	8	-	-
Cardiff & Vale University Health Board	1056544	Enhance and support the services provided by the University Health Board	Cardiff, Wales, UK	RANKIN, SUZANNE MS RILEY, PROF STEPHEN	3,563	-	2,200	-
Cardiff Business Club	00568821	Connecting organisations and sharing inspiration via our members and our world class speakers	Cardiff, Wales, UK	XAVIER-PHILLIPS, AGNES MS	-	3	-	-

Organisation	Charity/ company number	Description	Location	Council member or senior officer	Income	Expenditure	Debtor	Creditor
					£'000	£'000	£'000	£'000
Cardiff City Council	N/A	Governing body for Cardiff	Cardiff, Wales, UK	MORGAN, CLAIRE MS	381	449	-	56
Cardiff Union Services Limited	02287517	Promote the social and educational welfare of Cardiff University by providing services and facilities to them	Cardiff, Wales, UK	FLORES ACUNA, ANGIE MICAELA PANES	-	6,644	-	116
Cardiff University Students' Union Limited	07328777	The advancement of education of students at Cardiff University	Cardiff, Wales, UK	AGNES XAVIER-PHILLIPS, MICAELA PANES MADISON HUTCHINSON SEAN STRONG MARIA POLLARD	11	-	3,023	-
Coleg Cymraeg Cenedlaethol	07550507	Coleg Cymraeg works with further education colleges, universities, organisations that offer apprenticeships, and employers to create opportunities to train and study in Welsh.	Carmarthen, Wales, UK	OWEN, DEIO	25	15	2	-
Corestone, AG		Corestone Investment Managers AG is an independent, employee-owned partnership consisting of a multi-disciplinary team of seasoned investment professionals and a strong track record in money management & investment transaction advisory.	Zug, Switzerland	SHAKESHAFT, JOHN C	25	-	-	-

Organisation	Charity/ company number	Description	Location	Council member or senior officer	Income	Expenditure	Debtor	Creditor
					£'000	£'000	£'000	£'000
Council for British Research in the Levant	3566646	Advance public education through conducting, supporting, and promoting scholarly research in the humanities, social sciences, and related subject areas in the Levant, and the dissemination of the useful results of the research	London, England, UK	SHAKESHAFT, JOHN C	1	-	-	-
Digital Health & Care Wales/NHS Wales	N/a	Making digital a force for good in health and care	Cardiff, Wales, UK	SELWAY, DAVID	-	25	-	-
Institute of Cancer Research (ICR)	00534147	Cancer research institute	London, England, UK	SHAKESHAFT, JOHN C	-	-	-	15
Medical Schools Council	08817383	Promote, encourage, and develop Medical Schools in the United Kingdon and thereby advance education for the public benefit, in particular medical education, research and training	London, England, UK	RILEY, PROF STEPHEN	-	52	-	-
Quality Assurance Agency	03344784	Safeguards the value of qualifications for students and leaners, and protects and promotes the reputation of higher education	Gloucester, England, UK	MORGAN, CLAIRE MS	-	52	-	-
Russell Group		The Russell Group represents 24 research-intensive universities located in every region and nation of the UK.	Cambridge, England, UK	LARNER, WENDY PROFESSOR	-	96	-	-
S4C	03418713	Welsh language free-to-air public broadcast television channel	Carmarthen, Wales, UK	JONES, CHRISTOPHER	116	40	-	40
Tata Steel UK	02280000	Manufacture of basic iron and steel and of ferro-alloys	London, England, UK	WEAVER, DR ROBERT	48	-	38	-
U.M Association Limited	02731799	Insurance intermediary and mutual management service provider	London, England, UK	XIBERRAS, DARREN MR	57	-	-	-

Organisation	Charity/ company number	Description	Location	Council member or senior officer	Income	Expenditure	Debtor	Creditor
					£'000	£'000	£'000	£'000
UCEA Board	2914327	The Universities and Colleges Employers Association (UCEA) provides its member institutions with timely advice and guidance on all employment and reward matters relevant to the HE sector.	London, England, UK	LARNER, WENDY PROFESSOR	-	36	-	-

The Institution has taken advantage of Paragraph 33.1A of FRS 102 in that disclosures need not be given for transactions that have taken place between the parent and its wholly owned subsidiaries.

Trustee remuneration and expenses

No trustee received any remuneration or waived payment from the Institution during the year (2024: none).

The amounts in the table below represent payments made to trustees for travel and subsistence costs incurred in attending Council, committee meetings and charity events in their official capacity. Not all trustees have claimed expenses in the year or prior year. Where trustees are also employees of the Institution, expenses claimed in their capacity as an employee are not included.

	2025 £'000	2024 £'000
Expenses paid to 10 trustees in the year (2024: 8)	14	4

29. Post Balance Sheet Events

No post balance sheet events to disclose.

30. US Department of Education Financial Responsibility - Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, Cardiff University is required by the US Department of Education to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements.

The accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

			Year ended 31 July 2025		Year ended 31 July 2024	
Page	**Line item - related disclosures**	**Expendable Net Assets**	**£'000**	**£'000**	£'000	£'000
65	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		767,049		801,690
65	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		53,536		53,164
65	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	937,952		956,775	
65	Note of the Financial Statements - Statement of Financial Position - Property, plant, and equipment - pre-implementation	Property, plant, and equipment - pre-implementation		895,724		880,709
65	Note of the Financial Statements - Statement of Financial Position - Property, plant, and equipment - post-implementation without outstanding debt for original purchase	Property, plant, and equipment - post-implementation without outstanding debt for original purchase		28,360		66,792
65	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		13,868		9,274
65	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities		-		15,197
65	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	446,729		430,263	
65	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation		446,729		430,263
65	Statement of Financial Position - Term endowments	Term endowments with donor restrictions		6,005		5,625
65	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		47,477		47,471

30. US Department of Education Financial Responsibility - Supplemental Schedule (continued)

Primary Reserve Ratio (continued)

			Year ended 31 July 2025		Year ended 31 July 2024	
Page	**Line item - related disclosures**	**Total Expenses and Losses**	**£'000**	**£'000**	**£'000**	£'000
63	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		696,569		673,858
63	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		26,726		202,128
63	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)		11,847		36,923
63	Statement of Activities - Pension related changes other than periodic pension	Pension-related (credits)/ changes other than net periodic costs		15,197		165,135

Equity Ratio

			Year ended 31 July 2025		Year ended 31 July 2024	
Page	**Line item - related disclosures**	**Modified Net Assets**	**£'000**	**£'000**	£'000	£'000
65	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		767,049		801,690
65	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		53,536		53,164
Page	**Line item - related disclosures**	**Modified Assets**				
65	Statement of Financial Position - Total Assets	Total Assets		1,433,459		1,462,548

Net Income Ratio

			Year ended 31 July 2025		Year ended 31 July 2024	
Page	**Line item - related disclosures**		**£'000**	**£'000**	£'000	£'000
64	Statement of Changes in Reserves - total of movement shown for Income & Expenditure Reserve and Revaluation Reserve	Change in Net Assets Without Donor Restrictions		(34,641)		170,580
63	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		635,202		642,310

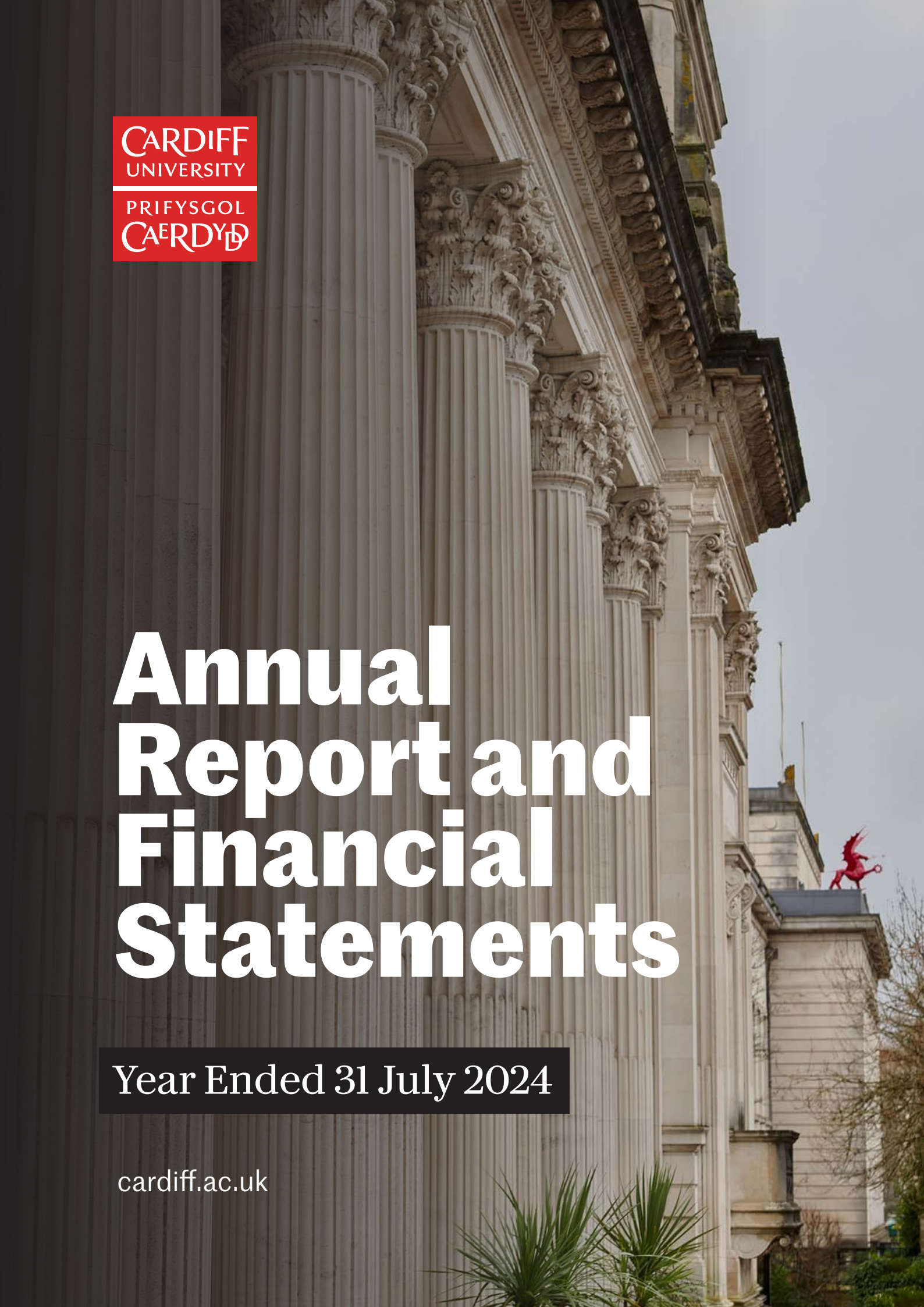



CARDIFF
UNIVERSITY
PRIFYSGOL
CAERDYDD

CARDIFF UNIVERSITY

England & Wales - Charity number 1136855

Accounts



CARDIFF UNIVERSITY
PRIFYSGOL CAERDYDD

Annual Report and Financial Statements

Year Ended 31 July 2024

cardiff.ac.uk


Tim Bywyd Preswyl
Residence Life Team
CARDIFF
UNIVERSITY

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Charity Name:
Cardiff University

Charity Registration Number:
1136855

Registered Office:
Main Building
Cathays Park
Cardiff CF10 3AT

www.cardiff.ac.uk

Chair of Council's Introduction

'What kind of University do we want to be, for what kind of future?'

Over the last year, as part of the University's 'Y Sgwrs Fawr/The Big Conversation' exercise, Council has joined with the University's students, staff, and stakeholders to explore the profound consequences of this seemingly straightforward question. In this collective exploration of how the world is changing and what that means for teaching, research and innovation, the University has been able to consider how it can most positively impact the lives of individuals, Cardiff, Wales, and the world. It has set about a deep process of change in our strategic thinking, which will take our University through to 2035.

What has struck me most during this time is the real sense of community Cardiff University generates, and the strength of the commitment to its future. Everyone is invested in this University and that's been shown by the full and frank exchange of ideas, in the sharing of alternative visions for our University's future, and in the volume of engagement with the process itself.

The strategy process was led superbly by our new Vice-Chancellor, Professor Wendy Larner, but the final result is a true manifestation of everyone's input. I look forward to seeing it transform our University over the coming years.

This transformation is necessary because, as our Vice-Chancellor has made clear since her first day in post, the current model of university education is facing an existential crisis. Universities also face further challenges as a result of the previous government's policies, language, and tone towards international students. Cardiff University is not immune from these forces.

So, Council's emphasis over the last year, and central to the future strategy, has been ensuring Cardiff's long term academic and financial sustainability. The University's Voluntary Severance Scheme – which Council approved - will help reduce staffing in areas so we can reinvest in other areas of work aligned to our new strategic priorities.

Over the last year, Council met six times, approving the appointments of a new Provost, and new Pro Vice-Chancellors for the Colleges of Biomedical and Life Sciences, and Physical Sciences and Engineering. We also received regular updates from the Students' Union and on student experience and NSS, on protecting freedom of speech and delivering our duty of care to staff and students. We approved the investment in the Future Research Service, reviewed the options for achieving net zero at the University by 2030 and also approved the appointment of a new Vice-Chair of Council, John Shakeshaft, who takes up post in August 2024. During our three further development days, as well as an expected focus on the University's strategy development and financial sustainability we also had sessions developing the University's support/activity for the Anti-Racist Wales action plan, the Welsh Language Act, and information security, among others.

In other news, this year I attended the Enriching Student Life Awards and Celebrating Excellence Awards, which in their different ways recognise and celebrate the hard work of staff and students who make a positive contribution to our University community. These are genuinely joyous events, and I am always struck by the volume and selfless nature of commitments people make to improve the Cardiff experience for others.

Chair of Council's Introduction



Graduation is always a highlight for me, and seeing our students celebrate with their friends, families and University staff is a clear reminder of the value of a university education. Not just the degree itself, but the friendships formed, and memories made. In an increasingly utilitarian age, I believe the emphasis Cardiff University places on these human values of cynefin, community and connection will differentiate us as a university of choice.

This is the third year I have had the privilege of leading Council. My thanks go to all the staff, students and independent members who have served on Council and its various committees over the year. Thanks also to all the University's students, staff and senior management team for their engagement and support for the University. Diolch yn fawr iawn i chi gyd – thank you all very much.

It's been our first full year with Professor Wendy Larner as our Vice-Chancellor, and I look forward to seeing the strong foundations she and her team have laid over the last 12 months being used as the springboard for sustainable and impactful change.

Patrick Younge
Chair of Council

27 November 24

University Strategic Plan

Cardiff University: our future, together
Our path to 2035

Our future direction has been heavily shaped by our past. We were the first Welsh university to admit women and the earliest chartered institution in the UK to employ women as professors. We stood alongside our neighbours in the city over generations, in Wales and beyond, providing a warm Welsh welcome to those displaced by war or needing sanctuary. Student volunteerism and activism is a rich archival theme, demonstrating our tradition of enabling free speech and debate, and encouraging civic participation and action. Our strategy to 2035 embodies our commitment to delivering a better world for future generations, a new manifestation of our progressive history.

Our vision to 2035

By 2035, we want to be:

- recognised globally as a pioneer for research and innovation, built on our strength-in-places, initially through translational excellence in creative industries and advanced manufacturing (compound semiconductors).
- attractive to students of all ages and backgrounds, learning in a variety of ways, taught using the best pedagogy, enabled by flexible delivery and digital innovation.
- the university of choice for regional, national, and global alumni, partners and funders looking for bold and brave approaches to the future.
- a valued and active anchor partner in our city-region, driving significant progress on the Cardiff Capital Region Investment Zone and Academic Health Sciences Precinct.
- an employer and educator of choice, with a vibrant, international staff and student body that is also representative of our diverse city-region.

We will have:

- helped to solve grand challenges in areas such as climate change, biodiversity, health, security, sustainability, and social justice.
- diversified our income, achieving financial sustainability with more commercial revenue from our research and our estate, diverse sources of research and teaching income, and growth in philanthropy.
- made a significant economic and social impact on Cardiff and Wales.
- established a network of well-developed, reciprocal, transnational education partnerships across the globe.
- developed a smaller, high quality, civic campus, which is green, creative, and open, cohabiting and co-locating with communities and partners.

Our Strategic Priorities

1. Culture, cynefin and community

Our university will be an amazing place to research, teach, learn, study, and create, which allows excellence to flourish beyond boundaries, enabling curiosity and ambition. We will support all members of our community to thrive.

We will welcome and accept people for who they are - a community where we know and value each other and understand what matters to us. We value diversity and will take the necessary steps to be a genuinely inclusive, positively bilingual, and anti-racist university. ‘Cynefin’ is a touchstone for us, a place where people feel they belong. We will work together, leaving no-one behind, clear on our expectations of each other and pursuing shared priorities.

Our values and work will align in a socially responsible university that strives to make Cardiff and Wales, as well as the world beyond, a better place. Our actions and behaviours will engender trust and respect from others and will inspire students and staff to be lifelong champions. Our strong disposition is to make a difference and to be among the very best.

2. A vibrant and thriving place

We are a capital city university; an anchor institution for Cardiff and Wales, embodying Welshness, embracing the Welsh language, proud of our heritage. We celebrate being multicultural and multilingual, drawing together the best minds from across the globe and nurturing homegrown talent.

We are an integral part of a liveable, creative, bilingual, multicultural city and will work with others to ensure Cardiff is a wonderful city to visit and to work, study and live. We will be open to our partners – locally, nationally, globally - and accessible with a clearly marked 'front door' that says 'croeso'. We will be more visible and present in diverse communities, allowing knowledge to flow in both directions, sharing our spaces and resources.

We will be distinctively of Cardiff and Wales in all that we do, through our outlook, teams, investments, facilities, partnerships, collaborations, and ecosystems. We will connect Cardiff and Wales to the world through mutually beneficial connections and global relationships that benefit us all. We will foster social mobility and economic impact, creating a highly skilled workforce and building on joint research and innovation priorities. We will encourage entrepreneurship among our staff, students, and alumni, generating spinouts and commercialising our research to create new businesses and jobs. Cardiff staff, students and alumni will be global ambassadors for a Welsh spirit of change-making which is deeply rooted in place and community.

We will improve our campuses, their sustainability, and the shared experience of being here. That means taking seriously the challenge of climate change and decreasing biodiversity, tackling our carbon footprint, enhancing our green infrastructure, and adapting our buildings to enable us to work better together. We will invest in world class approaches – physical and digital – for research and innovation, education, and operations.

3. Co-creating futures

We will work collaboratively as we co-create futures with our staff, students, alumni, and partners. We will be agile, innovative, and continually evolving. Together, we will adapt to a changeable world and deal with uncertainty. We will take a global outlook and work to establish international partnerships that are genuinely reciprocal. We will embrace, prepare for, and actively shape the future throughout our activities. We will be united by a mission to reshape, rewire, and renew prospects not just for tomorrow, but far beyond.

Our intellectual curiosity and research intensity will create a depth of understanding from which we will innovate; sustaining and securing the future, enriching lives, supporting social integrity, pioneering public values, embedding one-health, enabling physical and mental well-being, driving decarbonisation, and developing new transformational technologies. We will be world-renowned for our impact and underpinning research strengths, working with others to create insights and solutions far beyond those that can be achieved alone.

We will offer flexible, tailored, lifelong learning to our students that gives them choices, agency, and a voice, and provide future-proofed knowledge and skills that they can apply in the real world to fulfil their aspirations. We will teach our students in a way that develops them further into resilient, critical, problem-solving change makers who know how to work together in an uncertain, interdisciplinary, cross-sectoral, digitised world. We will help people from all backgrounds transform their lives, place, and society and will have a lifelong commitment to, and relationship with, our students and alumni.

Our measures of success

- Our students of all backgrounds are supported to succeed and have an excellent experience.
- We are a university where our staff feel like they belong (Cynefin).
- We are recognised as one of the best Universities in the World.
- We embrace the Welsh language, offering opportunities to study in Welsh wherever possible.
- We are a financially robust and sustainable institution.
- We operate a more sustainable campus.
- Our research is recognised as world-leading and impactful.
- Our research has practical applications in our community.
- Our student outcomes are amongst the best in the sector – contributing to a skilled workforce.

Delivery of our strategy

Delivery of this strategy will take place across three interrelated time horizons. Horizon One will largely focus on our ways of working, organisational effectiveness and the creation of financial headroom, putting in place the fundamentals that will enable change. Horizon Two will incorporate activity that begins to deliver growth and innovation in the areas that speak to our vision for the future, allowing us to build momentum for change. Horizon Three will take our reinvention further, incorporating activities that will emerge as we work together to co-create our future.



Vice-Chancellor's Review

At the beginning of the 2023/2024 academic year, we asked ourselves one very important question: What kind of university do we want to be, for what kind of future?

It was the driver behind **Y Sgwrs Fawr/The Big Conversation**, a participatory process that helped shape and develop our new strategy.

Our staff, students and external communities were engaged through town hall events, exhibitions, surveys and sessions with our Schools, departments, and the Students' Union. We created a student panel which acted as a sounding board, and our senior team created think pieces to spark conversation. We then used the results of these engagements to develop three possible futures for our University, asking our community what excited them and discouraged them in each one.

The approach that we took is novel. No other university that I'm aware of has engaged as deeply and used futures methodologies as extensively as us to shape their strategic direction. I'm also very proud of the fact that this has been a 'home grown' process, designed and delivered by Cardiff staff, without relying on external consultants.

I think it is fair to say that it pushed many of us out of our comfort zones, but it enabled us to be imaginative and to think beyond incremental change and improvement to something far bolder. The result – our new strategy to 2035 – was co-created with our staff, students, and wider community.

Everyone who took part was generous with their time and ideas and I feel this new strategy represents all of us – our thoughts, projections and hopes for our University. Together we have shaped Cardiff University's future, and I would like to thank every member of the University community who participated in this process. Y Sgwrs Fawr/The Big Conversation has given us all clarity on our direction, and allowed us to unite around common strategic goals.

We've already shared drafts of the strategy with our staff and the final version has now been approved by the University Council. Our new strategy – Cardiff University: our future, together – will be fully operational as of 1 September 2024 and will guide us through to 2035.

Although strategy development was a significant focus this year, other work has continued alongside the development of the strategy. What follows next is a snapshot of Cardiff's impact over the last 12 months. We have chosen to tell these successes under the three priority areas of our new strategy, to show the excellent work already underway in these fields.



Welsh language hub opens its doors

Culture, cynefin and community

Our commitment to supporting technical career development

The GW4 Alliance of Cardiff, Bath, Bristol and Exeter universities will develop opportunities that give technical specialists the opportunity to excel in their careers; collectively work together to effectively respond to the most relevant recommendations of UKRI's TALENT Commission; and deliver sector-leading programmes and reports on how innovative approaches to career development can transform technical skills and capabilities.

Welsh language hub opens its doors

A dedicated space aimed at nurturing Welsh language and culture has opened for Cardiff University staff and students. Y Lle is available to anyone who would like the opportunity to work, study or socialise through the medium of Welsh. It is home to the University's Academi Gymraeg and the Coleg Cymraeg Cenedlaethol Cardiff University branch. Welsh lessons taught by Learn Welsh Cardiff take place at Y Lle and the space also offers hot desk and meeting facilities and a social space.

Teaching excellence recognised

Dr Emma Yhnell, a senior lecturer in the School of Biosciences, was awarded a National Teaching Fellowship in recognition of her teaching excellence and commitment to her students. The prestigious awards – the highest in the sector – are given to a small number of academics each year who have made an outstanding impact on student outcomes and the teaching profession. The award is recognised internationally as a mark of quality.

Strategic Equality Plan

We finalised our Strategic Equality Plan 2024-2028 which sets out our ambitions and measures for equality, inclusion, diversity, and anti-racism at our University. Staff and students across the institution were involved, telling us what they thought of our objectives and helping us build our vision of who we want to be.

Putting our students at the heart of our teaching

We are trialling a new approach which sees our Student Champions partnering with academic Schools to give a student perspective on programme design. This puts our students at the heart of decisions and means our programmes are centred around what they need. A specialist toolkit focussing on inclusivity, sustainability and employability is also helping our academics develop their teaching practice and programme design.



Junior graduates celebrate achievements

A vibrant and thriving place

Cardiff University joins forces with Cardiff Capital Region for future collaboration

Cardiff University signed a groundbreaking Memorandum of Understanding with Cardiff Capital Region and other Higher and Further Education institutions from South-East Wales, forming a framework for future collaboration based on key objectives for economic wellbeing in the Region. It will ensure alignment on regional ambitions and create further opportunities for business engagement, collaborative learning, teaching, and research and development, allowing Cardiff Capital Region to gather the expertise that these institutions can deliver together.


Responsible procurement

Pilot initiative drives growth in creative industries across Cardiff Capital Region

A pilot project to nurture creative talent in Newport, Monmouthshire and Rhondda Cynon Taf saw an increase in the survival rates of businesses, positive changes in the working conditions of freelancers and up to £230,000 in additional revenue. The project, between the University's Centre for the Creative Economy and local authorities brought together more than 1,000 artists and creative business owners.

Cardiff University and Siemens Healthineers forge strategic alliance

Cardiff University and Siemens Healthineers have entered a strategic partnership to develop advanced medical technologies, with a key focus on imaging and in vitro diagnostics. The alliance builds on a ten-year collaboration between the global healthcare solutions company and the University, supporting innovation in world-class imaging research and precision diagnostics.

Junior graduates celebrate achievements

Cardiff University's latest cohort of junior graduates doffed their caps in front of family and friends. The youngsters were part of the Cardiff University Primary School Programme, delivered in partnership with Cardiff Council's Passport to the City: Children's University initiative. The year-long project delivers opportunities for children to study subjects aligned to the Curriculum in Wales, while learning new skills and raising aspirations.

Responsible procurement

Our new Responsible Procurement Policy introduces Environmental, Social and Governance considerations into our purchasing decisions and will help us become a socially responsible university that strives to make Cardiff, Wales, and the World a better place.



Evidence of ancient medieval feasting rituals uncovered in grounds of historic property

Co-creating futures

World-first ammonia steam boiler moves to next phase of testing

Cardiff University researchers are opening new avenues in sustainable energy adoption and greener industry. Researchers at the Net Zero Innovation Institute, in collaboration with industry partner Flogas, began testing a new type of low carbon ammonia boiler on-site at Cardiff University. Launched last year, the £3.4m Amburn project is funded by the Department for Energy Security and Net Zero through the Industrial Fuel Switching Competition. The project team has designed world-first equipment that aims to tackle industrial carbon emissions by providing a greener solution.

Cardiff graduates among the UK's most employable

Cardiff University graduates are some of the most employable and sought after by UK employers, according to the 2021/22 Graduate Outcomes survey. Published by the Higher Education Statistics Agency (HESA), data shows that 15 months after their course ended, 86% of our graduates were working in the UK in highly skilled employment, making Cardiff University first in Wales for this measure.

Beeswax could help families in warzones

Academics from Cardiff University and Kharkiv Polytechnic Institute of National Technical University, Ukraine have developed an antimicrobial food wrap, using household items and beeswax, which can provide food storage in conflict zones. The kit created by the scientists can be used in areas of Ukraine where the power supply has been disrupted by the Russian invasion and potentially in other conflict zones around the world.

Evidence of ancient medieval feasting rituals uncovered in grounds of historic property

An early medieval cemetery has been discovered within the grounds of Fonmon Castle, near Barry, South Wales by archaeologists from Cardiff University. The excavation offers fascinating new evidence about life in early medieval Wales (AD 400-1100) and transforms our understanding of the history of Fonmon and the Vale of Glamorgan.

Earth's earliest forest revealed in Somerset fossils

Scientists have discovered remnants of the Earth's oldest fossil forest on the north coast of Devon and Somerset in the UK. Discovered by researchers from Cambridge University and identified at Cardiff University, the cladoxylopsids trees, which are around 390 million years old, are thought to have grown as part of an extensive forest covering the east coast of the Old Red Sandstone continent – part of Europe at that time. This makes the Somerset Forest four to five million years older than the previous record holder at Cairo, New York in the US and throws new light on the evolution of trees and the transformative role they played in shaping the world we live in today.


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Vice-Chancellor's Review

Alongside these big news stories for Cardiff there was steady progress in other important areas. Our NSS results, for example, saw overall student satisfaction increase from 71.72 to 77.9%, the highest it has been in four years. Seven programmes achieved 100%, with 22 programmes achieving 90% and above (nine more than last year). There were improvements in every thematic area – a result which is testament to the efforts of staff over the past year in every part of the University. We were also delighted to note that our Students' Union was ranked second among Russell Group universities for representing our students' academic interests.

Several activities also took place during the year to help us build a positive, values-based research culture. These include the launch of our evidence-based Research Culture Action Plan; a Research Culture Fund supporting 26 grassroots events; our inaugural Research Culture Week and securing and launching the Cynnau|Ignite research culture leadership programme.

Our commitment to creating 'cynefin', a place for everyone, cannot be overstated, and we are on a journey to establish ourselves as an actively anti-racist University. We are pursuing the Race Equality Charter Mark Bronze-Level Recognition, and over the year our staff had their say on the areas of work we need to prioritise. Our work on this is ongoing and we are committed to improving the experience of our minoritised ethnic staff and students.

All of this has taken place against a difficult backdrop. Like others in the sector, Cardiff is facing a challenging financial context. To ensure our long-term sustainability, we need to return to a point where our costs are lower than our income. We also need to create headroom to be able to invest in new activities and support the delivery of our strategy. We have already made early steps towards rationalising our estate, and are actively looking for ways to further reduce our non-pay expenditure. Our voluntary severance scheme is aimed at reducing staffing in areas where we can and reinvesting in the areas which need more resources. We recognise this as our opportunity to embrace change and to positively and proactively reshape our activities to meet the needs of current and future generations.

In April 2024, the Welsh Government confirmed that the amount that Welsh universities can now charge for tuition was increasing from £9,000 to £9,250 per year from September 2024. Like other Welsh universities, we took the difficult decision to increase fees to help meet our ever rising financial costs. Although it helps a little, in real terms tuition fees in Wales have decreased by 17.4%, and if fees had increased with inflation, they'd be around £11,000.

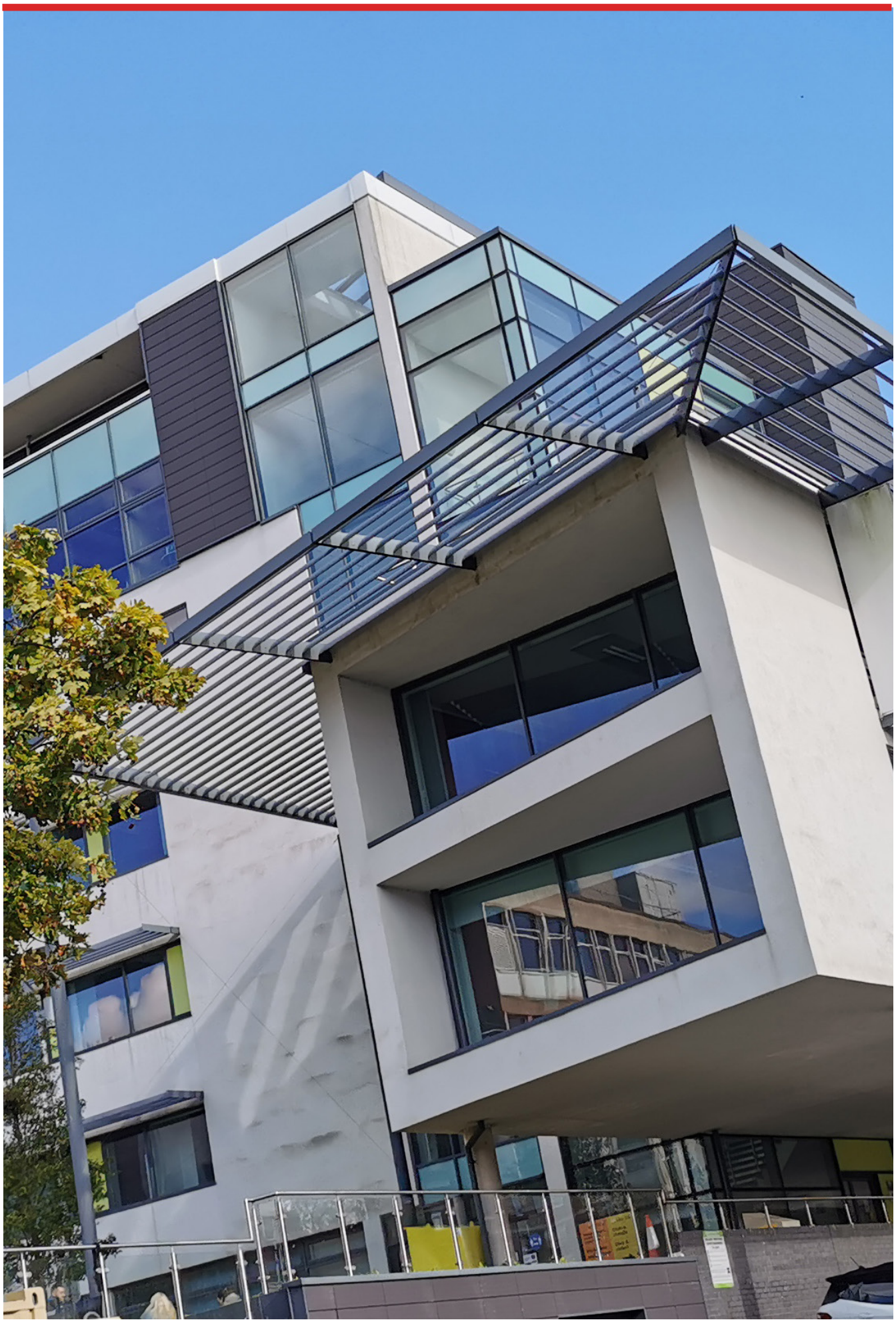
An immediate concern we faced over the year – and continue to feel the effects of - is the Migration Advisory Committee (MAC) review into the graduate visa route. While we welcome the recommendation that the graduate route should remain as is, the very decision to review in the first place has caused uncertainty and much damage to international student recruitment in the UK.

Geopolitical issues have also affected our community. The Israel-Gaza war has been deeply upsetting and challenging for many members of the University. We have offered support to staff and students over the year and will continue to do so for as long is needed. Like many other campuses, we saw pro-Palestinian protestors set up a camp on our Main Building's Horseshoe Drive. Following a number of meetings with the camp, its members voluntarily left, and the camp ended peacefully in mid-July.

As I reflect on the year, it has been both successful and challenging. It's been my first year in post and I'm looking forward to seeing the work we have put in on our strategy start to make an impact. As always, Cardiff's strength is in its people, it's community.

Our tradition of supporting each other in times of crisis has continued and I am immensely proud of the difference our work is making at home and around the world.

Professor Wendy Larner
Vice-Chancellor
27 November 2024



Key trends in Higher Education

Cardiff University continues to respond to trends in both Wales and Westminster, adapting to the different policy agendas devolution entails.

The past year has been one of significant political change. This included two new First Ministers in short succession and a period of significant political turbulence between those two appointments. We have also seen a number of changes to the make-up of the cabinet and an end to the co-operation agreement between Welsh Labour and Plaid Cymru.

Higher education in Wales has continued to face a number of difficult challenges relating to finances, and all universities in Wales are taking action to close deficits. These funding challenges have arisen from a number of sources including; the declining value of the domestic tuition fee, a challenging market for international recruitment, and the wider context for public finances.

The most immediate concern has been the UK Government's request that the Migration Advisory Committee (MAC) review the graduate visa route. Whilst the MAC recommended retaining the Graduate route in its current form, this followed extensive evidence-gathering by the higher education sector. It also highlights the challenges to universities if migration remains a key political issue.

More positively, the Welsh Government raised tuition fees from £9,000 to £9,250, although this was alongside a reduction in HEFCW's budget. It is unlikely that the Welsh budget allocated to higher education will see significant increases in the short-term. As a result, our HEFCW funding streams – such as teaching grants and research funding – are likely to see further pressures. We note the decision from Westminster that English fees will be able to be increased in 2025/26 to £9,535 but we await any further decisions from Welsh Government as to what that means for Welsh Fees. In the meantime, we will need to absorb the additional Employers National Insurance Contributions announced in the Chancellor's Autumn Budget Statement.

Higher education across Wales is also preparing for the eventual handover of powers from HEFCW to Medr (the new name from the Commission on Tertiary Education and Research). This will bring together higher education, further education, sixth forms, and adult learning into a single regulatory and planning space from 1st August 2024. The Statement of Priorities set by Welsh Government gives an insight into Medr's work. This statement takes a gradualist approach but focuses on:

- Putting learners at the heart of the system
- A social and economic contribution
- Supporting financial sustainability, whilst also referring to increasing differentiation between providers.

This statement continues to consider social mobility and tackling education inequality as a key priority for Welsh Government, building on a significant theme of Welsh Government policy over the last 25 years.

Medr will lead to closer work between higher and further education, building on existing partnerships around specific courses and civic mission.

Likewise, whilst the new Welsh Government has had limited time to act on research and innovation, we have been keen to promote Cardiff University's role as an anchor institution in the economy of south Wales, building on our research and innovation institutes and links with a wide range of partners across the region. We expect a stronger focus from Welsh Government on job creation in the next few years, with a particular emphasis on green jobs.

Both the Welsh and UK Governments have said that they expect a more collaborative relationship following the UK general election and this is especially likely to affect research and innovation policy and new regional and place-based agendas, as the UK Government seeks to replace the former Government's Levelling Up programme.

Finally, many of our conversations with elected officials in the last year have addressed Y Sgwrs Fawr/ The Big Conversation and strategic review. This has led to a number of useful interactions with MSs and MPs representing Cardiff University and provided useful feedback into our conversations.

Major Committees and University Executive Board

Report from the Governing Body's key committees

Council has established four major committees whose members it appoints to oversee various aspects of the University's business: the Audit and Risk Committee, the Finance and Resources Committee, the Governance Committee, and the Remuneration Committee. All of these committees are formally constituted, each with terms of reference and a membership which includes independent members of Council and a Council independent member as Chair. Major committees may establish sub-committees, such as the Nominations Sub-Committee which is a key sub-committee created to consider and agree recommendations to Council in relation to key appointments.

Audit and Risk Committee

Member	Type	Attendance
Dr Robert Weaver (Chair)	Independent	6/6
Aneesa Ali (appointed 01 Jan 24)	Independent	2/2
Pers Aswani	Independent	6/6
Dónall Curtin (resigned 13 Nov 23)	Independent	3/3
Suzanne Rankin	Independent	4/6
Dr Nick Starkey (appointed 01 Jan 24)	Independent	2/2
Agnes Xavier-Phillips	Independent	4/6

The Chair of Council and members of staff or students at the institution are not members of the Committee. Members are not individuals with executive management responsibilities within the institution or members of the Finance and Resources Committee. Two independent members were appointed to the Committee during 2023-24 following a recruitment exercise supported by an external search agency following the resignation of one member.

Key responsibilities

The Audit and Risk Committee has a key role in advising and assisting the Council in overseeing the assurance and control environment of the University. Its duties cover:

- Assessing and advising Council on the effectiveness of the institution's risk management, control and governance arrangements, and the internal controls and procedures to promote economy, efficiency, and effectiveness.
- Oversight of external and internal audit arrangements, including advising the governing body on the appointment of the audit providers, and oversight of the nature and scope of external and internal audits and the effectiveness of the audit processes; and
- Oversight of audit aspects of the University's financial statements, including the independent auditors' opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the management External Auditor's representation letter.

The Committee's terms of reference are closely aligned to the Committee of University Chairs' guidance about audit committees and the Committee takes due regard of this guidance in its operation.

Summary of business

The Audit and Risk Committee met six times during 2023-24, including two special meetings held in September 2023 to consider the Head of Internal Audit's resignation statement and draft Head of Internal Audit Opinion, and to make recommendations on the appointment of an Interim Head of Internal Audit.

The External Auditors attended all ordinary meetings of the Committee and were present for consideration of the annual Financial Statements (including going concern review), management representation letter, and the Internal Auditor's formal opinion as well as approval of the annual internal audit plan and strategy.

The Committee reviewed the University's risk register and detailed reports, including those from internal audit, together with recommendations for the improvement of the University's systems of internal control, management responses and implementation plans, and progress with the high priority external and internal audit recommendations. The Committee monitored progress with the Fee and Access Plan and a project to map the University's key controls, and oversaw an external review of Internal Audit, and the development of a new Strategic Risk Register, following implementation of a new Risk Management Policy and software.

The Committee considered reports on value for money, complaints, data submitted externally, and Net Zero, assurance mapping and the University estate. The Committee also received regular reports on serious incidents, whistleblowing, litigation, and financial compliance. The Committee undertook an annual self-evaluation of effectiveness and identified one area for Committee training during 2024-25.

Major Committees and University Executive Board

Finance and Resources Committee

Member	Type	Attendance
John Shakeshaft	Independent	4/4
Angie Flores Acuña (term ended 30 Jun 24)	Student	4/4
Beth Button (appointed 05 Mar 24)	Independent	2/2
Madison Hutchinson (appointed from 01 Jul 24)	Student	-
Chris Jones	Independent	4/4
Jan Juillerat	Independent	4/4
Professor Urfan Khaliq	Employee	4/4
Professor Wendy Larner (from 01 Sep 23)	Employee	4/4
Micaela Panes	Student	4/4
Professor Colin Riordan (until 31 Aug 23)	Employee	-
David Selway	Independent	4/4
Professor Damian Walford Davies	Employee	3/4
Jennifer Wood	Independent	4/4
Patrick Younge	Independent	3/4

The Committee's membership includes two members with relevant financial experience gained within a predominantly finance-based role.

Key responsibilities

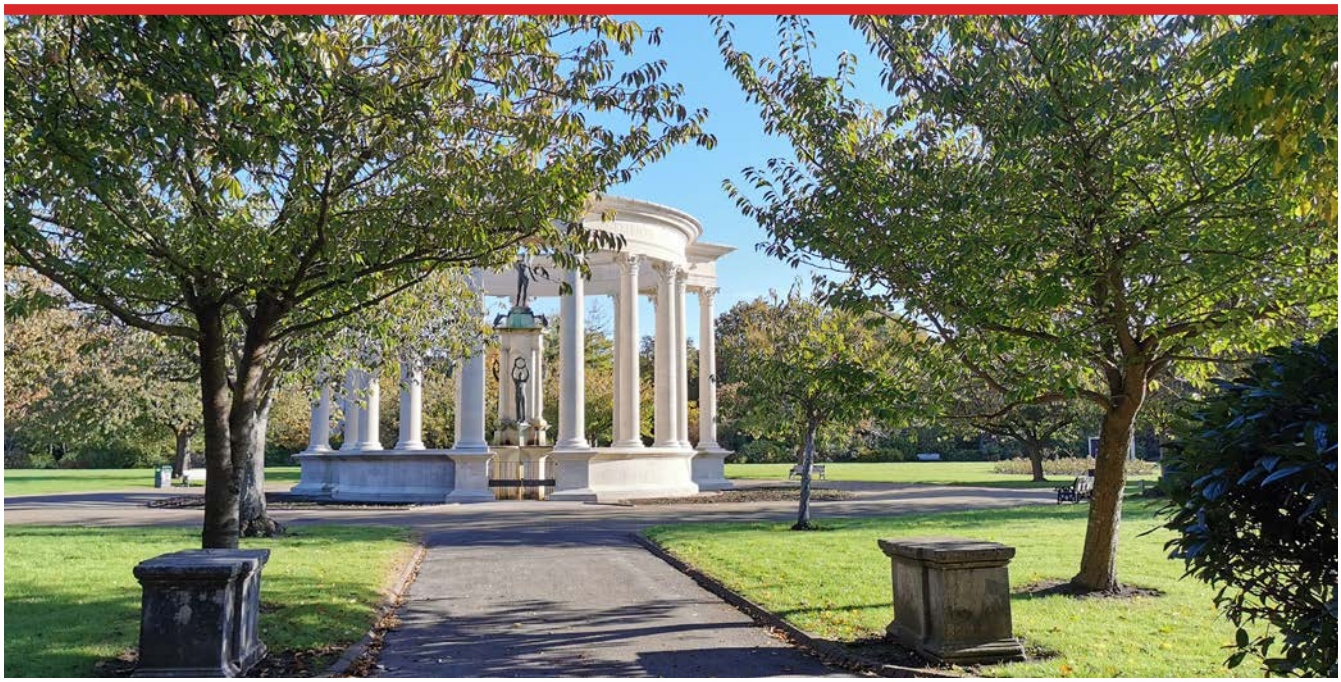
The broad remit of the Finance and Resources Committee is to advise and assist Council on the University's financial and resource matters. It monitors proposals for achievement, alignment of resources and performance of the University's strategic aims. It has specific duties in respect of the following areas:

- Resource Allocation, including allocation provided to Students' Union.
- Financial management, including investment and banking.
- Estates and Digital Infrastructure management.
- Human Resources management.

Summary of business

The Committee met five times during the 2023-24 academic year, including a special meeting to approve the Fee and Access Plan for 2025-27. The Committee continued to oversee the business of its two sub-committees: the Environmental Sustainability Sub-Committee, which oversees the development and implementation of environmental sustainability strategy, policies, and programmes of activity; and the Investment and Banking Sub-Committee that monitors and advises on the University's investment strategy and its banking arrangements. The Committee approved a delegated authority to the Investment and Banking Sub-Committee, along with appointment of a new external member.

Over the year, the Committee reviewed performance of the estate, via receipt of the Annual Estates Performance Report, recommendation of a proposed Residences Strategy, reviewed several business cases for investment into the estate and also received regular updates on the University's activities around cyber security. A key item of business related to discussion of the new proposed strategy and roadmap, together with the budget for 2024-25. The Committee continued to receive regular financial updates, oversaw funding for the Students' Union (via the annual Block Grant and Students' Union Financial Agreement Review) and approved minor revisions to the Financial Regulations and Delegation of Financial Authority Framework. The Committee also received an update on the review of student recruitment for 2023/24, a presentation of the outcomes of the Tribal Benchmarking review for 2021/22 and an update on the Better Ways of Working Programme.



Major Committees and University Executive Board

Governance Committee

Member	Type	Attendance
Judith Fabian (Chair)	Independent	3/3
Professor Dame Janet Finch	Independent	2/3
Angie Flores Acuña (term ended 30 Jun 24)	Student	3/3
Professor Adam Hedgecoe	Employee	3/3
Madison Hutchinson (appointed 01 Jul 24)	Student	-
Jan Juillerat	Independent	3/3
Professor Wendy Larner (from 01 Sep 23)	Employee	3/3
Professor Mark Llewellyn (appointed 01 Aug 24)	Employee	-
Dr Caroline Rae (term ended 31 Jul 24)	Employee	3/3
Professor Colin Riordan (until 31 Aug 23)	Employee	-
David Selway	Independent	2/3
Professor Damian Walford Davies	Employee	3/3
Patrick Younge	Independent	2/3

Key responsibilities

The key role of the Governance Committee is to advise and assist the Council on the effectiveness of the governance structure and framework of the University. This includes:

- The University's level of compliance with the mandatory requirements of legislation and other regulations, including the provisions of the Equality Act and the Welsh Language Act.
- Constitutional and legal matters, including the Charter, Statutes and Ordinances.
- Independent Member nominations and appointments.

To discharge its responsibilities, the Governance Committee has established five sub-committees:

- Nominations
- Health, Safety and Wellbeing
- Equality, Diversity, and Inclusion
- Biological Standards
- Open Research Ethics and Integrity.

Summary of business

The Governance Committee met three times in 2023-24. The Committee reviewed the University's Governance Framework and recommended associated updates to Ordinances and the Scheme of Delegation. It also oversaw the triannual Governance Effectiveness Review comprising an external review of the relationship between Council and Senate; an externally administered and benchmarked survey of governance effectiveness; and an internal analysis of Council member EDI data over the past three years.

The Committee reviewed a number of annual assurance documents, including compliance with the Welsh Language Standards, PREVENT, The Modern Slavery Act 2015, the Animals (Scientific Procedures) Act 1996, safeguarding requirements, UK Visas and Immigration regulations, and the Strategic Equality Plan Annual Monitoring Report.

The Governance Committee reviewed the independent member skills matrix and equality and diversity data to consider the composition requirements of an effective and efficient governing body, and oversaw the appointment of five new independent members, a new Vice-Chair of Council, and a Governor apprentice via the Nominations Sub-Committee. The Committee also approved the annual induction and development plan, and oversaw the annual performance reviews of the Chair of Council and Council members.

Nominations Sub-Committee

Member	Attendance
Judith Fabian (Chair) (Independent)	1/1
Angie Flores Acuña (term ended 30 Jun 24) (Student)	1/1
Madison Hutchinson (appointed 25 Sep 24) (Student)	-
Dr Juan Pereiro Viterbo (appointed 30 Jan 24) (Staff – Senate member of Council)	-
Professor Stephen Riley (term ended 31 Dec 23) (Staff – Senate member of Council)	1/1
John Shakeshaft (Independent)	1/1
Dr Robert Weaver (appointed 25 Sep 24) (Independent)	-
Patrick Younge (Independent)	1/1

Key responsibilities

The role of the Nominations Sub-Committee is to consider and agree recommendations to Council in relation to key appointments, including the appointment and re-appointment of the Chair and Independent Members to the Council and its committees.

The sub-committee ensures that independent member recruitment is achieved through a clear and transparent appointment process, having due regard for the overall skills and experience of the governing body, balance of sector and non-sector knowledge and commitments to diversity and inclusivity.

Major Committees and University Executive Board

Summary of business

The sub-committee met on one occasion during 2023-24 to agree the role description and approach to recruitment for independent members of Council and Audit and Risk Committee, including the composition of the shortlisting and interview panels to work with the external search firm appointed, Aspen People Ltd. The Committee also oversaw the appointment of a new Vice-Chair of Council and an Apprentice Governor. Recruitment for the independent member positions was undertaken during November and December 2023, and the appointment process for the Vice-Chair during February 2024.

The governor apprentice was recruited via Perrett Laver's Governor Apprenticeship Scheme which aims to encourage diversity on boards, and the post was advertised externally.

Remuneration Committee

Member	Type	Attendance
Jan Juillerat (Chair)	Independent	2/2
Professor Dame Janet Finch	Independent	2/2
Suzanne Rankin (appointed 02 Oct 23)	Independent	2/2
Patrick Younge	Independent	2/2

The Remuneration Committee has a wholly independent membership of independent members of the Council (who include the Chair and Vice-Chair of Council). The Remuneration Committee shall not be chaired by the Chair of Council. The Director of HR (renamed Director of People of Culture from 2024-25) is invited to attend the Committee meetings.

The University's pay policy is published annually on our website (further information on page 21).

Key responsibilities

The Remuneration Committee, with advice from the Professorial and Senior Salaries Committee, develops the overall reward strategy and policy to cover the remuneration, benefits, conditions of employment and severance of the senior officers and staff of the University, including Deans and Heads of School.

The Committee is responsible for determining the remuneration, benefits, and conditions of employment of the Vice-Chancellor and their direct reports, taking account of affordability, comparative information of the remuneration, benefits, and conditions of employment in the Higher Education Sector and elsewhere as appropriate and relevant metrics and performance data.

The Vice-Chancellor's remuneration package is determined according to a number of factors including, but not limited to :

- the leadership, management, and academic experience within the higher education sector.
- the breadth of leadership responsibilities for one of the UK's largest universities.
- the financial responsibilities for an institution with an annual income of over £625 million; and which contributes more than £3.7 billion to the UK economy, generating £6.40 for every £1 we spend and supports 1 in 135 jobs in Wales.

Summary of business

During 2023-24, the Committee reviewed the output of the 2023 Senior Salary Review and approved the running of the 2024 Limited Senior Salary Review, with a focus on equity reviews. It also postponed the decision on the 2024 Banding review until the December 2024 meeting. It received the annual update on the Gender and Ethnicity Pay Gap and on Equal Pay and Senior Pay Governance. The Committee also undertook its annual review of the Committee of University Chairs (CUC) HE Senior Staff Remuneration Code and confirmed the University has adopted the Code. The Committee, through the Chair, reports to Council at least twice a year.

Major Committees and University Executive Board

Senate

Member	Type	Attendance
Professor Wendy Larner	Employee	3/3
Angie Flores Acuña (until 30 Jun 24)	Student	3/3
Professor Rudolf Allemann	Employee	3/3
Professor Stuart Allen (until 22 May 24)	Employee	2/2
Professor Stuart Allan (appointed 08 May 24)	Employee	1/1
Professor Rachel Ashworth	Employee	3/3
Dr Thomas Beach	Employee	3/3
Professor Roger Behrend (until 31 Jul 24)	Employee	0/3
Professor Anthony Bennett	Employee	2/3
Dr Emma Blain	Employee	3/3
Shola Bold (appointed 01 Jul 24)	Student	-
Professor Kate Brain	Employee	2/3
Professor Gill Bristow	Employee	1/3
Dr Andreas Buerki	Employee	3/3
Professor Christine Bundy	Employee	2/3
Dr Cindy Carter	Employee	1/3
Eve Chamberlain (appointed 01 Jul 24)	Student	-
Professor David Clarke	Employee	3/3
Lauren Cockayne	Employee	1/3
Susan Cousins (until 31 Jul 24)	Employee	2/3
Professor Dave Cowan (until 07 May 24)	Employee	0/2
Professor Vicki Cummings	Employee	3/3
Professor Juliet Davis	Employee	2/3
Professor Lina Dencik (until 01 Jan 24)	Employee	0/1
Michelle Deininger (appointed 01 Jan 24)	Employee	0/2
Dr David Doddington	Employee	3/3
Dr Luzia Dominguez (until 31 Jul 24)	Employee	1/3
Dr Derek Dunne	Employee	2/3
Professor Dominic Dwyer	Employee	2/3
Professor Edwin Egede	Employee	2/3
Professor Rachel Errington (appointed 01 Jan 24)	Employee	1/2
Catrin Edith Parry (appointed 01 Jul 2024)	Student	-
Fflur Evans	Employee	1/3
Professor Dylan Foster Evans	Employee	3/3
Helen Evans (until 31 Dec 23)	Employee	0/1
Graham Getheridge	Employee	1/3
Professor Hayley Gomez (appointed 01 Dec 23)	Employee	1/2
Professor Julian Gould-Williams	Employee	2/3

Member	Type	Attendance
Professor Clare Griffiths (appointed 01 Aug 24)	Employee	-
Professor Mark Gumbleton	Employee	2/3
Professor Thomas Hall	Employee	2/3
Dr Natasha Hammond-Browning	Employee	2/3
Emma Heady (delegated member until May 2024)	Employee	1/2
Professor Adam Hedgecoe	Employee	2/3
Dr Monika Hennemann (until 31 Jul 24)	Employee	2/3
Dr Jonathan Hewitt	Employee	1/3
Madison Hutchinson	Student	2/3
Professor Aseem Inam	Employee	0/3
Professor Nicola Innes	Employee	1/3
Claire Jaynes (appointed 01 Jan 24)	Employee	1/2
Dr Nicholas Jones	Employee	3/3
Professor Dafydd Jones	Employee	2/3
Dr Kathryn Jones (appointed 23 May 24)	Employee	0/1
Dr Hesam Kamalipour	Employee	3/3
Dr Tahl Kaminer	Employee	3/3
Professor Deborah Kays (appointed 01 Jun 24)	Employee	0/1
Professor Andrew Kerr	Employee	1/3
Professor Urfan Khaliq	Employee	2/3
Professor Alan Kwan (acting member for 1 meeting)	Employee	1/1
Professor Mark Llewellyn (appointed 01 Feb 24)	Employee	1/2
Professor Eshwar Mahenthiralingam	Employee	3/3
Alex Meers	Student	1/1
Claire Morgan	Employee	3/3
Ana Nagiel Escobar (appointed 01 Jul 2024)	Student	-
Rebecca Newsome (returning member from May 2024)	Employee	0/1
Professor Gerard O'Grady	Employee	3/3
Dr James Osborne (until 31 Jul 24)	Employee	1/3
Deio Owen (until 30 Jun 24)	Student	3/3
Joanne Pagett	Employee	0/3
Micaela Panes	Student	3/3
Dr Vassiliki Papatsiba (appointed 01 May 24)	Employee	1/1
Dr Juan Pereiro Viterbo	Employee	2/3
Professor John Pickett (appointed 01 Sept 23 until 31 May 24)	Employee	0/2
Dr Jenny Pike	Employee	2/3

Major Committees and University Executive Board

Senate *continued*

Member	Type	Attendance
Professor Simon Pope (appointed 01 Aug 24)	Employee	-
Abyd Quinn-Aziz (until 31 Jul 24)	Employee	1/3
Dr Caroline Rae (until 31 Jul 24)	Employee	2/3
Michael Reade	Employee	2/3
Kate Richards	Employee	2/3
Professor Stephen Riley	Employee	1/3
Dominic Roche	Employee	1/3
Noah Russell (until 30 Jun 2024)	Student	3/3
Professor Gavin Shaddick (appointed 01 May 24)	Employee	1/3
Professor Karl Michael Schmidt (appointed 01 Aug 24)	Employee	-
Professor Katherine Shelton	Employee	3/3
Dr Andy Skyrme	Employee	0/3
Professor Peter Smowton (until 31 Nov 23)	Employee	1/1
Zbig Sobiesierski	Employee	1/1
Helen Spittle	Employee	3/3
Georgia Spry	Student	2/3
Tracey Stanley	Employee	3/3
Professor Phil Stephens (appointed01 May 24)	Employee	0/1
Professor Patrick Sutton	Employee	2/3
Dr Catherine Teehan	Employee	2/3
Grace Thomas	Employee	2/3
Dr Jonathan Thompson	Employee	3/3
Professor Damian Walford Davies	Employee	3/3
Matt Walsh	Employee	2/3
Dr Catherine Walsh (until 31 Jul 24)	Employee	2/3
Lisa Watkins (until 27 Nov 23)	Employee	1/1
Professor Ian Weeks (until 31 Dec 23)	Employee	1/1
Professor David Whitaker (until 29 Feb 24)	Employee	0/1
Professor Roger Whitaker	Employee	2/3
Professor John Wild	Employee	2/3
Professor Martin Willis (until 31 Jan 24)	Employee	1/1
Professor Jianzhong Wu	Employee	2/2

Key responsibilities

The Senate is established by the University's Charter, which gives it responsibility for the ordering of the academic affairs of the University, both in teaching and in research, and powers to make Academic Regulations. It draws its membership from the academic staff, professional services staff, and students of the Institution. Senate keeps under review the educational policy of the University and provides Council with assurance that the academic affairs of the University are appropriately managed.

In turn, Senate has established standing panels and Sub-Committees to support it in discharging its responsibilities, such as the Academic Standards and Quality Committee and the Education and Student Experience Sub-Committee.

Summary of business

Senate met three times during the 2023-24 academic year. Key areas of strategic business included updates on the National Student Survey results and actions, updates on work around research culture and the Research Excellence Programme, and a presentation on the proposed new strategy for the University. Senate received and considered the Bicameral Review report from the external reviewers and received updates on progress in this area. Senate also received an update on the review of Education Governance arrangements.

Senate considered the Annual Quality Report, the Annual Enhancement Report and approved a number of proposals to vary academic regulations and policies. Senate received the Institutional Response to the 2023 Student View and received the Student View for 2024. Regular reports of business from Senate's sub-committees, including the Academic Standards and Quality Committee and the Education and Student Experience Committee, were received.

Major Committees and University Executive Board

University Executive Board

Member	Type
Professor Colin Riordan (Chair) (until 31 Aug 23)	Employee
Professor Wendy Larner (Chair) (from 01 Sep 23)	Employee
Professor Rudolf Allemann	Employee
Hayley Beckett (from 16 Apr 24 until 09 Sep 24)	Employee
Laura Davies (from 01 Feb 24)	Employee
Sally-Ann Efstathiou (from 10 Sep 24)	Employee
Rashi Jain (until 16 Feb 24)	Employee
Professor Urfan Khaliq	Employee
Dr David Langley (from 30 Apr 24)	Employee
Daniel Lawrence (from 14 Oct 24)	Employee
Susan Midha (until 19 Mar 24)	Employee
Claire Morgan	Employee
TJ Rawlinson (until 30 Jan 24)	Employee
Professor Stephen Riley (from 01 Jan 24)	Employee
Claire Sanders (until 21 Jun 24)	Employee
Dr Paula Sanderson (from 08 Jul 24)	Employee
Professor Gavin Shaddick (from 8 May 24)	Employee
Professor Damian Walford Davies	Employee
Professor Ian Weeks (until 31 Dec 23)	Employee
Professor Roger Whitaker	Employee
Darren Xiberras	Employee

All members of the University Executive Board attend weekly senior meetings. Given the frequency of these meetings, the attendance is not recorded in the table above.

Key responsibilities

The University Executive Board is the University's senior executive team. The HEFCW Terms and Conditions of Funding defines the Senior Executive Team in accordance with Financial Reporting Standard 102 (FRS 102)'s definition for 'key management personnel'; that is "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity".

The broad remit of UEB is to assist the Vice-Chancellor in the performance of their duties as the Chief Executive Officer including developing and implementing strategy, operational plans, policies, and procedures, setting budgets, and monitoring operating and financial performance.

Summary of business

Throughout 2023-24, the UEB owned Y Sgwrs Fawr/The Big Conversation, the participatory process through which the new University strategy – 'Our future, together' – was developed. Aligned to the strategy development was a programme of work to develop the leadership of the University to deliver our future. This included building more time into UEB weekly meetings for strategic discussions in addition to three extended away days. Other key areas of activity included oversight of a Planning and Budgeting Task and Finish Group to identify options for taking cost out of the organisation, approval of the Future Research Service case for change, a new Fee and Access Plan 2025-27 and Strategic Equality Plan 2024-2028.



Annual Pay Policy Statement

This Pay Policy provides the framework for decision making in respect of remuneration and in particular decision making on remuneration for senior staff.

Senior Pay Remuneration

All senior staff are covered by the University's Senior Pay Policy, which is published annually. This reviews performance on a biennial basis across four broad categories, and allows performance-based awards, as well as reviewing equity. Data drawn from the Universities and Colleges Employer Association's (UCEA) Senior Staff Remuneration Survey and the Russell Reward Survey are used to provide evidence for any market adjustments.

The policy is set by the Remuneration Committee, whose terms of reference can be found within the University's Ordinances. The Remuneration Committee is the body that has overall responsibility for the University's approach to senior remuneration.

As part of this role, it takes decisions on the pay of the most senior individuals in the University, including the Vice-Chancellor.

The Remuneration Committee is appointed by and answerable to the University Council, which is the supreme authority of the University.

The Committee directly reviews and determines the remuneration, benefits, and conditions of employment of the President and Vice-Chancellor and his/her direct reports.

It gives delegated authority to the Professorial and Senior Salaries Committee to make recommendations on the remuneration of Professors and senior staff not covered directly by the Committee itself.

The numbers of all staff paid above £100k are published in the financial accounts, broken down into £10k pay bands. Directly reimbursed expenses for senior staff who are members of the University Executive Board are also published. All expense claims and payments made to senior members of the University are in accordance with the University's financial regulations. These apply to all staff and are reviewed and approved annually by the University Council.

Vice-Chancellor Remuneration

The remuneration of the current Vice-Chancellor is set by the Remuneration Committee, which comprises of independent lay members of Council, through the Senior Salary Review process. The Vice-Chancellor's base salary is also reviewed in line with national pay awards for the Higher Education sector.

The Chair of Council presents performance assessments to the Remuneration Committee for inclusion in the Senior Salary Review process. The Remuneration Committee make the final decision on the rewards given for comparable performance assessments. The Vice-Chancellor's salary, in line with the Senior Salary Review, is also assessed against equity and market concerns.

The Vice-Chancellor's performance is reviewed according to a number of factors including, but not limited to:

- the Vice-Chancellor's leadership, management, and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- The performance of the University according to the strategy and agreed metrics.

Remuneration for other staff groups

The majority of other staff are on the National Framework Agreement (NFA) pay spine and covered by the University's Grading Structure which consist of 9 grades. These grades are supported by the Higher Education Role Analysis HERA and HAY role evaluation methodology.

Staff on NFA pay scales gain pay increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade's core range. They are also subject to any nationally agreed pay awards.

The Clinical Pay Scale covers clinical staff, and replicates the NHS pay ranges. Clinical staff gain increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade range. Clinical consultants also gain commitment awards above the top of the consultant grade range.

The Outstanding Contribution Award Scheme (OCAS) recognises exceptional performance and contribution, resulting in both one-off awards, and any accelerated incremental progression.

Living Wage Employer

The University is an accredited Living Wage employer and as a result all staff receive at least the Living Wage Foundation rate of pay.

Pay Ratio

The ratios between the Vice-Chancellor's salary and the median pay of staff and the Vice-Chancellor's total remuneration and the median total remuneration of staff are disclosed in the Annual Report & Financial Statements.

Exit policy

All settlement agreements, including voluntary severance, for professorial, professional service directors and senior staff are reported biannually to the Remuneration Committee, with details of both the severance payment and the saving to the University. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.

Financial Review

The University delivered an operating deficit of £31.2m in 2023/24 before impairments and the change in the pension scheme provisions.

The Higher Education sector is at a fundamental turning point, with the potential for future UK and Welsh Government policies to impact on financial performance. We face challenges in meeting investment needs for facilities and environmental policies and have continued to face acute economic challenges in the financial year ending 31st July 2024. Rising costs have continued to strain the University budget and despite inflation reducing during the year, the earlier high levels have had a lasting impact. Growth in tuition fee revenue was lower than anticipated, hindered by the international student market being impacted by new visa restrictions and continued global economic uncertainty. Interest rates have remained high during the year which has resulted in higher investment income and the value of our investment portfolio also increased reflecting global market performances.

We are focused on strategic financial planning to ensure long-term sustainability including careful budgeting and monitoring of financial performance to align with strategic objectives.

We remain committed to offering an excellent educational experience for students of all backgrounds and experiences, generating new knowledge and delivering cultural, social, economic, and environmental benefits. We recognise the impact of economic challenges on our community and will continue to support both students and staff by providing a positive experience in a safe campus environment.

The University has sufficient short-term liquidity to enable us to deal with these uncertainties. However, we are striving to return the University's cost base to a position where we can afford to pay for all our activity on a sustainable long-term basis.

The underlying operating deficit of £31.2m reconciles to the total surplus of £177.3m as follows:

Summary of group results	2023/24 £m	2022/23 £m
Total comprehensive surplus for the year	177.3	28.9
Impairment on the revaluation of assets	-	3.0
(Gain)/loss on valuation of investments	(36.9)	5.6
Loss on disposal of fixed assets	0.2	2.3
Actuarial (gain)/ loss on pensions	3.4	(15.5)
(Deficit)/Surplus before other gains/(losses)	**144.0**	**24.3**
Other pension movements	(5.8)	(10.2)
USS pension provision credit	(162.8)	(27.4)
Other losses/(gains)	(6.6)	0.6
Underlying operating surplus/(deficit)	**(31.2)**	**(12.7)**

The financial statements for the year ended 31 July 2024 consolidate the results of the University, its subsidiary companies University College Cardiff Consultants Limited and International Learning Exchange Limited ("Taith") and, the joint venture of Cardiff Medicentre.

Income up 2.0% to £649m

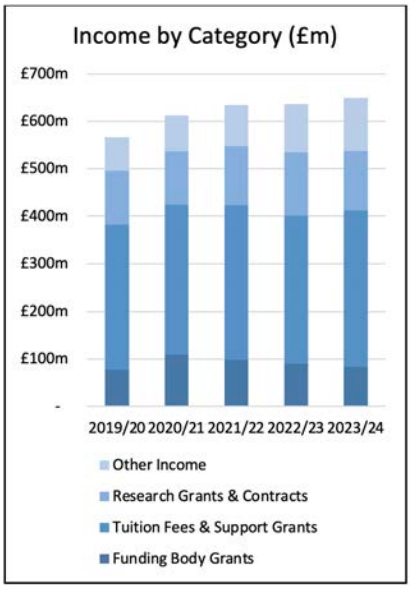
2023/24 saw total income grow from £636.4m to £649.1m largely due to:

- growth in tuition fees (up £17.7m or 6% to £328m). This followed 2022/23's tuition fee income decline. Our expectations this year were for tuition fees to rebound further than they did – we believe we did not achieve these expectations largely due to the external environment factors already noted above.
- other income (up £4.3m or 4.7% to £95.1m).
- donations and endowments (up £2.8m or 199% to £4.2m). Of this growth £1.3m represented a transfer of land from Cardiff City Council to the University at our University sports facilities in the Llanrumney area of the city. This was part of a wider partnership between the University, Cardiff City Council and Cardiff City Football Club to improve the quality of these facilities for the University and its students, elite sports in the city and the city's residents. Whilst the transfer of land is recognised as income in the University's accounts

Financial Review

no actual cash payments were made as part of this transaction; and

- investment income (up £2.0m or 21% to £11.7m).
- This was offset by a reduction in research income (down £7.1m or 5.3% to £126.5m) and funding body grants (down £7.0m or 7.7% to £83.2m).



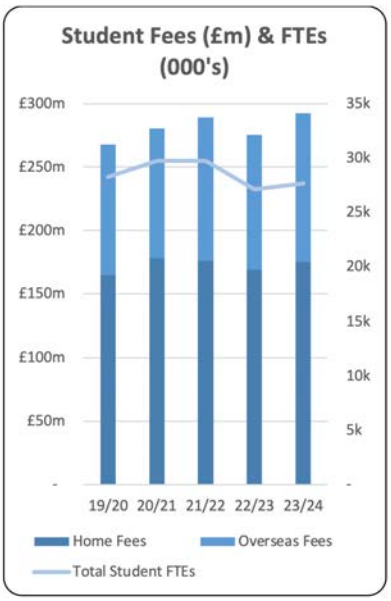
Our student body of 27,649 students is made up as follows:

Student Numbers	2023/24	2022/23
Undergraduates	22,416	21,791
Postgraduate Taught	3,743	3,942
Postgraduate Research	1,490	1,388
Total	**27,649**	**27,121**
Home	22,836	22,533
Overseas	4,813	4,588
Total	**27,649**	**27,121**

*Restated from prior year after confirmation of final student numbers

Overall funding from HEFCW reduced by £7m, including a £5m reduction in recurrent grant income.

Cost control measures have been implemented during the year to manage financial pressures.



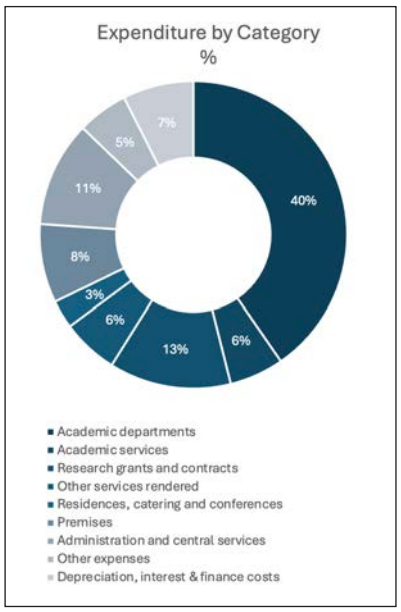
Total expenditure, excluding the changes to pension provisions, increased by 4.8% to £680.2m. The increase in expenditure is largely attributable to increased staff costs and premises expenditure (largely driven by utility cost inflation).

Staff costs grew by 5.4% in the year reflecting principally a 3% pay award in August 2023, and full year consolidation of the pay rise made in February 2023. Average staff full time equivalent (FTE) numbers increased by 1.3% to 6,253 mainly in academic areas reflecting changes to employment practices for our postgraduate researchers. Staff costs as a proportion of income was 59.0% which is an increase on the previous year (57.1%). Recruitment controls and a voluntary severance scheme have been introduced to FY 24/25 to manage and reduce staff costs.

Operating expenses increased by £8.3m to £234.6m in the year, predominantly due to rising utility and maintenance costs. Spend has been restricted to business-critical areas where possible to ease financial pressures.

USS Pension provision eliminated

The Universities Superannuation Scheme (USS) of which Cardiff is an employer member provides pensions for academic and professional staff.



The University's financial statements reflect the actuarial valuation as of 31 March 2023, where the scheme has moved from a deficit to an asset position. As such, no provision has been recognised in the 23/24 annual accounts. The release of the prior year provision is the main contributor to the University's comprehensive surplus for the year.

Operating cash surplus of £1.8m

The University delivered an operating cash inflow in the year of £1.8m or 0.3% of income. After servicing debt, further fixed asset expenditure and withdrawing of funds into investments, the cash and cash equivalent reserves of the University increased by £69.2m to £105.8m (see Statement of Cashflows on Page 58).

At 31 July 2024 the University's cash reserves, and current investments totalled £426m (2023 £427m), although this includes £75.7m ring-fenced as the Bond Repayment Fund (see Note 24) and an endowment fund of £53.1m.

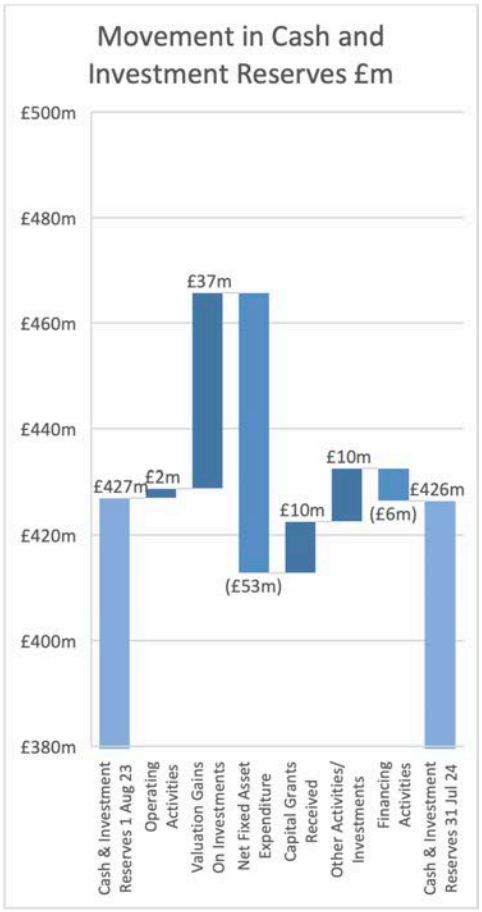
The University has maintained sufficient reserves to ensure financial sustainability in the short-term, but efforts are focused on returning to a strong position to deal with future financial challenges.

Financial Review

Investments

The year ending 31st July 2024 was a good year for global financial markets. The performance of our investment portfolios reflects this with investment balances increasing by £36.9m (2022/23 reduction of £5.6m) by the year end. During the year, the University incurred a net interest cost of £1.5m, a reduction of £2.1m on the prior year cost.

Borrowings



Borrowings at the year-end totalled £426.7m of which the public bond totalled £420.3m. This public bond debt was issued at a nominal value of £400m and a nominal interest rate of 3.0% p.a. and is repayable in 2055. Moody's have assessed the bond as A1 with a stable outlook.

The University has, to date, set aside £58.4m of reserves into a bond repayment fund that is invested on a total return basis with the objective of being able to fund the repayment of the £400m bond in 2055. As at 31st July 2024 the fund had a valuation of £75.7m.

The University had a three year £20m Revolving Credit Facility with Lloyds Bank to cover working capital requirements. The facility was not used and expired in July 2024. Subsequent to the balance sheet date the University has subsequently agreed a new Revolving Credit Facility with HSBC of £60m.

Balance Sheet Strength

At 31 July 2024, the University's consolidated net assets had increased 26.1% to £855m (2023 £678m) of which £506m or 57% is represented unrestricted reserves. This is largely driven by the accounting for USS pensions and the schemes move into surplus in the latest valuation.

The University has successfully managed the many challenges of the last year due to the significant commitment of our staff. Whilst not reflected on the balance sheet of the University they remain our most important and valued asset.

Ensuring sustainability

The financial landscape for universities has become increasingly challenging. In the short-term global economic uncertainty and the geo-political situation will continue to impose challenges on forecasting and delivering a strong financial position.

Following Welsh Government's decision to raise the tuition fee cap for domestic students to £9,250 for the 2024/25 financial year, domestic tuition revenue is set to increase in 2024/25. This has been more than off-set by reductions in funding body grants from Medr the replacement agency for HEFCW in 2024/25. We note the decision from Westminster that English fees will be able to be increased in 2025/26 to £9,535 but we await any further decisions from Welsh Government as to what that means for Welsh fees. In the meantime, we will need to absorb the additional Employers National Insurance Contributions announced in the Chancellor's Autumn Budget Statements.

In line with the University's new strategy, we will continue to compete for students in the highly competitive international market. While it is essential that we are able to continue to attract and retain talented students from both the UK and overseas, we will actively seek to diversify our income streams. This includes research income and exploring new revenue opportunities. Cardiff University collaborates with enterprise to foster innovation and support economic growth. This collaboration helps generate additional income and strengthens the University's role in the local economy.

Reducing inflation rates will mean that our financial challenges will not increase as fast as they have been recently. We will need to continue to manage our cost base carefully in 24/25. These include restricting recruitment to business-critical positions, offering a voluntary redundancy scheme and reducing the size of our estate where possible. We have been clear with our staff that we cannot rule out the need for compulsory redundancies as we move through this period.

Our key performance financial metric is to deliver an operating surplus before investment income and depreciation in excess of 12% of income. This enables us to generate sufficient cashflow to maintain and enhance the University's facilities and retain reserves that are sufficient to weather any reasonably foreseeable economic challenges. In 2023/24 we achieved 6.4% (2022/23 10.7%) in challenging circumstances.

The University continuously scans the risk horizon and regularly updates its risk register. All risks are rated in terms of impact and likelihood, risk mitigation actions are logged and monitored. The

risk register is discussed and monitored at University Executive Board, Finance & Resources and Audit & Risk Committee and at Council. The principal risks to the University and how they are being mitigated are shown in the tables on pages 40 to 47.

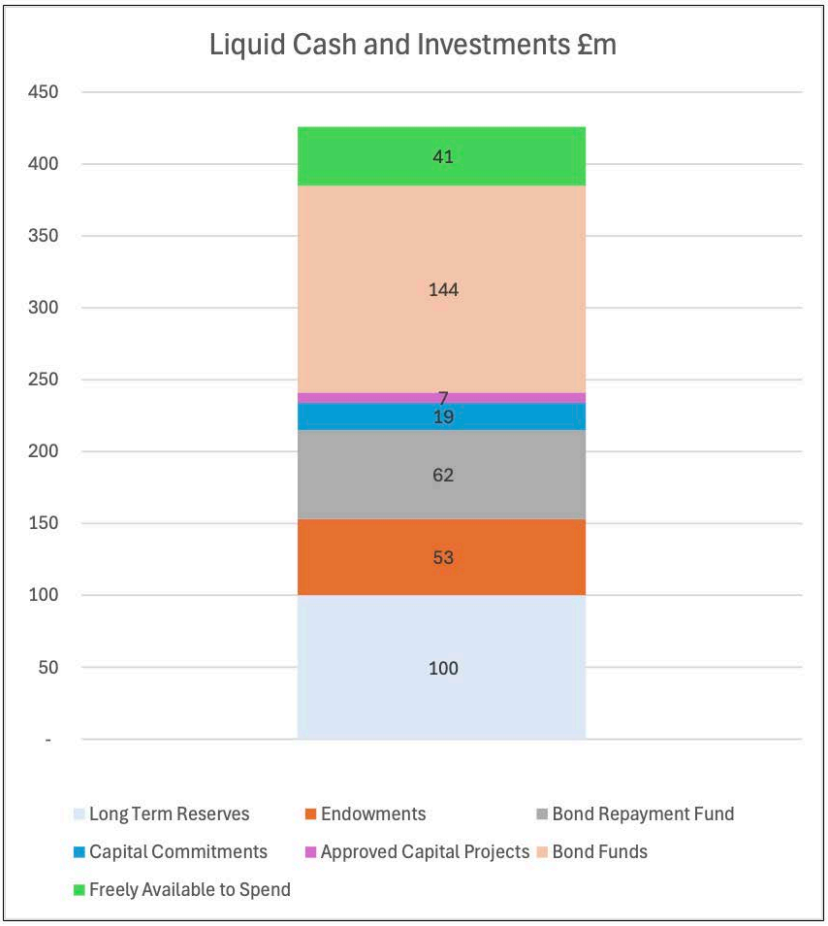
The University's capital commitments of £19.4m (2023 £20.0m) are because of essential investment in the estate. Our operating lease commitments at £37.1m (2023 £38.4m) are also less as the University seeks to divest itself of leased premises where possible.

Reserve Policy

The University's reserves policy balances the requirement for the University to spend its income within a reasonable time of receipt and the necessity of managing uncertainty and ensuring the University's financial sustainability, thereby protecting the University's future activities.

The University's mission is a long-term undertaking and whilst Council expends all of the funds it receives towards its mission within a reasonable time of receiving them, it also considers it is prudent to maintain a liquid reserve of "free funds" to assure the long-term financial viability of the University's work. In determining the level of "free funds" to be held in reserve, Council considers the University's future needs and possible financial risks. In particular Council considers, in accordance with Charity Commission guidance:

- the forecast for levels of income in future years, taking into account the reliability of each source of income and the prospects for opening up new sources.
- the forecasts of expenditure in future years on the basis of planned activity.
- funding required for particular infrastructure needs and capital developments.
- its analysis of any future needs, opportunities, contingencies or risks the effects of which are not likely to be met out of income if and when they arise.
- its ability to meet its debt repayments as they become due. To this end the University has established a separate "Bond Repayment Fund" (see note 24 for further details).
- its assessment, on the best evidence available, of the likelihood of each of these needs, opportunities, contingencies, or risks arising and the consequences for the University of not being able to meet them.



Council reviews this policy and the assessment and calculation of the level of "free funds" each year. Council has set the expected level of unrestricted "free funds" as £100m which represents approximately two months of University expenditure.

These "free funds" exclude funds that have been raised through long term debt issuance, which are designated for expenditure on strategic investment projects which are expected to deliver a long-term return, and restricted funds and endowed funds, which can only be used for the purposes for which they were gifted to the University.

Of the University's £426m of cash and investments as at 31 July 2024, £41m is freely available to spend.

Darren Xiberras
Chief Financial Officer

John Shakeshaft
Chair of Finance & Resources Committee

27 November 2024

Environmental Reporting

Cardiff University is committed to leadership in sustainability and improving our environmental performance. Our vision is towards building an inclusive, sustainable, and resilient future for our community and to bring about environmental benefits not only to Cardiff and Wales but to the wider world.

It is crucial to develop environmental sustainability as an integral part of our values and to embed the United Nations Sustainable Development Goals into all aspects of our academic and operational activities.

We will promote sustainability through education, dissemination, and direct participation, enabling students and staff to make positive changes to our environmental impact, in particular our declaration of a Climate Emergency and our aim to become carbon net zero (Scopes 1 and 2) by 2030. We will empower our students, graduates, and staff to become sustainable citizens who make a positive contribution to society and are active within their communities. We will ensure sustainable development is a key consideration in all major decision making, promote sustainability issues and principles with all staff, students and stakeholders and enable the application of our innovative research to improve global sustainability.

Our underpinning goals are adapted from the United Nations Sustainable Development Goals, the Welsh Government's Environment Act and the Welsh Government's Well-being of Future Generations Act, Well-being Goals. These are as follows:

- A prosperous University - An innovative, productive, and low carbon community which recognises the limits of the global environment and therefore uses resources efficiently and proportionately including acting on climate change.
- A resilient University - A University which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic, and ecological resilience, embedding the capacity to adapt to change.
- A healthier University - A University which provides facilities for and encourages staff and students to make healthier food, lifestyle, and travel choices which in turn help to improve wellbeing and reduce pollution both locally and globally.
- A globally responsible University - A University which will take account of the impact of its activities on global sustainable development and global well-being. We will purchase zero carbon energy and adopt responsible consumption practices for all goods and services we procure and use. We will also actively enable our innovative research to improve global sustainability.

Our aims, for 2023-24 academic year are:

- We will benchmark our carbon footprint with other universities and Welsh Public Sector.
- We will publish a Net Zero Roadmap, outlining the actions we need to take to achieve net zero carbon (Scopes 1 & 2).
- We will develop a new Environmental Strategy and milestones which align with our net zero roadmap and wider sustainability ambitions. Our strategy will be supported by an annual action plan of measures.
- We will continue our programme of "quick wins" to decarbonise our estate which include energy efficiency measures such as LED lighting, Solar PV, upgrades to equipment and expansion of our existing heat pump.
- We will continue to consider and seek opportunities for low carbon heat across our estate, including bidding for funding for building fabric improvements.
- We adopt our Responsible Procurement Policy to help understand and eventually

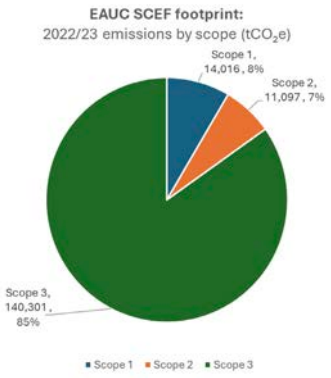
mitigate the emissions from our supply chain. This activity accounts for most of our Scope 3 emissions.

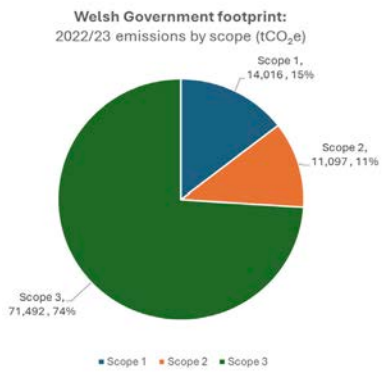
- We will prioritise the consideration of low carbon staff business travel, which is a large proportion of our Scope 3 emissions after our supply chain. We will then start to consider student travel.
- We will continue to maintain accreditation to ISO 14001 Environmental Management System.
- We will increase behavioural change and engagement activities across the University and boost participation and engagement amongst our environmental compliance officers.
- We will increase participation in LEAF, which focuses on our laboratories and reinstate Green Impact for our general office and teaching areas.
- We will continue to work towards our biodiversity action plan (ERBAP), ensuring we maintain and enhance biodiversity and promote ecosystem resilience across our estate.

Carbon emissions

Our Environmental Sustainability Sub-Committee chaired by the Deputy Vice-Chancellor is responsible for taking forward our carbon net zero work over the coming years. We have committed to achieving net zero carbon for Scope 1 (direct emissions) and 2 (indirect emissions) by 2030 (timeframe to be reviewed in summer 2024 when our roadmap is drafted, to ensure that we focus on carbon reduction ahead of any offset) and before 2050 for Scope 3 (indirect emissions from our activities). Over the last year we have been developing our Roadmap to Net Zero for Scope 1 & 2 which will help identify the projects and activities that need to be undertaken to work towards net zero. We aim to publish our roadmap in Autumn of 2024.

In addition to submitting our 2022/23 carbon footprint to the Welsh Government as part of the Public Sector Net Zero Reporting requirements, we have also reported our 2022/23 emissions using the EAUC's (Environmental Association for Universities and Colleges) Standardised Carbon Emissions Framework (SCEF) for the first time. The EAUC framework, based on the Greenhouse Gas Protocol, is a voluntary reporting standard developed for the Higher Education sector. The Scope 1 and 2 reporting standards are consistent across





the Welsh Government and EAUC guidance, with both frameworks showing that our emissions were 14,016 tCO_2e (Scope 1) and 11,097 tCO_2e (Scope 2).

Scope 3 data collection was improved in 2022/23, with broader coverage of emissions from staff commuting and business travel reported for both footprints. Moreover, the EAUC framework reports Scope 3 emissions with a higher level of detail; it calculates spend-based procurement emissions using the Higher Education Supply Chain Emissions tool (HESCET), which aligns with Higher Education categorisations, whereas the Welsh Government uses Standard Industrial Classification (SIC) codes for its calculations. The EAUC framework also encompasses student travel, unlike the Welsh Government framework. Our Scope 3 and total emissions therefore vary widely across the two frameworks. Under the EAUC footprint, our Scope 3 emissions were 140,301 tCO_2e, compared to 71,492 tCO_2e as calculated under the Welsh Government guidance; our total 2022/23 emissions were 165,313 tCO_2e per the EAUC SCEF and 96,606 tCO_2e per Welsh Government Public Sector reporting. Whilst we will continue to submit our annual footprint to the Welsh Government, we propose to adopt the EAUC's footprint to measure progress towards net zero.

Procurement and Supply Chain

The majority of our Scope 3 emissions relate to our purchased goods, services and works. These emissions are reported annually within the EAUC and Welsh Government footprints. Although the reporting tools have been useful to establish a baseline, more accurate tools are required to monitor progress. Procurement Services have appointed a Responsible Procurement Lead who has developed a Roadmap of key deliverables over the next three years which relate to policy, process, training, baselining, and recruitment. The three-year Roadmap starts with a 'Responsible Procurement Policy' and 'Supplier Code of Conduct' which were approved in May 2024 by the University Executive Board and are being launched in July 2024 and January 2025 respectively -both of which will be embedded into the procurement process. Procurement Services have also been running a successful Responsible Procurement Internship since February 2023 which has been imperative to the progress made in recent years.

Environmental Reporting

Transport and Travel

The University umbrella travel plan (2022 – 2027) has been approved to address the impact that university travel has on the environment, the local area and the health and wellbeing of our staff and students. It places active travel modes (walking, cycling, wheeling) at the top of an agreed travel hierarchy. The five-year strategy which aligns with local and national policy, and best practice includes a focused approach each year on the key elements of our transport operations. Alongside the focused review is an action plan of measures that will encourage and support use and uptake of sustainable transport. During the 2024/25 academic year the focus of the travel plan will be considering student travel (including review of international student travel).

Waste and Recycling

During 2022/23, the focus was to develop a team to drive Waste Minimisation for the University. Our Waste Minimisation Manager joined the University in early July 2023. The initial focus has been on completing Waste and Recycling Audits of key University buildings to understand the current situation and identify further waste minimisation and recycling opportunities. The quality of our waste data collection is much improved and is more comprehensive than ever, with all waste streams now captured. Our data for 2021/22 has been set as our new baseline against which to measure and report our waste minimisation and recycling achievements.

Our general waste and recycling scheme has continued to operate well, and new initiatives are in development, for example introducing a furniture re-use scheme across the University. We will also deliver more waste communication activities to raise awareness in staff and students of the importance of recycling with the aim to encourage more effective recycling behaviour and increased participation. For the next academic year, focus will be on developing a Waste Minimisation Strategy in partnership with Procurement Services to include significant behavioural change initiatives to divert recyclate from the general waste stream and to reduce waste generally. Another key focus will be on improving the quality of our recycled materials, as per the aims of the Workplace Recycling Regulations which came in to force in April 2024.

THE Impact Rankings

The Times Higher Education (THE) Impact Rankings provide the only global performance table that assess universities against the United Nations' Sustainable Development Goals (SDGs). Calibrated indicators provide comprehensive and balanced comparisons across three broad areas: research, outreach, and stewardship.

This year the University fell three places to be ranked 55th out of 1963 ranked institutions worldwide. Although this is a fall in place, cardiff's overall score improved from 91.2% to 91.6%.

Cardiff's percentile ranking also improved. This year, Cardiff is in the top 2.8% of institutions globally. Last year, being ranked 52nd out of 1,591 institutions placed Cardiff in the top 3.3%, meaning the University's relative position has improved.

For the 2024 ranking, Cardiff submitted data for 12 of the 17 SDGs, an increase of two from the previous year. The additional SDGs were SDG9: Industry, Innovation, and Infrastructure, and SDG11: Sustainable Cities and Communities.

Cardiff has three SDGs ranked in the top 50, compared to four last year:

- SDG14: Life Below Water – 9th, down from 6th (3rd in the UK).
- SDG15: Life on Land – 36th, down from 11th (15th in the UK).
- SDG16: Peace, Justice, and Strong Institutions – 47th, up from 81st (10th in the UK).

SDG12: Responsible Consumption and Production, and SDG3: Good Health, have dropped out of the top 50.

The University fell from 87th place last year to a rank between 201st and 300th this year in the mandatory SDG17: Partnership for the Goals.

The overall ranking is generated from the score for the mandatory SDG 17 (22%), plus the three strongest of the other SDGs submitted (26% each). The score for the overall ranking is an average of the last two years' total scores.

Education for Sustainable Development (ESD) Champions Network

This year the Education for Sustainable Development Team has developed and delivered an ESD action plan overview for 2024-2030, which highlights necessary actions at an institutional level to achieve holistic sustainable transformation. This plan has been endorsed by the Education and Student Experience Committee and supported by the Environmental Sustainability Sub-Committee. The ESD College Networks and Steering group have met regularly to support the development of the action plan and delivery of initial actions for the period January – September 2024. These have included: liaison with Student Futures to continue the embedding of sustainability and sustainable values throughout their activities; reinforcing links with the Students' Union with a shared objective to register for the SOS Responsible Futures framework, support for the 1 in 5 project to promote dissertations and projects on the topics of sustainability, progress towards web presence for ESD and the SDGs, launching of the Sprout Egin Sustainability network for PGR students, promotion of student voice on Sustainability, and SDG evaluation has been embedded within programme revalidation processes as a pilot in Chemistry.

Environmental Reporting

We also launched a living labs initiative in June, presenting an opportunity to be creative and present real-life challenges to students, activating Cardiff University as a living lab. The event was positively received with 14 Professional Services staff; the Vice President from the Students' Union and 43 Representatives from half of our academic Schools registered to attend the event.

Over the last year, we have delivered a series of staff support for teaching and learning relating to ESD through collaboration with the Learning and Teaching Academy. This has included further updates to the Education Development Service's online toolkit and the delivery of a series of workshops to support and develop staff understanding and implementation of Education for Sustainable Development in teaching practice (from novice to expert). ESD has also been threaded through the HEA fellowship and senior fellowship training.

In September 2023, a sustainability focused group induction activity was piloted for first year Cardiff University students in Architecture in the College of Physical Sciences and Engineering. It aims to enable students to build communities and a sense of belonging within their School and cohort during the induction period while engaging with the important topic of sustainability and the climate emergency. The event was a great success and is currently being explored for roll out in other Schools and Colleges in September 2024.

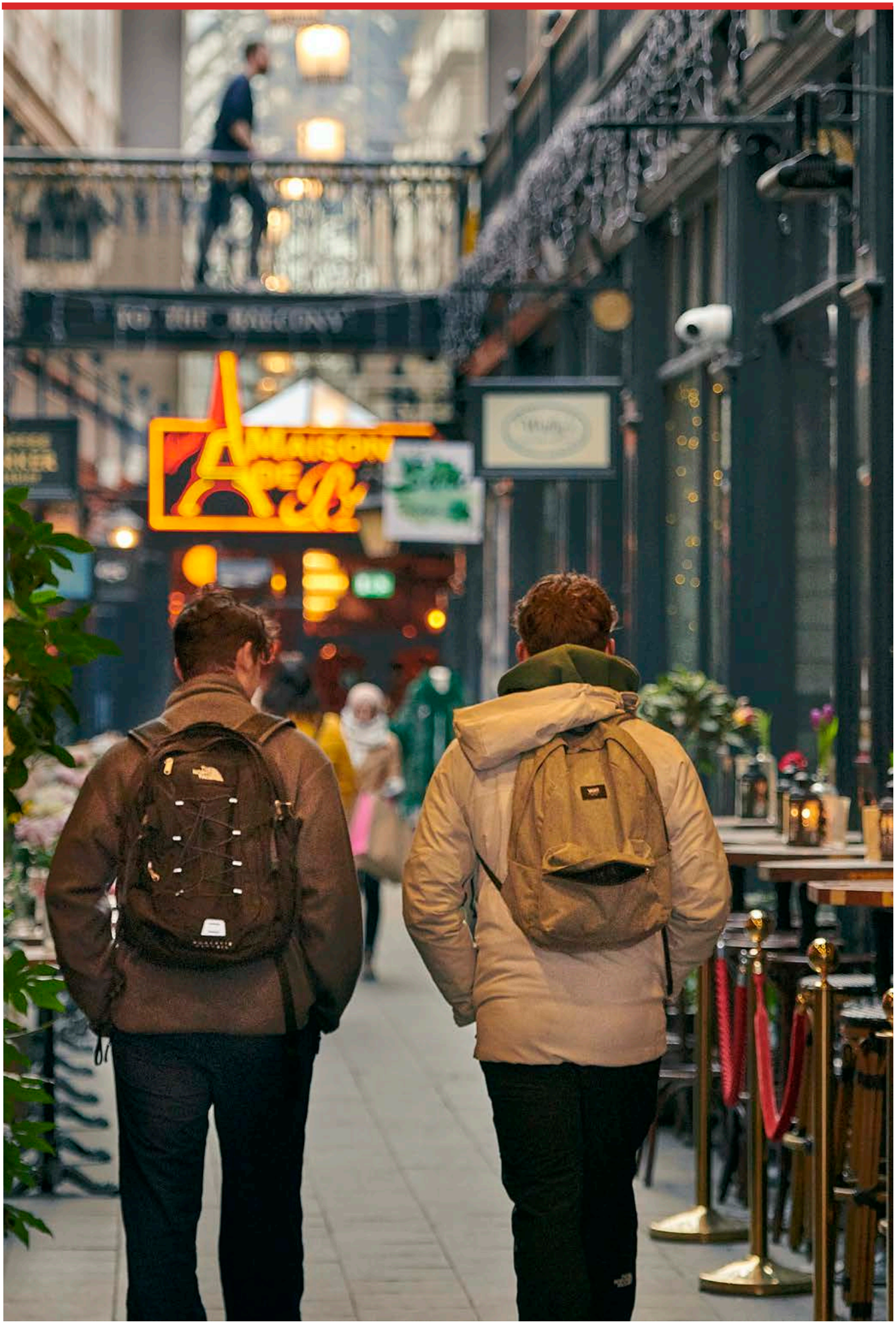
Ecosystem Resilience and Biodiversity Action Plan (ERBAP)

In 2022-23 we completed our Environment (Wales) Act section 6 biodiversity reporting requirements. This academic year we have reviewed and updated our Ecosystem Resilience and Biodiversity Action Plan (ERBAP) to ensure our biodiversity activities remain relevant. The revised ERBAP sets out a series of targets to reach over the next three-year period between 2024 and 2026.

Our achievements in the last 12 months include:

- Establishment of eight Biodiversity Hubs across the University, run by our staff and student volunteers.
- Hosting 'Building Homes for Wildlife' workshops for University staff and students, and local community groups and running workshops to build bee hotels, bird, and hedgehog houses, with a total of 70 people getting involved.
- Signing up to Plantlife's 'No Mow May' campaign for the fourth year in a row.
- Adopting a new mowing/ trimming regime, with measures agreed to benefit nature and the environment.
- We signed up to become a hub for the National Hedgehog Monitoring Programme in Wales, in collaboration with Cardiff Council and the Cardiff Local Nature Partnership and we are currently monitoring our first site in Cardiff using wildlife cameras.
- In May 2024, we were awarded a WWF-Cymru Community Grant to support our 'Friends in Nature: Connecting with our neighbours through nature' pilot project. Our aim is to bring communities together by creating a nature-rich urban environment that supports biodiversity and connects people with nature and each other. This pilot project will feed into the wider Greening Cathays project.
- As part of the 'Friends in Nature' project we conducted two pollinator bioblitzes in our Maindy Road campus this summer, working with two local primary schools, Maindy Road residents, and University students. So far, approximately 90 people have participated in the project.
- With the support of Coed Caerdydd, we have planted seven hazel trees at Talybont, nine fruit trees at the back of Bute Building and approximately 550 hedgerow trees at Llanrumney Sports Fields.




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Environmental Reporting

Hedgehog Friendly Campus

The University was awarded Hedgehog Friendly Campus Silver Accreditation in February 2023, and we are on route to receive the Gold Accreditation this year. It has been another year of successful activities run by our Biodiversity Hubs, which have resulted in a wider awareness to the threats that hedgehogs and other wildlife face, and in practical actions to enhance habitats and promote biodiversity across our estate.

Our Biodiversity Hubs run several litter picks and hedgehog surveys across the year. They have also successfully fundraised for the British Hedgehog Preservation Society and four local hedgehog rescues. We are now working closely with the local hedgehog rescues, supplying them with hedgehog houses and feeding stations built with wooden pallets, and passing on items that were in the University waste stream, which are now being repurposed to help hedgehogs. Also, we have now at least 27 'hedgehog champions' on campus officially registered on Hedgehog Street.

We included the ERBAP and Hedgehog Friendly Campus in one of our School of Biosciences modules and had our first undergraduate final project focused on our campus' hedgehogs.

We continued with our outreach and engagement work by organising internal and external talks, running a series of events or delivering our engagement stall during Freshers' Week, Cardiff Science Festival, Sustainability Week, Hedgehog Awareness Week, Positive Health, Environment and Wellbeing (PHEW) fortnight, and at the So, What STEM? and Cardiff University Primary School Graduation. We also delivered a series of sessions on hedgehogs at local primary schools and community groups.

Changing Steps Cardiff

Changing Steps is a free to join rewards programme funded by the University. It is designed to help staff and students get around more sustainably. It rewards sustainable travel for commuting and leisure trips to and from campus, and encourages regular walking, running, wheeling, and cycling activity for health and wellbeing.

162,000 active and sustainable journeys were recorded on the Changing Steps Cardiff app between September 2023 and July 2024, with an average of 333 activities per participant. Whilst this is a reduction in journeys recorded compared to the previous year, users of the app are making considerably more sustainable journeys (an increase from 162 to 333 per user). Users of the programme are equally split between staff and students.

- 35% of users reported walking more often with 24% walking on two or more additional days a week versus prior to joining the initiative.
- 23% of users reported cycling more often. 14% of users reported starting to cycle following sign up to the initiative.
- 12% of users reported travelling by bus more often.
- 58% of users reported driving less often in general.
- Approximately 78,000 journeys have directly replaced single occupancy car trips equating to 34,000kg of CO_2 avoided.

Sustainable Catering

Cardiff University has been awarded Fairtrade University status, which has been achieved with the support of our staff and student community, who have engaged with Fairtrade events and a sustainable food survey. From October 2024 to March 2025, Green Shoots Café will be participating in FOR Cardiff Reusable cup scheme, an app where you can borrow a reusable by swiping the FOR Cardiff app at the till. Through our 'CUFoods' projects to create a community around sustainable, healthy, and nutritious food, Cardiff University is a finalist in the Green Gown Awards for Campus Health, Food and Drink. This year's projects will see catering implement a carbon impact traffic lights coding on its menus, and the creation of new webpages with a focus on sharing and communicating our sustainable food and food waste projects.

We continue to engage with our hospitality customers to help increase food waste recycling. We are also electrifying our kitchens by removing gas appliances and updating existing equipment to be more energy efficient. Fan Hapus mobile food trucks are also available to support engagement events across campus, sourcing as much local Welsh produce and Fairtrade items as possible.

Estates Report

The University Estate is working towards the key objectives as outlined in the Transitional Estates Strategy 2023–25.

- **Strategic**: Our estate will support our strategic University goals in terms of size and shape, the student experience, and our research focus.
- **Sustainable**: All projects will contribute to our Net Zero targets.
- **Efficient**: Space will be appropriately maintained, total space will be reduced, and utilisation will be increased.
- **Equitable**: Our estate will be accessible, and allocation of space will be fair and transparent with reference to recognised space norms.

The Estate is being managed to reduce the overall size of the estate, increase efficiency, accessibility, equity, and work towards the University Net Zero goals.

The introduction of a team working towards Net Zero and sustainability within Estates has enabled better data collection, funding opportunities to be explored and the commencement of the roadmap and implications on the estate to achieve Net Zero for Scopes 1 and 2 to be highlighted.

In the last year, the University has commenced a number of projects targeting the holistic treatment of the legacy estate in terms of strategic, sustainable and efficiency ambitions.

The decanting of professional services from McKenzie House, 33/34 Park Place and 118 Maindy Road is one of the first steps in reducing the overall estate size and making it more efficient. The overall programme of Estates Rationalisation will take place over a number of years as the future needs of the University are determined and planned.

The University have managed to obtain a loan from Salix which has enabled a programme of interventions including the roll out of LED lights throughout the University and further solar panel installations. The loan is at a below market level interest rate and the contract entered into for the works guarantees the saving made through the energy saving works will pay back the loan. Along with a strengthening of the Net Zero team, carrying out upgrades to our building management systems,



Estates Report

and developing our utility data we are both increasing our energy efficiency and working towards our Net Zero ambitions.

During the last year refurbishments have been completed to provide a new student hub in the Business School, new space for our Continuing Professional Education and English Language Programme and the Arts and Social Sciences Library addressing a list of backlog maintenance, energy efficiency and remodelling and refurbishing the interiors.

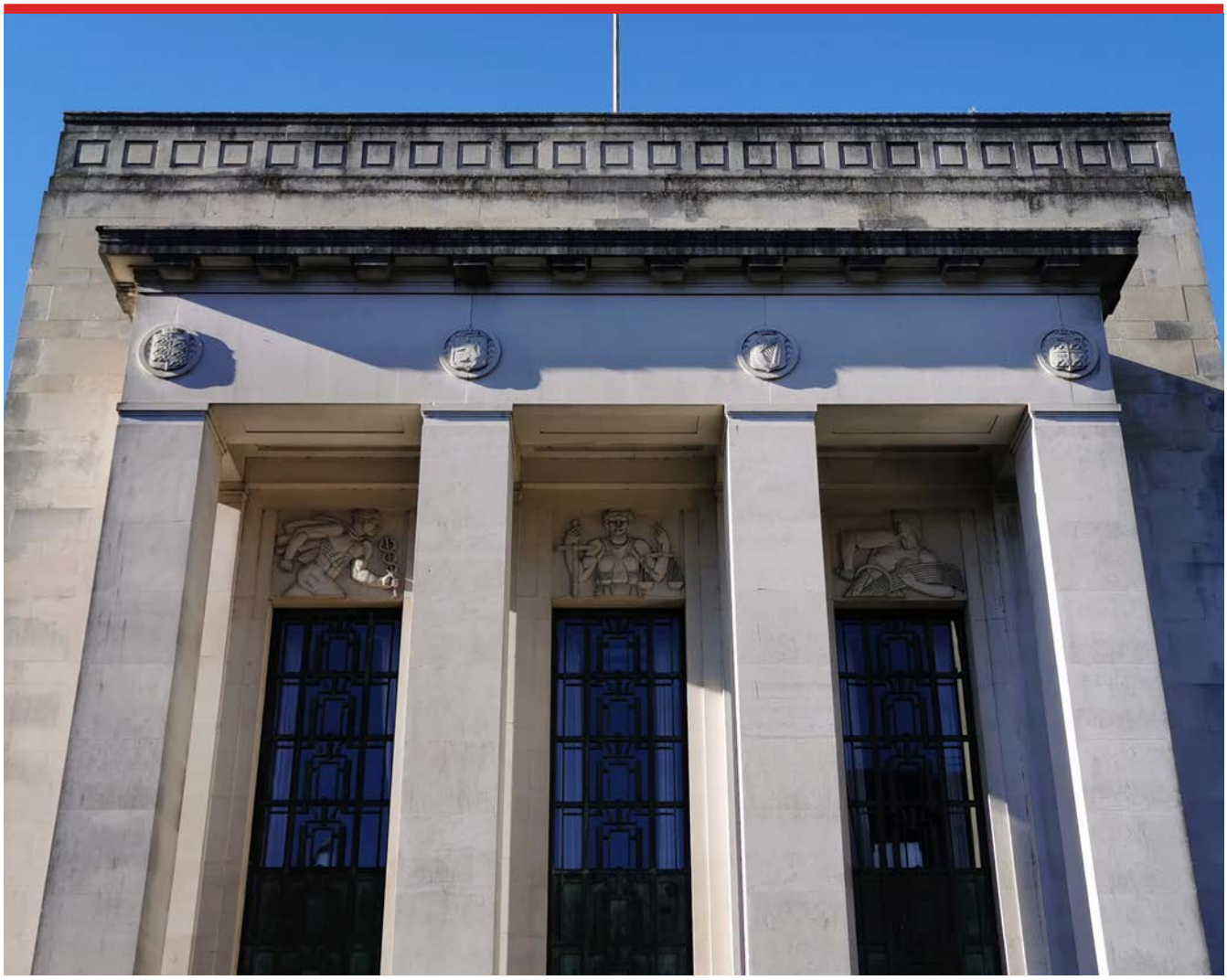
The last year has also seen the opening of the new facilities for the School of Healthcare at our Heath Park West site, comprising a major refurbishment of existing 1950's buildings which have been turned into some great teaching and student spaces.

To improve accessibility experience across campus AccessAble has launched a guide for Cardiff University on the website. This is a publicly available accessibility guide providing information on accessibility to the campus, buildings, and facilities available for all staff, students, and visitors. Through the information collected and additional surveys we are undertaking a continuous programme of accessibility improvements which this year has included new permanent ramps and stairlifts to areas in our listed Main Building, additional automatic openers for several doors throughout campus, as well as a full refurbishment of the lifts in our highest academic building.

A new condition survey has been completed and identifies a reduction in the backlog maintenance costs for the University. This information will be managed and utilised to determine an ongoing proactive maintenance plan.

The Residential Estates Strategy has been completed. It identifies the supply and quality required for our University accommodation for the future and the refurbishment, demolitions and new builds required to achieve this. Further work will now take place to identify our funding and delivery options for a first phase of a residential programme.

The University continues to work with Cardiff and Vale Health Board on the development of plans for a new University Hospital and associated teaching and research space.





Public Benefit Statement

Cardiff University is a registered charity (no. 1136855). It exists to create and share knowledge and to educate for the benefit of all. Its Royal Charter, first granted in 1884, sets out its constitutional arrangements and objects.

Embodied within the objects is the fundamental principle of the advancement of education, empowering the University to research, teach, examine, and award degrees. The objects also contain obligations to develop the character of students, promote health and welfare—especially in Wales— and contribute to social, cultural, and economic development.

A member of the Russell Group of research-intensive universities, Cardiff University sees fundamental research as essential to human aspiration and critical to the development of cultural artefacts, technologies and services that improve the quality of life for all. In setting and reviewing the University's objectives and activities, the University's Council has had due regard to the Charity Commission's guidance on the reporting of public benefit, particularly its supplementary guidance on the advancement of education.

The University's new strategy – Our future, together – sets out our path to 2035: to co-create and share new knowledge and to deliver a better world for future generations. It maps how Cardiff University will improve the health and wellbeing of staff and students; demonstrates how we will achieve financial sustainability through diversification of income; and explains how student satisfaction and experience will improve. It reiterates our commitment to civic engagement and puts forward a vision for research and innovation that will see the University recognised globally as a pioneer.

In the years ahead, our strategy will build on our strong sense of place in Cardiff, south Wales and Wales more widely. We are committed to using our research strengths, expertise, and knowledge to help government, health services and wider society to support a skills-led economy. We will champion key projects that support our diverse community, and we will continue to enhance and celebrate our Welsh identity and the Welsh language culture of our campus.

Our priorities for our students are to provide an excellent, high quality student experience, ensuring their graduate outcomes – whether that's work, further education or travel – are among the best in the sector, and they are equipped to contribute to a skilled workforce. Building on our strong track record in widening participation, we will ensure that students from a variety of backgrounds have access to the benefits of higher education and are supported to achieve their potential – an objective that is also coupled with work on retention and student success.

The University's research will help solve grand challenges in areas such as climate change, biodiversity, health, security, sustainability, and social justice. Our bespoke facilities allow for innovative collaborations with industry, government, and wider society and offer enhanced support for students to engage in innovation and entrepreneurial training. Our research will continue to have practical application in our communities with an increase in the number of spinout companies we create.

As we work together to cocreate our future, a global outlook will run through all of our activities. We will build genuinely reciprocal partnerships with institutions around the world and will aim to close the gap in degree outcomes for students of different ethnicities.

Over the next ten years, through our strategy, we are committed to delivering a better world for future generations.

Statement of Corporate Governance

The University's legal status derives from a Royal Charter first granted by Queen Victoria in 1884 to found the University College of South Wales and Monmouthshire. The University's objects, powers and framework of governance are set out in its Charter and its supporting Statutes, the latest amendments to which were approved by the Privy Council in 2022.

Embodied within the Charter are fundamental principles such as the University's power to teach, examine, carry out research and award degrees. The Charter also gives Council its 'supreme authority', establishes Senate for 'ordering of the academic affairs', and establishes the President and Vice-Chancellor as 'the chief academic and executive officer' and Chair of Senate.

The University was registered as a charity in 2010 (1136855).

Council

The Council is the governing body and thus the supreme authority of the University, which means that it is ultimately accountable for the conduct and activity of the University and its representatives. The Council is responsible for the administration and management of the affairs of the University and for agreeing the general strategic direction of the institution.

The Council is committed to conducting its business in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty, and leadership). The Council complies with the Committee of University Chairs (CUC) Higher Education Code of Governance published in September 2020 and the CUC Audit Committee Code of Practice (May 2020).

In the preparation of this statement the Council of the University has had regard for the guidance issued by the Charity Commission:

(i) that there was no element of the CUC HE Code of Governance with which the University's practice was not consistent; and

(ii) that the University's fundraising policies and practices are fully aligned with the Fundraising Regulator's requirements set out in the University's Code of Fundraising Practice. No fundraising complaints were received during the reporting period.

The University's commitment to all funders of the University, and additional commitments to philanthropic donors to the University is available on the University's website:

https://www.cardiff.ac.uk/donate/other-ways-to-give/funders-rights

The University has adopted the Universities in Wales Governance Charter. Substantial progress has been made against Charter commitments; approval of the new University strategy 'Cardiff University: our future, together, our path to 2035' and a roadmap to support its delivery in July 2024 included a number of culture KPIs, which will enable full implementation to be achieved during 2024-25. The strategy development process involved wide-ranging consultation with internal and external stakeholders through surveys, workshops, and interviews, including staff, students, alumni, Cardiff communities, further education teachers and students, 'older' learners, Welsh Government, and Business. The Council is committed to stakeholder engagement and in utilising in future the same effective model of engagement employed when developing the new strategy.

The University undertakes regular Council effectiveness reviews with the last external review undertaken in 2024. The review comprised three elements: an external review of the bicameral relationship between the Council and the Senate; an externally administered and benchmarked survey of governance

effectiveness; and an internal analysis of Council equality, diversity, and inclusion data. The report of the external review concluded that the Council could be assured that academic governance was marked as 'improving'. An action plan to support the implementation of the recommendations from all three elements of the review was approved by Council in May 2024. The next external effectiveness review will take place during the 2027-28 academic year.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner and has in place a Whistleblowing (Public Interest Disclosure) Policy to enable staff, students and other members of the University to raise concerns which are in the public interest.

The Council has a majority of members from outside the University (described as independent members). Council membership also includes staff and students. Independent members of Council are recruited in an open, fair, and transparent manner and due regard is given to equality and diversity, the need to balance skills and expertise as well as geographical location. The Council remains committed to boardroom diversity; we continue to build on our Strategic Equality Plan actions to promote and develop an inclusive (internal) culture and governance by addressing diversity of decision-making committees. We continue to use and review equality data to inform processes for independent member recruitment and induction.

The recent Governance Effectiveness Review confirmed that the Council membership is largely reflective of the diversity of the organisation, including in relation to gender and ethnicity, and is performing well relative to other governing bodies in the sector. The latest review of Council EDI data identified achieving greater diversity in relation to age and religion as priority areas for independent member recruitment during 2024-25 as part of the Council's commitment to equality, diversity and inclusion having already made progress in relation to age diversity as part of the 2023-24 recruitment exercise. The Nominations Sub-Committee (a sub-committee of the Governance Committee) is responsible for overseeing the recruitment process and recommending new independent members to Council for approval. All vacancies for independent members of Council are advertised externally and recruitment activity is supported by an external search agency, as well as being communicated to staff, students, and current members of Council, with expressions of interest particularly welcome from under-represented groups.

We continue to be a launch partner for Perrett Laver's Governor Apprenticeship Scheme, recently appointing our fourth consecutive apprentice governor. The scheme supports boardroom diversity by enabling a diverse and talented pool of candidates otherwise lacking in board room experience, to gain that experience.

Independent members do not receive any payment, apart from the reimbursement of expenses, for the work they do for the University. On appointment, Council members are required to complete a Register of Interests entry.

The current Register of Interests is publicly available on our website: https://www.cardiff.ac.uk/about/organisation/governance/council

All new members of Council receive an induction to the University and their responsibilities as a member of the governing body and are supported by a mentor during their first year of membership. There is an annual development programme which focuses on key strategic development areas and information sharing, and which creates opportunities for discussion between Council members and the University's Executive Team. Feedback is collated from all members of Council to inform the annual development schedule, and the induction pack is reviewed annually to ensure the currency of the information provided to new members.

The Chair of Council holds an annual meeting with individual members of Council and this feedback is used to inform and improve the effectiveness of the governing body. The Chair of Council held annual review meetings during Spring 2024 and the Chair of Council's annual review was conducted by the Vice-Chair of Council, who also undertakes the role of Senior Independent Governor, during Summer 2024. The Audit and Risk Committee also conducts an annual review of their effectiveness, which in 2023-24 was via a self-evaluation survey.

During the 2023-24 academic year, the Council met six times and approved the new University Strategy and roadmap, the 2024-25 Budget, the Strategic Equality Plan for 2024-2028, a Residences Strategy, a number of business cases, and action plans following the Governance Effectiveness Review, and External Review of Internal Audit. The Council monitored progress across a range of University activities, including quality and standards, student experience, finance, estates performance, Net Zero, Freedom of Speech, and duty of care to staff/students.

Accountable Officer

The chief executive and principal academic and administrative officer of the University is the Vice-Chancellor, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.

Under the Terms and Conditions of Funding between the University and the Higher Education Funding Council for Wales, the Vice-Chancellor is the Accountable Officer of the University and in that capacity can be summoned to appear before the Audit Committee of the Welsh Government.

Management

As chief executive of the University, the Vice-Chancellor has responsibility for the development of institutional strategy, the identification and planning of new developments, and the shaping of the institutional ethos. The Provost and Deputy Vice-Chancellor, Pro Vice-Chancellors, University Deans, and the senior professional officers all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council.

Council Membership

All of those persons listed below served as Charity Trustees throughout the year covered by this Report. Unless otherwise indicated they also occupied these positions on the date on which the Report was approved.

Name	Category	Attendance at Council
1. **Beth Button** (appointed 01 Jan 24)	Independent	4/4
2. **Judith Fabian**	Independent	6/6
3. **Professor Dame Janet Finch**	Independent	5/6
4. **Angie Flores Acuña** (term ended 30 Jun 24)	Student	5/5
5. **Madison Hutchinson** (appointed 01 Jul 24)	Student	1/1
6. **Chris Jones**	Independent	6/6
7. **Jan Juillerat**, Vice Chair of Council (term ended 31 Jul 24)	Independent	6/6
8. **Professor Urfan Khaliq**	Employee	6/6
9. **Professor Wendy Larner**, Vice-Chancellor	Employee	6/6
10. **Jeremy Lewis**	Independent	6/6
11. **Stephen Mann** (appointed 01 Jan 24)	Independent	4/4
12. **Deio Owen** (term ended 30 Jun 23)	Student	5/5
13. **Micaela Panes** (appointed from 01 Jul 24)	Student	1/1
14. **Dr Juan Pereiro Viterbo**	Employee	6/6
15. **Suzanne Rankin**	Independent	3/6
16. **Siân Rees** (appointed 01 Jan 24)	Independent	4/4
17. **Professor Stephen Riley** (term ended 31 Dec 23)	Employee	2/2
18. **Dr Pretty Sagoo** (term ended 31 Dec 23)	Independent	1/2
19. **David Selway**	Independent	5/6
20. **John Shakeshaft**	Independent	5/6
21. **Professor Katherine Shelton** (appointed 22 Feb 24)	Employee	2/3
22. **Professor Damian Walford Davies**	Employee	5/6
23. **Dr Robert Weaver**	Independent	6/6
24. **Dr Catrin Wood**	Employee	6/6
25. **Jennifer Wood**	Independent	6/6
26. **Agnes Xavier-Phillips**	Independent	3/6
27. **Patrick Younge**, Chair of Council	Independent	6/6

Member attendance is reviewed with the Chair of Council as part of the annual member review process, unless already discussed during the year.

The University must adopt a definition of independence for lay membership of governing bodies to provide a robust approach to identifying and managing conflicts of interest.[1]

Council Membership



Front row (L to R): Professor Dame Janet Finch, Angie Flores Acuña, Jan Juillerat, Professor Wendy Larner, Patrick Younge, Julie-Anne Johnston, Millicent Ele

Second row (L to R): Professor Stephen Riley, Judith Fabian, Agnes Xavier-Phillips, Jennifer Wood, David Selway, Dr Juan Pereiro Viterbo, Jeremy Lewis

Third row (L to R): Chris Jones, Claire Morgan, Dr Catrin Wood, Suzanne Rankin, Professor Damian Walford Davies, Deio Owen, Professor Urfan Khaliq, Darren Xiberras

How is independence defined and tested?

There are several circumstances which may prevent a person being appointed as an independent member of the governing body. The Governing Body's Nominations Sub-Committee has oversight of the appointment process and responsibility for considering these factors.

In response to the Universities in Wales Charter Commitment to Action, the University has adopted a Statement of Independence based on the Welsh Secretaries Group guidance, including a Definition of Independence and Principles of Independence for independent membership. The University defines 'senior employees' as University Executive Board members in this context.

The robust process for ensuring independence through the recruitment and training of members is also set out in the Statement of Independence. When considering applications and interviewing prospective new governors, recruitment panels shall establish whether the individual has any relationships or statuses that might give rise to a conflict of interest or loyalty, as defined in the Principles of Independence and including being related to any senior employee of an organisation gaining a pecuniary advantage from the University.

The University's Statement of Independence is available on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

How does the governing body manage conflicts of interests?

A Register of Interests of all Council and Audit and Risk Committee members is maintained by the Secretary to Council and is available publicly on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

If any member of a Committee has any pecuniary or other interest, direct or indirect, in any contract or proposed contract or other matter involving financial transaction, that interest shall be disclosed to the Committee as soon as practicable. All Committees request that members and officers disclose any interests at the start of each Committee meeting, and the Member shall take no further part in the consideration or discussion of, or vote on, any position with respect thereto. A member of any Committee is not considered to have a pecuniary or personal interest in matters under discussion merely because he/she is a member of staff or student at the University.

As set out in the Statement of Independence section 4, the University Secretary (as Clerk to the governing body) is accountable for highlighting issues of independence or conflict to the Chair.

The University is committed to the highest standards of openness, probity, and accountability, and seeks to conduct its affairs in a responsible manner. The Whistleblowing (Public Interest Disclosure) Policy enables staff, students, and other members of the University to raise conflict of interest concerns which they feel have not been addressed through existing procedures.

1. Source: The Governance Charter for Universities in Wales – Commitment to Action is available at https://uniswales.ac.uk/unions-universities-and-regulator-endorse-new-approach-governance-wales

Statement of Internal Controls and Principal Risks

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

Principal Risks and System of Internal Control

The system of internal control is designed to manage rather than eliminate the risk of non-achievement of policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the University's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them effectively.

Council confirms that the system of internal control is generally adequate and been operating effectively for the year ended 31 July 2024 and up to the date of approval of the financial statements and accords with HEFCW guidance.

As the governing body, Council has responsibility for ensuring that a sound system of control is maintained and reviewing the effectiveness of the arrangements. It meets at regular intervals to consider the plans and strategic direction of the institution and receives assurance reports from the Chair of the Audit and Risk Committee concerning internal control. During 2023-24, the Audit and Risk Committee has monitored an action plan to address a number of recommendations made by the University's External Auditor to strengthen the system of internal control and has concluded that good progress has been made in ensuring the control environment is robust.

The Audit and Risk Committee receives regular reports from the Internal Audit service. Council confirms that the Head of Internal Audit is unequivocally free to act in an independent manner in pursuit of their professional business and is not fettered in their scope or reporting. An independent opinion is provided on each report relating to the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. A summary of the work undertaken by the Internal Audit service is provided in an Annual Report. This provides an independent opinion on the adequacy and effectiveness of the University's arrangements for the provision of risk management, internal control, governance and value for money and data quality.

Considering the completion of the approved audit plan for 2023-24 and the supporting information; the University's arrangements for risk management, control and governance, and value for money and data quality are generally adequate and effective.

The Vice-Chancellor is the University's Accountable Officer, responsible for providing HEFCW with clear assurances that the institution has an effective policy of risk management. The Chief Operating Officer and University Secretary is the Chief Risk Officer, responsible for promoting effective risk management across the University.

The University Executive Board (UEB) is the senior management team of the University providing strategic risk review, challenge and advice to the Vice-Chancellor who has overall responsibility for the institutional management of risk. The strategic risk register and supporting documents are submitted to UEB members at pre-defined intervals for

recommendation of inclusion at the Finance and Resources Committee, Audit and Risk Committee, and Council. The 2023/2024 Risk Maturity assessment delivered by Internal Audit in collaboration with the Compliance and Risk Team reported a maturity classification of 'defined' with improvements delivered including; the implementation of a new risk management policy - approved November 2023, procurement and roll out of a risk management software- implemented November 2023, new staff intranet resource, tiered training resources and risk management improvement plan not considered but due to be captured in the next maturity assessment review. The 2024 audit delivered by TIAA on risk management processes reported an assurance rating of adequate with 1 medium and 2 issues identified all of which have been captured within the risk management improvement plan due to delivered over a 5-year cycle.

As detailed in the risk management policy a risk register hierarchy is in place where professional service, school, and college level registers (which are managed locally) feed up to the strategic risk register in-line with pre-defined scoring thresholds/ trigger points. All risks are aligned to the Institutions agreed Risk Appetite and Tolerance statements which allows for the identification of risk themes and patterns relating to areas such as reputation, finance, compliance etc. Project and programme risk management sits outside of the hierarchy with project risk management aligned to the Project and Programme Risk Management Framework.

Risk reporting at strategic level is delivered in-line with a clearly articulated risk management policy. The Strategic Risk Register produces a balanced portfolio of risk exposure which focuses on the treatment of risk themes, aligned to our Risk Appetite & Tolerance impact categories. Operational risk management is managed at local level with clear reporting lines and aligned governance.

Risk is the responsibility of all staff with mechanisms in place to enable all staff to have a voice in risk identification, management, and reporting. The strategic risk radar report and staff intranet site are just two examples of risk tools introduced to boost risk interaction, understanding and awareness across the institution.

The strategic deep dive review (2023/2024) prompted Risk Owners to consider and align risk appetite/ tolerance categories and risks were re-scored in-line with a revised scoring criteria and matrix. The output of this work is that there is a higher number of risks being included within the 2023-2024 financial annual report and this is due to the identification of risk impact categorisation and re-scoring of the strategic risk platform in-line with new scoring criteria and in-line with the current environment and emerging risk factors.

The enclosed summaries are provided by appointed Risk Owners and provide an overview of headline mitigations and current position.

Principal Risks

Principal risk title	Risk summary 2022-2023	Risk summary 2023-2024
Regulatory Compliance **Risk Event:** If the University fails to identify, define, document, and communicate legal and regulatory requirements (such as Welsh Language Standards, SSSI protection, GDPR, increasingly stringent UKVI regulations, tax legislation, PREVENT, ICO, MEDR etc.)	A detailed Regulatory Compliance Risk Assurance Map has been developed and a follow-up review undertaken to outline the areas where additional measures would have the greatest impact on reducing the risk for the highest areas of risk. In addition, the Assurance and Risk Group has overseen the creation of a risk assurance heatmap. This allows the University to readily identify the higher risk areas using measures such as the internal audit findings as to the level of assurance in place and the impact on the University should that risk crystallise.	Cardiff University has a detailed Regulatory Compliance Risk Assurance Map which demonstrates how the University understands, articulates, and complies with its regulatory responsibilities. The assurance map lists the legal and regulatory framework for each area of compliance for the University and the policies and procedures in place as well as the three lines for implementing, monitoring and assurance relating to each area of compliance. A review of the map is underway, which will include a mapping of compliance frameworks to evidence understanding of the specific compliance requirements for each area of legal/ regulatory compliance and for how processes are applied, monitored and assurance reported. In addition to this, interviews have been held with schools and professional services departments across the University to gauge confidence in specifically defined regulatory areas. This work will help to identify any areas of development required within the processes and a programme of work will be developed to support any improvement activities which are required. This work is also supported by the Risk Assurance Heat Map, which allows the University to readily identify the higher risk areas using measures such as, internal audit findings to review the levels of assurance which are in place for each area. The Assurance Risk Map requires regular updates to reflect developments in compliance arrangements. This aids in the understanding that the University has of how this risk is being mitigated, where further work is required and what action can be taken should an element of this risk materialise.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2022-2023	Risk summary 2023-2024
Cyber & Information Security **Risk Event:** If the University suffers a cyber-attack and/or an information security breach	Cardiff University has a multi-layered approach to Cyber Security. We prepare and review our ability to respond to cyber-attacks through scenario planning and testing the effectiveness of both business continuity and disaster recovery contingency plans. The University is regularly audited by cyber experts and is currently accredited for both Cyber Essentials (this is cyber assurance provided by the National Cyber Security Centre) and PCI DSS compliance. The University has a mandatory all staff information security training module. We have protected the University through the use of best-in-class cyber security tools. We detect threats using the latest national and international threat intelligence data combined with a full suite of monitoring tools.	Cardiff University has a multi-layered approach to Cyber and Information Security. We prepare and review our ability to respond to cyber-attacks and data breaches through scenario planning and testing the effectiveness of both business continuity and disaster recovery contingency plans. The University is regularly audited by cyber experts and is currently accredited for both Cyber Essentials (this is cyber assurance provided by the National Cyber Security Centre). The University has a mandatory all staff information security training module. We have protected the University through the use of best-in-class cyber security tools and information governance controls. We proactively manage cyber and information security risk to reduce the university's exposure to current and emerging threats. We detect threats using the latest national and international threat intelligence data combined with a full suite of monitoring tools.
Financial Sustainability **Risk Event:** If the University becomes financially unsustainable in the medium to long-term	The University deploys detailed budget control and monitoring. There are regular discussions between Recruitment and Admissions and Finance to model fee income. Research and Change projects are assessed for return on investment to ensure delivery on expected benefits. Integrated planning process has been launched to ensure delivery of robust academic and financial plans. The change in the external financial environment, particularly with regards to inflation has resulted in significant realised cost pressures as well as industrial unrest given inability of pay to keep pace with the cost of living. We continue to strive for additional income growth particularly in relation to overseas tuition fee income and manage our cost base carefully. All mitigating actions have resulted in a continued robust financial position.	The University deploys detailed budget control and monitoring. There are regular discussions between Recruitment and Admissions and Finance to model fee income. Research and Change projects are assessed for return on investment to ensure delivery of expected benefits. An integrated planning process has been launched to ensure delivery of robust academic and financial plans. The change in the external financial environment, particularly with regards to inflation has resulted in significant realised cost pressures as well as heightened risk of industrial unrest given inability of pay to keep pace with the cost of living. Government policies with regards to immigration have increased risk with regards to overseas student fee income and therefore careful management of our costs is needed. Mitigating actions are in place to maintain a robust financial position for the University.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2022-2023	Risk summary 2023-2024
Carbon Net Zero **Risk Event:** If the University does not make significant progress in achieving its ambitions of reaching carbon Net Zero (Scope 1 and 2) by 2030	The Strategic Environmental Sustainability Sub-Committee has identified the staffing required to enable a step-change. Recruitment is currently underway for professional staff in this area. Analysis of our biggest carbon emitting buildings was completed in summer 2022; we are now developing projects to maximise impact of short-term initiatives. We are exploring Welsh Government backed loan schemes to enable investment into short- and medium-term carbon reduction plans. We are confirming the University carbon emissions baselines, aligned to Welsh Government reporting requirements by June 2023. A tree-planting programme in partnership with Coed Caerdydd is in train. We are finalising our carbon offset policy now and will draft our roadmap to Net Zero (scopes 1 & 2) by 2030. The University is a member of Cardiff City Council One Planet Strategy Group and UUK groups relating to environmental sustainability.	The Environmental Sustainability Sub-Committee has continued to drive, and give assurance on, progress towards Net Zero goals. Though controls and actions have reduced our risk status, that risk remains significant, and it has been retained on the institutional register. Work to establish a baseline for the University's carbon emissions is complete, with annual reporting of our emissions now established. Success with a Welsh-Government Salix loan is enabling quick wins in carbon reduction across the estate alongside other energy control measures. Key levers and mitigations include divestment of elements of our legacy estate, analysis of the all-estate conditions survey, committed resource to improve metering, the adoption of a Sustainable Procurement policy, the work of a business travel Task and Finish Group, and the work of a new Engagement Officer. Comprehensive options assessment work on the Net Zero (scopes 1 and 2) challenge will shortly lead to a detailed roadmap. Academic leadership in this area will shortly be enhanced with the appointment of a University Dean of Environmental Sustainability.
Academic Standards and Quality of Education **Risk Event:** If the academic standard and quality of education does not meet stakeholder needs or expectations	The risk that standard and quality of education does not meet stakeholder needs or expectations is a risk managed by the University. Contributing factors identified are residual impact of COVID, the ongoing impact of national Industrial Action, and insufficient consistent application of procedures and processes. A risk treatment plan is in place to mitigate this risk including control themes for monitoring of education and student voice activities, training, second line of defence activities, and reporting from institutional and shadow systems.	Cardiff University has an established academic quality system, complying with regulatory requirements and aligned with sector norms, to manage risk and to enhance the student experience. An Annual Quality Report is submitted to Senate and Council which confirms the method and evidential base for continuous review of academic standards and the quality of education, and how risks are being managed. Principle risk areas and mitigations are NSS outcomes which where they are below benchmark are mitigated by agreed action plans which have led to improved outcomes in NSS 2024. Errors in student transcripts and assessment marks are mitigated by the Mark Processing Project which has been established and actions agreed to address identified issues. Gaps between the good degree outcomes (1st and 2-1) of UK Black, Asian, and Minority Ethnic students and UK white students are being mitigated by actions being taken through its Inclusive Education Project which will contribute towards eliminating the Black, Asian, and Minority Ethnic awarding gap.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2022-2023	Risk summary 2023-2024
Dental **Risk Event:** If the School of Dentistry fails to provide the clinical teaching facilities necessary to meet PSRB competencies and Welsh Government commissioned graduates	The risk to core activities of the School of Dentistry which is housed entirely within the Dental Hospital, a facility owned and managed by Cardiff and Vale University Health Board (CAVUHB) is a risk managed by the University. With the School of Dentistry the only dental school in Wales, its main objective is to train future dentists, dental therapists, and dental hygienists for Wales and beyond. With the acute and ongoing shortage of NHS dentists and dental practices across Wales, this activity is critical and political. The School's ability to provide essential clinical training for students is heavily dependent on the availability of clinical activity within the building. A risk treatment plan has been introduced to mitigate this risk in the form of building maintenance plans, prioritization of roles for recruitment and enhanced policy and procedures.	Cardiff University has an established strategic partnership with the Cardiff and Vale University Health Board (CVUHB) that enables robust risk mitigation and monitoring of the University Dental Hospital (UDH) estate via formal governance structures. Weekly meetings between the management of the School of Dentistry and Dental Directorate, CVUHB enable regular updates to be discussed, with any concerns escalated as required through the management of the two organisations. In 2023/24, the CVUHB completed a substantial pipework maintenance works programme in two of the hospital's teaching clinics. To compensate students for lost clinical activity arising due to the works, additional clinical teaching staff were employed, and clinical teaching sessions were scheduled in 2023/24 to ensure no student was at detriment and received comparable clinical experience to previous cohorts. The partial upgrade to the infrastructure has improved the reliability of the facilities for student clinical activity. The Dental School activity monitors data from student surveys, the patient timetable reporting tool, complaints, and school student/staff panels to understand student and staff experience issues/risks and identification of hours lost. Risk areas in the UDH continue to be monitored by building risk assessments and condition surveys which will inform the prioritisation of future CVUHB estates work in the UDH. Work remains ongoing to complete these actions.

Principal risk title	Risk summary 2023-2024
Student Welfare and Wellbeing **Risk Event:** If the University does not provide sufficient or appropriate welfare, wellbeing, and mental health support	The welfare, safety and wellbeing of University students continue to be a priority for the University with the risk mitigated, managed, and reported through various mechanisms. To mitigate against the increasing demand for welfare and wellbeing, resource planning takes place on an annual basis through the Integrated Planning Process and is managed throughout the year by senior line management. Our Student Life platform provides a comprehensive range of student services alongside cross institutional engagement and coordination to support student welfare and wellbeing. The Student Support Intervention Procedure, delivered by the Student Intervention Team provides staff with relevant advice and support. The University provides various externally delivered student support services in the form of talking therapy (Problem Shared) and a 24/7 Talk Campus, professionally staffed crisis phone line and peer-to-peer social network discussion forum which is available in addition to the University's counselling provision. A task and finish group has been established to respond to Tackling Abuse, Violence and Sexual Harassment Against Women, a new University Mental Health Strategy is in development as is the University Suicide Safer Strategy. Recommendations from the review of Residence Life 2023 will be taken forward to further enhance the mitigation of this risk.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2023-2024
Learning Environment **Risk Event:** If the learning environment does not support the delivery of high-quality programmes and learning	Cardiff University provides a safe and secure learning environment to both staff and students, ensuring the delivery of high-quality programmes and learning. Contributing risk factors such as the quality and usability of buildings, systems and technology, processes and teaching, our strategic approach and vision, our staff skills, support and application, our budget and our student expectations and satisfactions are all considered as part of the risks' treatment plan. Key implemented controls include the introduction of a toolkit and education service to support academics in curriculum design, the Black Board Ultra dashboard has enabled the review of usage and identification of future support. The refurbishment of teaching spaces and Information Technology/Audio-Visual technology to Physical Learning Space standard and a rolling replacement of teaching spaces has enhanced the usability and quality of teaching spaces and user experience. Physical and remote checks of teaching space technology and geographical dispersal of IT Technicians has enabled a rapid response to failures in teaching spaces which has enhanced the student and staff experience of the learning environment. Robust future actions are in place to further mitigate the risk and aim to look at establishing a sufficient annual budget and resources to maintain fabric, infrastructure, fixtures and fittings and an investment plan focussed on usability, quality, and quantity of services. The development of a Library Annual Enhancement Plan for campus-wide study spaces, prioritising spaces for investment in collaboration with University Estates will further support this vital area of work.
Estate Repair and Maintenance **Risk Event:** If University buildings are not in a sufficient state of repair to ensure service delivery	The Repair and maintenance of the estate continues to require substantial investment. The risk is managed through prioritisation of backlog maintenance works by compliance, health & safety, student experience and business continuity plans. A new condition survey has been completed and an estates system implemented to enable proactive planning and programming of estates repairs and maintenance. Implementation of greater compliance monitoring, testing, and a review and tender of planned contracts has commenced to reduce reactive maintenance. Contractor frameworks to enable greater agility and assistance in internal resource to carry out reactive maintenance works have been introduced. The University and the Cardiff and Vale Health Board are working to establish the correct level and location of space required by the University and associated maintenance needed to mitigate the current risks on the overall University Hospital site.
Research Income **Risk Event:** If research income reduces to below an acceptable threshold	Cardiff University has a large and diverse research portfolio supported through a variety of funders and recognises the importance of this income stream to the financial sustainability of the institution. It has invested in a large-scale change programme to create a one-University approach to support research applications and awards. This includes the implementation of a new online system and a new delivery model for professional service teams supporting research activities. In addition, costing and pricing guidance is being reviewed to maximise cost recovery. To ensure capacity and competitiveness, investment in Innovation Institutes has taken place to build critical mass around areas of strength. Investment in physical infrastructure has involved commissioning the Social Science Park (SPARK) and Translational Research Hub (TRH) to ensure the University is well placed to apply for large scale grants. Continued engagement with external funders has been established which includes a programme of activities and events to promote European funding schemes following the reassociation with Horizon Europe.



Statement of Internal Controls and Principal Risks

Principal Risks continued

Principal risk title	Risk summary 2023-2024
Future Research Quality **Risk Event:** If research income reduces to below an acceptable threshold	Cardiff University has interventions to support sustaining and enhancing research quality. There is now a dedicated resource through the Research Excellence team to help support academic departments with a coordinated programme of activity. Action planning, implementation and review cycles have been introduced for all academic Schools involving senior management and the Pro Vice-Chancellor for Research, Innovation and Enterprise. The University has also reinvested in an institution wide Research Leave scheme to provide colleagues with additional time for key research. A Research Culture team is delivering support for cultural changes aligned to strengthening the wider research environment. This is being delivered through an action plan developed following the analysis of an institution wide Research Culture Survey conducted in 2022. A Welcome Trust funded 'Ignite' programme is supporting colleagues to work together to develop positive research culture.
International Student recruitment targets not met **Risk Event:** If we do not meet our student recruitment targets (International)	In common with every UK university, Cardiff University is reliant on generating income from student tuition fees in order to fund research and teaching activities. Difficulties faced by the sector are well-documented and include: declining interest in university study among Welsh domiciled sixth-formers; increased competition for international students from the US, Canada and Australia; increased quality in provision domestically for student in China and South-East Asia, meaning that fewer students are encouraged to go overseas; and international students deterred from coming to the UK because of threats by the previous UK Government to limit visa opportunities for international students. The student recruitment position is monitored daily and reported monthly to the Recruitment and Admissions Strategy Group and University Executive Board. Mitigating actions are in place wherever possible.
UK Visas and Immigration **Risk Event:** If the UK Visas and Immigration (UKVI) sponsor license is suspended or revoked	The University has a multi disciplined approach to maintaining compliance with UK Visas and Immigration (UKVI) international student compliance regulations. We regularly assess the effectiveness of our UKVI controls, testing procedures to maintain the required evidence and databases to support UKVI reporting requirements. We proactively manage risks to reduce threat to the University's student route sponsor licence, without which we would be unable to recruit international students. There is regular discussion between the professional services departments who are responsible for the international student journey to enable the smooth running of processes that contribute to positive student experience, as well as regular training and update sessions with academic and school staff. Mitigating actions are in place to maintain a robust University position for upcoming UKVI audit visits, including automation of reporting processes, regular monitoring of University policy and procedure, and the establishment of internal networks that provide opportunities for student visa compliance knowledge sharing and engagement activities for University staff.
Staff Safety and Wellbeing **Risk Event:** If the University is unable to maintain its commitment to the health, safety and wellbeing of staff including its statutory duty of care (considering physical and psychological safety)	Cardiff University has a multi-layered approach to monitoring the management of safety, health, environment, and wellbeing (SHEW). The University is certified to international standards for the management of H&S, environmental management, and psychological safety. The University's SHEW management system is regularly audited by an external audit provider in addition to centrally managed ongoing internal SHEW audits and local oversight of SHEW issues. The University monitors SHEW performance via its Health, Safety and Wellbeing (HSW) Committee which also provides the opportunity to consult with the recognised Trade Unions. SHEW Committees at College/Professional Services level feed into the HSW Committee. A central advisory service supports the institution in its management of SHEW issues underpinned by a network of locally based Safey Officers, Environmental Compliance Officers and Dignity & Wellbeing Contacts. The University also have access to occupational health provision and an employee assistance programme to support staff.

Responsibilities of the Council of Cardiff University

In accordance with the University's Charter, the Council is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control.

The Council is responsible for ensuring the University and Group Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the University's Charter, the Accounts Direction and Terms and Conditions of Funding issued by HEFCW, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions 2019, the Charities Act 2011 and other relevant accounting standards.

The Council, through its Accountable Officer, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and its subsidiaries and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year. The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the University's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the University and Group and to enable it to ensure that the Financial Statements comply with applicable law and regulations.

The Council is also responsible for safeguarding the assets of the University and Group and for taking reasonable steps for the preventions and detection of fraud and other irregularities.

In preparing these Financial Statements, the Council is required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.

The Council has taken reasonable steps to:

- ensure that funds from HEFCW, Welsh Government and other Funding Bodies are used only for the purposes for which they have been given and in accordance with the HEFCW Terms and Conditions of Funding and Financial Management Code; and any other conditions which HEFCW or any other Funding Body may from time to time prescribe.
- ensure that income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code (FMC).
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.
- safeguard the assets of the University and its subsidiaries and prevent and detect fraud; and
- secure the economical, efficient, and effective management of the resources and expenditure of the University and its subsidiaries.

Any system of internal financial control can, however, provide reasonable, but not absolute, assurance against material misstatement or loss.

On behalf of the Council
Professor Wendy Larner
Accountable Officer
27 November 2024

Independent Auditor's Report to the Council of Cardiff University

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Our opinion is unmodified

We have audited the financial statements of Cardiff University ("the Institution") for the year ended 31 July 2024 which comprise the Consolidated and Institution Statements of Comprehensive Income, the Consolidated and Institution Statements of Changes in Reserves, the Consolidated and Institution Statement of Financial Position, and the Consolidated and Institution Statements of Cash-flow and the related notes, including the Statement of Principle Accounting Policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Institution's affairs as at 31 July 2024 and of the Group's and of the Institution's income and expenditure, gains and losses, changes in reserves, and cash flows for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under the Charters and Statutes of the Institution and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

We were first appointed as auditor by the Council on 7 July 2022. The period of total uninterrupted engagement is for the three financial years ended 31 July 2024. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview		
Materiality: group financial statements as a whole	£6.3 million (2023: £6.07 million) 0.97% of Group total income (2023:0.95%)	
Coverage	100% of Group total Income (2023: 100%)	
Key audit matters		**Change since 2023**
Recurring risks	Research Grants & Contract Income	◀ ▶
	Valuation of Cardiff University Pension Fund Liabilities	◀ ▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, (unchanged from 2023), in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response

Group and Institution: Research Grants and Contract Income
 	
(£127 million (2023: £133 million))
	2023-24 income
	
	The Institution manages a significant number of projects from a range of public and private sources with a variety of contractual requirements in terms of treatment of direct and overhead costs and other evidence/compliance requirements.
	
	Research grants and contracts income are accounted for under the Performance Model. Unless specifically disallowed, in most cases expenditure on the grant purpose is presumed to be the performance condition and therefore income is generally recognised in line with the related expenditure, including apportioned overhead costs.
	
	We have identified a significant risk of fraud and error due to:
	
	• The risk of inappropriate apportionment of overhead costs resulting in inappropriate recognition of research revenue;
	
	• The risk of non-compliance with grant terms and conditions resulting in income not being recognised in line with the Institution's accounting policies or relevant accounting standards.
	
	• The risk of non-compliance with grant terms and conditions resulting clawback of funding by research funders.
		We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.
		
		• Our procedures included:
		
		  • For a sample of research expenditure recorded in the year, we assessed whether the expenditure incurred was in line with the terms and conditions of the relevant contract.
		
		  • For a sample of research expenditure recorded in the year, we assessed whether overhead rates applied were appropriate by reference to the terms of the grant agreement.
		
		  • For a sample of research projects with underlying milestones, we agreed the revenue recognised to invoices raised and cash receipts, and assessed whether the milestone had been met in accordance with the grant agreement.
		
		  • We inspected the reconciliation of research expenditure to corresponding research income to assess whether income had been accounted for in accordance with the requirements of the relevant accounting standards.
		
		  • For a sample of research projects with large accrued and deferred income balances at year-end, we inspected the grant agreements, cash received to date, and the payment profile to assess whether research expenditure and income had been accounted for in the appropriate accounting period.
		
		  • We inquired with management as whether there were any disputes or significant issues on any projects that could impact on recognition of the research grants and contract income.
		
		Our results
		
		The results of our testing were satisfactory and we considered the amount of research grants and contract income recognised by the Group and the Institution to be acceptable (2023: acceptable).

	The risk	Our response
Group and Parent Institution: Valuation of Cardiff University Pension Fund Liabilities Group and Parent Institution Present value of scheme liabilities for Cardiff University Pension Fund: £230.0 million (2023: £216.7 million). Refer to note 1 (accounting policy) and note 25 (financial disclosures).	**Subjective estimate valuation** The Institution and Group are a member of a number of defined benefit schemes, including the Cardiff University Pension Fund (CUPF). The CUPF scheme is the largest scheme. The valuation of the CUPF scheme liabilities (before deducting scheme assets) involves the selection of appropriate actuarial assumptions, most notably the discount rate, salary increase, and mortality rates. The selection of these assumptions is inherently subjective and small changes in these assumptions and estimates used to value the CUPF scheme liabilities could have a significant effect on the financial position of the Institution and the Group. The effect of these matters is that, as part of our risk assessment, we determined that valuation of the CUPF scheme liabilities has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 25) disclose the sensitivity estimated by the Institution.	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: • **Our actuarial expertise**: We challenged, with the support our own actuarial specialists, the key assumptions and estimates used in the calculation of the CUPF scheme liabilities being the discount rate, salary increases and mortality rate. This included comparing key assumptions against our own benchmark ranges derived from externally available data and against those used by other universities reporting on the same period. • **Assessing external actuaries' credentials:** We assessed the competence and independence of the external actuary engaged by the Group. • **Assessing transparency:** We considered the adequacy of the Group's disclosure in respect of the CUPF retirement benefits, in particular the gross scheme liabilities and the sensitivity of the scheme liabilities to the assumptions used. **Our results** We found the resulting estimates of the CUPF scheme liabilities for the Group and the Institution to be acceptable (2023: acceptable).

Universities Superannuation Scheme (USS)
We continue to perform procedures over the Universities Superannuation Scheme (USS) pension liability. However, following the updated 2023 valuation of the USS finalised during the year (see note 25), the liability is nil in the current year and therefore we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £6.3 million (2023: £6.07 million), determined with reference to a benchmark of Group total income for 2023/24 of £648 million (2023: £636 million), of which it represents 0.97% (2023: 0.95%).

Materiality for the Institution financial statements was set at £6.2 million (2023: £6.0 million), determined with reference to a benchmark of Institution total income for 2023/24 of £637 million (2023: £627 million), of which it represents 0.97% (2023: 0.96%).

We consider total income, rather than a surplus-related benchmark, to be the appropriate benchmark as the Institution is a not-for-profit organisation.

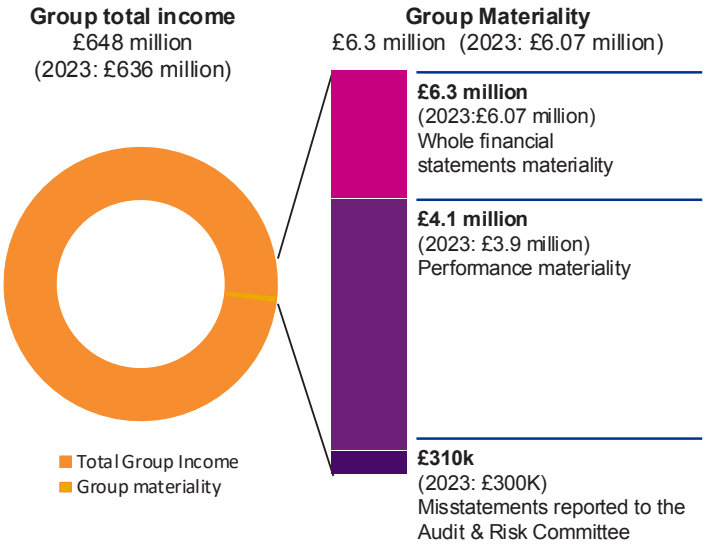
In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 65% of materiality for the financial statements as a whole, which equates to £4.1 million (2023: £3.9 million) for the Group and £4.0 million (2023: £3.9 million) for the Institution. We applied this percentage in our determination of performance materiality based on the level of control deficiencies and misstatements identified during our prior year audit.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £310k (2023: £300k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

The Group team performed the audit of the Group as if it was a single aggregated set of financial information. The audit was performed using the materiality and performance materiality level set out above.



4 Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the Institution or to cease their operations, and as it has concluded that the Group's and the Institution's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Institution's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Institution's available financial resources over this period were:

- A reduction in tuition fee income; and
- Impact of inflation on underlying cost base.

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the directors' sensitivities over the level of available financial resources indicated by the Group's financial forecast taking account of severe, but plausible adverse effects that could arise from these risks individually and collectively.

Our procedures also included:

- Critically assessing assumptions in base case and downside scenarios relevant to liquidity, in particular in relation to tuition fee income and the timing of related cash flows including knowledge of the entity's plans and the sector in which it operates.

- We also compared past budgets to actual results to assess the directors' record of budgeting accurately.
- We considered whether the going concern disclosure in note 1 to the financial statements gives a full and accurate description of the directors' assessment of going concern.

Our conclusions based on this work:

- We consider that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the Council's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Institution's ability to continue as a going concern for the going concern period; and
- We found the going concern disclosure in note 1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Institution will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Audit and Risk Committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Council and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reading a copy of the Group's risk register.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk that Research Grants and Contract Income is overstated through recording revenues in the wrong period, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts and unusual cash and borrowing journals.
- Performing testing as detailed in Section 2 of our report in relation to the fraud risk that Research Grants and Contract Income is overstated through recording revenues in the wrong period.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Audit and Risk Committee and other management (as required by auditing standards), and discussed with the management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities legislation, higher education related legislation and regulation), taxation legislation, pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: GDPR, Health and Safety legislation, employment and social security legislation and the higher education regulatory requirements of the Commission for Tertiary Education and research (Medr), recognising the regulated nature of the Institution's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Council of Cardiff University

6. We have nothing to report on the other information in the Annual Report

The Council (the members of which are the Trustees of the Institution for the purposes of charity law) is responsible for the other information, which comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion the information given in the Vice Chancellor's Review, Financial Review, Statement of Corporate Governance, and Statement of Internal Control (which together constitutes the Trustees' Annual Report for the financial year) is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the Institution has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.
- We have nothing to report in these respects.

8. Respective responsibilities

Council's responsibilities

As explained more fully in its statement set out on page 48, Council is responsible for: the preparation of financial statements which a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the Institution or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT OF OTHER LEGAL AND REGULATORY REQUIREMENTS

9. Reporting on other legal and regulatory requirements

We are required to report on the following matters prescribed in the Financial Management Code issued under the Higher Education (Wales) Act 2015 and the Accounts Direction to Higher Education Institutions for 2023/24 issued by HEFCW ("the Accounts Direction").

The regulation of the Welsh Higher Education sector was transferred from HEFCW to Medr, the Commission for Tertiary Education and Research on 1 August 2024. The Accounts Direction, Financial Management Code and Terms and Conditions of Funding 2023/24 issued by HEFCW remain in place at the date of our report. In view of this transfer, any reference to HEFCW in our report should be read as also referring to Medr.

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the Institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income, where appropriate, has been applied by the Institution in accordance with paragraph 145 of the HEFCW's Financial Management Code ("FMC");
- Funding Council grants have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding 2023/24 issued by the HEFCW; and
- the requirements of HEFCW's Accounts Direction have been met.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council in accordance with Section 4 of the Charters and Statutes of the Institution and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act.

Our audit work has been undertaken so that we might state to Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institution and the Council for our audit work, for this report, or for the opinions we have formed.

Jonathan Brown

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants.

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

28 November 2024

Consolidated and Institution Statements of Comprehensive Income and Expenditure

Year ended 31 July 2024

	Note	Consolidated 2024 £'000	Consolidated 2023 £'000	Institution 2024 £'000	Institution 2023 £'000
Income					
Tuition fees and education contracts	2	328,285	310,617	328,285	310,617
Funding body grants	3	83,213	90,199	83,213	90,199
Research grants and contracts	4	126,500	133,624	126,600	133,629
Other income	5	95,186	90,874	83,898	81,730
Investment income	6	11,707	9,670	11,544	9,622
Donations and endowments	7	4,177	1,397	4,493	1,397
Total Income		649,068	636,381	638,033	627,194
Expenditure					
Staff costs	8	373,137	346,090	373,137	346,090
Staff costs – (decrease) in USS pension scheme provision	10	(162,794)	(27,447)	(162,794)	(27,447)
Other operating expenses	10	234,623	226,288	223,377	217,833
Depreciation	11	50,632	47,291	50,632	47,291
Interest and other finance costs	9	16,033	19,247	16,033	19,247
Total Expenditure	10	511,631	611,469	500,385	603,014
Operating surplus before other gains and losses		**137,437**	**24,912**	**137,648**	**24,180**
Loss on disposal of fixed assets		(174)	(2,333)	(174)	(2,333)
Impairment of tangible fixed assets	11	(593)	(458)	(593)	(458)
Gain on sale of non-current investments	12	7,115	675	3,184	675
Gain / (Loss) on valuation of investments	15	36,923	(5,624)	36,923	(5,624)
Share of surplus/ (deficit) in joint venture	12	70	(813)	-	-
Surplus for the year		**180,778**	**16,359**	**176,988**	**16,440**
Other Comprehensive Income					
Impairment on the revaluation of assets		-	(3,043)	-	(3,043)
Actuarial gain in respect of pension schemes	21	(3,440)	15,541	(3,440)	15,541
Total comprehensive surplus/ (deficit) for the year		**177,338**	**28,857**	**173,548**	**28,938**
Represented by:					
Endowment comprehensive income for the year		6,850	677	6,850	677
Net restricted comprehensive expenditure for the year		(92)	-	(92)	-
Unrestricted comprehensive income for the year		170,580	28,180	166,790	28,261
		177,338	**28,857**	**173,548**	**28,938**

All items of income and expenditure relate to continuing activities.

The Notes on page 59 to 94 form part of these financial statements.

Consolidated and Institution Statements of Changes in Reserves

Year ended 31 July 2024

Consolidated	Income and expenditure account			Revaluation reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2022	45,570	160	292,318	310,611	648,659
Surplus from the income and expenditure statement	677	-	15,682	-	16,359
Other comprehensive income	-	-	12,498	-	12,498
Total comprehensive surplus for the year	677	-	28,180	-	28,857
Transfers between reserves	-	-	8,672	(8,672)	-
Balance at 31 July 2023	46,247	160	329,170	301,939	677,516
Surplus from the income and expenditure statement	6,850	(92)	174,020	-	180,778
Other comprehensive income	-	-	(3,440)	-	(3,440)
Total comprehensive surplus for the year	**6,850**	**(92)**	**170,580**	**-**	**177,338**
Transfers between reserves	-	-	5,587	(5,587)	-
Balance at 31 July 2024	**53,097**	**68**	**505,337**	**296,352**	**854,854**

Institution	Income and expenditure account			Revaluation Reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2022	45,570	160	293,748	310,611	650,089
Surplus from the income and expenditure statement	677	-	15,763	-	16,440
Other comprehensive income	-	-	12,498	-	12,498
Total comprehensive surplus for the year	677	-	28,261	-	28,938
Transfers between reserves	-	-	8,672	(8,672)	-
Balance at 31 July 2023	46,247	160	330,681	301,939	679,027
Surplus from the income and expenditure statement	6,850	(92)	170,230	-	176,988
Other comprehensive income	-	-	(3,440)	-	(3,440)
Total comprehensive surplus for the year	**6,850**	**(92)**	**166,790**	**-**	**173,548**
Transfers between reserves	-	-	5,587	(5,587)	-
Balance at 31 July 2024	**53,097**	**68**	**503,058**	**296,352**	**852,575**

The Notes on page 59 to 94 form part of these financial statements.

Consolidated and Institution Statements of Financial Position

Year ended 31 July 2024

	Note	Consolidated 2024 £'000	Consolidated 2023 £'000	Institution 2024 £'000	Institution 2023 £'000
Non-current assets					
Tangible fixed assets	11	956,775	952,270	956,775	952,270
Investments	12	17,353	15,207	15,508	13,433
		974,128	967,477	972,283	965,703
Current assets					
Stocks	13	268	289	268	289
Trade and other receivables	14	61,656	61,549	61,608	62,783
Investments	15	320,690	390,439	320,690	390,439
Cash and cash equivalents	16	105,806	36,586	103,037	33,135
		488,420	488,863	485,603	486,646
Creditors: amounts falling due within one year	17	(159,436)	(168,138)	(157,053)	(166,567)
Net current assets		328,984	320,725	328,550	320,079
Total assets less current liabilities		1,303,112	1,288,202	1,300,833	1,285,782
Creditors: amounts falling due after more than one year	18	(430,263)	(422,901)	(430,263)	(422,901)
Pension provisions	21	(15,197)	(180,332)	(15,197)	(180,332)
Other provisions	22	(2,798)	(7,453)	(2,798)	(3,522)
Total net assets		**854,854**	**677,516**	**852,575**	**679,027**
Restricted Reserves					
Income and expenditure - endowment reserve	23	53,097	46,247	53,097	46,247
Income and expenditure - restricted reserve		68	160	68	160
Unrestricted Reserves					
Income and expenditure - unrestricted		505,337	329,170	503,058	330,681
Revaluation reserve		296,352	301,939	296,352	301,939
Total Reserves		**854,854**	**677,516**	**852,575**	**679,027**

The Notes on page 59 to 94 form part of these financial statements.

The financial statements on pages 59 to 94 were approved by Council on 26 November 2024 and were signed on its behalf on 27 November 2024 by:

Patrick Younge
Chair of Council

Professor Wendy Larner
Vice-Chancellor

Darren Xiberras
Chief Financial Officer

Consolidated and Institution Statements of Cash-flow

Year ended 31 July 2024

	Note	Consolidated 2024 £'000	Consolidated 2023 £'000	Institution 2024 £'000	Institution 2023 £'000
Cash flow from operating activities					
Surplus for the year		180,778	16,359	176,988	16,440
Adjustment for non-cash items					
Depreciation	11	50,632	47,291	50,632	47,291
Impairment of fixed assets	11	593	458	593	458
Loss on disposals of fixed assets	11	940	2,530	940	2,530
Share of operating (surplus) /deficit in JV's	12,22	(70)	813	-	-
Receipt of donated assets		(1,250)	-	(1,250)	-
Non-cash pension credits	21	(168,575)	(37,579)	(168,575)	(37,579)
Decrease in stock	13	21	7	21	7
Decrease/ (increase) in debtors	14	2,744	(1,304)	4,026	(1,662)
(Decrease)/ increase in creditors	17,18	(8,602)	4,239	(9,414)	8,805
(Decrease)/ increase in other provisions		(724)	1,416	(724)	1,416
Adjustment for investing or financing activities					
Capital grant income	3,5	(8,467)	(9,885)	(8,467)	(9,885)
Investment income	6	(11,707)	(9,670)	(11,544)	(9,622)
Interest payable	9	11,693	11,865	11,693	11,865
New endowments	23	(2,129)	(1,175)	(2,129)	(1,175)
Gain on disposal of non-current investments	12	(7,115)	(675)	(3,184)	(675)
(Gain)/loss on current investments	12,15	(36,923)	5,624	(36,923)	5,624
Net cash inflow from operating activities		1,839	30,314	2,683	33,838
Cash flows from investing activities					
Capital grant receipts		9,763	6,797	9,763	6,797
Investment income	6	11,707	9,670	11,544	9,622
Decrease/ (increase) in deposits	15	106,672	(31,012)	106,672	(31,012)
Payments made to acquire fixed assets	11	(53,740)	(56,734)	(53,740)	(56,734)
Non-current investment acquisitions	12	(3,295)	(6,632)	(3,295)	(6,632)
Proceeds from sale of fixed assets		769	197	769	197
Non-current investment disposal proceeds	12	1,553	1,504	1,553	1,504
Net cash inflow/ (outflow) from investing activities		73,429	(76,210)	73,266	(76,258)
Cash flows from financing activities					
Interest paid	9	(12,160)	(12,325)	(12,160)	(12,325)
Endowment cash received	7	2,129	1,175	2,129	1,175
Repayments of amounts borrowed	17,18	(2,259)	(2,733)	(2,259)	(2,733)
New unsecured borrowings	18	6,242	-	6,242	-
Net cash outflow from financing activities		(6,048)	(13,883)	(6,048)	(13,883)
Increase/ (decrease) in cash and cash equivalents in the year		69,220	(59,779)	69,901	(56,303)
Cash and cash equivalents at beginning of the year		36,586	96,365	33,135	89,438
Cash and cash equivalents at end of the year	16	105,806	36,586	103,036	33,135

The Notes on page 59 to 94 form part of these financial statements

Notes to the Financial Statements

Year ended 31 July 2024

1. Statement of Principal Accounting Policies

Basis of preparation

This consolidated financial information has been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, the Financial Reporting Standard (FRS 102) and the Charities Act 2011. The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial information is prepared in accordance with the historical cost convention (modified by the revaluation of land and buildings and the measurement of certain financial instruments at fair value).

The Group and University's activities, together with the factors likely to affect its future development, performance, and position, are set out in the Financial Review which forms part of the Board of Council's Report. The Council's Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

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

- The Council has reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements.
- After reviewing these forecasts, the Council is of the opinion that, taking account of severe but plausible downsides, such as reduction in tuition fee income and cost inflation, the Group and parent Institution will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, Council is confident that the Group and parent Institution will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore has prepared the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial information consolidates the financial statements of the Institution, and its subsidiary undertakings University College Cardiff Consultants Limited and International Learning Exchange Programme Limited for the financial year to 31 July. It does not include those of the University Students' Union, or the Cardiff Partnership Fund Limited as the Council does not exercise control over their financial and operating activities.

Uniform accounting policies are adopted throughout the Group. Joint ventures are accounted for using the equity method.

Recognition of income

Tuition fee income is stated gross, apart from expenditure that is a discount (including prompt payments) or fee waivers and is credited to the Consolidated Statement of Comprehensive Income. Bursaries and scholarships (including those administered by third parties) are accounted for gross as expenditure and not deducted from income.

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customer, or the terms of the contract have been satisfied.

Investment income is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

Funds the Institution receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the Institution where the Institution is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Grant funding including funding council block grants, research and furlough grants from government sources and grants (including research grants) from non-government sources are recognised as income when the performance related conditions have been met and the Institution has become entitled to the income. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the Institution is entitled to the funds and is retained within the separate restricted reserve until such time that it is utilised in line with such restrictions.

Donations with no restrictions are recognised in income when the Institution is entitled to the funds.

1. Statement of Principal Accounting Policies (continued)

Investment income and movements in fair value of endowments are recorded in income in the year in which they arise and as either restricted or unrestricted income according to the terms of the endowment.

Restrictions applied to the individual endowment funds.

There are four main types of donations and endowments identified within reserves:

1. **Restricted donations** - the donor has specified that the donation must be used for a particular objective.
2. **Unrestricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Institution.
3. **Restricted expendable endowments** - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Institution has the power to use the capital.
4. **Restricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Capital grants are recognised in income when the Institution is entitled to the funds subject to any performance related conditions being met.

Provision for doubtful debts

Provision is normally made for individual debts where recovery is thought to be in doubt based the ageing of the debt past its due date, other known circumstances relating to the individual debtor, such as referred to debt collection agency, and post year end recovery of debts. Any un-provided debts are deemed as recoverable.

Pension schemes

The three principal defined benefit pension schemes for the Institution's staff are the Universities Superannuation Scheme (USS), the Cardiff Institution Pension Fund (CUPF), and the Local Government Pension Scheme (LGPS). The schemes are funded defined benefit schemes. The funds are actuarially valued every three years by a professionally qualified actuary using either the aggregate method or the attained age method with the rates of contribution payable being determined by the scheme's trustees on the advice of the actuary.

Universities Superannuation Scheme

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. Because the scheme is now in a surplus position and deficit recovery contributions are no longer required, the amount credited to the profit and loss account represents the release of the deficit recovery liability. Expenses related to the scheme are recognised through the profit and loss account.

Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which the Institution pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined benefit plan:

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

In addition, the National Health Service (NHS) Pension Scheme is in operation for certain staff. The NHS scheme is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution rates determined by HM Treasury. This is accounted for as a defined contribution scheme. To comply with The

1. Statement of Principal Accounting Policies (continued)

Pensions Act 2008, the Institution also uses the NEST defined contributions pension scheme for eligible non-contractual workers.

Employment benefits

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

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into GB Sterling, the functional currency of the Institution, at year-end rates and the resulting exchange differences are included in the determination of the deficit or surplus for the year.

Operating leases

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

Fixed assets

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Freehold and Long Leasehold property assets in existence on the transition to the FRS102 (1st August 2014) were measured on the basis of deemed cost, being market fair value or deemed cost of replacement.

The difference between the revalued amount and historical cost is credited to a revaluation reserve.

An amount equal to the depreciation in excess of that on the historical cost basis is transferred from the revaluation reserve to retained earnings.

Land and buildings

Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the Institution.

Land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives, in years, as follows:

Academic buildings and listed buildings	50
Pre 1990 residence sites	25
Post 1990 and Talybont North residences	50
Residential Houses	50
Semi-permanent buildings	25
New UHW site buildings	50
Old UHW site buildings	25
Refurbishments	15

Leasehold buildings are depreciated over the shorter of the lease term or the expected useful lives shown above.

No depreciation is charged on assets in the course of construction.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets, in line with component accounting.

Componentised items are depreciated on a straight-line basis over their expected lives, in years, as follows:

Component	Life
Building shell	20-50
Refurbishment	15
Mechanical and engineering services	10-25
Fit out	10-50

Plant and Equipment

Plant and equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition unless purchased as part of a new build or major building infrastructure refurbishment.

All other equipment is capitalised, with the exception of equipment funded from Research Grants which costs under £50,000 which is also written off in the year of acquisition.

Capitalised plant and equipment are stated at cost less accumulated depreciated and impairment losses over their expected useful life of between four and ten years, for equipment, as appropriate.

Assets under construction are not depreciated until brought into use.

Fully depreciated equipment is written off once the asset is no longer in use or no longer in existence.

Social Science Research Park (SBARC|SPARK) building

The University's Social Science Research Park (SBARC|SPARK) provides many opportunities for the University to provide its core services.

The SBARC|SBARK building is 11,604 m2. Approximately 15% of this space is allocated to university start-ups, spin-outs, researchers and other stakeholders, providing support for inter-disciplinary co-location and collaboration, rented out on short term lease agreements. These stakeholders have been selected on the basis that they contribute towards Cardiff University's ability to deepen its partnerships with industry and other organisations, generating economic and social value through innovation, which is aligned to the University's strategy for Research and Innovation. The building is at the heart of the University campus and this space is held to support the University' aims, rather than for commercial rent or capital appreciation. Accordingly, the whole building is accounted for as a fixed asset and is held at depreciated cost.

The activities are all hugely beneficial to the University in respect of enhancing its reputation, promoting the services available being the provision of world-class and world-recognised social sciences research, to foster and develop partnerships through a range of innovation, enterprise and engagement activities and events, to support the wider regional economy, and to enhance the breadth and volume of research opportunities for students and student entrepreneurs.

1. Statement of Principal Accounting Policies (continued)

Investments

Non-current asset investments are held on the Balance Sheet at cost less impairment.

Joint ventures are carried at cost less impairment in the Institution's financial statements.

Current asset investments are held at fair value with movements recognised in the total comprehensive income for the year.

Stocks

Stocks held are building materials, medical/bioscience consumables, and trading consumables of the Estates Works Unit, College of Biomedical and Life Sciences and Catering, respectively. They are valued at the lower of cost or net realisable value.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Maintenance of premises

The Institution has a rolling maintenance plan which is reviewed on an annual basis. The cost of routine corrective maintenance is charged to the statement of comprehensive income.

Taxation status

The Institution is a registered charity within the meaning of Chapter 1 Section 3 of the Charities Act 2011 and as such is a charity within the meaning of Section 6 to the Finance Act 2010. Accordingly, the Institution is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes for public benefit.

All subsidiary companies are liable to Corporation Tax and Value Added Tax (VAT). The Institution's principal activities are exempt from VAT, but certain ancillary supplies and services are liable to VAT at various rates. Expenditure includes irrecoverable VAT charged by suppliers to the Institution. The Institution does not have to pay Stamp Duty Land Tax when buying and leasing a property.

Provisions

Provisions are recognised when the Institution has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Financial instruments

The Institution has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments for its consolidated and Institution financial statements.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the total comprehensive income for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the total comprehensive income for the year.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the surplus or deficit, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

1. Statement of Principal Accounting Policies (continued)

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the Institution, are held as a permanently restricted fund which the Institution must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the Institution is restricted in the use of these funds.

The bond repayment fund, a designated reserve, was created in 2019/20 for the purpose of being able to give a reasonable likelihood of being able to meet the bond repayment of £400m, due on 7 December 2055 (note 24).

Significant estimates and judgements

Significant estimates and judgements used in the preparation of this financial information were as follows:

(i) Recoverability of debtors

The normal accounting policy for the assessment of recoverability of debtors and the subsequent doubtful debt impairment provisioning regarding the collection of students fees and Commercial and Research debt has been applied.

Students have been required to clear their current fees before progressing to another academic year. For students who have completed their course but have fees outstanding their full certification is withheld until their fee debt is cleared, in line with Institution Tuition fee policy.

We continue to monitor closely overseas debt and act as appropriate.

Estimate

Tuition fee debt

The year-end tuition fees doubtful debt impairment provision is assessed on the basis of all overdue debt by fee debtor category regardless of aged profile, with particular categories attributing more risk than others.

The resulting aggregated debt impairment provision is reduced by subsequent fee settlements received after 31 July 2024 from debtors within these same categories. All other tuition fee debt is deemed recoverable.

Tuition fee debt at 31 July 2024 was £6.1m (2023: £4.2m) (see Note 14). After applying our debt impairment policy, the doubtful debt impairment provision is £5.0m (2022: £4.2m) after assessment of receipts received after 31st July 2024.

Commercial and Research Debt

General debt impairment assessment policies have been applied, with the exception of overseas embassies whereby debt over 91 days overdue is subject to impairment provision (normally provided on 181 days overdue).

Overall, Commercial and Research debt at 31 July 2024 was £15.7m (2023: £16.2m) (see Note 14).

After applying the doubtful debt impairment policy, £0.5m is assessed at risk (2023: £1.5m) and subject to doubtful debt impairment provision.

(ii) Leasehold Property Dilapidations

The Institution has recognised its future estimated obligation to return short term leasehold properties to their original state on the termination of the lease arrangement, based on the current market works cost estimate provided by a professional property surveyor on assessing the current status of each relevant building.

As at the 31 July 2024, it is assumed that the Institution will exit each lease on the relevant date as there are no plans or indications to counter this view.

The resulting estimated provision(s) will be subject to future annual review for both relevance, i.e. future plans to exit or renew, and to the application of inflation, based on relevant industry cost price indexation data.

Future cost inflation fluctuations will be recognised in the Statement of Comprehensive Income and Expenditure as a repairs and maintenance cost.

1. Statement of Principal Accounting Policies (continued)

(iii) Retirement benefit obligations

Estimate – CUPF and LGPS

The Institution operates its own scheme, Cardiff University Pension Fund (CUPF) and participates in a Local Government Pension Scheme (LGPS); both are defined benefit schemes. Actuarial valuations of the schemes are carried out as determined by the trustees at intervals of not more than three years.

Pension costs under FRS 102 are assessed in accordance with the advice of independent actuaries based upon latest actuarial valuations and assumptions determined by the actuaries.

The assumptions are based upon information supplied to the actuaries by the Institution, supplemented by discussions between the actuary and management, where relevant. The assumptions are documented in Note 25.

As at 31 July 2023, the LGPS fund, under FRS102 accounting treatment, resulted in a pension asset. The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2024 the surplus recognised as an asset in the statement of financial position is £nil (2023: £nil).

Estimate - USS

At 31 July 2023, the institution's balance sheet included a liability of £165,245k for future contributions payable under the deficit recovery agreement, which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. The remaining liability of £165,245k was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 25.

Judgement - USS

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

(iii) Research Income Recognition

All research grants are considered to have a performance condition. The type of performance condition is determined by reviewing the research grant's contract. For the majority of research grants, income is recognised in accordance with the level of service as established by the pre agreed project spending budgets, and where actual spend profiles differ from budgeted spend profiles the income is recognised in line with the actual spend. For some research grants, the level of service is tied to a milestone being met; as a result, the revenue for these grants is recognised on a cash received basis.

2. Tuition Fees and Education Contracts

Consolidated and Institution

	2024 £'000	2023 £'000
UK and European Union Undergraduate	161,606	151,049
UK and European Union Postgraduate	11,041	12,215
Overseas (including part-time)	114,334	106,126
Part Time (UK and European Union)	5,502	5,797
	292,483	275,187
Education contracts	16,802	16,620
Research training support grants	11,971	11,824
Non-credit bearing fees	7,029	6,986
	328,285	310,617

3. Funding Body Grants

Consolidated and Institution

	2024 £'000	2023 £'000
Recurrent grant	70,802	75,794
Specific grants	4,363	6,877
Capital grants - buildings	1,605	3,282
Capital grants - equipment	6,443	4,246
	83,213	90,199

4. Research Grants and Contracts

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Research Councils	47,681	43,079	47,681	43,079
UK-based charities	22,187	24,628	22,187	24,628
UK Government bodies	32,962	43,247	33,062	43,252
UK Industry	8,539	7,138	8,539	7,138
European Commission	5,589	7,197	5,589	7,197
Overseas	7,506	6,423	7,506	6,423
Other grants and contracts	2,036	1,912	2,036	1,912
	126,500	133,624	126,600	133,629

5. Other Income

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Other services rendered:				
UK Central Government	18,908	23,592	19,124	23,353
UK Health Authorities	10,722	8,212	10,722	8,212
UK Industry	895	1,103	895	1,103
European Union	1,669	1,815	1,669	1,815
Overseas	47	91	47	91
UK Universities	856	596	856	596
Other Sources	7,916	7,293	9,565	9,534
Total other services rendered	41,013	42,702	42,878	44,704
Residences, catering and conferences	31,593	29,685	31,593	29,685
Exempt VAT recoverable	1,103	559	1,103	559
Other capital grants	419	2,357	419	2,357
Other income	21,058	15,571	7,905	4,425
	95,186	90,874	83,898	81,730

6. Investment Income

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Income from investments	10,163	8,292	10,000	8,245
Income from endowment investments (Note 23)	1,544	1,378	1,544	1,377
	11,707	9,670	11,544	9,622

7. Donations and Endowments

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
New endowments (Note 22)	2,129	1,175	2,129	1,175
Donations with restriction	23	-	23	-
Unrestricted donations	2,025	222	2,341	222
	4,177	1,397	4,493	1,397

8. Staff Costs

Consolidated and Institution

	2024 £'000	2023 £'000
Staff costs:		
Wages and salaries	299,132	274,178
Social security costs	30,984	28,879
Other pension costs	43,021	43,033
	373,137	346,090

The above figures exclude payments made to staff on behalf of the National Health Service.

Consolidated and Institution

	2024 FTE	2023 FTE
Average staff numbers by major category:		
Clinical and non-clinical academic and academic related	4,791	4,712
Technical services	203	217
Administrative support	1,026	1,005
Operational services	233	237
	6,253	6,171

Key management personnel compensation

The Institution considers that key management personnel are the 17 individuals (2022: 12) who serve as members of the University Executive Board having authority and responsibility for planning, directing, and controlling the activities of the Institution. Staff costs include compensation paid to key management personnel.

	2024 £'000	2023 £'000
Key management personnel compensation	2,371	2,305

A list of current members of University Executive Board is publicly available on our website: www.cardiff.ac.uk/about/organisation/University-executive-board

Compensation for loss of office to higher paid employees

Compensation payments of £43k were made to higher paid employees in year (2023: £45k).

8. Staff Costs (continued)

Other higher paid staff

The remuneration of higher paid staff (excluding the Vice-Chancellor) reflected in the ranges below exclude employer pension contributions, bonuses, and compensation for loss of office but include payments made on behalf of the NHS in respect of its contractual obligation to Institution staff under separate NHS contracts of employment. These payments are excluded from the Institution's Income and Expenditure account. Of the 176 staff earning in excess of £100,000 in 2024 (2023: 167), 48 (2023: 45 Restated) include such payments on behalf of the NHS.

Salary Band	2024 NHS No.	2024 Other No.	**2024 Total No.**	2023 NHS No.	2023 Other No.	**2023 Total No.**
£100,000 - £104,999	-	21	**21**	-	27	**27**
£105,000 - £109,999	1	27	**28**	-	24	**24**
£110,000 - £114,999	-	20	**20**	-	16	**16**
£115,000 - £119,999	2	11	**13**	1	13	**14**
£120,000 - £124,999	2	14	**16**	2	5	**7**
£125,000 - £129,999	4	1	**5**	4	9	**13**
£130,000 - £134,999	3	6	**9**	4	5	**9**
£135,000 - £139,999	6	3	**9**	3	6	**9**
£140,000 - £144,999	4	6	**10**	3	4	**7**
£145,000 - £149,999	1	5	**6**	4	2	**6**
£150,000 - £154,999	1	4	**5**	1	3	**4**
£155,000 - £159,999	2	2	**4**	5	-	**5**
£160,000 - £164,999	1	2	**3**	3	-	**3**
£165,000 - £169,999	5	-	**5**	4	4	**8**
£170,000 - £174,999	2	1	**3**	1	1	**2**
£175,000 - £179,999	1	2	**3**	-	2	**2**
£180,000 - £184,999	2	1	**3**	5	-	**5**
£185,000 - £189,999	4	-	**4**	-	-	**-**
£190,000 - £194,999	4	-	**4**	3	1	**4**
£195,000 - £199,999	1	-	**1**	-	-	**-**
£200,000 - £204,999	-	2	**2**	-	-	**-**
£205,000 - £209,999	-	-	**-**	1	-	**1**
£210,000 - £214,999	-	-	**-**	1	-	**1**
£215,000 - £219,999	-	-	**-**	-	-	-
£220,000 - £224,999	1	-	**1**	-	-	-
£225,000 - £229,999	1	-	**1**	-	-	-
	48	128	**176**	45	122	**167**

8. Staff Costs (continued)

Emoluments of the Vice-Chancellor	2024 £'000 Current	2024 £'000 Former	2023 £'000 Former
Salary	267	26	301
Bonus	-	-	56
Benefits-in-kind	30	9	20
	297	35	377
Pension Death in Service Enhanced Opt-out contribution only	45	2	19
	342	37	396

The benefits-in-kind received by the Vice-Chancellor are as follows (£000s):			
Private medical insurance	2	-	1
Permanent accommodation	28	9	19
Services supplied	2	-	-

The remuneration of the current Vice-Chancellor is set through the Senior Salary Review Process by the Remuneration Committee, which comprises of independent lay members of Council. The Vice-Chancellor's base salary is also reviewed in line with national pay awards for the Higher Education sector.

The Chair of Council presents performance assessments to the Remuneration Committee for inclusion in the Senior Salary Review process. The Remuneration Committee make the final decision on the rewards given for comparable performance assessments. The Vice-Chancellor's salary, in line with the Senior Salary Review, is also assessed against equity and market concerns.

The Vice-Chancellor's performance is reviewed according to a number of factors including, but not limited to:

- the Vice-Chancellor's leadership, management, and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- The performance of the University according to the strategy and agreed metrics.

The former Vice-Chancellor was in post for a short period during the financial year, the former Vice-Chancellor was not employed during the performance assessment, therefore they were not considered and did not receive any additional payment.

In the current year, the new vice chancellor commenced their post part way through the financial year. Resulting in 2 Vice-chancellors being remunerated in the period, their employment did not overlap.

The current Vice-Chancellor's full-time equivalent basic salary is 6.7 times the median pay of all staff, the former Vice-Chancellor's full-time equivalent basic salary is 7.3 times (2023: 7.0 times) the median pay of all staff, where the median pay is calculated on a full-time equivalent basis for the salaries and wages paid by the Institution.

The current Vice-Chancellor's full-time equivalent total remuneration is 7.4 times the median total remuneration of all staff, the former Vice-Chancellor's full-time equivalent total remuneration is 7.5 times (2023: 8.7 times) the median pay of all staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Institution.

As per HEFCW Accounts Direction, remuneration includes personal service companies that are deemed by the Institution to be employees under HMRC Intermediary Regulations (IR35) and paid through payroll and reported to HMRC via "Real-time Information" (RTI) reporting.

9. Interest and Other Finance Costs

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bond interest & finance costs	11,582	11,588	11,582	11,588
Bank loan interest	111	277	111	277
	11,693	11,865	11,693	11,865
Net charge on pension schemes (Note 21)	1,070	798	1,070	798
Unwind of discount on USS pension provision (Note 21)	3,270	6,584	3,270	6,584
	16,033	19,247	16,033	19,247

10. Analysis of Expenditure by Activity

Consolidated

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2024 £'000	Total 2023 £'000
Academic departments	223,925	50,610	-	274,535	265,198
Academic services	21,289	17,619	-	38,908	38,414
Research grants and contracts	52,804	34,467	-	87,271	90,532
Other services rendered	16,335	24,018	-	40,353	41,888
Residences, catering and conferences	5,441	14,614	111	20,166	20,385
Premises	8,397	47,996	-	56,393	51,573
Administration and central services	45,561	30,080	-	75,641	69,252
Other expenses	9,506	15,219	11,582	36,307	24,515
Pension fund adjustments	(10,121)	-	4,340	(5,781)	(10,132)
	373,137	234,623	16,033	623,793	591,625
Depreciation (note 11)				50,632	47,291
Staff costs – Decrease in USS pension scheme provision (note 21)				(162,794)	(27,447)
Staff costs – Voluntary Severance Scheme				-	-
Total per Statement of Comprehensive Income and Expenditure				511,631	611,469

Institution

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2024 £'000	Total 2023 £'000
Academic departments	223,925	50,610	-	274,535	265,198
Academic services	21,289	17,619	-	38,908	38,414
Research grants and contracts	52,804	34,467	-	87,271	90,532
Other services rendered	16,335	24,016	-	40,351	41,784
Residences, catering and conferences	5,441	14,614	111	20,166	20,385
Premises	8,397	47,996	-	56,393	51,573
Administration and central services	45,561	30,080	-	75,641	69,252
Other expenses (see Page 72)	9,506	3,975	11,582	25,063	16,164
Pension fund adjustments	(10,121)	-	4,340	(5,781)	(10,132)
	373,137	223,377	16,033	612,547	583,170
Depreciation (note 11)				50,632	47,291
Staff costs – (Decrease)/Increase in USS pension scheme provision (note 21)				(162,794)	(27,447)
Staff costs – Voluntary Severance Scheme				-	-
Total per Statement of Comprehensive Income and Expenditure				500,385	603,014

10. Analysis of Expenditure by Activity (continued)

Other operating expenses include	2024	2023
External auditors' remuneration in respect of audit services	232	224
External auditors' remuneration in respect of audit-related services	2	2
External auditors' remuneration in respect of non-audit services	Nil	Nil
Operating lease rentals		
Land and buildings	2,404	2,905
Other	167	118

Other expenses include:

- A charge in staff costs of £1,870k (2023: credit of £4,560k) relating to the movement on the Employee Leave Accrual (Note 17).

11. Tangible Fixed Assets

Consolidated and Institution

	Land and Buildings			Equipment	Total
	Freehold £'000	Long leasehold £'000	Assets in the Course of Construction £'000	£'000	£'000
Cost or valuation					
At 1 August 2023	750,256	299,043	19,834	207,811	1,276,944
Additions at cost	20,778	6,676	8,884	20,334	56,672
Disposals	(565)	-	(440)	(50,254)	(51,259)
Projects completed	17,894	1,110	(19,004)	-	-
At 31 July 2024	**788,363**	**306,829**	**9,274**	**177,891**	**1,282,357**
Valuation (i)	369,206	229,472	-	-	598,678
Cost	419,157	77,357	9,274	177,891	683,679
At 31 July 2024	788,363	306,829	9,274	177,891	1,282,357
Accumulated depreciation					
At 1 August 2023	100,435	63,978	-	160,261	324,674
Charge for year	20,635	8,915	-	21,082	50,632
Eliminated on disposal	(107)	-	-	(50,210)	(50,317)
Impairments	90	142	-	361	593
At 31 July 2024	**121,053**	**73,035**	**-**	**131,494**	**325,582**
Net book value					
At 31 July 2024	667,310	233,794	9,274	46,397	956,775
At 31 July 2023	649,821	235,065	19,834	47,550	952,270

(i) A full valuation of the Institution's Estate was carried out on 31 July 2014 by Cooke and Arkwright Chartered Surveyors in accordance with the RICS Valuation – Professional Standards January 2014 (the Red Book) to establish deemed cost. Of the total valuation of £609m, £557m was at fair value by depreciated replacement cost and £52m was at fair value.

Certain buildings have been funded from U.K. Treasury sources at a cost of £132m. Should these particular buildings be sold, the Institution would use the proceeds in accordance with the HEFCW Terms of Funding.

Land and buildings include non-depreciated land of £118m (2023: £116m).

Spend on capital projects incurred and completed in year is recognised in freehold additions rather than through assets in the course of construction.

An impairment of £593k has been recognised in the year.

12. Non-Current Investments

	Consolidated			Institution		
	Investment in joint ventures	Other Investments	Total	Equity investment in joint ventures	Other Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2023	3,747	11,460	15,207	2,003	11,430	13,433
Additions	-	3,295	3,295	-	3,295	3,295
Disposals	-	(1,220)	(1,220)	-	(1,220)	(1,220)
Share of operating deficit in joint ventures	70	-	70	-	-	-
Balance at 31 July 2024	3,817	13,535	17,352	2,003	13,505	15,508

The Institution has investments in the following:

Investment In Joint Ventures

Compound Semiconductor Centre Limited

Compound Semi-Conductor Centre Limited was a joint venture between Cardiff University and IQE (Europe) Ltd. As at 31*st* July 2023 the University recognised their share of net liabilities from the joint venture of £3.9m. Due to impairments this investment was held at nil value. On the 18*th* September 2023 Cardiff University exited the joint venture. The exit of the JV released the University from its share of net liabilities of £3.9m and entitles it to deferred consideration of £3.0m (included within debtors - see note 14), leading to a profit on disposal of £6.9m.

	£'000
Consolidated Investment in CSC	
Cost	2,885
Impairment	(2,885)
Closing balance 31 July 2024	-
Consolidated Other provisions (Note 22)	
Share of net liability	(3,931)
Disposal of net liability	3,931
Closing balance	-
Gain on sale of non-Current investment	
Consideration on sale (Note 14)	2,979
Gain on Mobius	205
Institution gain recognised in SOCI	**3,184**
Release of net liability (Note 22)	3,931
Consolidated gain recognised in SOCI	**7,115**
Institution and Consolidated Long-term debtor	
Deferred consideration	2,979
Receipted by 31 July 2024	(255)
Due less than one year	(350)
Due greater than one year (Note 14)	**2,374**

Cardiff Medicentre

The Institution holds an investment of £2,003k (2023: £2,003k) representing an 89% shareholding in Cardiff Medicentre with Cardiff and Vale UHB holding the remaining 11%. This Group's total investment after its share of operating surpluses is £3,817k (2023: £3,747k). This interest is treated as a joint venture as the Institution has joint control with Cardiff and Vale UHB.

Other Investments

University College Cardiff Consultants Limited (UC3)
The results of UC3, a company limited by guarantee and registered in the UK, have been included by consolidation in the financial information. The company's principal activity is the commercialisation of the intellectual property and other outputs of research generated by the academic schools of the Institution. The company is also responsible for the Institution's interests through shareholdings in a number of spin-out companies arising from the Institution's research and other operations.

Mobeus
The Institution made an original commitment (in 2016) to invest £10m in the Mobeus Equity Partners IV LP fund and another £15m in the Mobeus Equity Partners V LP Fund. Both funds contribute to the bond repayment fund for the repayment of the £400m bond capital in December 2055.

On 8 July 2024, the Mobeus Equity Partners IV LP fund was renamed as Mobeus 1 LP, and Mobeus Equity Partners V LP fund was renamed as Mobeus 2 LP.

In the year, additions to Mobeus 1 LP were £nil (2023: £263k) and divestments proceeds were £851k (2023: £829k), of which a gain of £705k was realised (2023: £539k). As at 31 July 2024, the investment fund is held at a net cost of £4,135k (2023: £4,985k).

In the year, additions to Mobeus 2 LP were £2,008k (2023: £6,369k) and divestment proceeds £370k (2023: £nil). As at 31 July 2024, the investment fund is held at a net cost of £8,007k (2023: £6,369).

Cash and cash equivalent balances relating to both Mobeus funds and Pantheon (see below) are combined to form part of the Bond Repayment Fund (Note 24).

Pantheon
The Institution made a commitment (in 2023) to invest US$6m in the Pantheon 2021 – Cardiff University fund. This fund contributes towards the bond repayment fund as per Mobeus above.
In the year, additions to the Pantheon fund were £1,287k.

Cardiff Partnership Fund Limited
The Institution owns a 100% shareholding of £76k (2023: £76k) in the Cardiff Partnership Fund Limited, the holding company of the unincorporated Cardiff Partnership Fund Limited Partnership. This company is not consolidated on the basis that the Institution does not exercise control over the activities that rest with an independent board.

SETsquared Partnership
In September 2021, the Institution joined the SETsquared Partnership, an Institution incubator network. This company is not consolidated.

International Learning Exchange Programme Limited ("ILEP")
Following the UK Government's decision to withdraw from the Erasmus+ scheme, the Welsh Government announced a new learning scheme to continue to benefit staff and students from international exchanges in a similar way to Erasmus+, not just in Europe but also further afield. The scheme will run from 2022 to 2026. To safeguard transparency, the Institution agreed to operate the programme on behalf of the Welsh Government through a wholly owned subsidiary company. ILEP was incorporated on 22 June 2021 and commenced operations on 1 August 2022. The results of ILEP have been included by consolidation in the financial statements.

13. Stocks

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Residences and Catering	78	97	78	97
Maintenance	61	72	61	72
Academic Departments	129	120	129	120
	268	289	268	289

14. Trade and other receivables

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Amounts falling due within one year:				
Trade Debtors:				
- Tuition fees	6,075	4,204	6,075	4,204
- Research grants & contracts	9,239	9,726	9,239	9,726
- Other Services	6,477	6,538	5,883	6,112
Less: Trade Debtors impairment provision (i)	(5,497)	(5,785)	(5,497)	(5,785)
Net Trade Debtors	16,294	14,683	15,700	14,257
Other Debtors	3,139	2,047	3,139	2,047
Amount due from subsidiary undertaking	-	-	1,690	1,914
Prepayments	8,524	5,969	7,971	5,643
Accrued Income				
- Research grants and contracts	21,668	28,501	21,668	28,501
- Other Income	9,657	10,349	9,066	10,421
Total Debtors	59,282	61,549	59,234	62,783
Amounts falling due after more than one year:				
Compound semiconductor Centre Limited (ii)	2,374		2,374	
Total debtors	61,656	61,549	61,608	62,783

(i) Further information regarding the judgements and estimates in relation to the impairment can be found in Note 1: Accounting Policies on Page 63 "Recoverability of debtors".

(ii) The deferred consideration for the disposal of Compound Semiconductor Centre Limited has been recognised in amounts falling more than one year and will be paid in instalments up until January 2029.

15. Current Investments

Consolidated and Institution

	Endowment Investments £'000 (Note 23)	Other Investments £'000	2024 Total £'000	2023 Total £'000
Short term investment in shares	-	184,914	184,914	162,130
Short term bonds	-	70,825	70,825	85,423
Other short-term investments	49,143	15,808	64,951	63,925
Short term deposits	-	-	-	78,961
	49,143	271,547	320,690	390,439

The increase in fair value of current investments in the year was £36,923k (2023: decrease of £5,624k).

The University has changed its investment strategy in terms of short-term deposits, and they are now deemed cash and cash equivalents in the current year (Note 16).

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at the time of placement.

16. Cash and Cash Equivalents

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Operational bank accounts	22,011	10,460	19,242	7,009
Cash-in-hand	8	9	8	9
Money market funds	3,880	11,539	3,880	11,539
Cash funds held by investment fund managers	45,816	11,813	45,816	11,813
Cash fund held within endowment funds	3,954	2,765	3,954	2,765
Short term deposits	30,137	-	30,137	-
	105,806	36,586	103,037	33,135

17. Creditors: amounts falling due within one year

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade creditors	13,329	20,936	13,263	20,891
Social security and other taxation	8,882	7,929	8,882	7,929
Sundry creditors	12,014	10,351	11,285	9,665
Deposits	139	187	139	187
Employees leave entitlement accrual	11,591	9,721	11,591	9,721
Accruals	29,531	27,166	29,436	27,032
Deferred income (see below)	83,250	89,589	81,757	88,883
Unsecured loans	-	-	-	-
Secured loans	700	2,259	700	2,259
	159,436	168,138	157,053	166,567

Deferred Income

Included in deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Tuition Fees	6,097	9,761	6,097	9,761
Research grants and contracts	49,301	52,531	49,573	52,768
Other Income	25,796	26,327	24,031	25,384
Capital grant income	2,056	970	2,056	970
	83,250	89,589	81,757	88,883

18. Creditors: amounts falling due after more than one year

Consolidated and Institution	2024 £'000	2023 £'000
Sundry Creditors	3,584	1,297
Unsecured loans (vi)	6,242	-
Secured loan	175	875
Public Bond (i)	294,216	294,084
Public Bond Tap (ii)	126,046	126,645
Total loans and long-term debt	426,679	421,604
	430,263	422,901

Analysis of secured and unsecured loans

Due within one year or on demand (Note 17)	700	2,259
Due between two and five years	3,296	875
Due in five years or more	423,383	420,729
Due after more than one year	426,679	421,604
	427,379	423,863

Included in loans are the following:

Lender	Term	Secured/ Unsecured	Interest rate %	Borrower	2024 £'000	2023 £'000
Salix (vii)	2032	Unsecured	-	Institution	6,242	-
Lloyds Bank/Scottish Widows(iii)	2024	Secured	8.853	Institution	-	1,559
Royal Bank of Scotland (iv)	2025	Secured	See below	Institution	875	1,575
					7,117	3,134

(i) The 39-year public bond of £300 million was issued in February 2016 and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 3.1%.

(ii) A £100m bond tap was issued in February 2021 at a premium and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 1.9%.

(iii) Lloyds Bank originally advanced £17 million to the Institution to finance the cost of student residences. The loan is secured on Talybont South property and is repayable by 28 February 2024 on a reducing balance method. In 2013, Lloyds Bank transferred certain rights of the loan to Scottish Widows (part of the Lloyds Banking Group), however, Lloyds Bank act on behalf of Scottish Widows in the capacity of service provider.

(iv) Royal Bank of Scotland originally advanced £14 million to the Institution to finance the cost of Talybont Court. The loan is secured on Talybont Court and is repayable by 1 October 2025 by equal instalments of £0.7m per annum. Interest is payable on the loan at 0.225% above Base Rate.

(v) In July 2021, the Institution took out a 3-year unsecured Revolving Credit Facility with Lloyds Bank for £20m over three years. As at 31 July 2024, the facility had not been utilised.

(vi) The University received a public benefit concessionary loan of £6.2 million in 2024 from Salix Finance Limited in partnership with the Welsh Government. The loan has a repayment period of seven years and is interest free where repayments will commence April 2026. Loan repayments appear twice annually in line with the repayment schedule, with repayments due until October 2032.

19. Consolidated and Institution Reconciliation of Net Debt

	Consolidated	Institution
	£'000	£'000
Net debt 1 August 2023	387,277	390,728
Movement in cash and cash equivalents	(69,220)	(69,902)
Repayment of secured loans	(2,259)	(2,259)
Repayment of unsecured loans	6,242	6,242
Other non-cash changes (bond interest)	(467)	(467)
Net Debt 31 July 2024	321,573	324,342
Change in net debt	(65,704)	(66,386)

Analysis of net debt		Consolidated		Institution	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Borrowings: amounts falling due within one year					
Secured loans		700	2,259	700	2,259
Unsecured loans		-	-	-	-
	(Note 17)	700	2,259	700	2,259
Borrowings: amounts falling due after more than one year					
Secured Loans		175	875	175	875
Unsecured loans		6,242	-	6,242	-
Public Bond		294,216	294,084	294,216	294,084
Public Bond Tap		126,046	126,645	126,046	126,645
	(Note 18)	426,679	421,604	426,679	421,604
Less: Cash and cash equivalents	(Note 16)	(105,806)	(36,586)	(103,037)	(33,135)
Net debt		321,573	387,277	324,342	390,728

20. Financial Instruments

The Institution has the following financial instruments which are all denominated in sterling:

		Consolidated		Institution	
	Note	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Financial assets at fair value through surplus or deficit investments in equity and listed bonds	16	320,690	311,478	320,690	311,478
		320,690	311,478	320,690	311,478
Financial assets that are debt instruments measured at amortised cost					
Trade receivables	14	16,294	14,683	15,700	14,257
Other receivables	14	5,513	2,047	7,203	3,961
Investments in short term deposits	15	-	78,961	-	78,961
		21,807	95,691	22,903	97,179
Financial liabilities measured at amortised cost					
Public Bond	18	294,216	294,084	294,216	294,084
Public Bond Tap	18	126,046	126,645	126,046	126,645
Loans	18	7,117	3,134	7,117	3,134
Trade creditors	17	13,329	20,936	13,263	20,891
Other creditors	17,18	15,737	11,835	15,008	11,149
Accruals	17	29,531	27,166	29,436	27,032
		485,976	483,800	485,086	482,935

21. Pension Provision

Consolidated and Institution

	Obligation to fund deficit on USS Pension £'000	CUPF fund obligations (Note 25) £'000	LGPS fund obligations (Note 25) £'000	2024 Total Pension Provision £'000	2023 Total Pension Provision £'000
At 1 August 2023	165,245	15,087	-	180,332	233,452
Utilised in year	(5,721)	-	-	(5,721)	(12,814)
Additions/ (reductions)	(162,794)	(400)	(560)	(163,754)	(47,688)
Discount rate changes (Note 9)	3,270	510	560	4,340	7,382
At 31 July 2024	-	15,197	-	15,197	180,332

USS deficit

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 25, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provision basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

LGPS Fund

The actuary has estimated that the net pension asset/liability as at 31 July 2024 is an asset of £12,940k (2023: asset of £10,800k). The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2024 the surplus recognised as an asset in the statement of financial position is £nil (2023: £nil).

22. Other Provisions

Consolidated	Share of net liability in joint venture £'000	Leasehold Property Dilapidations £'000	Marking Assessment Boycott £'000	Other	2024 Total £'000	2023 Total £'000
As at 1 August	(3,931)	(1,796)	(1,726)	-	(7,453)	5,069
Additions / (Reductions)	3,931	500	1,004	(780)	4,655	2,384
Closing balance as at 31 July	-	**(1,296)**	**(722)**	**(780)**	**(2,798)**	**7,453**

Increase in share of net liability in joint venture represents the Group's share of operating deficit in the year of Compound Semiconductors Centre Limited – see Note 12.

The University as a whole is subject to a number of legal claims and other matters, the outcomes of which are uncertain and may give rise to liabilities or other adverse consequences which cannot currently be quantified.

Institution	Leasehold Property Dilapidations £'000	Marking Assessment Boycott £'000	Other £'000	2024 Total £'000	2023 Total £'000
As at 1 August	(1,796)	(1,726)	-	(7,453)	2,106
Additions / (Reductions)	500	1,004	(780)	4,655	1,416
Closing balance as at 31 July	**(1,296)**	**(722)**	**(780)**	**(2,798)**	**3,522**

Provision for Leasehold Property dilapidations recognised as per Note 1 Page 63.

23. Endowment reserves

Consolidated and Institution

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2024 Total £'000	2023 Total £'000
Capital opening balance	2,692	22,719	25,411	1,494	26,905	26,754
Accumulated income	1,570	14,876	16,446	2,895	19,341	18,815
	4,262	37,595	41,857	4,389	46,246	45,569
New endowments	-	1,248	1,248	881	2,129	1,175
Income for year	132	1,194	1,326	143	1,469	1,338
Expenditure	(120)	(546)	(666)	(153)	(819)	(776)
	12	648	660	(10)	650	562
(Decrease) in market value	387	3,319	3,706	366	4,072	(1,060)
Closing balance	**4,661**	**42,810**	**47,471**	**5,626**	**53,097**	**46,246**
Represented by:						
Capital	2,934	25,914	28,848	1,578	30,426	26,905
Accumulated income	1,727	16,896	18,623	4,048	22,671	19,341
	4,661	**42,810**	**47,471**	**5,626**	**53,097**	**46,246**

23. Endowment reserves (continued)

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2024 Total £'000	2023 Total £'000
Analysis by type of purpose:						
Appeal Fund	-	107	107	-	107	95
Chairs	-	15,372	15,372	-	15,372	14,070
Lectures	-	1,248	1,248	-	1,248	1,117
Hardship Funds	12	2,841	2,853	1,195	4,048	2,919
Scholarships	-	11,803	11,803	616	12,419	10,193
Prizes	-	3,550	3,550	46	3,596	3,253
Research	-	1,860	1,860	2,984	4,844	4,235
General	4,649	6,030	10,679	783	11,462	10,364
	4,661	42,811	47,472	5,624	53,096	46,246
Analysis by asset:						
Current asset investments						
- investment units					49,143	43,482
Cash & cash equivalents					3,953	2,764
					53,096	46,246

24. Bond repayment fund

Cardiff University's 39-year public bond of £300m, issued in February 2016, along with the subsequent £100m tap issued in February 2021, will be redeemed at their principal amounts of £400m on 7 December 2055 and the Institution will have to repay this sum on that date.

In July 2019 Council approved the creation of a Bond Repayment Fund (BRF) which has as its sole objective to deliver £400m in cash in 2055.

The bond repayment fund forms part of the unrestricted funds in the statement of financial position.

The Institution has, to date, invested £58.4m (2023: £58.7m) on a total return basis to generate the repayment.

Total fund value	2024 £'000	2023 £'000
Cash held for investment	975	2,017
Current investments	61,253	52,342
Non-current investments	13,428	11,354
	75,656	65,713

25. Pension Schemes

Different categories of staff were eligible to join one of six different schemes:

(i) Universities Superannuation Scheme (USS)
(ii) Cardiff University Pension Fund (CUPF)
(iii) Local Government Pension Scheme (LGPS)
(iv) Cardiff University Pension Scheme (CUPS)
(v) National Health Service Scheme (NHSPS)
(vi) NEST workplace pension scheme

The nature of the schemes above are detailed below.

Cardiff University Pension Scheme is a new Defined Contribution Scheme effective from 1 January 2022 in co-ordination with the closure of the CUPF DB scheme to new members,
The tender for a DC Scheme to be available for new members was undertaken and Legal and General appointed to provide the scheme. The DC scheme allows members flexibility in contribution rates and a member could choose to contribute 0%, but still benefit from Institution contributions into the scheme. Any flexibility which allows members to pay zero or very low contributions may result in some members who have previously opted out of pension scheme to opt in. The additional benefits of life insurance and income protection are available for members from 1st March 2022.
Elements of the DC scheme that are offered.
Institution 10% fixed Member 6.5% default, option to reduce to 4%,2%,0% Life Insurance 5x basic salary, Income Protection.

The **NHSPS** which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government. Th scheme is a defined benefit public service pension scheme, which operates on a pay-as-you-go basis. A new reformed scheme was introduced on 1 April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1 April 2012 were within ten years of normal pension age to continue participating in the old 'final salary' NHS Pension Scheme arrangements (the 1995 and 2008 sections).

An HM Treasury pension scheme valuation for funding purposes was carried out as at March 2012. The Scheme Regulations have been changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate. The employers' contribution rate payable by the Institution during the year ended 31 July 2024 remained unchanged at 14.38% of total pensionable earnings.

NEST is a defined contributions pension scheme for eligible non-contractual workers.

	Consolidated		Institution	
The total pension cost for the period was:	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Universities' Superannuation Scheme (USS)	33,017	31,828	33,017	31,828
Cardiff University Pension Fund (CUPF)	7,139	9,059	7,139	9,059
Local Government Pension Scheme (LGPS)	150	230	150	230
Cardiff University Pension Scheme (CUPS)	1,228	651	1,228	651
National Health Service Pension (NHSPS)	1,475	1,538	1,475	1,538
NEST	12	11	12	11
	43,021	43,317	43,021	43,317
USS minimum funding guarantee adjustment	(162,794)	(27,447)	(162,794)	(27,447)
	(119,773)	15,870	(119,773)	15,870

25. Pension Schemes (continued)

(i) The Universities Superannuation Scheme

The Institution participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total cost charged to the Consolidated Statement of Comprehensive Income is £38,762k (2023: £31,828k) including Pension Choice, but excluding the impact of the change in the deficit recovery plan, as shown in note 21.

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note --, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions' basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

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

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The deficit recovery contributions due within one year for the institution are £5,721k (2023: £12,814k).

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

CPI Assumption:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less:

1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030

Pension increases (subject to a floor of 0%):

CPI assumption plus 0.03%

Discount rate (forward rates):

Fixed interest gilt yield curve plus:
Pre-retirement: 2.5% p.a.
Post retirement: 0.9% p.a.

The main demographic assumption used relates to the **mortality assumptions**. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table:

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality:

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

25. Pension Schemes (continued)

The current life expectancies on retirement at age 65 are:

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

(ii) Cardiff University Pension Fund

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision. As at 1 January 2022, the fund was closed to new members.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 July 2022.

Following consultation with members, a Deed of Amendment effecting the change to future benefits was executed by the Institution and the Trustees of the Fund. The change impacts the benefits accrued from an effective date of 1 January 2022. A summary of the changes to benefit accrual from this date is set out below:

The actual rate reduced from 80ths to 85ths.

Pension increases reduced in line with CPI inflation up to a maximum of 2.5% p.a.; and

The Normal Retirement Date increased from age 65 to age 66.

As these changes only impact benefits in relation to service from 1 January 2022, there is no impact on the Defined Benefit Obligation (DBO).

An estimated valuation of the defined benefit schemes was performed at 31 July 2022 by qualified actuary. The Fund deficit under FRS 102 has increased from £15.1m at 31 July 2023 to £15.2m at 31 July 2024.

Under the latest Schedule of Contributions dated 23 June 2023, the University contributes the following:

17.0% of pensionable earnings in respect of all active CARE members who have elected to participate in salary sacrifice.

10.5% of pensionable earnings in respect of all members who have not elected to participate in salary sacrifice.

18.0% of pensionable earnings in respect of Final Salary members who have elected to participate in salary sacrifice.

From 1 August 2023 until 31 July 2029, the University agrees to pay deficit contributions of £4,800,000 per annum.

The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

The actuary has made Guaranteed Minimum Pensions (GMP) equalisation allowance, and the result has been included with the scheme's' FRS102 disclosures.

The Virgin Media case, officially known as Virgin Media v NTL Pension Trustees II Limited (and others), involves a Court of Appeal ruling that confirmed any rule alterations to a contracted-out defined benefit (DB) pension scheme made without the necessary section 37 confirmation are void. This applies to both past and future service rights. As of 31 July 2024, the University has not conducted detailed investigations into the implications of this case. As the potential impact on the Defined Benefit Obligation (DBO) cannot be measured with sufficient reliability, no allowance for this case has been included in the DBO calculation for the year ended 31 July 2024. The University will review this matter again for the year ending 31 July 2025.

(iii) Local Government Pension Scheme

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 March 2022.

25. Pension Schemes (continued)

Local Government Pension Scheme (continued))

Salary sacrifices of pension contributions is not permitted in the LGPS scheme.

An estimated valuation of the defined benefit schemes was performed at 31 July 2024 by qualified actuary. The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

As at 31 July 2024, the LGPS fund FRS102 actuarial report resulted in a pension asset £12,940k (2023: £,10,800k). The asset has not been recognised as such on the Statement of Financial Position, as there is no automated entitlement to a refund from the scheme. The £12,940k is eliminated by an additional asset valuation charge to Other Comprehensive Expenditure.

Assumptions relating to CUPF and LGPS

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	CUPF At 31 July 2024 % p.a.	LGPS At 31 July 2024 % p.a.	CUPF At 31 July 2023 % p.a.	LGPS At 31 July 2023 % p.a.
Price Inflation (RPI)	3.15	n/a	3.15	n/a
Price Inflation (CPI)	2.80	2.60	2.75	2.60
Rate of increase in salaries	2.80	3.60	2.75	3.60
Rate of increase of pensions in payment	2.80	2.60	2.64	2.60
Increases to deferred pensions before retirement	2.80	2.60	2.75	2.60
Discount rate	4.95	5.00	5.15	5.10

Key non-financial assumptions relate to member life expectancy at the accounting date, based on actual mortality experience of members within the Funds carried out as part of the latest formal actuarial valuations (see above), and allow for expected future mortality improvements, the accounting assessments are based on the life expectancy of male and female members at age 65 in normal health as shown below.

	CUPF At 31 July 2024	LGPS At 31 July 2024	CUPF At 31 July 2023	LGPS At 31 July 2023
Pensioner – male	20.4	21.8	21.0	22.0
Pensioner – female	23.4	24.1	23.7	24.2
Non-pensioner (currently aged 45) – male	21.0	22.1	21.6	22.6
Non-pensioner (currently aged 45) – female	24.4	24.9	24.8	25.3

Funder membership data summary at last actuarial valuation	CUPF July 2022	LGPS March 2022
Active members	1,798	29
Deferred members	1,887	85
Pensioners and dependants	1,137	237

25. Pension Schemes (continued)

Scheme Assets and Liabilities	2024 CUPF £m	2024 LGPS £m	2023 CUPF £m	2023 LGPS £m
The assets in the scheme at fair value were:				
Equities	29.9	28.0	36.0	26.4
Property	-	2.4	-	2.7
Government bonds	-	3.3	-	3.4
Corporate bonds	20.3	2.9	18.7	2.9
Multi Asset Credit	-	2.1	-	2.1
Liability Driven Investments	87.8	-	57.0	-
Diversified Growth	48.7	-	62.8	-
Private Markets	26.5	-	24.7	-
Cash	1.6	1.7	2.4	1.3
Other	-	0.7	-	-
Scheme assets at fair value	214.8	41.1	201.6	38.8
Scheme liabilities at present value	(230.0)	(28.2)	(216.7)	(28.0)
Asset Ceiling	-	(12.9)	-	(10.8)
Net pension asset/(liability) recorded within pension provisions (Note 21)	**(15.2)**	**-**	**(15.1)**	**-**
Analysis of the amount charged within Operating Surplus				
Operating cost				
Current service cost	6.2	0.2	8.2	0.2
Past service cost	-	-	-	-
Administrative expenses	0.9	-	0.8	-
Total operating cost:	7.1	0.2	9.0	0.2
Financing cost:				
Interest expense on liabilities	10.9	1.4	9.3	1.1
Interest income on assets	(10.4)	(2.0)	(8.3)	(1.3)
Total financing cost:	0.5	(0.6)	1.0	(0.2)
Total charge/(gain) within Operating Surplus before tax	**7.6**	**(0.4)**	**10.0**	**-**
Amounts recognised in Other Comprehensive Income:				
Actuarial losses/(gains) from assets	(1.0)	(1.6)	42.4	(0.8)
Actuarial losses/(gains) on liabilities	4.9	0.1	(58.8)	(5.1)
Effect of asset ceiling as per IAS19 approach	-	2.1	-	6.7
Total loss/(gain) to Other Comprehensive Income before tax	**3.9**	**0.6**	**(16.4)**	**0.8**
Analysis of movement in deficit:				
Deficit at beginning of year	15.1	-	34.5	-
Contributions by the Institution - normal	(11.4)	(0.2)	(12.1)	(0.3)
Contributions by the Institution - additional	-	-	(0.9)	(0.7)
Operating cost	7.1	0.2	9.1	0.2
Financing cost	0.5	(0.6)	0.9	-
Loss/(Gain) recognised in Other Comprehensive Income	3.9	0.6	(16.4)	0.8
Deficit at end of year	**15.2**	**-**	**15.1**	**-**

25. Pension Schemes (continued)

Changes to the present value of scheme liabilities:	2024 CUPF £m	2024 LGPS £m	2023 CUPF £m	2023 LGPS £m
Present value of scheme liabilities at start of the year	216.7	28.0	265.7	33.2
Current service cost	6.2	0.2	8.2	0.2
Past service cost	-	-	-	-
Interest expense on liabilities	10.9	1.4	9.3	1.1
Contribution by participants	0.2	-	0.2	-
Actuarial losses/(gains) on liabilities	4.9	0.1	(58.8)	(5.0)
Actual benefit payments	(8.9)	(1.5)	(7.9)	(1.5)
Present value of scheme liabilities at the end of the year	**230.0**	**28.2**	**216.7**	**28.0**

Changes in the fair value of scheme assets:				
Fair value of scheme assets at the start of the year	201.6	38.8	231.2	37.2
Interest Income on assets	10.4	2.0	8.3	1.3
Actuarial gains/(losses) on assets	0.9	1.6	(42.4)	0.8
Contributions by the Institution	11.4	0.2	13.0	1.0
Contributions by participants	0.2	-	0.2	-
Net benefits paid out	(8.9)	(1.5)	(7.9)	(1.5)
Expenses	(0.8)	-	(0.8)	-
Fair value of scheme assets at the end of the year	**214.8**	**41.1**	**201.6**	**38.8**

CUPF and LGPS assets do not include any of the Institution's own financial instruments, or property occupied by the Institution.

Sensitivity of movement in key assumptions

The approximate impact of changing the key assumption on the present value of the funded defined benefit liabilities as at 31 July 2024 is set out below.
In each case, only the assumption mentioned is altered; all other assumptions remain the same. The sensitivity table is based on an illustrative percentage change; however, the estimates could vary by greater, and possibly material, amounts either individually or in combination.

	Funded Defined Benefit Liability (£m)		
CUPF	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	226.2	230.0	233.8
Rate of general increase in salaries	233.5	230.0	226.5
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	236.1	230.0	223.9
LGPS	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	27.9	28.2	28.6
Rate of general increase in salaries	28.2	28.2	28.2
Rate of increase to pensions and rate of revaluation of pension accounts	28.5	28.2	27.9
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	28.9	28.0	27.5

26. Capital Commitments

Consolidated and Institution	2024 £'000	2023 £'000
Commitments contracted	19,437	19,988

27. Operating Lease obligations

Consolidated and Institution

Future minimum lease payments due	Land and buildings £'000	Other £'000	Total 2024 £'000	Total 2023 £'000
Not later than one year	2,042	87	2,129	2,833
Later than one year and not later than 5 years	5,583	66	5,649	8,409
Later than five years	29,271	6	29,277	27,207
Total lease payments due	36,896	159	37,055	38,449

Land and building leases are held in respect of office premises and car parking facilities. Other leases comprise vehicle and other equipment leases.

28. Related Party Transactions

All transactions involving organisations in which a member of the Council may have an interest are conducted in accordance with the Institution's financial regulations and normal procurement procedures. The Institution maintains a Register of Interests of members of Council and senior officers.

The list below represents the trading transactions and year-end close balances with organisations of which the relevant Council member or senior officer holds a position of influence in both the related party and the Institution.

Organisation	Charity/ company number	Description	Location	Council member or senior	Income	Expenditure	Debtor	Creditor
					£'000	£'000	£'000	£'000
Cardiff & Vale University Health Board	1056544	Enhance and support the services provided by the University Health Board	Cardiff, Wales, UK	RANKIN, SUZANNE MS	4,844	7,582	1,513	1
Cardiff Business Club	00568821	Connecting organisations and sharing inspiration via our members and our world class speakers	Cardiff, Wales, UK	XAVIER-PHILLIPS, AGNES MS	-	2	-	-
Cardiff City Council	N/A	Governing body for Cardiff	Cardiff, Wales, UK	MORGAN, CLAIRE MS	186	311	1	-
Cardiff Union Services Limited	02287517	Promote the social and educational welfare of Cardiff University by providing services and facilities to them	Cardiff, Wales, UK	FLORES ACUNA, ANGIE	-	6,676	-	-
Cardiff University Students' Union Limited	07328777	The advancement of education of students at Cardiff University	Cardiff, Wales, UK	FLORES ACUNA, ANGIE OWEN, DEIO	16	-	-	-
Council for British Research in the Levant	3566646	Advance public education through conducting, supporting, and promoting scholarly research in the humanities, social sciences, and related subject areas in the Levant, and the dissemination of the useful results of the research	London, England, UK	SHAKESHAFT, JOHN C	3	-	-	-
Digital Health & Care Wales/NHS Wales	N/a	Making digital a force for good in health and care	Cardiff, Wales, UK	SELWAY, DAVID	1	-	-	-
Institute of Cancer Research (ICR)	00534147	Cancer research institute	London, England, UK	SHAKESHAFT, JOHN C	1	15	-	-

28. Related Party Transactions (continued)

Organisation	Charity/ company number	Description	Location	Council member or senior officer	Income	Expenditure	Debtor	Creditor
					£'000	£'000	£'000	£'000
Medical Schools Council	08817383	Promote, encourage, and develop Medical Schools in the United Kingdon and thereby advance education for the public benefit, in particular medical education, research and training	London, England, UK	RILEY, PROF STEPHEN	-	48	-	-
Quality Assurance Agency	03344784	Safeguards the value of qualifications for students and leaners, and protects and promotes the reputation of higher education	Gloucester, England, UK	MORGAN, CLAIRE MS	-	52	-	-
S4C	03418713	Welsh language free-to-air public broadcast television channel	Carmarthen, Wales, UK	JONES, CHRISTOPHER	3	-	-	-
Tata Steel UK	02280000	Manufacture of basic iron and steel and of ferro-alloys	London, England, UK	WEAVER, DR ROBERT	49	-	28	-
U.M Association Limited	02731799	Insurance intermediary and mutual management service provider	London, England, UK	XIBERRAS, DARREN MR	20	1,143	-	-
Welsh Wound Innovation Centre	08760652	Other research and experimental development on natural sciences and engineering	Cardiff, Wales, UK	RANKIN, SUZANNE MS	180	-	100	-

28. Related Party Transactions (continued)

The Institution has taken advantage of Paragraph 33.1A of FRS 102 in that disclosures need not be given for transactions that have taken place between the parent and its wholly owned subsidiaries.

Trustee remuneration and expenses

No trustee received any remuneration or waived payment from the Institution during the year (2023: none).

The amounts in the table below represent payments made to trustees for travel and subsistence costs incurred in attending Council, committee meetings and charity events in their official capacity. Not all trustees have claimed expenses in the year or prior year. Where trustees are also employees of the Institution, expenses claimed in their capacity as an employee are not included.

	2024 £'000	2023 £'000
Expenses paid to 8 trustees in the year (2023: 6)	4	5

29. Post Balance Sheet Events

No post balance sheet events to disclose.

30. US Department of Education Financial Responsibility - Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, Cardiff University is required by the US Department of Education to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements.

The accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	**Line item - related disclosures**	**Expendable Net Assets**	**£'000**	**£'000**	£'000	£'000
57	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		801,690		631,110
57	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		53,164		46,406
57	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	956,775		952,270	
57	Note of the Financial Statements - Statement of Financial Position - Property, plant, and equipment - pre-implementation	Property, plant, and equipment - pre-implementation		880,709		899,332
57	Note of the Financial Statements - Statement of Financial Position - Property, plant, and equipment - post-implementation without outstanding debt for original purchase	Property, plant, and equipment - post-implementation without outstanding debt for original purchase		66,792		39,135
57	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		9,274		19,834
57	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities		15,197		180,332
57	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	430,263		422,901	
57	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation		430,263		422,901
57	Statement of Financial Position - Term endowments	Term endowments with donor restrictions		5,625		4,389
57	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		47,471		41,857

30. US Department of Education Financial Responsibility - Supplemental Schedule (continued)

Primary Reserve Ratio (continued)

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	**Line item - related disclosures**	**Total Expenses and Losses**	**£'000**	**£'000**	**£'000**	£'000
55	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		673,858		654,207
55	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		202,128		46,683
55	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)		36,923		(5,624)
55	Statement of Activities - Pension related changes other than periodic pension	Pension-related (credits)/ changes other than net periodic costs		165,135		53,120

Equity Ratio

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	**Line item - related disclosures**	**Modified Net Assets**	**£'000**	**£'000**	£'000	£'000
57	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		801,690		631,110
57	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		53,164		46,406
Page	**Line item - related disclosures**	**Modified Assets**			**£'000**	**£'000**
57	Statement of Financial Position - Total Assets	Total Assets		1,462,548		1,456,340

Net Income Ratio

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	**Line item - related disclosures**		**£'000**	**£'000**	£'000	£'000
56	Statement of Changes in Reserves - total of movement shown for Income & Expenditure Reserve and Revaluation Reserve	Change in Net Assets Without Donor Restrictions		170,580		28,180
55	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		642,310		635,704


Canolfan Bywyd
Myfyrwyr
Centre for
Student Life


EVERYMAN




CARDIFF
UNIVERSITY
PRIFYSGOL
CAERDYDD

CARDIFF UNIVERSITY

England & Wales - Charity number 1136855

Accounts

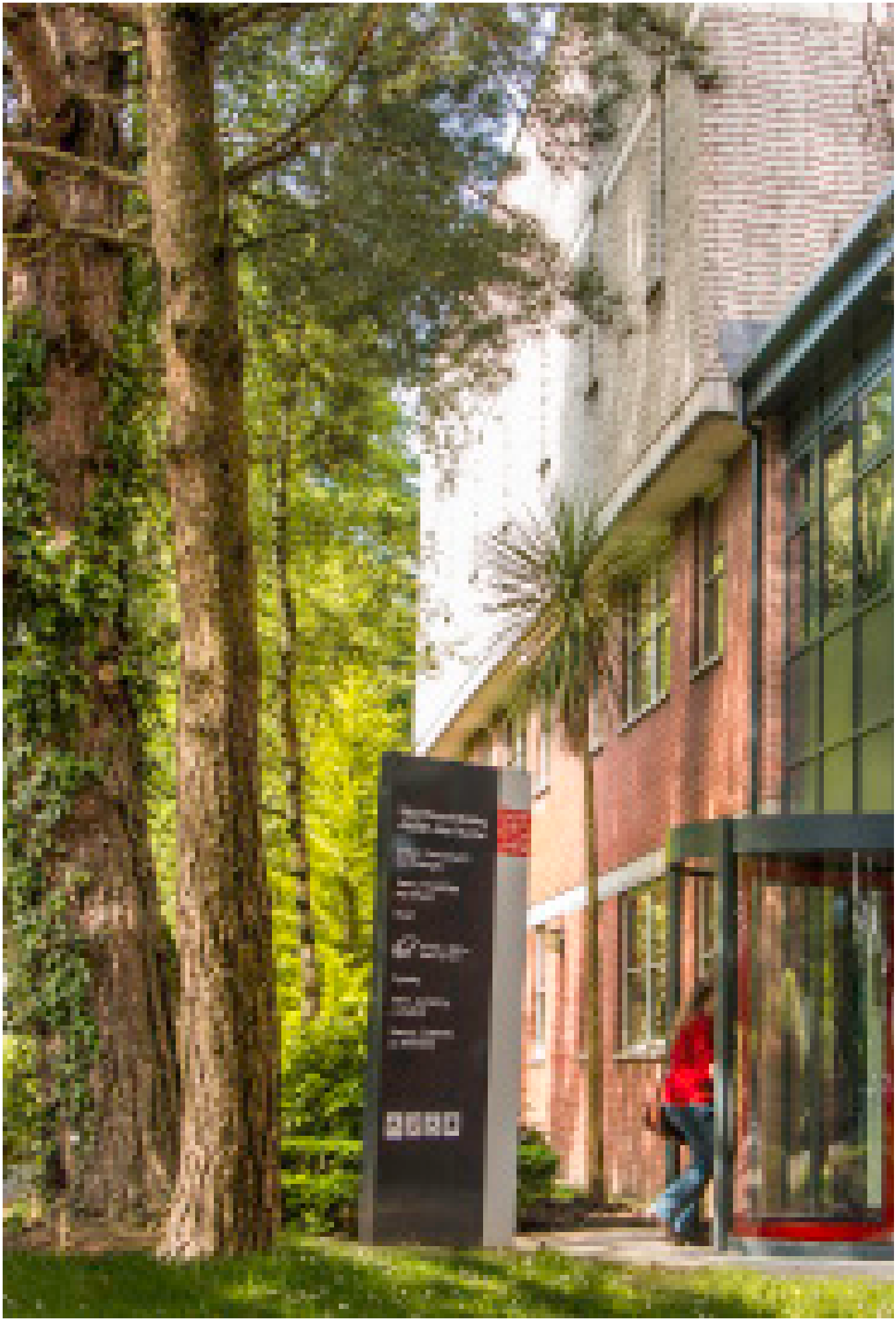


Annual Report and Financial Statements

Year Ended 31 July 2023

CARDIFF UNIVERSITY
PRIFYSGOL CAERDYDD

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Charity Name:
Cardiff University

Charity Registration Number:
1136855

Registered Office:
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Chair of Council's Introduction

I'd like to open this Annual Review with a message of thanks to the University's outgoing Vice-Chancellor, Professor Colin Riordan, who retired in September 2023 after 12 years in post.

Colin always worked with the best interests of Cardiff University at the heart of his work within a framework of seeking the best outcome for Cardiff, for Wales and for the world.

Under his leadership, the University embarked on its biggest campus upgrade in a generation with major financial investment in the University estate, including the flagship Centre for Student Life, the Abacws building for teaching and research in mathematics and computer sciences, new centres for groundbreaking research, innovation, technology transfer and entrepreneurship in sbarc|spark and the Translational Research Hub, as well as other key investments benefiting academic Schools.

His tenure saw a 30% increase in students and teaching staff, with 600 more academic staff in post than when he first arrived in 2012. He also championed the University becoming a living wage employer.

It has been a privilege to work with Professor Riordan, and he leaves the University in a solid position reputationally, and financially.

Council led the global search for Professor Riordan's successor, with the full and active engagement of staff and students, who were invited to tell us what they wanted from our ideal leader and were also involved directly in the selection process.

In January 2023, a special meeting of Council confirmed the appointment of Professor Wendy Larner as our new Vice-Chancellor. The former Provost of Victoria University of Wellington, New Zealand, she took up her post in September. In Professor Larner we have found an esteemed academic and a talented leader and the first female Vice-Chancellor in the University's 140 year history.

As I write, our new Vice-Chancellor has just announced the Big Conversation – a chance for the whole of our University community to have their say on our future direction. This is still at its early stages, but I look forwarding to working with Wendy on taking this important conversation forward over the next year.

As the governing body of the University, part of the Council's role is to ensure appropriate scrutiny and governance of the University's strategy, finances and activities. Council met five times in the 2022/23 academic year. Our work was varied, ranging from approving new strategic partnerships, and approving the first phase of the University's carbon reduction plan to monitoring progress on our work to improve the student experience and staff wellbeing, as well as monitoring the University's investments and financial plans and a range of regulatory obligations.

On a personal level, there were some stand-out moments in the academic year. The launch of the University's five innovation research institutes showcased the very best of the University – our collaboration across disciplines to channel our collective expertise into tackling some of the world's biggest issues.

Graduation – always a highlight for me – was also spectacular. This year's graduates were the students whose time at University was so disrupted by the pandemic and periods of industrial action. The whole University community was proud of them for their achievements in such difficult circumstances, and this really shone through in the celebrations.

Chair of Council's Introduction



I was also pleased to see the University create new partnerships with the University of Namibia and the University of Illinois Systems, among others. Closer to home, I'm delighted that our partnership with Cardiff City House of Sport, Cardiff Council and Sport Wales to redevelop our Llanrumney Sports Field came to fruition. The upgraded site provides access for local communities and gives local and student sport teams the chance to play on some of the best facilities in the UK.

Partnerships like these will be a major feature in the University's future.

And finally, who can forget our student's stunning victory in the annual Varsity fixtures with Swansea University.

Once again, it's been an honour to chair Council and play my small part in guiding the University's progress. My thanks to every member of Council for their commitment and contribution to the University over the year, and to the University's executive board for their leadership and to all of our staff, students, alumni and stakeholders for their continued support of the University and its mission.

Patrick Younge
Chair of Council

University Strategic Plan

Across the 2023/2024 academic year, Cardiff University will undertake a participative and self-challenging process to examine its context, purpose and priorities for the future. Y Sgwrs Fawr/The Big Conversation will lead to the development of an ambitious new University Strategy that answers the question 'what kind of University will Cardiff be for what kind of future?'

The Way Forward 2018-2023: Recast COVID-19

The University reviewed its strategic plan in response to Covid-19 at the start of the pandemic, adapting its strategic priorities to the new reality faced by society. Although the immediacy of the threat posed by Covid-19 has receded, that strategy remains in place until the end of 2023 calendar year, responding to the lasting impacts of the pandemic. In 2022, Council approved the return to the full reporting of the University's strategy with some enhancements to reflect the Recast Way Forward.

The Way Forward 2018-2023: Recast Covid-19 is set out below.

Cardiff University exists to create and share knowledge and to educate for the benefit of all. Our vision is to be a world-leading, research excellent, educationally outstanding University, driven by creativity and curiosity, which fulfils its social, cultural, and economic obligations to Cardiff, Wales, the UK and the world. By fulfilling our vision our objective is to become one of the top 100 universities in the World and the top 20 in the UK. Our priority must be the health and wellbeing of our students and staff. To secure this, we must be financially sustainable. As we take forward the interdependent priorities of health and wellbeing and financial sustainability, we must ensure that the quality and integrity of our academic and educational activity remain paramount. The changed circumstances will have profound effects in terms of our performance and how we assess progress. League table position will not be the primary concern. Instead, we must ensure that we survive and thrive.

Our Values

We will operate according to the Nolan Principles of Public Life and furthermore be guided by the following values: institutional autonomy; freedom of enquiry; collegiality, leadership and management; equality, diversity and inclusion; environmental sustainability; financial resilience; and civic mission.

Education and students

We will re-prioritise activity to provide our students with the highest quality experience possible given the constraints of the Covid-19 crisis, whilst preserving our academic standards and integrity.

Learning environment: We will move forward on plans to enhance our online and blended offering to ensure we are agile enough to deliver programmes.

Student experience: The priorities for the University will remain enhancement of the student experience, retention and outcomes successes of our students.

Student success: Work to support careers and skills will continue. The University will take forward the planning and implementation of its newly drafted Widening Participation Strategy. Work on this will continue, supporting students from socio-economically deprived and educationally disrupted backgrounds to engage, achieve and succeed at Cardiff University.

Teaching excellence: Work on supporting academics and those who support learning and teaching will continue, with progress being made on the Academic CPD Framework and achievement of Advance HE accreditation.

Academic standards: The priority here will be the maintenance of academic standards.

Civic mission

In the same way as Cardiff University reacted to major societal challenges of the 20th Century, the social and health crisis caused by coronavirus required the University to reshape its civic mission to help government, health services and wider society to revive and renew the Welsh economic, social, and cultural landscape. Supporting job creation will be of paramount importance given the economic impact of the virus. Innovation in education is more

prominent than ever and we will continue our contributions to this. Our partnership with the NHS will achieve very much greater salience. We will continue to work to enhance the Welsh-language culture of our campus in line with our new Welsh-Language Strategy.

International

We maintain and continue to build international relationships to position ourselves for the future. We will explore the extent to which we can learn from current changes in learning and teaching practices regarding international travel and reduce the level of international travel relating to conferences and fieldtrips. We will continue to focus on maintaining and building strong relationships with international partner universities by remote methods. We will continue to support our staff to develop international collaborations that ensure success in a changing international research funding landscape.

Research

We mitigated the immediate impact of Covid-19 on research by encouraging staff to work on research outputs deliverable remotely. Enhanced support for staff and postgraduate research students will be considered, depending upon the financial resilience of the University. We minimised potential financial impacts of Covid-19 on our research by working closely with funders, external partners and governments to ensure deliverable research outcomes. We will reconsider our research strategy in light of the long-term challenges to the financial sustainability of research and the likely scale and direction of future research funding post-Covid-19.

Innovation

We have completed our research related building projects and the Cardiff Innovation Campus to position ourselves effectively for post-Covid-19 revival and renewal opportunities. This includes reworking of business cases for our major innovation projects to ensure that these are aligned to new funding opportunities and positioned strategically. We will work closely with local authorities, the Cardiff Capital Region, third sector and Welsh Government to develop major strategic initiatives able to deliver major economic benefit to the region. This will include developing new private and public sector collaborations for a post-Covid-19 world, in alignment with UK research and development priorities.

Progress

Until December 2023, we will be guided by our recast strategy and monitored the critical success factors within it. Over the last year, we have also reported against a refreshed set of KPIs.

Our attention now turns to Y Sgwrs Fawr/The Big Conversation and working with our community to co-create our ambitious new strategy for the years ahead.





Vice-Chancellor's Review

2023 has been a year of change for Cardiff. My predecessor, Professor Colin Riordan retired and I joined in September 2023. As such, this section of the Annual Review draws on both of our experiences and thoughts over the year.

It was a difficult twelve months, industrial action continued in the form of a marking and assessment boycott (MAB), organised by University and College Union. Its impact across the UK University sector became clear, particularly as we headed into graduation and was most keenly felt by our final year students.

While negotiations at a local level are constructive, this is a national dispute over pay which we cannot solve alone. As I write, the MAB has been suspended so there is some positive news for those students still waiting for their marks. However, we have also been notified of a new ballot so it appears that industrial action may still be a feature of University life over the coming year.

While some of our students experienced disruption to their final marks, our graduation ceremonies went ahead. These were the students whose degrees had been most affected by the pandemic, so it was wonderful to see them graduate. I attended one of the ceremonies and it was simply joyful and uplifting. Almost 8,000 students and over 20,000 of their guests came to Cardiff during the course of the week.

We had an excellent launch event at the Royal Institution in London for our University Research Institute in Systems Immunity and our four University Innovation Institutes in Digital Transformation, Net Zero, Neuroscience and Mental Health, and Security, Crime and Intelligence. The event was very well attended, and allowed us to showcase the excellence of our research and innovation to an informed and influential audience.

My predecessor in his departing comments talked very much of the need for the University to focus on anti-racism. A great deal of investment and work has begun in this area and I am determined that this progress will continue. Our University must better reflect the communities of which we are part and there is much to do.

What follows next are some of the highlights from across the University over the last year, detailing progress against our current strategy – which will guide the University until the end of 2023 - and outlining some of the principal risks - and changes - the University faces in the near future.

Education and Students

71% of our final year students are satisfied with their overall experience according to the latest National Student Survey (NSS). This was a drop of four percentage points and we were disappointed not to have improved our score this year.

There were however improvements across some areas including student voice, assessment and feedback, and academic support. Of course, these results must also be considered against a background of considerable uncertainty – industrial action and the significant disruption these students experienced because of the pandemic.

New, state-of-the-art facilities at our Llanrumney Sports Fields were officially opened giving our students – and community – access to some of the best sports provision in the UK. The project – a partnership between the University, Cardiff Council and Cardiff City House of Sport - offers a much-needed boost for our students' sporting experience. It means more students will be able to benefit from activities that we know can help enhance and maintain mental health, boost academic achievement, and increase employability prospects.



Cardiff graduates among the UK's most employable

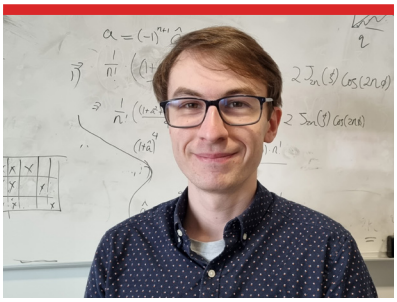
The 2020/21 Graduate Outcomes Survey* found that 87% of all Cardiff graduates working in the UK had secured high-skilled employment within 15 months of finishing their studies. It also found that 95% of our graduates were in employment and/or further study or doing other activities such as travelling, 15 months after their course ended.

*Graduate Outcomes 2020/21 survey results published by the Higher Education Statistics Agency (HESA). HESA open data is published under the (CC BY 4.0) licence.



Urdd anti-racism message

Cardiff University students and Urdd Gobaith Cymru threw a spotlight on anti-racism as part of the Welsh charity's annual Peace and Goodwill Message. The message calls on people to "encourage kindness, teach acceptance, and to call out racist remarks and prejudices".



Doctoral student presents research to MPs in Westminster

A final-year PhD student presented his research to MPs as part of a major scientific poster competition and exhibition hosted in the Houses of Parliament. Tim Ostler's research uses data-driven mathematics to model and optimise three key aspects of In Vitro Fertilisation (IVF).



USA's brightest students choose Cardiff

Three of the USA's brightest students have chosen to pursue international scholarships at Cardiff University. Myya Helm, an MA student in History and Welsh History and Daniel Dominguez, who is studying an MSc in Computing, are both Marshall scholars. John Glover, studying an MA in History, is on a Fulbright scholarship.

Research

Over the year we saw a significant increase in our research grants and contracts, both in the pipeline for the future and projects in progress.

At the start of the year, applications were up more than 40% on the same period last year, awards have more than doubled and have increased by 89% even if compared with the average for the same period over the last three years, while income is at a record high, almost £8m or 7% up on last year. This is not only a great testament to the ability and commitment of our researchers across the University but also a vindication of the University's policy of investment in recent years.

We also invested £5.4m in five innovation and research institutes to tackle the biggest issues facing society, the economy and the environment. Each institute will deliver research with global impact and bring together academics from a range of disciplines to help create a better future for all of us.



Using artificial intelligence to create a tsunami early warning system

An early warning system that quickly classifies submarine earthquakes and determines the risk of tsunami events has been developed by scientists at Cardiff University. The team, from the University's School of Mathematics, combined state-of-the-art acoustic technology with artificial intelligence (AI) to monitor tectonic activity in real-time. Their work is part of a long-running project to enhance natural hazard warning systems across the globe.



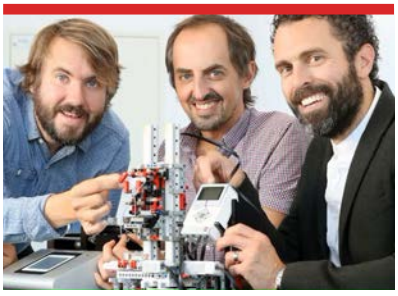
Extreme violence and abuse commonplace in elite kitchens around the world

Suffering is viewed as a necessary means of elite chefs fulfilling their true potential, Cardiff Business School research showed. Conducted across the restaurant industry, anonymous interviews with 62 chefs working in Michelin-starred restaurants around the world revealed how a culture of suffering is central to how individuals form professional identities to gain recognition and respect among their peers.



Identifying Parkinson's through smartwatches

New research from the University's Neuroscience and Mental Health Innovation Institute and the UK Dementia Research Institute found that smartwatches could help predict who is likely to develop Parkinson's disease, up to seven years before clinical diagnosis. The team say wearable tech that tracks accelerometery – the acceleration of motion – could be vital in identifying individuals in the general population who are most likely to develop Parkinson's disease.



LEGO in the lab

A 3D bioprinter constructed entirely from LEGO has been engineered by a team from the School of Pharmacy and Pharmaceutical Sciences to create affordable, scalable and reproducible tissue models. The printer is capable of printing biological material – such as skin cells. In contrast to much research which usually protects intellectual property, the Cardiff team have outlined the exact methodology used to engineer and build the device in the hope that their work can enable easy uptake, modification and improvement by other laboratories



Orchestral commission for female composer

Professor Arlene Sierra's new work Kiskadee received its world premiere with the Detroit Symphony in October 2023. Additional orchestras scheduled to perform the work over 2024 and 2025 are the Dallas Symphony Orchestra, Illinois Philharmonic Orchestra, Louisiana Philharmonic Orchestra, and Wheeling Symphony Orchestra, part of a 30-orchestra consortium performing works by women composers commissioned by the League of American Orchestras with the generous support of the Virginia B. Toulmin Foundation.

International

We were delighted to be awarded University of Sanctuary status, part of the Cities of Sanctuary programme - an initiative that recognises and celebrates the good practice of universities in welcoming people seeking sanctuary by helping them go to University, and supporting local refugee communities.

Our plan of action highlights the ways in which we will help create a sense of belonging which leads to a better experience in accessing University and living in Cardiff. We also signed our first strategic partnership with an American institution – Wyoming. It follows similar arrangements with universities in China, Brazil, Germany, Belgium, Africa and, most recently, New Zealand, as part of the University's overarching The Way Forward 2018-2023: Recast COVID-19 strategy (which runs until the end of 2023).



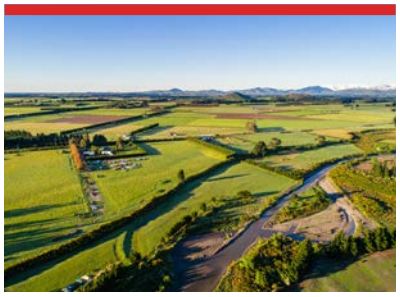
Cardiff and Illinois sign Strategic Partnership

Cardiff University has signed a strategic partnership with the University of Illinois System. The five-year agreement will underpin an evolving programme of work and student exchange and aims to strengthen joint research in key areas: energy systems and Net Zero emissions, cybersecurity, data science and artificial intelligence, cancer research, geo-sciences, entrepreneurship and innovation, water and prairie research, and journalism.



Strengthening Ukraine's science and engineering base

The University scaled up its support for Zaphorizhzhia National Polytechnic University in Ukraine and is helping the institution - and country - strengthen its science and engineering base thanks to new funding. Funding of £164,000 from Universities UK international's Ukraine R&I twinning grants scheme will help support partnerships between academics and students at both universities, build research and innovation collaboration, and help rebuild Ukraine's economy.



Environmental lessons to be shared between Wales and New Zealand

Cardiff and Waikato Universities are investigating how Wales and New Zealand could learn from each other's approaches to managing the environment, agriculture and natural hazards.



Enhancing academic capacity in Wales and Namibia

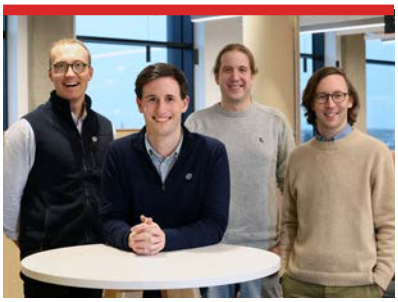
An international civic mission partnership has been established between Cardiff University and the University of Namibia. The five-year agreement will focus on enhancing academic capacity and training, increase the international mobility of staff and students, and promote research exchanges in areas of mutual intellectual interest across disciplines.

Innovation

In May we officially opened our Translation Research Hub.

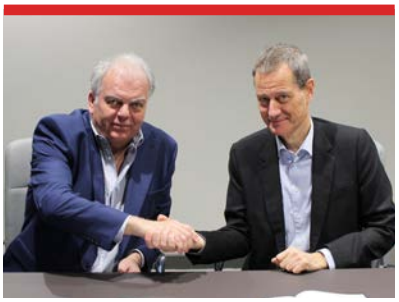
The idea of this hub is to focus on areas where fundamental scientific research, which universities are best placed to deliver, can be rapidly translated into new products and processes that benefit society, create high-quality, graduate level jobs and boost economic growth in our region.

A major focus of our research and innovation strategy over the last decade has been to position Cardiff at the leading edge of tackling the grand challenges facing humanity in the future. The completion of our innovation campus – which also includes sbarc | spark – the world's first social science research park – will bring together industry and academia to ignite ideas, and turn research into spinouts, start-ups, social enterprises, products and partnerships.



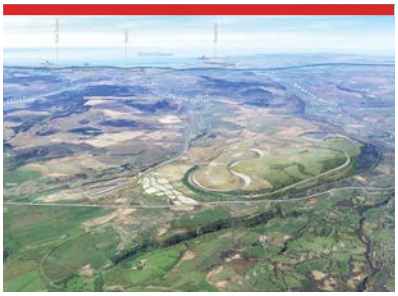
Concentric Health using co-working space in sbarc | spark

A software company dedicated to helping patients and clinicians make informed decisions about treatment is using the co-working space in sbarc | spark. Concentric Health's ground-breaking app is transforming how decisions are made about our health, informed by patient outcomes and shared by patient and clinician - on one easy-to-use application.



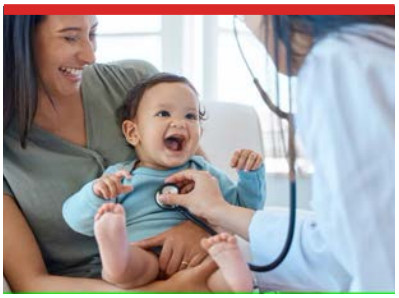
Power electronics MoU with CSA Catapult

Cardiff University signed a memorandum of understanding ("MoU") with Compound Semiconductor Applications ("CSA") Catapult. The MoU will lay the foundations for a long-term partnership to promote research in areas of common strength and create a lasting public impact in Wales, the UK and beyond.



University in £15m UKRI rail innovation award

Cardiff University, the University of Birmingham and Swansea University have won a £15m UK Research and Innovation award to establish a leading railway research centre in South Wales. The project, led by Birmingham, will see the development of a Railway Research and Innovation Centre at the Global Centre of Rail Excellence.



Wellcome Leap for Cardiff

Cardiff University has joined a global network dedicated to delivering discoveries in human health over the next decade. The Wellcome Leap Health Breakthrough Network is the largest, most rapidly 'activatable' health research network in the world, and will help eliminate barriers to progress, offering rapid access to funding that can shave months off development timelines.

Civic Mission

The Caerau and Ely Rediscovering ("CAER") heritage project is a stand-out example of the success of our Civic Mission strategy, which is needed now more than ever, at a time when economic and social stresses appear to be continuously on the increase.

Because of its impact, we confirmed that our support for the CAER Project will continue so that it can become a permanent, sustainable activity in Caerau and Ely, reconnecting members of the community with their ancient roots.



Excavation of Bronze Age enclosure hidden under city park

An archaeological dig which uncovered what is believed to be the earliest house found in Cardiff resumed. The dig at Trelai park focused on the floor of the house, which has remained largely intact and unspoiled beneath the grounds of the park's playing fields for 3,500 years.



Growth for South Wales media sector

The South Wales media sector experienced significant growth as a result of an ambitious Cardiff University-led innovation programme, a report finds.The five-year Clwstwr initiative was led by the University, in partnership with the University of South Wales and Cardiff Metropolitan University. Clwstwr's funded projects have directly contributed to more than £20m of additional turnover and more than 400 additional jobs in the creative industries. Between 2019 and 2022, Clwstwr directly contributed £1 in every £13 of annual turnover growth in the Welsh creative industries.



University-sponsored mural of Betty Campbell MBE officially unveiled

A giant mural of Wales's first Black headteacher was officially unveiled. The ten-metre tall painting, which was funded by Cardiff University, stands proudly on the front of Mount Stuart Primary School where Mrs Campbell held the role of headteacher from 1965 until 1999.



Primary school pupils receive support in reading and literacy from student mentors

Primary school children across Wales will receive reading and literacy support as part of a pilot mentoring scheme led by Cardiff University. The team behind the Modern Foreign Languages mentoring project, where student mentors work with young people in secondary schools to inspire a love of language learning, will use this tried-and-tested formula as the basis of their work with younger pupils in 10 schools.

Alumni and friends supporting Cardiff University

We are deeply grateful for the continuing support of our donors, fundraisers, and volunteers. Through generous donations, gifts in Wills, and by giving their time, experience, and enthusiasm, our supporters help Cardiff University to create and share knowledge for the benefit of all.

The support we receive through gifts and pledges helps to fund world-class research and gives talented students strong foundations, so they can flourish. This year in particular, the cost-of-living crisis has hit our students hard. Generous donations from alumni and friends have helped to make sure every Cardiff University student can access the education and opportunities they deserve.

The dedication of our alumni volunteers also helps to support current and prospective students. Through mentoring, career talks, events, open days, and internships, our volunteers generously share their expertise and experience to help equip our students with the skills and knowledge needed for life after Cardiff.

This year, our #TeamCardiff fundraisers have continued to challenge themselves to raise funds for life-changing neuroscience and mental health, and cancer research. Hundreds of alumni, staff, students, and friends have helped raise vital funds this year, boosting Cardiff University's ability to change lives through research.

We'd like to extend a huge thank you to everyone for their support. Diolch.

Over £8.8m

of new funds were secured* from more than 643 donors and fundraisers, including 54 organisations, to fund world-changing research and give our students the support they need to succeed.

(*Using CASE-Ross definitions)

£5 million

was awarded by The Hodge Foundation to establish the Hodge Centre for Translational Neuroscience.

The Centre focuses on the development of innovative new treatments for mental health conditions such as schizophrenia, bi-polar disorder, and severe depression. A large cohort of talented PhD students, in partnership with senior researchers, will take Cardiff University research to the next level - developing projects that have the potential to contribute to real-world impact for patients.

£566,000

has been generously donated through gifts in Wills.

Gifts in Wills leave a lasting legacy of support for future generations of students and help drive forward pioneering research.

90 members

of Cylch Caerdydd supported students and research with a gift of £1,000 a year or more.

Cylch Caerdydd donors play a crucial role in supporting the University's work and represent Cardiff's leading fundraising ambassadors.

£37,500

was raised by 139 #TeamCardiff fundraisers.

In October 2022, around 70 #TeamCardiff fundraisers took part in the Cardiff Half Marathon, raising over £26,000. Alum Gavin Jewkes (BA 2011, PgDip 2012) ran the Hackney Half Marathon and raised over £6,700 for Cardiff University research. Our supporters also organised their own activities including fundraising lunches, coach trips, raffles and sweepstakes.

8,621

hours were volunteered by the Cardiff University alumni community.

Our alumni generously gave their time to help support and inspire our students, and fellow alumni. This year, thousands of Cardiff graduates offered mentoring, employability talks, career guidance, and internships. They also supported the launch of our first Alumni Chapters and our inaugural 30(ish) Alumni Awards, designed to connect and celebrate our global alumni community.

The year ahead and risks

It is a challenging time for universities. The day has come when we need to reassess our role and function. I am confident we have a strong future; universities have reinvented themselves many times over in their long history and we can do that again.

But in the coming months new thinking is needed. As a University community we will take time to decide where we're going to focus our collective energy for the future, and then we will need a strategic and financial plan that commits us to that path and supports our goals.

This is taking place against an often tense and difficult backdrop.

The financial situation facing universities here in Wales is unsustainable. Home tuition fees don't cover teaching costs. Student expectations have grown. Not only have fees remained the same for the last ten years or so, the unit of resource available to fund each student's education and experience has declined over the years because of inflation.

It leaves universities like Cardiff in a challenging position. We're trying to balance the books with overseas students – and while we're aiming to grow our international student numbers, this isn't how or why we wanted to do it. As a global-civic University, international students are crucial and valued members of our community but they shouldn't be propping up our finances.

We also have staff who are making the case for better pay via industrial action. Although this is a national dispute and not something that we can resolve alone, it's impacted on teaching and learning for many months. My predecessor, Professor Colin Riordan, had constructive meetings with UCU towards the end of his tenure and I am continuing those in the hope of doing better locally.

At the same time the cost of living crisis rumbles on. Our students are looking to us for support and help to protect them from this; but we're also seeing our own cost base rise on everything from food to energy. We are an anchor institution in Cardiff and Wales, and fully committed to our civic mission, so there is much to do. But universities – Cardiff University included – can not be all things for all people.

More broadly, universities are grappling with new and ongoing geopolitical tensions; and I also believe that we haven't even begun to understand the legacy of the Covid-19 pandemic. The enormity of these issues – along with climate change – are felt globally and are being addressed by our talented academics and their many collaborators. They too need strong support to deliver the research that will shape our future.

For me, it's clear that the current business model for universities is broken. The format that has dominated the sector for the last decade or so is now in question. That's a reality – and a challenge – that we need to address in the year ahead.

My predecessor, Professor Riordan, always said that Cardiff's strength comes from its community. Over the last three months, I've witnessed that first hand. This is an exceptional community, full of brilliant people who care – they care about the world we live in and this University. Over the year ahead I am confident we can work together to co-create a collective sense of the future – not just for our University, but for Cardiff, Wales and the world.

Professor Wendy Larner
Vice-Chancellor
22 November 2023


30

Key trends in Higher Education

Cardiff University continues to respond to trends in both Wales and Westminster, adapting to the different policy agendas devolution entails.

The last year has seen a number of significant developments in Welsh politics, including discussion about the future of the Welsh Labour and Plaid Cymru Co-Operation agreement, changes in leadership of three UK political parties, and the launch of the Welsh Government's Innovation Strategy.

The most significant legislative development in the past year has been the scrutiny and passage of the Tertiary Education & Research (Wales) Bill, which has received Royal Assent and brings together all parts of the post-16 education sector under one new regulator, the Commission for Tertiary Education & Research (CTER). We successfully argued for a number of changes to the bill.

The future operations of CTER will be of significant importance to the University, as it seeks to manage higher education more explicitly alongside further education, sixth forms, and adult community learning. Work to liaise with CTER has begun and we will also maintain strategic engagement with the relevant Welsh Government departments.

Rising costs are exacerbating challenges for UK higher education institutions. Rising inflation is making it more expensive to provide education and support students, whilst income is remaining static. Cardiff University now loses money on each domestic student it educates as well as on research activity. In addition, there is a difference in tuition fees between England and Wales, which puts Welsh universities at a competitive disadvantage, as they are unable to charge the same fees as their English counterparts. This is making it difficult to attract and retain staff, and is also impacting research funding. Making the financial challenges facing the University clear to both UK and Welsh governments remains a priority for Cardiff and Welsh universities.

Changes to immigration – which is not devolved – could also potentially affect international recruitment, although recent changes such as restrictions on visas for families of Masters students will not affect the University to the same extent as other institutions. International students' fees not only support the University's financial viability, but help create a globally diverse campus, enriching our students' learning and experience and improving our academic outlook.

In February 2023, the Welsh Government launched Wales Innovates: Creating a stronger, fairer, greener Wales, which replaced the previous Reid Review. The strategy focuses on four main mission areas. The University continues to encourage greater ambition for Welsh innovation to complement and build on its own vision for research and innovation, which was set out in its refreshed sub-strategy in December 2021. The University is committed to working with partners across Wales to deliver on the goals of Wales Innovates and to make Wales a world-leader in innovation. In addition to this Welsh strategy, the UK Government also announced its Science and Technology Framework, which sets out its priorities for science and technology for the next decade.

The University continues to contribute to plans for a North Wales Medical School at Bangor University, which will be Wales' third such school. We continue to support its establishment while making the case that any expansion in Wales' medical education and research should mean additional investment rather than re-allocation of existing resource.

As we look to the year ahead, it's anticipated that there will be a General Election at some point in 2024, with an autumn election looking ever more likely. A new UK Government will have an inevitable impact on the sector. We will monitor with interest and need to be able to respond and adapt to policy changes in the best interests of the University and the sector as a whole.

Major Committees and University Executive Board

Report from the Governing Body's key committees

Council has established four major committees whose members it appoints to oversee various aspects of the University's business: the Audit and Risk Committee, the Finance and Resources Committee, the Governance Committee, and the Remuneration Committee. All of these committees are formally constituted, each with terms of reference and a membership which includes lay members of Council and a Council lay member as Chair. Major committees may establish sub-committees, such as the Nominations Sub-Committee which is a key sub-committee created to consider and agree recommendations to Council in relation to key appointments.

Audit and Risk Committee

Member	Type	Attendance
Michael Hampson (Chair, resigned 04 Jul 23)	Lay	4/4
Pers Aswani	Lay	5/5
Dónall Curtin	Lay	5/5
Suzanne Rankin	Lay	4/5
Dr Robert Weaver (Chair from 24 Jul 23)	Lay	5/5
Agnes Xavier-Phillips	Lay	3/5

The Chair of Council and members of staff or students at the institution are not members of the Committee. Members are not individuals with executive management responsibilities within the institution or members of the Finance and Resources Committee.

Key responsibilities

The Audit and Risk Committee has a key role in advising and assisting the Council in overseeing the assurance and control environment of the University. Its duties cover:

- Assessing and advising Council on the effectiveness of the institution's risk management, control and governance arrangements, and the internal controls and procedures to promote economy, efficiency and effectiveness;
- Oversight of external and internal audit arrangements, including advising the governing body on the appointment of the audit providers, and oversight of the nature and scope of external and internal audits and the effectiveness of the audit processes; and
- Oversight of audit aspects of the University's financial statements, including the independent auditors' opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the management External Auditor's representation letter.

Summary of business

The Audit and Risk Committee met five times during 2022-23, including an extraordinary meeting to review interim options for the Internal Audit provision following the resignation of the Head of Internal Audit. A further special meeting relating to Internal Audit was held in September 2023. The Chair resigned both as a member of the Council and as Chair of the Committee on 4 July 2023 and one of the existing non-Council lay members was appointed as a member of Council and as Chair of the Committee from 24 July 2023.

The External Auditors attended all ordinary meetings of the Committee and were present for consideration of the annual Financial Statements (including Going Concern), management representation letter, and the External Auditor's formal opinion as well as approval of the annual internal audit plan.

The Committee reviewed the University's risk register and detailed reports on the findings from the UK Research and Innovation (UKRI) audit of compliance with the terms and conditions and the internal audit reports, including the recommendations for the improvement of the University's systems of internal control, management responses and implementation plans, and progress with the highly rated internal audit recommendations. The Committee considered and monitored progress with the completion of the recommendations from the 2022 External Audit Report, with specific focus on the priority 1 recommendations, and progress with a project to map the University's internal control framework to identify areas requiring improvement or enhancement.

The Committee considered reports on value for money, sustainability and Net Zero, assurance mapping and the estate. The Committee also received regular reports on serious incidents, whistleblowing and financial irregularities.

Major Committees and University Executive Board

Finance and Resources Committee

Member	Type	Attendance
John Shakeshaft	Lay	4/4
Professor Rudolf Allemann (term ended 31 Jul 23)	Employee	4/4
Gina Dunn (term ended 30 Jun 23)	Student	4/4
Angie Flores Acuña (term ended 30 Jun 23)	Student	3/4
Chris Jones	Lay	4/4
Jan Juillerat	Lay	4/4
Professor Urfan Khaliq (appointed from 01 Aug 23)	Employee	–
Robert Kingham (term ended 21 Jun 23)	Lay	2/3
Professor Wendy Larner (from 01 Sep 23)	Employee	–
Micaela Panes (appointed from 01 Aug 23)	Student	–
Professor Colin Riordan (until 31 Aug 23)	Employee	4/4
David Selway (appointed from 01 Jan 23)	Lay	3/3
Professor Damian Walford Davies	Employee	4/4
Jennifer Wood	Lay	4/4
Patrick Younge	Lay	4/4

Key responsibilities

The broad remit of the Finance and Resources Committee is to advise and assist Council on the University's financial and resource matters. It monitors proposals for achievement, alignment of resources and performance of the University's strategic aims. It has specific duties in respect of the following areas:

- Resource Allocation, including allocation provided to Students' Union;
- Financial management including investment and banking;
- Estates and Digital Infrastructure management; and
- Human Resources management.

Summary of business

The Committee met four times during the 2022-23 academic year. The Committee oversaw the business of its two sub-committees: the Environmental Sustainability Sub-Committee, that oversees the development and implementation of environmental sustainability strategy, policies and programmes of activity; and the Investment and Banking Sub-Committee that monitors and advises on the University's investment strategy and its banking arrangements.

Over the course of the year, the Committee reviewed performance across HR related activities, and the University's financial statements, budgets and financial plans against the Strategic Plan. The Committee received regular updates on investment to the estate, including an Annual Estates Performance Report and an update on maintenance works, and also reviewed a number of infrastructure business cases.



Major Committees and University Executive Board

Governance Committee

Member	Type	Attendance
Judith Fabian (Chair)	Lay	4/4
Gina Dunn (term ended 30 Jun 23)	Student	4/4
Professor Dame Janet Finch	Lay	4/4
Angie Flores Acuña (appointed from 01 Aug 23)	Student	–
Professor Adam Hedgecoe (appointed from 01 Aug 23)	Employee	–
Jan Juillerat	Lay	4/4
Professor Wendy Larner (from 01 Sep 23)	Employee	–
Dr Caroline Rae (appointed from 01 Aug 23)	Employee	–
Professor Colin Riordan (until 31 Aug 23)	Employee	2/4
David Selway	Lay	3/4
Dr Andy Skyrme (term ended 31 Jul 23)	Employee	3/4
Professor Ceri Sullivan (term ended 31 Jul 23)	Employee	3/4
Professor Damian Walford Davies	Employee	4/4
Patrick Younge	Lay	4/4

Key responsibilities

The key role of the Governance Committee is to advise and assist the Council on the effectiveness of the governance structure and framework of the University. This includes:

- The University's level of compliance with the mandatory requirements of legislation and other regulations, including the provisions of the Equality Act and the Welsh Language Act;
- Constitutional and legal matters, including the Charter, Statutes and Ordinances; and
- Lay Member nominations and appointments.

To discharge its responsibilities, the Governance Committee has established five sub-committees:

- Nominations
- Health, Safety and Wellbeing
- Equality, Diversity, and Inclusion
- Biological Standards
- Open Research Ethics and Integrity.

Summary of business

The Governance Committee met four times in 2022-23. The Committee reviewed the University's Governance Framework and recommended associated updates to Ordinances. It has also monitored completion of outstanding actions from a series of governance reviews, including the Governance Charter for Wales 2020 and Commitment to Action and the Governance Effectiveness Review 2021, which included establishing a Task and Finish Group to progress the review of the relationship between Council and Senate.

The Committee reviewed a number of annual assurance documents, including compliance with the Welsh Language Standards, PREVENT, The Modern Slavery Act 2015, the Animals (Scientific Procedures) Act 1996, and the Strategic Equality Plan Annual Monitoring Report.

The Governance Committee reviewed the lay member skills matrix and equality and diversity data to consider the composition requirements of an effective and efficient governing body, and oversaw the appointment of a Governor apprentice. The Committee also oversaw the annual review of the Chair of Council's performance.

Nominations Sub-Committee

Member	Type
Judith Fabian (Chair)	Lay-7
Professor Rachel Ashworth (term ended 31 Jul 23)	Staff – Senate member of Council
Gina Dunn (term ended 30 Jun 23)	Student
Angie Flores Acuña (appointed from 01 Aug 23)	Student
Professor Stephen Riley (appointed from 01 Aug 23)	Staff – Senate member of Council
John Shakeshaft	Lay
Patrick Younge	Lay

Key responsibilities

The role of the Nominations Sub-Committee is to consider and agree recommendations to Council in relation to key appointments, including the appointment and re-appointment of the Chair and Lay Members to the Council and its committees.

The sub-committee ensures that lay member recruitment is achieved through a clear and transparent appointment process, having due regard for the overall skills and experience of the governing body, balance of sector and non-sector knowledge and commitments to diversity and inclusivity.

Summary of business

The sub-committee did not hold any meetings during the 2022/23 academic year but considered the recruitment and selection of the governor apprentice for 2023-24 via email circulation. A meeting was held in early August 2023 to progress the recruitment of lay members of the Council for the 2023-24 academic year.

The governor apprentice was recruited via Perrett Laver's Governor Apprenticeship Scheme which aims to encourage diversity on boards, and the post was advertised externally.

Major Committees and University Executive Board

Remuneration Committee

Member	Type	Attendance
Jan Juillerat (Chair)	Lay	3/3
Professor Dame Janet Finch	Lay	3/3
Michael Hampson (resigned 04 Jul 23)	Lay	2/2
Patrick Younge	Lay	3/3

The Remuneration Committee has a wholly independent membership of lay members of the Council (who include the Chair and Vice-Chair of Council). The Remuneration Committee shall not be chaired by the Chair of Council. The Director of HR is invited to attend the Committee meetings.

The University's pay policy is published annually on our website.

Key responsibilities

The Remuneration Committee, with advice from the Professorial and Senior Salaries Committee, develops the overall reward strategy and policy to cover the remuneration, benefits, conditions of employment and severance of the senior officers and staff of the University, including Deans and Heads of School.

The Committee is responsible for determining the remuneration, benefits and conditions of employment of the Vice-Chancellor and their direct reports, taking account of affordability, comparative information of the remuneration, benefits and conditions of employment in the Higher Education Sector and elsewhere as appropriate and relevant metrics and performance data.

The Vice-Chancellor's remuneration package is determined according to a number of factors including, but not limited to:

- the depth of the Vice-Chancellor's leadership, management and academic experience within the higher education sector;
- the breadth of leadership responsibilities for one of the UK's largest universities consisting of 33,260 students and 5,945 FTE staff; as well as a global community of 160,000 alumni in more than 180 countries;
- the financial responsibilities for an institution with an annual turnover of over £500 million; and which contributes more than £3.23 billion to the UK economy, generating £6.30 for every £1 we spend and supports 1 in 130 jobs in Wales; and
- the accountability for sustaining a TEF Silver-ranked educational experience for our students; and a world-leading research portfolio worth £100 million devoted to solving some of the most pressing global challenges, to the benefit of society in the UK and around the world.

In addition, the University recognised the Vice-Chancellor's performance across a range of key priority areas linked to the Way Forward 2018-2023: Recast Covid-19 strategy and achievement of the five Critical Success Factors identified during covid. These included but were not limited to:

- strong leadership during the Covid period;
- strong performance across two Research Excellence Frameworks (REF);
- other positive metrics which included progress with National Student Survey (NSS); and
- delivery of key built environment projects.

Summary of business

During 2022/23 the Committee reviewed the Senior Salary Review for the Vice-Chancellor and the Senior Staff Salary and Professorial Banding (including the Vice-Chancellor's direct reports), the annual update on the Gender and Ethnicity Pay Gap and on Equal Pay and Senior Pay Governance.

The Committee also undertook its annual review of the Committee of University Chairs (CUC) HE Senior Staff Remuneration Code and confirmed the University has adopted the Code. The Committee, through the Chair, reports to Council at least twice a year.

Major Committees and University Executive Board

Senate

Member	Type	Attendance
Professor Colin Riordan (until 31 Aug 23)	Employee	3/3
Angie Flores Acuna	Student	2/3
Professor Rudolf Allemann	Employee	1/3
Professor Stuart Allen	Employee	3/3
Professor Jon Anderson (delegate)	Employee	1/1
Professor Rachel Ashworth	Employee	2/3
Professor Warren Barr	Employee	2/3
Dr Thomas Beach (appointed from 01 Aug 23)	Employee	–
Professor Roger Behrend	Employee	1/3
Professor Anthony Bennett (appointed from 01 Aug 23)	Employee	–
Dr Daniel Bickerton (delegate)	Employee	1/1
Professor James Birchall (delegate)	Employee	1/1
Dr Emma Blain (appointed from 01 Aug 23)	Employee	–
Professor Kate Brain	Employee	2/3
Professor Gill Bristow	Employee	2/3
Professor Marc Buehner	Employee	1/3
Andreas Buerki	Employee	2/3
Professor Christine Bundy	Employee	3/3
Dr Cindy Carter	Employee	1/3
Professor David Clarke	Employee	2/3
Lauren Cockayne (appointed from 01 Aug 23)	Employee	–
Susan Cousins (appointed from 11 May 23)	Employee	1/3
Professor Vikki Cummings (appointed from 01 Aug 23)	Employee	–
Professor Trevor Dale	Employee	1/3
Dr Juliet Davis	Employee	1/3
Professor Lina Dencik	Employee	0/3
Rhys Denton	Employee	3/3
Rebecca Deverall (term ended 30 Jun 23)	Student	3/3
Dr David Doddington (appointed from 24 Mar 23)	Employee	1/3
Dr Luzia Dominguez	Employee	3/3
Gina Dunn (term ended 30 Jun 23)	Student	3/3
Dr Derek Dunne	Employee	2/3
Professor Dominic Dwyer (appointed from 01 Aug 23)	Employee	–
Professor Edwin Egede (appointed from 01 Aug 23)	Employee	–
Fflur Evans (appointed from 01 Aug 23)	Employee	–
Helen Evans (term ended summer 23)	Employee	2/3
Olivia Evans (term ended 30 Jun 23)	Student	2/3
Professor Stephen Fairhurst	Employee	1/3
Professor Dylan Foster Evans	Employee	1/3
Ashly Alva Garcia (term ended 30 Jun 23)	Student	3/3
Graham Getheridge	Employee	1/3
Shreshth Goel (term ended 30 Jun 23)	Student	3/3
Dr Rob Gossedge (delegate)	Employee	1/1
Professor Julian Gould-Williams (appointed from 01 Aug 23)	Employee	–
Professor Mark Gumbleton	Employee	1/3
Dr Thomas Hall	Employee	2/3
Professor Ken Hamilton	Employee	2/3
Dr Natasha Hammond-Browning	Employee	3/3
Deborah Hearle (delegate)	Employee	1/1
Professor Adam Hedgecoe	Employee	2/3
Professor James Hegarty (term ended 31 Aug 23)	Employee	1/3
Professor Mary Heimann	Employee	1/3
Dr Monika Hennemann	Employee	2/3
Lloyd Hole (term ended 20 Mar 23)	Employee	2/2
Dr Jonathan Hewitt (appointed from 11 May 23)	Employee	0/1
Professor Joanne Hunt	Employee	2/3
Madison Hutchinson (appointed from 01 July 23)	Student	–
Professor Aseem Inam	Employee	3/3
Professor Nicola Innes	Employee	2/3
Professor Dai John	Employee	2/3
Professor Dafydd Jones (appointed from 01 Aug 23)	Employee	–
Dr Nicholas Jones (delegate) (appointed from 01 Aug 23)	Employee	1/1
Dr Hesam Kamalipour (appointed from 01 Aug 23)	Employee	–
Dr Tahl Kaminer (appointed from 01 Aug 23)	Employee	–
Professor Andrew Kerr (appointed from 01 Aug 23)	Employee	–
Professor Urfan Khaliq	Employee	3/3
Professor Alan Kwan	Employee	3/3
Professor Wendy Larner (from 01 Sep 23)	Employee	–
Professor Eshwar Mahenthiralingam (appointed from 01 May 23)	Employee	1/1
Alex Meers (appointed from 01 July 23)	Student	–

Major Committees and University Executive Board

Senate *continued*

Member	Type	Attendance
Emmajane Milton	Employee	3/3
Claire Morgan	Employee	3/3
Professor Damien Murphy (term ended 31 Aug 23)	Employee	3/3
Professor Jim Murray	Employee	0/3
Larissa Nelson	Employee	1/3
Rebecca Newsome	Employee	2/3
Professor Gerard O'Grady (appointed from 01 Aug 23)	Employee	–
Dr James Osborne	Employee	3/3
Deio Owen (appointed from 01 July 23)	Student	–
Joanne Pagett	Employee	0/3
Micaela Panes (appointed from 01 July 23)	Student	–
Dr Jo Patterson (term ended 30 Nov 22)	Employee	1/1
Dr Juan Pereiro Viterbo	Employee	3/3
Professor Tim Phillips (delegate)	Employee	1/1
Dr Jenny Pike	Employee	3/3
Abyd Quinn-Aziz	Employee	2/3
Dr Caroline Rae	Employee	1/3
Michael Reade	Employee	3/3
Kate Richards	Employee	3/3
Professor Stephen Riley	Employee	2/3
Dominic Roche	Employee	2/3
Dr Siwan Rosser (delegate)	Employee	1/1
Noah Russell	Student	1/3
Sarah Saunders	Employee	3/3
Professor Katherine Shelton (appointed from 01 Jun 23)	Employee	0/1
Dr Andy Skyrme	Employee	2/3
Professor Peter Smowton	Employee	2/3
Dr Zbig Sobiesierski (term ended summer 23)	Employee	3/3
Helen Spittle	Employee	3/3
Georgia Spry (appointed from 01 July 23)	Student	–
Tracey Stanley	Employee	3/3
Professor Ceri Sullivan	Employee	2/3
Dr Petroc Sumner (term ended 31 May 23)	Employee	2/2
Professor Patrick Sutton	Employee	0/3
Dr Catherine Teehan	Employee	2/3
Grace Thomas	Employee	3/3
Dr Jonathan Thompson	Employee	3/3
Dr Onur Tosun	Employee	2/3
Professor Damian Walford Davies	Employee	3/3
Dr Catherine Walsh	Employee	2/3
Matt Walsh	Employee	2/3
Lisa Watkins (appointed from 24 Mar 23)	Employee	1/3
Professor Ian Weeks	Employee	3/3
Professor Keith Whitfield	Employee	1/3
Professor David Whitaker	Employee	2/3
Professor Roger Whitaker	Employee	2/3
Professor John Wild	Employee	1/3
Professor Martin Willis	Employee	1/3
Professor Jianzhong Wu	Employee	3/3

Key responsibilities

The Senate is established by the University's Charter, which gives it responsibility for the ordering of the academic affairs of the University, both in teaching and in research, and powers to make Academic Regulations. It draws its membership from the academic staff, professional services staff and students of the Institution. Senate keeps under review the educational policy of the University and provides Council with assurance that the academic affairs of the University are appropriately managed.

In turn, Senate has established standing panels and Sub-Committees to support it in discharging its responsibilities, such as the Academic Standards and Quality Committee and the Education and Student Experience Sub-Committee.

Summary of business

The Senate met three times during the 2022-23 academic year. Key areas of strategic business, proposals for strategic partnership and updates on proposals for ensuring excellence in research activities across the University. Senate also received detail on the membership, remit and activities of the Task & Finish Group to consider the bicameral relationship between Council and Senate.

Senate considered the Annual Quality Report and inaugural Annual Enhancement Report for 2021-22, the Institutional Response to the Student View for 2022 and the 2023 Student View. Senate reviewed the Terms of Reference and received reports of business from its sub-committees, along with a number of annual reports (such as the Annual Statement on Research Integrity and the Students' Union Charter and Relationship Agreement).

Major Committees and University Executive Board

University Executive Board

Member	Type
Professor Colin Riordan (Chair)	Employee
Professor Rudolf Allemann	Employee
Rashi Jain	Employee
Professor Urfan Khaliq	Employee
Susan Midha	Employee
Claire Morgan	Employee
TJ Rawlinson	Employee
Claire Sanders	Employee
Professor Damian Walford Davies	Employee
Professor Ian Weeks	Employee
Professor Roger Whitaker	Employee
Darren Xiberras	Employee

All members of the University Executive Board (UEB) attend weekly senior meetings. Given the frequency of these meetings, the attendance is not recorded in the table above.

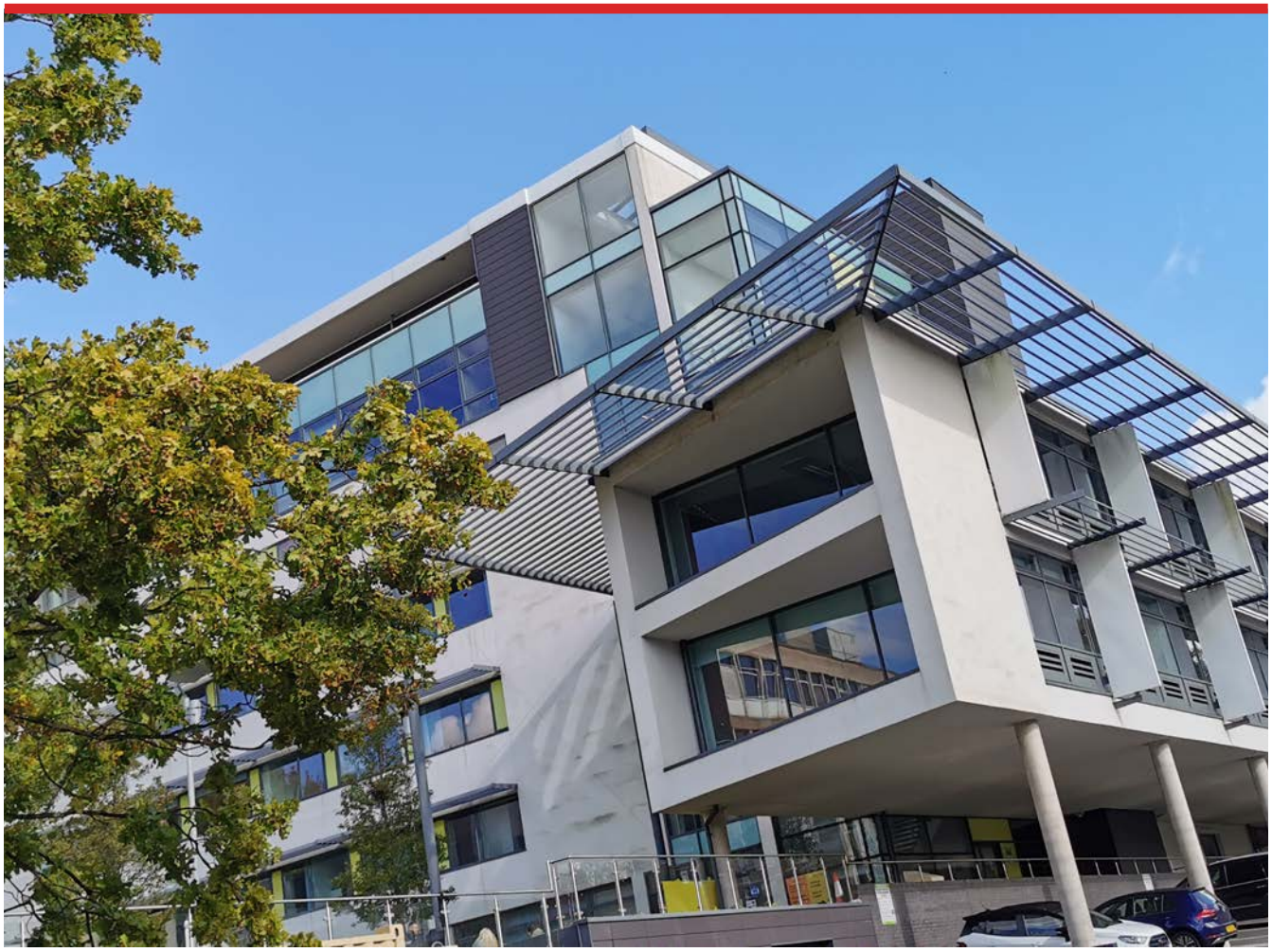
Key responsibilities

The UEB is the University's senior executive team. The HEFCW Terms and Conditions of Funding defines the Senior Executive Team in accordance with Financial Reporting Standard 102 (FRS 102)'s definition for 'key management personnel'; that is "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity".

The broad remit of UEB is to advise the Vice-Chancellor in the performance of their duties as the Chief Executive Officer including developing and implementing strategy, operational plans, policies and procedures, setting budgets, and monitoring operating and financial performance.

Summary of business

In addition to weekly meetings throughout 2022/23, the UEB held three extended away days to look at strategic themes in addition to decision-making. Student life and the student experience continued to be a priority focus through the year. Other key areas of activity included work towards the development of a Target Operating Model for Professional Services at Cardiff University; maturing of the University-wide Integrated Planning Process; advancing a one University approach to equality, diversity, inclusion and anti-racism; and introducing a Transitional Estates Strategy to 2025.



Annual Pay Policy Statement

Senior Pay Remuneration

The Remuneration Statement provides the framework for decision making in respect of remuneration and in particular decision making on remuneration for senior staff.

All senior staff, excluding the Vice-Chancellor serving between 1 September 2022 and 31 August 2023, are covered by the University's Senior Pay Policy, which is published annually. This reviews performance on a biennial basis, and allows performance-based awards, as well as reviewing equity. Data drawn from the Universities and Colleges Employer Association's (UCEA) Senior Staff Remuneration Survey and the Russell Group Reward Survey are used to provide evidence for any market adjustments. The policy is set by the Remuneration Committee, who have overall responsibility for the University's approach to senior remuneration. As part of this role, it takes decisions on the pay of the most senior individuals in the University, including the Vice-Chancellor.

The numbers of all staff paid above £100k are published in the Notes to the Financial Statements of this report, along with directly reimbursed expenses for senior staff who are members of the University Executive Board. All expense claims and payments made to senior members of the University are in accordance with the University's financial regulations. These apply to all staff and are reviewed and approved annually by the University Council.

Previous Vice-Chancellor Remuneration

The remuneration of the Vice-Chancellor serving between 1 September 2022 and 31 August 2023 was determined by the Remuneration Committee, through the Vice-Chancellor's Reward Scheme.

This scheme was designed as a long-term incentive plan to reward and retain the Vice-Chancellor with a view to delivery of The Way Forward 2018-2023. The scheme built on the principles of the Senior Salary Review process as outlined in the Senior Staff Pay Policy.

The Vice-Chancellor's Reward Scheme involved:

- an annual review of base pay in relation to the market;
- a long-term lump sum non-pensionable performance-related bonus payment linked to the achievement of The Way Forward 2018-2023.

When the Remuneration Committee reviews the Vice-Chancellor's remuneration package, it considers comparative information on salaries, other benefits, and conditions of service in the Higher Education sector and elsewhere.

In 2023 the long-term performance was assessed, the final payment made, and the scheme closed.

Remuneration for other staff groups

The majority of other staff are on the National Framework Agreement (NFA) pay spine and covered by the University's Grading Structure which consists of 9 grades. These grades are supported by the Higher Education Role Analysis (HERA) role evaluation methodology.

Staff on NFA pay scales gain pay increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade's core range. They are also subject to any nationally agreed pay awards.

The Clinical Pay Scale covers clinical staff, and replicates the NHS pay ranges. Clinical staff gain increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade range. Clinical consultants also gain commitment awards above the top of the consultant grade range.

The Outstanding Contribution Award Scheme (OCAS) recognises exceptional performance and contribution, resulting in both one-off awards, and any accelerated incremental progression.

Living Wage Employer

The University is an accredited Living Wage employer and as a result all staff receive at least the Living Wage Foundation rate of pay.

Pay Ratio

The ratios between the VC salary and the median pay of staff and the VC total remuneration and the median total remuneration of staff are disclosed in note 8 (staff costs).

Exit policy

All settlement agreements, including voluntary severance, for professorial, professional service directors and senior staff are reported biannually to the Remuneration Committee, with details of both the severance payment and the saving to the University. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.

Financial Review

The University retained an operating deficit of £12.7m in 2022/23 before the change in the pension scheme provision.

The financial year ending 31st July 2023 continued to challenge us, with new economic headwinds of inflation at levels not seen since the 1980s, especially in energy costs. Higher interest rates whilst causing losses in the value of our investment portfolio have nevertheless resulted in positive changes to our pensions liabilities which are reflected in our overall surplus for the year. We have experienced actuarial gains on our pension schemes and a reduction in the provision we hold for the University's share of the USS deficit. The challenge of inflation meant that staff and students were also impacted and we assisted through (amongst other things) one off payments, accelerated pay awards and more student hardship payments. We also experienced a reduction in tuition fee income largely as a result of not delivering our overseas recruitment targets offset by increases in research income. However, despite these challenges the underlying financial result was in line with the budget the University set at the start of the year.

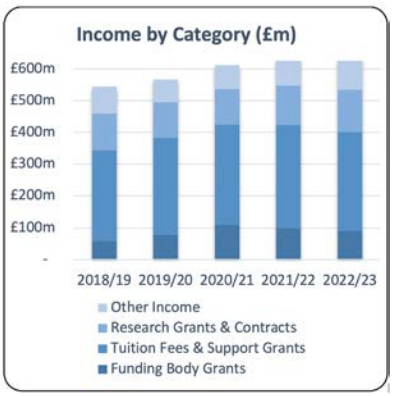
The underlying operating deficit of £12.7m reconciles to the total surplus of £28.9m as follows:

Summary of group results	2022/23 £m	2021/22 £m
Total comprehensive (deficit)/surplus for the year	28.9	(27.8)
Impairment on revaluation of assets	3.0	-
Loss on valuation of investments	5.6	11.6
Loss on disposal of fixed assets	2.3	-
Actuarial gain on pensions	(15.5)	(72.1)
(Deficit)/Surplus before other losses/(gains)	**24.3**	**(88.3)**
Other pension movements	(10.2)	(2.0)
USS pension provision change/(credit)	(27.4)	118.8
Other losses/(gains)	0.6	(2.8)
Underlying operating surplus/(deficit)	**(12.7)**	**25.7**

The financial statements for the year ended 31 July 2023 consolidate the results of the University, its subsidiary companies University College Cardiff Consultants Limited and International Learning Exchange Limited ("Taith") and, the joint ventures of Compound Semiconductor Centre Limited and Cardiff Medicentre.

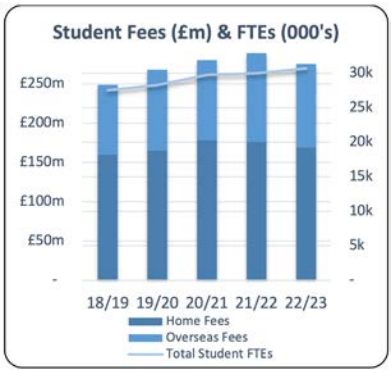
Income up 0.3% to £636m

2022/23 saw total income grow from £634.2m to £636.4m largely due to strong growth in research income (up £8m or 7% to £134m), other income (up £12m or 14% to £91m) and investment income (up £4m or 69% to £10m). This was offset by a reduction in tuition fees and education grants (down £13m or 4% to £311m) and funding body grants (down £9m or 9% to £90m).



2022/23 saw a 4.0% decrease in tuition fees and education contracts which was worse than we had anticipated. This was, however, offset by higher research and income relating to commercial services offered by the Institution.

Financial Review



Our student body of 30,672 students is made up as follows:

Student Numbers	2022/23	2021/22
Undergraduates	22,992	22,009
Postgraduate Taught	5,241	5,984
Postgraduate Research	2,439	1,996
Total	**30,672**	**29,989**
Home	24,212	23,796
Overseas	6,460	6,193
Total	**30,672**	**29,989**

Whilst recurrent grant income from HEFCW increased by £0.5m to £76m overall funding reduced by £9m. This reduction reflected the reduction in specific capital funding from HEFCW.

Research activity continued to grow during this financial year generating £134m of income.

Other income has continued to recover from the impact of the pandemic, with services rendered to UK Government and other sources growing strongly.

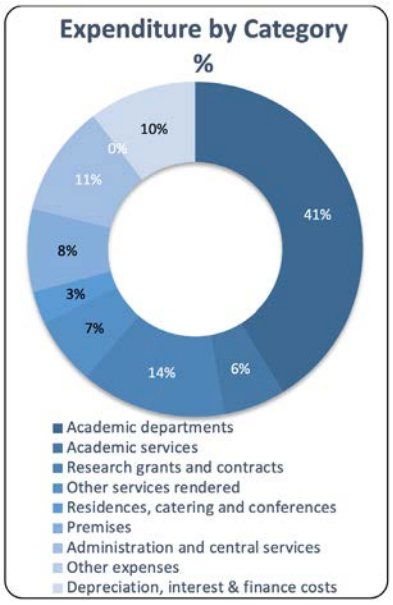
Active management of expenditure continued throughout the year

Total expenditure, excluding the USS pension provision, increased by 5.0% to £649m. The increase in expenditure is largely attributable to increased premises expenditure (largely driven by utility cost inflation) and academic spend.

Staff costs grew by 5.8% in the year which included a one off payment of £500 to all staff on Grades 1 – 8 and Clinical pay scales D1 and D2, (pro-rata for part time staff) who were employed at the university on 1 November 2022, due to the unprecedented cost of living crisis, down from the £750 paid to all staff in 2021/22.

There was also an early implementation of the 2023/24 pay award as agreed by JNCHES negotiation process These payments reflected the increased pressures from cost of living. Average staff full time equivalent (fte) numbers increased by 3% to 6,231 mainly in academic areas as we strove to improve student experience and to deliver our research commitments.

Staff costs as a proportion of income was 57.1% which is an increase on the previous year (54.2%).



Operating expenses increased by £13.4m to £226.3m in the year as the Institution gradually returns to a normal operating environment, whilst investing further in supporting staff and students, and continuing to maintain a safe campus whilst Covid-19 variants still circulate the general UK population.

Pension provisions reduced

The Universities Superannuation Scheme (USS) of which Cardiff is an employer member provides pensions for academic and professional staff. The University's financial statements reflect the actuarial valuation as of 31 March 2020, when the scheme had a deficit of £16.1Bn (up from £3.6Bn in 2018).

Whilst the situation remains volatile the funding position of the USS has improved since March 2020. The 2023 valuation is currently in progress and given the changes in market conditions since the 2020 valuation, it is likely that the 2023 valuation will show an improved funding position with the scheme expected to be in a surplus position. This has resulted in a decrease of £27m in the provision to £165m.

Operating cash surplus of £30m retained to support investment

The University retained an operating cash surplus in the year of £30m or 4.8% of income. After servicing debt, further fixed asset expenditure and depositing funds into investments, the cash and cash equivalent reserves of the University decreased by £59.8m to £36.6m (see Statement of Cashflows on Page 54).

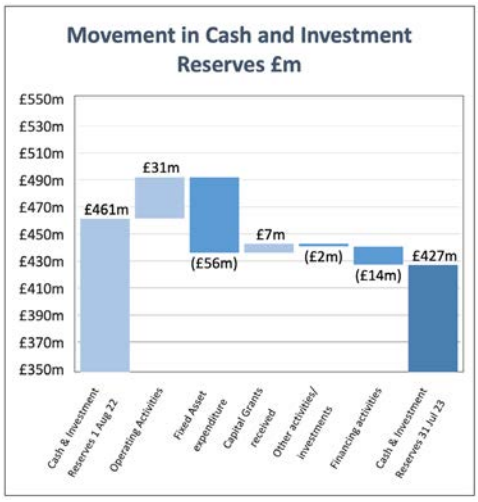
At 31 July 2023 the University's available cash reserves and investments totalled £427m (2022 £461m), although this includes £66m ring-fenced as the Bond Repayment Fund (see Note 24).

The University is in a strong position financially to deal with any future financial challenges.

Investments

Economic turbulence and uncertainty has continued to disturb the financial markets globally throughout 2022/23. As a result, our investment balances reduced by £5.6m (2021/22 £11.6m) by the year end.

Financial Review



During the year the University incurred a net interest cost of £3.6m a reduction of £3.9m on the prior year cost.

Last financial year the University has become a partner in SETsquared, the world's top-ranked University-business incubator. This will add significantly to our ambition to turn research into real-world economic and social enterprises.

During the year we revised our socially responsible investment policy to align our investment practices more closely with our public statements around disinvesting from fossil fuels. We replaced one of our fund managers, and are working closely with our fund managers to ensure our investments align with the new policy. We expect the transition to the new policy to be completed during the course of the 2023/24 financial year.

Borrowings

Borrowings at the year-end totalled £421.6m of which the public bond totalled £420.7m. This incurs interest of 3.0% p.a. and is repayable in 2055. Moody's have assessed the bond as A1 with a stable outlook.

The University has, to date, set aside £65.7m of reserves into a bond repayment fund that is invested on a total return basis with the objective of being able to fund the repayment of the £400m bond in 2055.

The University has a three year £20m Revolving Credit Facility with Lloyds Bank to cover working capital requirements. To date this facility has not been used and expires in July 2024.

Strong Balance Sheet

At 31 July 2023 the University's consolidated net assets had increased 4.4% to £678m (2022 £649m) of which £329m or 48.6% represented unrestricted reserves.

The University has successfully managed the many challenges of the last year due to the significant commitment of our staff. Whilst not reflected on the balance sheet of the University they remain our most important and valued asset.

Financial sustainability

In the short-term global economic headwinds and the geo-political situation will continue to mean that financial performance will continue to be difficult to forecast and deliver.

Higher inflation rates will continue to filter into our operating costs especially in energy and pay. There is a continued threat of industrial action which could impact upon our ability to deliver our objectives. Higher interest rates are unlikely to impact upon our borrowing costs but could continue to depress returns on our investment portfolios. If higher interest rates are sustained they will continue to have a positive impact upon our pensions costs and liabilities. Despite these challenges the University remains in robust financial health with an excess of £420m of cash, cash equivalents and investments held by the University.

In the medium to longer term, we will continue to compete for student growth in the highly competitive international market. It is essential that we are able to continue to attract and retain talented students from both the UK and overseas to support our scholarly activities across a diverse range of academic disciplines. In order to do so, we will continue to invest in our strategy to deliver a world-leading, research excellent, educationally outstanding university, driven by creativity and curiosity. The significant investment we have made to deliver a world-class campus will enable us to achieve this vision alongside continued investment in our employees' professional development.

Our key performance financial metric is to deliver an operating surplus before investment income and depreciation in excess of 12% of income. This enables us to generate sufficient cashflow to maintain and enhance the University's facilities and retain reserves that are sufficient to weather any reasonably foreseeable economic challenges. In 2022/23 we achieved 10.5% (2021/22 12.8%) in challenging circumstances.

The University continuously scans the risk horizon and regularly updates its risk register. All risks are rated in terms of impact and likelihood, risk mitigation actions are logged and monitored. The risk register is discussed and monitored at University Executive Board, Finance & Resources and Audit & Risk Committee and at Council. The principal risks to the University and how they are being mitigated are shown in the tables on pages 40 to 43.

The University's capital commitments of £20.0m (2022 £5.0m) are more at the reporting date than the prior year as we follow our Transitional Estates Strategy 2023-2025 and include the relocation of the School of

Financial Review



Healthcare to Heath Park West (£7m) and further projects at Cardiff Innovation Campus (£5m). Our operating lease commitments at £38.6m (2022 £39.6m) are less as the University seeks to divest itself of leased premises where possible.

Significant risks still ahead

The University still faces significant uncertainties and risks. Future UK and Welsh Government policy could have a major impact on the funding of higher education. The global response to the pandemic and geopolitical tensions may affect the international student market while at home the sector faces major challenges on inflation, pay and pensions.

We remain focused on delivering an excellent student experience alongside our five priorities of the health and wellbeing of our staff and students, maintaining financial sustainability, improving student satisfaction and experience, supporting research grants and contracts, and continuing to contribute to our civic mission.

A cautious financial outlook

Whilst we face some significant political and economic risks and continued uncertainty about the global pandemic, we remain cautious but optimistic about the future. We will work with the new Vice-Chancellor to assess our options for delivering a sustainable financial future for the university over the next twelve months.

We have been encouraged by the demand from students to study at Cardiff and we will continue to focus on providing students with a positive experience in a safe campus environment.

The University has a strong balance sheet and sufficient liquidity to deal positively with the uncertainties and opportunities that the future holds.

Darren Xiberras
Chief Financial Officer

John Shakeshaft
Chair of Finance & Resources Committee

22 November 2023

Environmental Reporting

Cardiff University is committed to leadership in sustainability and improving our environmental performance. Our vision is to build an inclusive, sustainable, and resilient future for our community and to bring about environmental benefits not only to Cardiff and Wales but to the wider world.

It is crucial to develop environmental sustainability as an integral part of our values and to embed the United Nations Sustainable Development Goals into all aspects of our academic and operational activities.

We will promote sustainability through education, dissemination, and direct participation, enabling students and staff to make positive changes to our environmental impact, in particular our declaration of a Climate Emergency and our aim to become carbon net zero (Scopes 1 and 2) by 2030.

We will empower our students, graduates, and staff to become sustainable citizens who make a positive contribution to society and are active within their communities.

We will ensure sustainable development is a key consideration in all major decision making, promote sustainability issues and principles with all staff, students and stakeholders and enable the application of our innovative research to improve global sustainability.

Our underpinning goals are adapted from the United Nations Sustainable Development Goals, the Welsh Government's Environment Act and the Welsh Government's Well-being of Future Generations Act, Well-being Goals. These are as follows:

- A prosperous University - An innovative, productive, and low carbon community which recognises the limits of the global environment and therefore uses resources efficiently and proportionately including acting on climate change;
- A resilient University - A University which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic, and ecological resilience, embedding the capacity to adapt to change;
- A healthier University - A University which provides facilities for and encourages staff and students to make healthier food, lifestyle, and travel choices which in turn help to improve wellbeing and reduce pollution both locally and globally; and
- A globally responsible University - A University which will take account of the impact of its activities on global sustainable development and global well-being. We will purchase zero carbon energy and adopt responsible consumption practices for all goods and services we procure and use. We will also actively enable our innovative research to improve global sustainability.

Our aims, for 2023-24 academic year are:

- We will consider future adoption of the Standardised Carbon Emissions Framework (SCEF) launched this year by the EAUC. This will allow us to benchmark our footprint with other universities;
- We will develop a Net Zero Roadmap to better understand the costs and timeframes needed to achieve net zero (Scopes 1 & 2);
- We will develop a new Environmental Strategy and milestones which align with our net zero roadmap and wider sustainability ambitions. Our strategy will be supported by an annual action plan of measures;
- We will begin a programme of "quick wins" to decarbonise our estate which include energy efficiency measures such as LED lighting, Solar PV, upgrades to equipment and expansion of our existing heat pump;
- We will consider the opportunity for low carbon heat across our estate;

Environmental Reporting

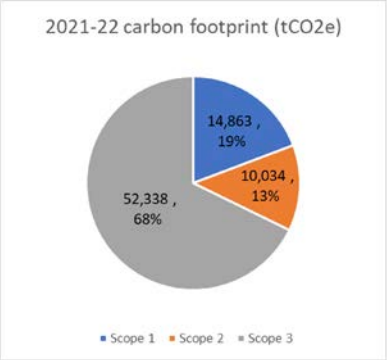
- We will develop our Sustainable Procurement Policy to help understand and eventually mitigate the emissions from our supply chain. This activity accounts for the majority of our Scope 3 emissions;
- We will prioritise the consideration of low carbon staff business travel, which is a large proportion of our Scope 3 emissions after our supply chain;
- We will continue to maintain accreditation to ISO 14001 Environmental Management System; and
- We will continue to raise awareness of sustainability and net zero through our ongoing behavioural change programme LEAF, which focuses on our laboratories. We will work to expand wider behavioural change actions through a network of environmental compliance officers.

These will be monitored via our Environmental Sustainability Sub-Committee which governs our sustainability activities.

Carbon emissions

Our Environmental Sustainability Sub-Committee chaired by the Deputy Vice-Chancellor is responsible for taking forward our carbon net zero work over the coming years. We have committed to achieving net zero carbon for scope 1 (direct emissions) and 2 (indirect emissions) by 2030 (timeframe to be reviewed in summer 2024 when our roadmap is drafted, to ensure that we focus on carbon reduction ahead of any offset) and before 2050 for scope 3 (indirect emissions). A Net Zero Programme Manager began work in June 2023 to develop our Roadmap to Net Zero for Scope 1 & 2 over the coming year. Our roadmap will help identify the projects and activities that need to be undertaken to work towards net zero.

This year we submitted our 2021/22 carbon footprint to the Welsh Government for the first time, as part of the Public Sector Net Zero Reporting requirements. Using the Welsh Government reporting standards, our annual emissions were 77,235 tCO2e. The reporting standards for Scope 1 and 2 emissions are similar to those we have used before and show that our emissions were 14,863 tCO2e (Scope 1) and 10,034 tCO2e (Scope 2). The standards for Scope 3 do not align well to Higher Education procurement categorisation, so our reported emissions of 58,338 tCO2e (Scope 3) are less reliable. We will continue reporting to Welsh Government in future and will use the 2021/22 footprint as our "baseline" for Scopes 1 & 2 going forward; as noted we are also exploring alternative reporting standards which would align us to the Higher Educations sector (EAUC's Standardised Carbon Emissions Framework (SCEF)).



Transport and Travel

The University umbrella travel plan (2022 – 2027) has been approved to address the impact that University travel has on the environment, the local area and the health and wellbeing of our staff and students. It places active travel modes (walking, cycling, wheeling) at the top of an agreed travel hierarchy. The five-year strategy which aligns with local and national policy, and best practice includes a focused approach each year on the key elements of our transport operations. Alongside the focused review is an action plan of measures that will encourage and support use and uptake of sustainable transport. This year we will be considering a business travel review as part of the plan.

Waste and Recycling

During 2022/23, the focus was to develop a team to drive Waste Minimisation for the University. Our Waste Minimisation Manager joined the University in early July with an initial focus on completing Waste and Recycling Audits to understand the current situation, and to improve our weights capture and reporting.

Our general waste and recycling scheme has continued to operate well, and new initiatives are in development, for example introducing a furniture re-use scheme across the University.

For the next academic year, focus will be on developing a Waste Minimisation Strategy in partnership with Procurement Services to include significant behavioural change initiatives to divert recyclate from the general waste stream and to reduce waste generally.

THE Impact Rankings

The Times Higher Education (THE) Impact Rankings provide the only global performance table that assess universities against the United Nations' Sustainable Development Goals (SDGs). Calibrated indicators provide comprehensive and balanced comparisons across three broad areas: research, outreach and stewardship.

This year the University rose to be ranked 52nd out of 1591 ranked institutions worldwide. This is a substantial improvement compared to last year, where the University ranked 101-200th out of 1410 institutions. Cardiff's overall score improved from 88.5% to 91.2%.

There are seventeen SDGs in total. For the 2023 ranking, Cardiff submitted data for the same ten SDGs as last year. Cardiff now has four SDGs ranked in the top 50, compared to three last year:

SDG14: Life Below Water – 6th, up from 55th (1st in the UK)

SDG15: Life on Land – 11th, up from 26th (4th in the UK)

SDG12: Responsible Consumption and Production – 24th, up from 90th (12th in the UK)

SDG3: Good Health and Wellbeing – 31st, up from 41st (1st in the UK)

The University also moved into the **top 100 on the compulsory SDG17**.

Out of the 10 SDGs submitted, seven improved their rank, with the biggest change to SDG12 Responsible Consumption and Production, up 66 places, and returning to a similar score as in the first submission in 2021.

For the first time we have an SDG ranked in the top 10 (SDG14 Life Below Water) and three in the top 25.

Environmental Reporting

Education for Sustainable Development Champions Network

We have established networks for Education Sustainable Development (ESD) Champions across our Colleges. The aim is to understand how sustainability is currently being embedded throughout our curricula. Over the last year, we have established staff support for teaching and learning relating to Education for Sustainable Development through collaboration with the Learning and Teaching Academy. We have created an online toolkit and a series of workshops to support and develop staff understanding and implementation of Education for Sustainable Development in teaching practice. The overarching aim of the toolkit and workshops is to support staff at various levels of Education for Sustainable Development (from novice to expert), with some of the more experienced ESD staff supporting with examples and case studies from their own teaching practice. We have also been working with a student intern on a project to develop the framework and structure for a sustainability focused group induction activity for first year Cardiff University students. The idea for the project builds on a proposal made to the College of Physical Sciences and Engineering's Education Forum. It aims to enable students to build communities and a sense of belonging within their School and cohort during the induction period while engaging with the important topic of sustainability and the climate emergency.

Ecosystem Resilience and Biodiversity Action Plan

In 2022/23 we completed our Environment (Wales) Act section 6 biodiversity reporting requirements. This academic year we will be reviewing the ERBAP to ensure our biodiversity activities remain relevant.

Our achievements in the last 12 months include:

- Building on our Bronze award last year, we received Hedgehog Friendly Campus Silver Accreditation in February 2023 and will be working towards Gold next academic year;
- We have carried out a full inventory of our mature trees in 2021 and 2022 to inform our replanting strategy which, together with Cardiff City Council's Coed Caerdydd urban canopy project, intends to improve tree canopy cover in the city to 25% by 2030;
- As part of the GW4 Green Alliance, we received funding for a living lab project enabling us to run an event "From ecosystem regeneration to green therapy, what can we do?" This included sessions on forest management and funded the first of our tree planting events in partnership with Cardiff Council at Talybont. Students volunteered to do the planting:
- We have supported Plantlife's #NoMowMay for a third year. Leaving our green spaces to grow during May benefits the wildflowers and wildlife, which both play a part in sequestering our carbon emissions;
- A green space survey was conducted in December 2022 with the ERBAP Steering Group and our grounds contractor to identify areas where our green space could be "low managed" to benefit nature and the environment. This has resulted in positive actions being agreed such as:
  - leaving spaces not actively used by people uncut for wildlife;
  - delaying trimming of shrubs and bushes until autumn/ winter to provide berries for birds and other wildlife;
  - leaving fallen leaves in specified areas and transferring leaves to borders to create safe areas for hibernating hedgehogs and overwintering insects;
  - utilising branches and logs from tree coppicing/removal to form log piles for wildlife; and
  - leaving areas of our grounds completely unmanaged for wildlife, as agreed with our building and residency managers.

Over the coming year, we aim to develop a comprehensive "low management plan", which includes GIS maps of target areas for biodiversity management along with agreed actions for each area.



Environmental Reporting

Hedgehog Friendly Campus

The University was awarded Hedgehog Friendly Campus Silver Accreditation in February 2023, after another year of successful activities run by staff and students to enhance habitats for hedgehogs and other wildlife. We ran several campaigns across the year, including the #LeavetheLeaves campaign in the Autumn, delivering our first #Homes4Wildlife workshop, and organising litter pick events across campus.

14 sites have been surveyed for hedgehogs across the University, and hedgehogs were detected at each location. Biodiversity initiatives have been installed in multiple locations including bee/bug hotels, hedgehog houses, log piles, leaf piles, hoverfly lagoons, a hedgehog highway, water stations and bird baths to help increase wildlife.

We continued engagement sessions with University staff and students through talks at staff away days, and attendance at student fairs and wellbeing events. We engaged with local community groups and delivered sessions on hedgehogs to local primary schools and scout groups.

In March, we were awarded an Earth Hour 2023 Community Activity Grant to support our 'MiniHavens' project, which aims to encourage people in Wales to create habitats and homes for the wildlife on their doorsteps. At this event we engaged with 132 people, including staff, students, a community group and two Year 6 classes via the Children's University.

Changing Steps Cardiff

Changing Steps is a free to join rewards programme funded by the University. It is designed to help staff and students get around more sustainably. It rewards sustainable travel for commuting and leisure trips to and from campus, and encourages regular walking, running, wheeling, and cycling activity for health and wellbeing.

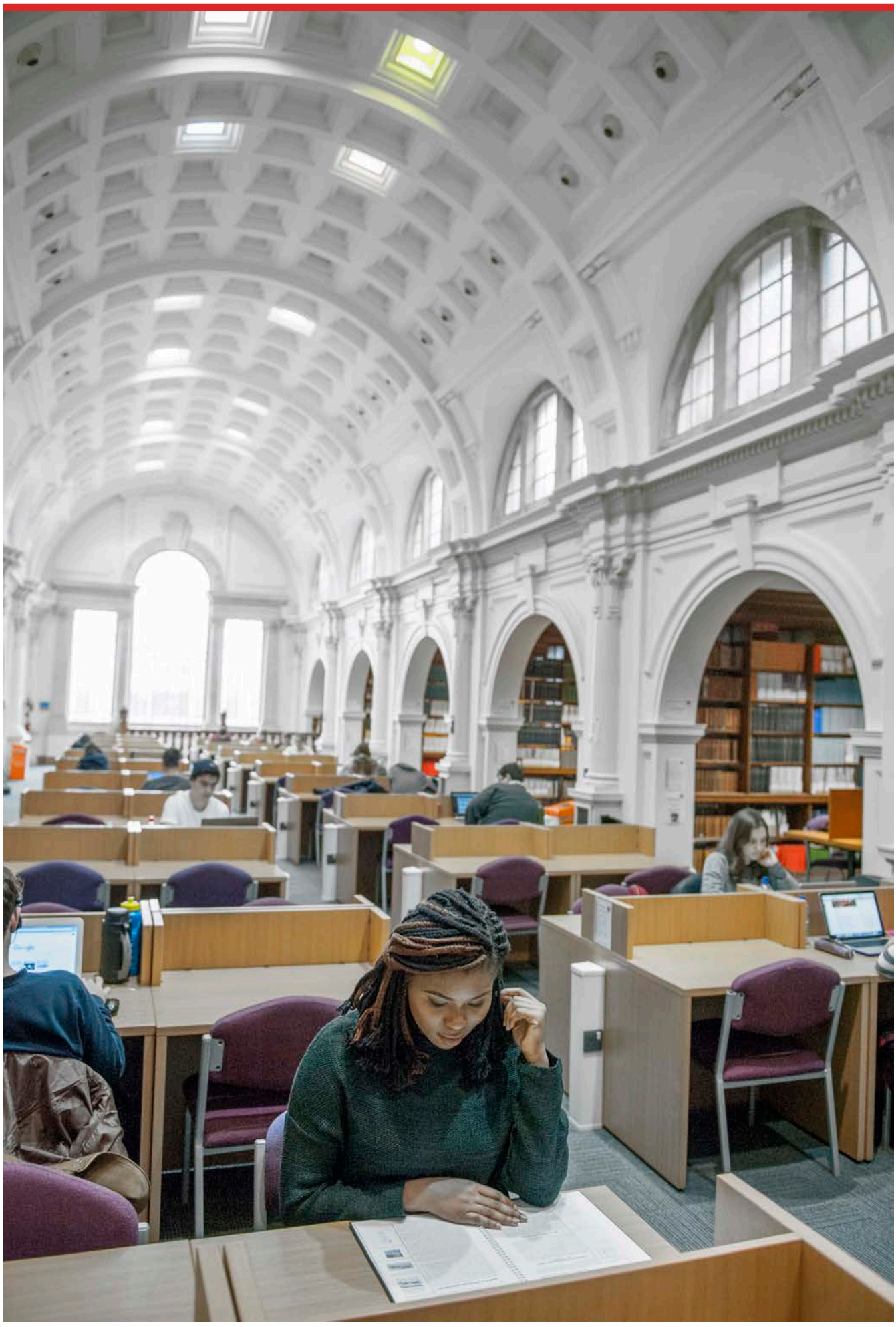
178,000 active and sustainable journeys were recorded on the Changing Steps Cardiff app between 26 September 2022 and 16 June 2023, with an average of 163 activities per participant. This is an increase from 99,428 reported in the previous 12-month period (27 September 2021 – June 2022). Users of the programme are equally split between staff and students.

Walking was the most popular activity, accounting for 75% of total active and sustainable journeys, followed by cycling (12%) and bus travel (7%). The total share of journeys for all active modes (walk, run, cycle, e-bike) was 89%, with public transport (bus and train) at 11%.

Approximately 101,800 active and sustainable journeys have directly replaced single occupancy car trips equating to 48,200kg of CO2 avoided.

Sustainable Catering

Our catering team have re-registered as a Fairtrade University and are soon to be assessed for accreditation. This year we are undertaking a project which considers the procurement of our food and looking to partner with an organisation who will highlight the carbon emissions of menu choices to help increase awareness of the impact of food. We are undertaking engagement with our hospitality customers to help increase food waste recycling. We are also electrifying our kitchens by removing the gas appliances and updating existing equipment to be more energy efficient. We now have a mobile food truck which is aiming to source as much local Welsh produce and Fairtrade items as possible.



Estates Report

The University has produced a Transitional Estates Strategy 2023–25 at a moment when the institution is turning to the curation of its legacy estate following the successful completion of major capital projects that mark the largest campus upgrade in a generation.

The transitional strategy sets out the key objectives for the estate as follows:

Strategic: Our estate will support our strategic University goals in terms of size and shape, the student experience, and our research focus; -

- Sustainable: All projects will contribute to our Net Zero targets;
- Efficient: Space will be appropriately maintained, total space will be reduced, and utilisation will be increased; and
- Equitable: Our estate will be accessible, and allocation of space will be fair and transparent with reference to recognised space norms.

Underpinned by a space management policy and by the institution's Strategic Equality Plan, the estate will be proactively curated and managed not as a passive resource but as an active agent of the University's strategy, including net zero.

Since 2020/21 the estate has grown by 57,000m2 with the addition of new buildings and the acquisition of the Heath Park West site.

To balance this increase, with the imperatives of student and staff satisfaction, backlog maintenance, and our net zero commitments in mind, the University has already divested from leased and freehold properties; this will continue as the opportunity arises and where appropriate. Two examples of this are the remodelling of space in Julian Hodge Building to accommodate the National Software Academy's relocation from Newport and the refurbishment of two buildings at Heath Park West to enable the School of Healthcare's move from Eastgate House to Heath Park West.

In 2022 we identified that we face a maintenance backlog figure of £128m. To better understand this, a new campus-wide condition survey that includes the residential estate has been commissioned. The new condition survey will enable a fully costed comprehensive programme of maintenance (including the residential estate) to be established and delivered. The condition survey will complete in March 2024, but critical maintenance work is already underway on areas of recognised risk.

There are also a number of refurbishment projects taking place and planned for 2023/24 completion which contribute to the upgrade of our existing estate. The refurbishment of 50/51 Park Place for Continuing Professional Education and English Language Programme has been designed with carbon net zero technology. The Aberconway building, part of our Business School, will provide a student hub for the school and give space for continued expansion.

In 2023 we began work with a consultant on our Residential Estate Strategy in order to carry out a comprehensive analysis of supply (the whole of the PBSA Cardiff market) and demand (student growth) to understand our future needs, undertake benchmarking against competitor institutions, and provide insight into student preferences on (for example) room type, social space and kitchen requirements. This will identify our strategic and delivery options, whether they be disposals, nomination agreements, refurbishments or new builds.

A Sports Strategy is also in development, and the institution is working in conjunction with the Cardiff and Vale Health Board on the development of plans for a new University Hospital and associated teaching and research space.

Public Benefit Statement

Cardiff University is a registered charity (no. 1136855). It exists to create and share knowledge and to educate for the benefit of all. Its Royal Charter, first granted in 1884, sets out its constitutional arrangements and objects.

Embodied within the objects is the fundamental principle of the advancement of education, empowering the University to research, teach, examine, and award degrees. The objects also contain obligations to develop the character of students, promote health and welfare—especially in Wales— and contribute to social, cultural, and economic development.

A member of the Russell Group of research-intensive universities, Cardiff University sees fundamental research as essential to human aspiration and critical to the development of cultural artefacts, technologies and services that improve the quality of life for all. In setting and reviewing the University's objectives and activities, the University's Council has had due regard to the Charity Commission's guidance on the reporting of public benefit, particularly its supplementary guidance on the advancement of education. The Way Forward 2018-2023: Recast Covid-19, which guided the University to the end of 2023, sets out the University's strategic themes, which are summarised below.

Education and Students

The University provides an educationally outstanding and consistently high-quality student experience, driven by creativity and curiosity, which seeks to enhance learning and support student life. Our priorities are to provide a high quality student experience, maintain the academic standards of our degrees, and ensure the safety and wellbeing of our staff and students. Building on our strong track record in widening participation, we continue to prioritise ensuring that students from a variety of backgrounds have access to the benefits of higher education, and this is also coupled with work on retention and student success.

Research and Innovation

Through its research, the University has been fast acting in its response and continues to actively contribute to Covid-19 recovery efforts both in relation to tackling the disease and combatting the wider societal challenges post-Covid-19. Our research allows us to contribute to tackling critical global issues that require cross disciplinary co-operation. For example, our researchers are addressing major challenges facing society, the economy, and the environment in Wales, in the UK and globally, delivering breakthroughs in areas such as mental health, compound semiconductors, astronomy, climate change and creative industries. The University has also established itself as the Home of Innovation with the implementation of a new innovation strategy ensuring that the impacts from its research make a difference, often working in partnership with business, public and third sector organisations. We have invested in bespoke facilities for innovative collaborations with industry, government, and wider society, and enhancing support for students to engage in innovation and entrepreneurial training. This ensures all members of Cardiff University can contribute to the growth of the knowledge economy. Aligned to our Civic Mission activities, our researchers also work with local communities, supporting new forms of education and socio-economic change in our region.

Public Benefit Statement

International

The University is a global institution with over 9,500 (more than 25% of the total student body) international students (EU included) from more than 130 countries and formal links with more than 300 institutions worldwide. We collaborate with business and education partners all over the world, including formal strategic partnerships with Xiamen University and Beijing Normal University in China, University of Campinas in Brazil, University of Bremen in Germany, University of Waikato in New Zealand and the Universities of Wyoming and Illinois System in America. The University's strong links with institutions worldwide mean that many of its students have the opportunity to study, work, or volunteer abroad. We attract the highest calibre of academics and researchers from around the world. International staff make up more than 30% of the academic body, enhancing the learning experience for students and bringing a global perspective to its research. Our researchers collaborate with partners worldwide to tackle global issues such as climate change adaptation for improved food and water security, mitigation of CO2 emissions through storage in coal deposits, and the genetic architecture of mental disorders.

Civic Mission

In response to the social and health crisis caused by Covid-19, the University reshaped its civic mission. It is committed to using its research strengths, expertise, and knowledge to help government, health services and wider society to revive and renew the Welsh economic, social, and cultural landscape in response to the lasting impact of the pandemic. The University's research strengths will be utilised to make greater civic mission contributions to new societal challenges faced by Wales, aligned to successful revival and renewal. Supporting job creation is of paramount importance given the continued economic impact of the virus. Now more than ever, the University will continue to contribute to innovation in education with primary and secondary schools and further education colleges. Our partnership with the NHS will achieve much greater salience. The University has a strong sense of place in the Cardiff and south Wales region and will continue to enhance and celebrate our Welsh identity and the Welsh language culture of our campus in line with our Welsh-Language Strategy.



Statement of Corporate Governance

The University's legal status derives from a Royal Charter first granted by Queen Victoria in 1884 to found the University College of South Wales and Monmouthshire. The University's objects, powers and framework of governance are set out in its Charter and its supporting Statutes, the latest amendments to which were approved by the Privy Council in 2022.

Embodied within the Charter are fundamental principles such as the University's power to teach, examine, carry out research and award degrees. The Charter also gives Council its 'supreme authority', establishes Senate for 'ordering of the academic affairs', and establishes the President and Vice-Chancellor as 'the chief academic and executive officer' and Chair of Senate.

The University was registered as a charity in 2010 (1136855).

Council

The Council is the governing body and thus the supreme authority of the University, which means that it is ultimately accountable for the conduct and activity of the University and its representatives. The Council is responsible for the administration and management of the affairs of the University and for agreeing the general strategic direction of the institution.

The Council is committed to conducting its business in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). The Council complies with the Committee of University Chairs (CUC) Higher Education Code of Governance published in September 2020 and the CUC Audit Committee Code of Practice (May 2020). The University has continued to work on areas identified for enhancement via a number of reviews, including documenting and approving the University Scheme of Delegation. The University has also adopted the Universities in Wales Governance Charter.

In the preparation of this statement the Council of the University has had regard for the guidance issued by the Charity Commission:

(i) that there was no element of the CUC HE Code of Governance with which the University's practice was not consistent; and

(ii) that the University's fundraising policies and practices are fully aligned with the Fundraising Regulator's requirements set out in the University's Code of Fundraising Practice. No fundraising complaints were received during the reporting period.

The University's commitment to all funders of the University, and additional commitments to philanthropic donors to the University is available on the University's website:

https://www.cardiff.ac.uk/donate/other-ways-to-give/funders-rights

The University undertakes regular Council effectiveness reviews with the last external review undertaken in 2021. The Report concluded that the University's overall governance effectiveness is satisfactory, with no material weaknesses. An action plan to support the implementation of the recommendations was approved by Council in July 2021 and progress to complete the actions has continued to be monitored by the Governance Committee. The majority of high-priority actions have now been completed and it is intended to complete remaining actions in 2023-24. The next external effectiveness review will take place during 2023-24.

The Governance Committee also receives regular progress reports against outstanding recommendations from earlier reviews of governance, including the Universities in Wales Governance Charter (Camm Report) Commitment to Action.

Statement of Corporate Governance

Council has continued to reflect on both its culture as a governing body and that of the University more broadly and is working to define a statement about the culture of the University, and to integrate culture within its mechanisms for decision making and reporting.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner and has in place a Whistleblowing (Public Interest Disclosure) Policy to enable staff, students and other members of the University to raise concerns which are in the public interest.

Over the year, we have utilised the positive benefits of hybrid (virtual and face to face) working to communicate with key stakeholders on a variety of activities. Council Development sessions have involved the Students' Union, University Executive members, and Directors of Professional Services, to discuss developments such as culture, student recruitment and the University's financial budgeting and planning. Stakeholder engagement will be a key focus of the conversations around the development of the next University Strategy, and it is intended that an action plan will be put in place by May 2024 to be overseen by the Council.

The Council has a majority of members from outside the University (described as lay members). Council membership also includes staff and students. Council lay members are recruited in an open, fair and transparent manner and due regard is given to equality and diversity, the need to balance skills and expertise as well as geographical location.

With respect to boardroom diversity, we continue to build on our Strategic Equality Plan actions to promote and develop an inclusive (internal) culture and governance by addressing diversity of decision-making committees. We continue to use and review equality data to inform processes for lay member recruitment and induction. Our most recent review identified achieving greater diversity in relation to age and ethnicity as priority areas for lay member recruitment during 2023-24 as part of the Council's commitment to equality, diversity and inclusion. We continue to be a launch partner for Perrett Laver's Governor Apprenticeship Scheme, recently appointing our third governor apprentice. The scheme supports boardroom diversity by enabling a diverse and talented pool of candidates otherwise lacking in board room experience, to gain that experience.

The Nominations Sub-Committee (a sub-committee of the Governance Committee) is responsible for overseeing the recruitment process and recommending new lay members to Council for approval. Each year the Committee reviews a schedule of lay membership to consider term end dates and succession planning. All vacancies for Independent Lay Members of Council are advertised externally, as well as being communicated to staff, students and current members of Council, with expressions of interest particularly welcome from under-represented groups.

Lay members do not receive any payment, apart from the reimbursement of expenses, for the work they do for the University. On appointment, Council members are required to complete a Register of Interests entry. The current Register of Interests is publicly available on our website:

https://www.cardiff.ac.uk/about/organisation/governance/council

Throughout the 2022/23 academic year, the Council met five times and approved a number of business cases, reviewed strategic direction and monitored decision making across a number of University activities, including cyber security, student experience and innovation within the three Colleges, and the Estates Strategy. Council held an extraordinary meeting to consider the recommendation from the Joint Committee of Council and Senate for a successor to the Vice-Chancellor.

All new members of Council receive an induction to the University and their responsibilities as a member of the governing body. There is an annual development programme which focuses on key strategic development areas, information sharing and creates opportunities for discussion between Council members and the University's Executive Team. Feedback is collated from all members of Council to inform the annual development schedule and the induction pack is reviewed to ensure the currency of the information provided to new members.

The Chair of Council holds an annual meeting with individual members of Council and this feedback is used to inform and improve the effectiveness of the governing body. The Chair of Council held appraisals during Spring/Summer 2023. The Audit and Risk Committee also conducts an annual review of their effectiveness, which in 2022/23 was via a self-evaluation survey.

Accountable Officer

The chief executive and principal academic and administrative officer of the University is the Vice-Chancellor, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.

Under the Terms and Conditions of Funding between the University and the Higher Education Funding Council for Wales, the Vice-Chancellor is the Accountable Officer of the University and in that capacity can be summoned to appear before the Audit Committee of the Welsh Government.

Management

As chief executive of the University, the Vice-Chancellor has responsibility for the development of institutional strategy, the identification and planning of new developments, and the shaping of the institutional ethos. The Deputy Vice-Chancellor, Pro Vice-Chancellors, University Deans and the senior professional officers all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council.

Council Membership

All of those persons listed served as Charity Trustees throughout the year covered by this Report. Unless otherwise indicated they also occupied these positions on the date on which the Report was approved.

Trustees appointed after 1 August 2023 and up to the signing of the annual report are included for information with no attendance reported for the 2022/23 academic year. Member attendance is reviewed with the Chair of Council as part of the annual member appraisal process, unless already discussed during the year.

Name	Category	Attendance at Council
1. **Professor Rudolf Allemann** (term ended 31 Jul 23)	Employee	5/5
2. **Professor Rachel Ashworth** (term ended 31 Jul 23)	Employee	3/5
3. **Paul Baston** (term ended 31 Jul 23)	Employee	5/5
4. **Professor Marc Buehner** (term ended 31 Jul 23)	Employee	1/5
5. **Gina Dunn**, Students' Union (term ended 30 Jun 23)	Student	2/4
6. **Judith Fabian**	Lay	4/5
7. **Professor Dame Janet Finch**	Lay	4/5
8. **Angie Flores Acuña**	Student	5/5
9. **Michael Hampson** (resigned 04 Jul 23)	Lay	4/4
10. **Chris Jones**	Lay	4/5
11. **Jan Juillerat**, Vice Chair of Council	Lay	5/5
12. **Professor Urfan Khaliq** (appointed from 01 Aug 23)	Employee	-
13. **Professor Wendy Larner**, Vice-Chancellor (from 01 Sep 23)	Employee	-
14. **Jeremy Lewis**	Lay	5/5
15. **Deio Owen** (appointed from 01 July 23)	Student	1/1
16. **Dr Joanna Newman** (term ended 31 Jul 23)	Lay	3/5
17. **Dr Juan Pereiro Viterbo** (appointed from 01 Aug 23)	Employee	-
18. **Suzanne Rankin**	Lay	3/5
19. **Professor Stephen Riley**	Employee	-
20. **Professor Colin Riordan**, Vice-Chancellor (until 31 Aug 23)	Employee	5/5
21. **Dr Pretty Sagoo**	Lay	4/5
22. **David Selway**	Lay	4/5
23. **John Shakeshaft**	Lay	4/5
24. **Professor Damian Walford Davies**	Employee	5/5
25. **Dr Robert Weaver** (appointed from 24 Jul 23)	Lay	-
26. **Dr Catrin Wood** (appointed from 01 Aug 23)	Employee	-
27. **Jennifer Wood**	Lay	5/5
28. **Agnes Xavier-Phillips**	Lay	4/5
29. **Patrick Younge**, Chair of Council	Lay	5/5

Council Membership



Front row (L to R): Professor Dame Janet Finch, Angie Flores Acuña, Jan Juillerat, Professor Wendy Larner, Patrick Younge, Julie-Anne Johnston, Millicent Ele

Second row (L to R): Professor Stephen Riley, Judith Fabian, Agnes Xavier-Phillips, Jennifer Wood, David Selway, Dr Juan Pereiro Viterbo, Jeremy Lewis

Third row (L to R): Chris Jones, Claire Morgan, Dr Catrin Wood, Suzanne Rankin, Professor Damian Walford Davies, Deio Owen, Professor Urfan Khaliq, Darren Xiberras

The University must adopt a definition of independence for lay membership of governing bodies to provide a robust approach to identifying and managing conflicts of interest.[1]

How is independence defined and tested?

There are several circumstances which may prevent a person being appointed as an independent member of the governing body. The Governing Body's Nominations Sub-Committee has oversight of the appointment process and responsibility for considering these factors.

In response to the Universities in Wales Charter Commitment to Action, the University has adopted a Statement of Independence based on the Welsh Secretaries and Clerks Group guidance, including a Definition of Independence and Principles of Independence for lay membership. The University defines 'senior employees' as University Executive Board members in this context.

The robust process for ensuring independence through the recruitment and training of members is also set out in the Statement of Independence. When considering applications and interviewing prospective new governors, recruitment panels shall establish whether the individual has any relationships or statuses that might give rise to a conflict of interest or loyalty, as defined in the Principles of Independence and including being related to any senior employee of an organisation gaining a pecuniary advantage from the University.

The University's Statement of Independence is available on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

How does the governing body manage conflicts of interests?

A Register of Interests of all Council and Audit and Risk Committee members is maintained by the Secretary to Council and is available publicly on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

If any member of a Committee has any pecuniary or other interest, direct or indirect, in any Contract or proposed Contract or other matter involving financial transaction, that interest shall be disclosed to the Committee as soon as practicable. All Committees request that Members and Officers disclose any interests at the start of each Committee meeting, and the Member shall take no further part in the consideration or discussion of, or vote on, any position with respect thereto. A member of any Committee is not considered to have a pecuniary or personal interest in matters under discussion merely because he/she is a member of staff or student at the University.

As set out in the Statement of Independence section 4, the University Secretary (as Clerk to the governing body) is accountable for highlighting issues of independence or conflict to the Chair.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner. The Whistleblowing (Public Interest Disclosure) Policy enables staff, students and other members of the University to raise conflict of interest concerns which they feel have not been addressed through existing procedures.

1. Source: The Governance Charter for Universities in Wales – Commitment to Action is available at https://uniswales.ac.uk/unions-universities-and-regulator-endorse-new-approach-governance-wales

Statement of Internal Controls and Principal Risks

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

Principal Risks and System of Internal Control

The system of internal control is designed to manage rather than eliminate the risk of non-achievement of policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the University's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them effectively.

Council confirms that this process has been in place and operating effectively for the year ended 31 July 2023 and up to the date of approval of the financial statements and accords with HEFCW guidance.

As the governing body, Council has responsibility for ensuring that a sound system of control is maintained and reviewing the effectiveness of the arrangements. It meets at regular intervals to consider the plans and strategic direction of the institution and receives assurance reports from the Chair of the Audit and Risk Committee concerning internal control. During 2022/23, the Audit and Risk Committee has monitored progress in addressing a number of high-priority recommendations made by the University's External Auditor as part of the 2022 ISA260 report to strengthen the system of internal control.

The Audit and Risk Committee receives regular reports from the Internal Audit service. Council confirms that the Head of Internal Audit is unequivocally free to act in an independent manner in pursuit of their professional business and is not fettered in their scope or reporting. An independent opinion is provided on each report relating to the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. A summary of the work undertaken by the Internal Audit service is provided in an Annual Report. This provides an independent opinion on the adequacy and effectiveness of the University's arrangements for the provision of risk management, internal control, governance and value for money and data quality. For 2022/23 the report concluded that the University's arrangements for risk management, control and governance require improvement.

The level of assurance provided by the 2022-23 internal audit plan and supporting information indicates that some improvements are required to enhance the adequacy and effectiveness of the University's arrangements for risk management, control and governance. The Audit and Risk Committee and Council have received assurance regarding the robustness of plans in place to ensure improvements are made at pace. The Audit and Risk Committee commissioned and has overseen a project to map the internal control framework to identify areas requiring improvement or enhancement. The work undertaken to date indicates that that the system of internal control is robust with opportunities for strengthening of control operations or implementation and an action plan is to be developed to address these during 2023-24.

In relation to governance, management responses to the recommendations raised in the

internal audits of key aspects of regulatory risk and conflicts of interest have been provided and clear timescales are in place to ensure their completion. The recommendations are also to be considered as part of a previously established review of the assurance mechanisms in place across the governance structure in relation to regulatory compliance, which will be completed during 2023-24. Further detail on the enhancements to risk management arrangements are detailed below.

The Vice-Chancellor is the University's Accountable Officer, responsible for providing HEFCW with clear assurances that the institution has an effective policy of risk management. The University Secretary is the Chief Risk Officer, responsible for promoting effective risk management across the University.

The University Executive Board has responsibility for the management of risk across the University, assessing the University's risk appetite, updating the University's strategic risk register and reporting on risk to the Finance and Resources Committee, Audit and Risk Committee, and Council throughout the year. The risk management policy and guidance has been reviewed and updated during 2022-23. The enhancement of risk maturity and strengthening of risk culture during 2023-24 will be achieved via the implementation of risk management software and the completion of a Risk Maturity Assessment and associated development of a Risk Management Improvement Plan. This work will also support the development of the University's assurance mapping approach.

The University operates a hierarchical system for risk management. Risks within individual teams and projects are reported to the relevant school or department on a quarterly basis. The schools and departments then escalate any key risks to the Colleges and Professional Services Board for consideration and inclusion in their risk registers. Colleges and Professional Services Board then report their risk registers to the University Executive Board on a quarterly basis. This ensures that governance, management, reputational, quality and financial risks from across the University are considered for incorporation into the University's strategic risk register.

The University produces a merged risk reporting structure which combines teaching and assessment, student life, research and operations with school/departmental/operational group systems, the focus of risk reporting being on the former. Risks identified in the strategic register are also cascaded down the hierarchy to ensure that any mitigating actions required are put in place.

All staff have a part to play in protecting the University from undue exposure to risk, whether reputational, financial, legal or in terms of its core activities of teaching and research, and are encouraged to be aware of the implications and potential consequences of their actions for the University.

Principal Risks

Risk area	Risk description	Risk management
Regulatory Compliance	The University is in breach of regulations	A detailed Regulatory Compliance Risk Assurance Map has been developed and a follow-up review undertaken to outline the areas where additional measures would have the greatest impact on reducing the risk for the highest areas of risk. In addition, the Assurance and Risk Group has overseen the creation of a risk assurance heatmap. This allows the University to readily identify the higher risk areas using measures such as the internal audit findings as to the level of assurance in place and the impact on the University should that risk crystallise.
Net Zero	The University does not achieve its commitment to achieve reductions in its emissions to net zero by 2030 (scopes 1 & 2).	The Strategic Environmental Sustainability Sub-Committee has identified the staffing required to enable a step-change. Recruitment is currently underway for professional staff in this area. Analysis of our biggest carbon emitting buildings was completed in summer 2022; we are now developing projects to maximise impact of short-term initiatives. We are exploring Welsh Government backed loan schemes to enable investment into short- and medium-term carbon reduction plans. June 2023, we confirmed the University carbon emissions baselines which are aligned to Welsh Government reporting requirements. A tree-planting programme in partnership with Coed Caerdydd is in train. We are finalising our carbon offset policy now and will draft our roadmap to Net Zero (scopes 1 & 2) by 2030. The University is a member of Cardiff City Council One Planet Strategy Group and UUK groups relating to environmental sustainability.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Risk area	Risk description	Risk management
Cyber Security	The University fails to prevent a cyber security incident	Cardiff University has a multi-layered approach to Cyber Security. We are prepared for cyber-attacks through scenario planning and testing the effectiveness of both business continuity and disaster recovery contingency plans. The University is regularly audited by cyber experts and is currently accredited for both Cyber Essentials (this is cyber assurance provided by the National Cyber Security Centre) and PCI DSS compliance. The University has a compulsory all staff information security training module. We have protected the University through the use of best-in-class cyber security tools. We detect threats using the latest national and international threat intelligence data combined with a full suite of monitoring tools.
Financial Sustainability	The University's operational costs, including the costs of repairing and maintaining the estate, and capital plans outweigh the income the University can generate or receives in grants, making it financially unsustainable	The University deploys detailed budget control and monitoring. Clear financial targets were set with Colleges and departments at the start of this year's budgeting process to ensure that the outputs from the budgeting process were more closely aligned with the long term goal of financial sustainability. Student recruitment targets were also set with this goal in mind. There are regular discussions between Recruitment and Admissions and Finance to model fee income. Research and Change projects are assessed for return on investment to ensure delivery on expected benefits. Integrated planning process has been launched to ensure delivery of robust academic and financial plans. The change in the external financial environment, particularly with regards to inflation has resulted in significant realised cost pressures as well as industrial unrest given inability of pay to keep pace with the cost of living. We continue to strive for additional income growth particularly in relation to overseas tuition fee income and manage our cost base carefully. All mitigating actions have resulted in a continued robust financial position.
Industrial Action	If there is a disruption to University services as a result of Industrial Action	October 2022 the University received notification of UCU's mandate and intention for strike action and action short of a strike (ASOS). In response to this and in line with previous UCU industrial action, a University Contingency Planning Group was formed to plan and mitigate, wherever possible, the impact of strike action and ASOS. April 2023 the University received notification of a successfully renewed UCU mandate for strike action and ASOS, which included a marking and assessment boycott (MAB), which commenced from 20th April. May 2023 the University's PVC for Education and Student Experience formed a sub-group [MAB Situation Reporting Group 'MAB SitRep'] to understand and manage the operational aspects relating to the marking and assessment boycott, which reported to the University Contingency Planning Group. In June 2023 the Chief Operating Officer recommended the forming of a Gold (strategic) major incident team to support the University's management of the marking and assessment boycott. September 2023 both the MAB SitRep and Gold Major Incident Team continue to meet to review the current position and manage those impacted by the industrial action.

Statement of Internal Controls and Principal Risks

Principal Risks continued

Risk area	Risk description	Risk management
Quality of Education	If the standard and quality of education does not meet stakeholder needs or expectations	An Education & Student Experience Committee (ESEC) oversees quality enhancement activity for the University, reporting to Council. On behalf of ESEC, an Education Performance Oversight Group plans and monitors enhancements to the student experience. Student Experience and Enhancement Plans are submitted at subject level (where appropriate), school, college and institutional level. The Awards and Progress Committee considers the profile of degree outcomes for undergraduate degrees to identify whether there are concerns regarding grade inflation. Academic & Standards Quality Committee keeps under review the academic quality system, receives an overview of external examiner reports, considers thematic issues from the annual review and enhancement process and considers opportunities to enhance and strengthen the oversight and support for the effective institutional management of academic partnerships. An Annual Enhancement Report was introduced in 2022/23 to review and evaluate enhancements to the student experience. Schools are considering options to manage additional student numbers to maintain quality of education, with support from Learning & Teaching Academy, Timetabling and other professional services teams. A significant piece of work to be undertaken is the development of a consistent and controlled approach that is to be adopted across all schools which will require change in the use of systems, processes, and culture.
Dental School	If the School of Dentistry fails to provide its core activities or facilities	If the School of Dentistry fails to provide necessary clinical opportunities and time to observe, learn, practice and develop competencies. Maintenance plan for electrical and plumbing works are in place with University Health Board Estates and BLS College/School of Dentistry to deliver prioritized work within the Dental Hospital. Clinical supervision policies are in place and additional casual staff employed. School staff are exploring alternative options/locations for students to practice clinical competencies and the School is working with HEIW placement lead to help identify locations for provision. The School has an Outreach Group to develop this using new initiatives, resolving issues and building robust placement governance. The School and College are prioritising the recruitment of key roles, reviewing their portfolio to build sustainable teaching and reviewing and building succession plans, including supporting staff development to grow existing talent. The School and College monitor the Patient Timetable reporting tool to measure number of hours lost and data from the National Student Survey to assess student feedback on key areas.

Responsibilities of the Council of Cardiff University

In accordance with the University's Charter, the Council is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control.

The Council is responsible for ensuring the University and Group Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the University's Charter, the Accounts Direction and Terms and Conditions of Funding issued by HEFCW, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions 2019, the Charities Act 2011 and other relevant accounting standards.

The Council, through its Accountable Officer, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and its subsidiaries and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year. The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the University's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the University and Group and to enable it to ensure that the Financial Statements comply with applicable law and regulations.

The Council is also responsible for safeguarding the assets of the University and Group and for taking reasonable steps for the preventions and detection of fraud and other irregularities.

In preparing these Financial Statements, the Council is required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.

The Council has taken reasonable steps to:

- ensure that funds from HEFCW, Welsh Government and other Funding Bodies are used only for the purposes for which they have been given and in accordance with the HEFCW Terms and Conditions of Funding and Financial Management Code; and any other conditions which HEFCW or any other Funding Body may from time to time prescribe;
- ensure that income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code (FMC);
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and its subsidiaries and prevent and detect fraud; and
- secure the economical, efficient and effective management of the resources and expenditure of the University and its subsidiaries.

Any system of internal financial control can, however, provide reasonable, but not absolute, assurance against material misstatement or loss.

On behalf of the Council
Professor Wendy Larner
Accountable Officer
22 November 2023

Independent Auditor's Report to the Council of Cardiff University

Report on the audit of the financial statements

1. Our opinion is unmodified

We have audited the financial statements of Cardiff University ("the University") for the year ended 31 July 2023 which comprise the Consolidated and University Statements of Comprehensive Income, the Consolidated and Institution Statements of Changes in Reserves, the Consolidated and Institution Statement of Financial Position, and the Consolidated and Institution Statements of Cash-flow and the related notes, including the Statement of Principle Accounting Policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Institution's affairs as at 31 July 2023 and of the Group's and of the Institution's income and expenditure, gains and losses, changes in reserves, and cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under the Charters and Statutes of the University and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit & Risk Committee.

We were first appointed as auditor by the Council on 7 July 2022. The period of total uninterrupted engagement is for the two financial years ended 31 July 2023. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview		
Materiality: group financial statements as a whole	£6.07 million (2022: £6.0 million)	0.95% of Group total income (2022:0.95%)
Coverage	100% of Group total Income (2022: 100%)	
Key audit matters		**Change since 2022**
Recurring risks	Research Grants & Contract Income	Risk Level unchanged
	Valuation of pension liabilities	Risk Level unchanged

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters in arriving at our audit opinion above, (unchanged from 2022), in decreasing order of audit significance, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Group and Institution: Research Grants and Contract Income (£134 million (2022: £125 million))	**2022-23 income** Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk. The University manages a significant number of projects from a range of public and private sources with a variety of contractual requirements in terms of treatment of direct and overhead costs and other evidence/ compliance requirements. Research grants and contracts income are accounted for under the Performance Model. Unless specifically disallowed, in most cases expenditure on the grant purpose is presumed to be the performance condition and therefore income is generally recognised in line with the related expenditure, including apportioned overhead costs. We have identified a significant risk of fraud and error due to: ◗ The risk of inappropriate apportionment of overhead costs resulting in inappropriate recognition of research revenue; ◗ The risk that income may be inappropriately recognised when grants do not have any performance conditions ◗ The risk of non-compliance with grant terms and conditions resulting in income not being recognised in line with the University's accounting policies or relevant accounting standards. ◗ The risk of non-compliance with grant terms and conditions resulting clawback of funding by research funders.	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: ◗ For a sample of research expenditure recorded in the year, we assessed whether the expenditure incurred was in line with the terms and conditions of the relevant contract; ◗ For a sample of research expenditure recorded in the year, we assessed whether overhead rates applied were appropriate by reference to the terms of the grant agreement; ◗ For a sample of research projects with underlying milestones, we agreed the revenue recognised to invoices raised and cash receipts, and assessed whether the milestone had been met in accordance with the grant agreement. ◗ We inspected the reconciliation of research expenditure to corresponding research income and agreed that income had been accounted for in accordance with the requirements of the relevant accounting standards. ◗ For a sample of research projects with large accrued and deferred income balances at year-end, we reviewed the grant agreements, cash received to date, and the payment profile to assess whether research expenditure and income had been accounted for in the appropriate accounting period. ◗ We inquired with management as whether there were any disputes or significant issues on any projects that could impact on revenue recognition. **Our results** The results of our testing were satisfactory and we considered the amount of research grants and contract income recognised to be acceptable.(2022: Acceptable).

	The risk	Our response
Group and Parent Institution: Valuation of Pension Liabilities **Group and Parent Institution:** Cardiff University Pension Fund: Gross present value of defined benefit liabilities: £216.7 million (2022: £265.7 million) **Group and Parent Institution:** USS : Deficit recovery plan provisions £165 million (2022: £199 million)	**Subjective valuation** The Group is a member of a number of defined benefit schemes, including the Cardiff University Pension Fund (CUPF) and the Universities Superannuation Scheme (USS). **Cardiff University Pension Fund (CUPF)** The valuation of the post retirement benefit obligations involves the selection of appropriate actuarial assumptions, most notably the discount rate applied to the scheme liabilities, inflation rates and mortality rates. The selection of these assumptions is inherently subjective and small changes in the assumptions and estimates used to value the University's pension liability could have a significant effect on the financial position of the University. **Universities Superannuation Scheme (USS)** While this is accounted for as a defined contribution scheme a provision is required to be recognised for the University's obligation to fund deficit payments. This valuation of this provision involves the selection of appropriate assumptions, most notably discount rate and payroll and headcount growth assumptions The selection of these assumptions is inherently subjective and small changes in the assumptions used to value the group's USS pension liability could have a significant effect on the financial position of the University. The USS pension liability at 31 July 2023 was £165 million. This was based on the valuation set out by the USS review panel at the time. **Impact of Estimation Uncertainty** The effect of these matters is that, as part of our risk assessment, we determined that valuation of pensions liabilities has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 25) disclose the sensitivity estimated by the University.	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: ◗ Our actuarial expertise: We used our own actuarial specialists to challenge the key assumptions and estimates used in the calculation of the retirement benefit obligations (and USS provision); and performed a comparison of key assumptions against our own benchmark ranges derived from externally available data and against those used by other universities reporting on the same period. ◗ Assessing external actuaries' credentials: We assessed the competence and independence of all external actuaries engaged by the Group. ◗ Assessed non actuarial assumptions: We reviewed the non-actuarial assumptions used in the USS provision calculation such as payroll and headcount increases to Group forecasts for appropriateness by comparison to long term University Strategy, as well as comparing to other institutions. ◗ Assessing transparency: We considered the adequacy of the Group's disclosure in respect of retirement benefits, in particular the gross defined benefit obligation and USS provision and the sensitivity of the obligation to the assumptions used. **Our results** We found the resulting estimates of the CUPF and USS retirement benefit obligations to be acceptable.

3. Our application of materiality and an overview of the scope of our audit

We have audited the financial statements of Materiality for the Group financial statements as a whole was set at £6.07 million, determined with reference to a benchmark of group total income for 2022/23 of £636 million, of which it represents 0.95%.

Materiality for the University financial statements was set at £6.0 million, determined with reference to a benchmark of University total income for 2022/23 of £627 million, of which it represents 0.96%.

We consider total income, rather than a surplus-related benchmark, to be the appropriate benchmark as the University is a not-for-profit organisation.

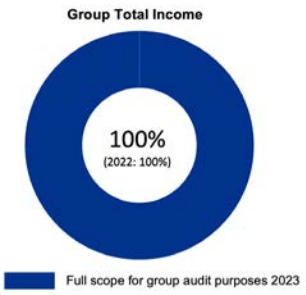
In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

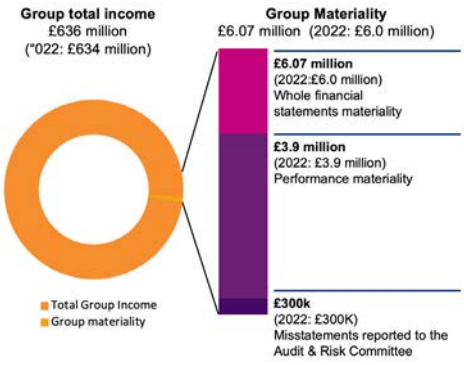
Performance materiality was set at 65% of materiality for the financial statements as a whole, which equates to £3.9 million for the group and £3.9 million for the University. We applied this percentage in our determination of performance materiality based on the level of identified control deficiencies and the number of identified misstatements during our prior year audit.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £300k, in addition to other identified misstatements that warranted reporting on qualitative grounds.

The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

The Group team performed the audit of the Group as if it was a single aggregated set of financial information. The audit was performed using the materiality and performance materiality level set out above.





4. Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the Institution or to cease their operations, and as it has concluded that the Group's and the Institution's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Institution's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Institution's available financial resources over this period were:

- A reduction in tuition fee income
- Impact of inflation on underlying cost base;

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the Council's sensitivities over the level of available financial resources indicated by the Group's financial forecast taking account of severe, but plausible adverse effects that could arise from these risks individually and collectively.

Our conclusions based on this work:

- We consider that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the Council's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Institution's ability to continue as a going concern for the going concern period; and
- We found the going concern disclosure in note 1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Institution will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Audit and Risk Committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Council and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reading a copy of the Group's risk register.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk that research income is overstated through recording revenues in the wrong period, in particular the risk that management may be in a position to make inappropriate accounting entries.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts and unusual cash and borrowing journals.
- Performing testing as detailed on page46 in relation to the fraud risk that research income is overstated through recording revenues in the wrong period.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Audit and Risk Committee and other management (as required by auditing standards), and discussed with the management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities legislation, higher education related legislation and regulation), taxation legislation, pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: GDPR, Health and Safety legislation, employment and social security legislation and the higher education regulatory requirements of the Higher Education Funding Council for Wales (HEFCW), recognising the regulated nature of the Institution's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the other information in the Annual Report

The Council (the members of which are the Trustees of the University for the purposes of charity law) is responsible for the other information, which comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover

the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if, based solely on that work:

- we have identified material misstatements in the other information; or
- in our opinion the information given in the Vice Chancellor's Review, Financial Review, Statement of Corporate Governance, and Statement of Internal Control (which together constitutes the Trustees' Annual Report for the financial year) is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the University has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.
- We have nothing to report in these respects.

8. Respective responsibilities

Council's responsibilities

As explained more fully in its statement set out on page 44, Council is responsible for: the preparation of financial statements that which a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the Institution or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at **www.frc.org.uk/auditorsresponsibilities**

Report of other legal and regulatory requirements

9. Reporting on other legal and regulatory requirements

We are required to report on the following matters prescribed in the Higher Education Funding Council for Wales ("HEFCW") Audit Code of Practice (effective 1 August 2017) issued under the Further and Higher Education Act 1992 and in the Financial Management Code issued under the Higher Education (Wales) Act 2015 and the Accounts Direction to Higher Education Institutions for 2022/23 issued by the HEFCW ("the Accounts Direction").

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the Institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code ("FMC");
- Funding Council grants have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding 2022/23; and
- the requirements of HEFCW's Accounts Direction have been met.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council in accordance with Section 4 of the Charters and Statutes of the University and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act.

Our audit work has been undertaken so that we might state to Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.



Jonathan Brown

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants.

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

3 Assembly Square
Britannia Quay
Cardiff CF10 4AX

30 November 2023

Consolidated and Institution Statements of Comprehensive Income and Expenditure

Year ended 31 July 2023

	Note	Consolidated 2023 £'000	Consolidated 2022 £'000	Institution 2023 £'000	Institution 2022 £'000
Income					
Tuition fees and education contracts	2	310,617	323,510	310,617	323,510
Funding body grants	3	90,199	98,893	90,199	98,893
Research grants and contracts	4	133,624	125,427	133,629	125,427
Other income	5	90,874	79,369	81,730	76,833
Investment income	6	9,670	5,729	9,622	5,725
Donations and endowments	7	1,397	1,239	1,397	1,239
Total Income		636,381	634,167	627,194	631,627
Expenditure					
Staff costs	8	346,090	339,213	346,090	338,760
Staff costs – Voluntary Severance Scheme	8	-	9	-	9
Staff costs – (decrease)/ increase in USS pension scheme provision	10	(27,447)	118,781	(27,447)	118,781
Other operating expenses	10	226,288	212,897	217,833	211,012
Depreciation	11	47,291	40,041	47,291	40,041
Interest and other finance costs	9	19,247	14,372	19,247	14,372
Total Expenditure	10	611,469	725,313	603,014	722,975
Operating surplus/ (deficit) before other gains and losses		**24,912**	**(91,146)**	**24,180**	**(91,348)**
Loss on disposal of fixed assets		(2,333)	-	(2,333)	-
Impairment of tangible fixed assets	11	(458)	-	(458)	-
Impairment of non-current assets	12,14	-	(6)		-
Gain on sale of non-current investments		675	2,181	675	2,181
Loss on valuation of investments	12,16	(5,624)	(11,574)	(5,624)	(11,574)
Share of surplus/ (deficit) in joint venture	12,23	(813)	641	-	-
(Deficit)/Surplus for the year		**16,359**	**(99,904)**	**16,440**	**(100,741)**
Other Comprehensive Income					
Impairment on the revaluation of assets		(3,043)	-	(3,043)	-
Actuarial gain in respect of pension schemes	21	15,541	72,095	15,541	72,095
Total comprehensive surplus/ (deficit) for the year		**28,857**	**(27,809)**	**28,938**	**(28,646)**
Represented by:					
Endowment comprehensive income for the year		677	88	677	88
Restricted comprehensive expenditure for the year		-	-	-	-
Unrestricted comprehensive income/ (expenditure) for the year		28,180	(27,897)	28,261	(28,734)
		28,857	**(27,809)**	**28,938**	**(28,646)**

All items of income and expenditure relate to continuing activities.

The Notes on page 55 to 91 form part of these financial statements.

Consolidated and Institution Statements of Changes in Reserves

Year ended 31 July 2023

Consolidated	Income and expenditure account			Revaluation reserve	Total
	Endowment	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2021	45,482	160	314,097	316,729	676,468
Surplus / (deficit) from the income and expenditure statement	88	-	(99,992)	-	(99,904)
Other comprehensive income	-	-	72,095	-	72,095
Total comprehensive surplus/(deficit)for the year	88	-	(27,897)	-	(27,809)
Transfers between revaluation and income and expenditure reserve	-	-	6,118	(6,118)	-
Balance at 31 July 2022	45,570	160	292,318	310,611	648,659
Surplus from the income and expenditure statement	677	-	15,682	-	16,359
Other comprehensive income	-	-	12,498	-	12,498
Total comprehensive surplus for the year	**677**	**-**	**28,180**	**-**	**28,857**
Transfers between reserves	-	-	8,672	(8,672)	-
Balance at 31 July 2023	**46,247**	**160**	**329,170**	**301,939**	**677,516**

Institution	Income and expenditure account			Revaluation Reserve	Total
	Endowment	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2021	45,482	160	316,364	316,729	678,735
Surplus / (deficit) from the income and expenditure statement	88	-	(100,829)	-	(100,741)
Other comprehensive income	-	-	72,095	-	72,095
Total comprehensive surplus/ (deficit) for the year	88	-	(28,734)	-	(28,646)
Transfers between revaluation and income and expenditure reserve	-	-	6,118	(6,118)	-
Balance at 31 July 2022	45,570	160	293,748	310,611	650,089
Surplus from the income and expenditure statement	677	-	15,763	-	16,440
Other comprehensive income	-	-	12,498	-	12,498
Total comprehensive surplus for the year	**677**	**-**	**28,261**	**-**	**28,938**
Transfers between reserves	-	-	8,672	(8,672)	-
Balance at 31 July 2023	**46,247**	**160**	**330,681**	**301,939**	**679,027**

The Notes on page 55 to 91 form part of these financial statements.

Consolidated and Institution Statements of Financial Position

Year ended 31 July 2023

	Note	Consolidated 2023 £'000	Consolidated 2022 £'000	Institution 2023 £'000	Institution 2022 £'000
Non-current assets					
Tangible fixed assets	11	952,270	949,055	952,270	949,055
Investments	12	15,207	9,249	13,433	7,630
		967,477	958,304	965,703	956,685
Current assets					
Stocks	13	289	296	289	296
Trade and other receivables	14	61,549	60,245	62,783	61,121
Investments	16	390,439	365,051	390,439	365,051
Cash and cash equivalents	15	36,586	96,365	33,135	89,438
		488,863	521,957	486,646	515,906
Creditors: amounts falling due within one year	17	(168,138)	(168,757)	(166,567)	(162,620)
Net current assets		320,725	353,200	320,079	353,286
Total assets less current liabilities		1,288,202	1,311,504	1,285,782	1,309,971
Creditors: amounts falling due after more than one year	18	(422,901)	(424,324)	(422,901)	(424,324)
Pension provisions	21	(180,332)	(233,452)	(180,332)	(233,452)
Other provisions	22	(7,453)	(5,069)	(3,522)	(2,106)
Total net assets		**677,516**	**648,659**	**679,027**	**650,089**
Restricted Reserves					
Income and expenditure - endowment reserve	23	46,247	45,570	46,247	45,570
Income and expenditure - restricted reserve		160	160	160	160
Unrestricted Reserves					
Income and expenditure - unrestricted		329,170	292,318	330,681	293,748
Revaluation reserve		301,939	310,611	301,939	310,611
Total Reserves		**677,516**	**648,659**	**679,027**	**650,089**

The Notes on page 55 to 91 form part of these financial statements.

The financial statements on pages 51 to 91 were approved by Council on 22 November 2023 and were signed on its behalf on 30 November 2023 by:

Patrick Younge
Chair of Council

Professor Wendy Larner
Vice-Chancellor

Darren Xiberras
Chief Financial Officer

Consolidated and Institution Statements of Cash-flow

Year ended 31 July 2023

	Note	Consolidated 2023 £'000	Consolidated 2022 £'000	Institution 2023 £'000	Institution 2022 £'000
Cash flow from operating activities					
Surplus/ (Deficit) for the year		16,359	(99,904)	16,440	(100,741)
Adjustment for non-cash items					
Depreciation	11	47,291	40,041	47,291	40,041
Impairment of fixed assets	11	458	-	458	-
Loss on disposals of fixed assets	11	2,530	-	2,530	-
Impairment of non-current investments	12	-	6	-	-
Share of operating deficit/(surplus) in JV's	12,22	813	(641)	-	-
Non-cash pension (credits)/charges	21	(37,579)	116,733	(37,579)	116,733
Increase in stock	13	7	-	7	-
Increase in debtors	14	(1,304)	(13,451)	(1,662)	(13,472)
Increase in creditors	17,18	4,239	6,662	8,805	908
(Decrease)/ increase in other provisions		1,416	2,106	1,416	2,106
Adjustment for investing or financing activities					
Capital grant income	3,5	(9,885)	(16,577)	(9,885)	(16,577)
Investment income	6	(9,670)	(5,729)	(9,622)	(5,725)
Interest payable	9	11,865	11,980	11,865	11,980
New endowments	23	(1,175)	(267)	(1,175)	(267)
Gain on disposal of non-current investments	12	(675)	(2,181)	(675)	(2,181)
Loss on current investments	12,15	5,624	11,574	5,624	11,574
Net cash inflow from operating activities		30,314	50,352	33,838	44,379
Cash flows from investing activities					
Capital grant receipts		6,797	11,562	6,797	11,562
Investment income	6	9,670	5,729	9,622	5,725
Increase in deposits	15	(31,012)	(51,033)	(31,012)	(51,033)
Payments made to acquire fixed assets	11	(56,734)	(54,821)	(56,734)	(54,821)
Non-current investment acquisitions	12	(6,632)	(2,312)	(6,632)	(2,312)
Proceeds from sale of fixed assets		197	-	197	-
Non-current investment disposal proceeds	12	1,504	3,009	1,504	3,009
Net cash (outflow) from investing activities		(76,210)	(87,866)	(76,258)	(87,870)
Cash flows from financing activities					
Interest paid	9	(12,325)	(12,433)	(12,325)	(12,433)
Endowment cash received	7	1,175	267	1,175	267
Repayments of amounts borrowed	17,18	(2,733)	(2,542)	(2,733)	(2,542)
Net cash (outflow) from financing activities		(13,883)	(14,708)	(13,883)	(14,708)
Decrease in cash and cash equivalents in the year		(59,779)	(52,222)	(56,303)	(58,199)
Cash and cash equivalents at beginning of the year		96,365	148,587	89,438	147,637
Cash and cash equivalents at end of the year	16	36,586	96,365	33,135	89,438

The Notes on page 55 to 91 form part of these financial statements

Notes to the Financial Statements

Year ended 31 July 2023

1. Statement of Principal Accounting Policies

Basis of preparation

This consolidated financial information has been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, the Financial Reporting Standard (FRS 102) and the Charities Act 2011. The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial information is prepared in accordance with the historical cost convention (modified by the revaluation of land and buildings and the measurement of certain financial instruments at fair value).

The Group and University's activities, together with the factors likely to affect its future development, performance, and position, are set out in the Financial Review which forms part of the Board of Council's Report. The Council's Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

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

- The Council has reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements.
- After reviewing these forecasts, the Council is of the opinion that, taking account of severe but plausible downsides, the Group and parent Institution will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, Council is confident that the Group and parent Institution will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore has prepared the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial information consolidates the financial statements of the Institution and its subsidiary undertakings University College Cardiff Consultants Limited and International Learning Exchange Programme Limited for the financial year to 31 July. It does not include those of the University Students' Union, or the Cardiff Partnership Fund Limited as the Council does not exercise control over their financial and operating activities.

Uniform accounting policies are adopted throughout the Group. Joint ventures are accounted for using the equity method.

Recognition of income

Tuition fee income is stated gross, apart from expenditure that is a discount (including prompt payments) or fee waivers, and is credited to the Consolidated Statement of Comprehensive Income. Bursaries and scholarships (including those administered by third parties) are accounted for gross as expenditure and not deducted from income.

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customer, or the terms of the contract have been satisfied.

Investment income is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

Funds the Institution receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the Institution where the Institution is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Grant funding including funding council block grants, research and furlough grants from government sources and grants (including research grants) from non-government sources are recognised as income when the performance related conditions have been met and the Institution has become entitled to the income. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the Institution is entitled to the funds and is retained within the separate restricted reserve until such time that it is utilised in line with such restrictions.

Donations with no restrictions are recognised in income when the Institution is entitled to the funds.

Investment income and movements in fair value of endowments are recorded in income in the year in which they arise and as either restricted or unrestricted income according to the terms of the endowment.

restrictions applied to the individual endowment funds.

There are four main types of donations and endowments identified within reserves:

1. **Restricted donations** - the donor has specified that the donation must be used for a particular objective.
2. **Unrestricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Institution.
3. **Restricted expendable endowments** - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Institution has the power to use the capital.
4. **Restricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Capital grants are recognised in income when the Institution is entitled to the funds subject to any performance related conditions being met.

Provision for doubtful debts

Provision is normally made for individual debts where recovery is thought to be in doubt based the ageing of the debt past its due date, other known circumstances relating to the individual debtor, such as referred to debt collection agency, and post year end recovery of debts. Any un-provided debts are deemed as recoverable.

Pension schemes

The three principal defined benefit pension schemes for the Institution's staff are the Universities Superannuation Scheme (USS), the Cardiff Institution Pension Fund (CUPF), and the Local Government Pension Scheme (LGPS). The schemes are funded defined benefit schemes. The funds are actuarially valued every three years by a professionally qualified actuary using either the aggregate method or the attained age method with the rates of contribution payable being determined by the scheme's trustees on the advice of the actuary.

Universities Superannuation Scheme

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which the Institution pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined benefit plan:

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

In addition, the National Health Service (NHS) Pension Scheme is in operation for certain staff. The NHS scheme is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution rates determined by HM Treasury. This is accounted for as a defined contribution scheme. To comply with The

Pensions Act 2008, the Institution also uses the NEST defined contributions pension scheme for eligible non-contractual workers.

Employment benefits

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

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into GB Sterling, the functional currency of the Institution, at year-end rates and the resulting exchange differences are included in the determination of the deficit or surplus for the year.

Operating leases

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

Fixed assets

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Freehold and Long Leasehold property assets in existence on the transition to the FRS102 (1st August 2014) were measured on the basis of deemed cost, being market fair value or deemed cost of replacement.

The difference between the revalued amount and historical cost is credited to a revaluation reserve.

An amount equal to the depreciation in excess of that on the historical cost basis is transferred from the revaluation reserve to retained earnings.

Land and buildings

Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the Institution.

Land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives, in years, as follows:

Academic buildings and listed buildings	50
Pre 1990 residence sites	25
Post 1990 and Talybont North residences	50
Residential Houses	50
Semi-permanent buildings	25
New UHW site buildings	50
Old UHW site buildings	25
Refurbishments	15

Leasehold buildings are depreciated over the shorter of the lease term or the expected useful lives shown above.

No depreciation is charged on assets in the course of construction.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets, in line with component accounting.

Componentised items are depreciated on a straight-line basis over their expected lives, in years, as follows:

Component	Life
Building shell	20-50
Refurbishment	15
Mechanical and engineering services	10-25
Fit out	10-50

Social Science Research Park (SBARC|SPARK) building

The University's Social Science Research Park (SBARC|SPARK) provides many opportunities for the University to provide its core services.

The SBARC|SBARK building is 11,604 m2. Approximately 15% of this space is allocated to university start-ups, spin-outs, researchers and other stakeholders, providing support for inter-disciplinary co-location and collaboration, rented out on short term lease agreements. These stakeholders have been selected on the basis that they contribute towards Cardiff University's ability to deepen its partnerships with industry and other organisations, generating economic and social value through innovation, which is aligned to the University's strategy for Research and Innovation. The building is at the heart of the University Campus and this space is held to support the University' aims, rather than for commercial rent or capital appreciation. Accordingly, the whole building is accounted for as a fixed asset and is held at depreciated cost.

The activities are all hugely beneficial to the University in respect of enhancing its reputation, promoting the services available being the provision of world-class and world-recognised social sciences research, to foster and develop partnerships through a range of innovation, enterprise and engagement activities and events, to support the wider regional economy, and to enhance the breadth and volume of research opportunities for students and student entrepreneurs.

Plant & Equipment

Plant and equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition unless purchased as part of a new build or major building infrastructure refurbishment.

All other equipment is capitalised, with the exception of equipment funded from Research Grants which costs under £50,000 which is also written off in the year of acquisition.

Capitalised plant and equipment are stated at cost less accumulated depreciated and impairment losses over their expected useful life of between four and ten years, for equipment, as appropriate.

Assets under construction are not depreciated until brought into use.

Fully depreciated equipment is written off once the asset is no longer in use or no longer in existence.

Investments

Non-current asset investments are held on the Balance Sheet at cost less impairment.

Joint ventures are carried at cost less impairment in the Institution's financial statements.

Current asset investments are held at fair value with movements recognised in the total comprehensive income for the year.

Stocks

Stocks held are building materials, medical/bioscience consumables, and trading consumables of the Estates Works Unit, College of Biomedical and Life Sciences and Catering respectively. They are valued at the lower of cost or net realisable value.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Maintenance of premises

The Institution has a rolling maintenance plan which is reviewed on an annual basis. The cost of routine corrective maintenance is charged to the statement of comprehensive income.

Taxation status

The Institution is a registered charity within the meaning of Chapter 1 Section 3 of the Charities Act 2011 and as such is a charity within the meaning of Section 6 to the Finance Act 2010. Accordingly, the Institution is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes for public benefit.

All subsidiary companies are liable to Corporation Tax and Value Added Tax (VAT). The Institution's principal activities are exempt from VAT, but certain ancillary supplies and services are liable to VAT at various rates. Expenditure includes irrecoverable VAT charged by suppliers to the Institution. The Institution does not have to pay Stamp Duty Land Tax when buying and leasing a property.

Provisions

Provisions are recognised when the Institution has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Financial instruments

The Institution has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments for its consolidated and Institution financial statements.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the total comprehensive income for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the total comprehensive income for the year.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the surplus or deficit, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the Institution, are held as a permanently restricted fund which the Institution must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the Institution is restricted in the use of these funds.

The bond repayment fund, a designated reserve, was created in 2019/20 for the purpose of being able to give a reasonable likelihood of being able to meet the bond repayment of £400m, due on 7 December 2055 (note 24).

Significant estimates and judgements

Significant estimates and judgements used in the preparation of this financial information were as follows:

(i) Recoverability of debtors

The normal (post-COVID-19) accounting policy for the assessment of recoverability of debtors and the subsequent doubtful debt impairment provisioning regarding the collection of students fees and Commercial and Research debt has been applied.

As a result of measures put in place during the COVID-19 pandemic, our dunning procedures have continued, and students have been required to clear their current fees before progressing to another academic year. For students who have completed their course but have fees outstanding their full certification is withheld until their fee debt is cleared, in line with Institution Tuition fee policy.

Overall, post- COVID-19, the Institution's ability to collect debt from our students, UK and international Commercial and Research clients has improved which has lessened the risk in recovering the debt, with the exception of specific debts. We continue to monitor closely overseas debt and act as appropriate.

Estimate

Tuition fee debt

The year-end tuition fees doubtful debt impairment provision is assessed on the basis of all overdue debt by fee debtor category regardless of aged profile, with particular categories attributing more risk than others.

The resulting aggregated debt impairment provision is reduced by subsequent fee settlements received after 31 July 2023 from debtors within these same categories. All other tuition fee debt is deemed recoverable.

Tuition fee debt at 31 July 2023 was £4.2m (2022: £4.7m) (see Note 14). After applying our debt impairment policy, the doubtful debt impairment provision is £4.2m (2022: £4.3m) after assessment of receipts received after 31st July 2023.

Commercial and Research Debt

General debt impairment assessment policies have been applied, with the exception of overseas embassies whereby debt over 91 days overdue is subject to impairment provision (normally provided on 181 days overdue).

Overall, Commercial and Research debt at 31 July 2023 was £16.2m (2022: £15.8m) (see Note 14).

After applying the doubtful debt impairment policy, £1.5m is assessed at risk (2022: £1.2m) and subject to doubtful debt impairment provision.

(ii) Leasehold Property Dilapidations

The Institution has recognised its future estimated obligation to return short term leasehold properties to their original state on the termination of the lease arrangement, based on the current market works cost estimate provided by a professional property surveyor on assessing the current status of each relevant building.

As at the 31 July 2023, it is assumed that the Institution will exit each lease on the relevant date as there are no plans or indications to counter this view.

The resulting estimated provision(s) will be subject to future annual review for both relevance, i.e. future plans to exit or renew, and to the application of inflation, based on relevant industry cost price indexation data.

Future cost inflation fluctuations will be recognised in the Statement of Comprehensive Income and Expenditure as a repairs and maintenance cost.

(iii) Retirement benefit obligations

Estimate – CUPF and LGPS

The Institution operates its own scheme, Cardiff University Pension Fund (CUPF) and participates in a Local Government Pension Scheme (LGPS); both are defined benefit schemes. Actuarial valuations of the schemes are carried out as determined by the trustees at intervals of not more than three years.

Pension costs under FRS 102 are assessed in accordance with the advice of independent actuaries based upon latest actuarial valuations and assumptions determined by the actuaries.

The assumptions are based upon information supplied to the actuaries by the Institution, supplemented by discussions between the actuary and management, where relevant. The assumptions are documented in Note 25.

As at 31 July 2023, the LGPS fund, under FRS102 accounting treatment, resulted in a pension asset. The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2023 the surplus recognised as an asset in the statement of financial position is £nil (2022: £nil).

Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS102 discount rate, have increased significantly, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore both gross DBOs and assets have fallen.

Estimate - USS

As the Institution is contractually bound to make deficit recovery payments to USS, this is recognised as a liability in the balance sheet. The provision is currently based on USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions are re-assessed within each triennial valuation of the scheme. The provision is based on management's estimate of future salaries inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in Note 25.

Judgement - USS

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme.

The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

Council is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

(iv) Research Income Recognition

All research grants are considered to have a performance condition. The type of performance condition is determined by reviewing the research grant's contract. For the majority of research grants, income is recognised in accordance with the level of service as established by the pre agreed project spending budgets, and where actual spend profiles differ from budgeted spend profiles the income is recognised in line with the actual spend. For some research grants, the level of service is tied to a milestone being met; as a result, the revenue for these grants is recognised on a cash received basis.

2. Tuition Fees and Education Contracts

Consolidated and Institution

	2023 £'000	2022 £'000
UK and European Union Undergraduate	151,049	156,378
UK and European Union Postgraduate	12,215	13,246
Overseas (including part-time)	106,126	113,334
Part Time (UK and European Union)	5,797	6,389
	275,187	289,347
Education contracts	16,620	16,490
Research training support grants	11,824	10,053
Non-credit bearing fees	6,986	7,620
	310,617	323,510

3. Funding Body Grants

Consolidated and Institution

	2023 £'000	2022 £'000
Recurrent grant	75,794	75,263
Specific grants	6,877	9,053
Capital grants - buildings	3,282	5,968
Capital grants - equipment	4,246	8,609
	90,199	98,893

4. Research Grants and Contracts

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Research Councils	43,079	41,833	43,079	41,833
UK-based charities	24,628	22,857	24,628	22,857
UK Government bodies	43,247	37,553	43,252	37,553
UK Industry	7,138	6,563	7,138	6,563
European Commission	7,197	8,828	7,197	8,828
Overseas	6,423	5,708	6,423	5,708
Other grants and contracts	1,912	2,085	1,912	2,085
	133,624	125,427	133,629	125,427

5. Other Income

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Other services rendered:				
UK Central Government	23,592	22,662	23,353	22,662
UK Health Authorities	8,212	6,919	8,212	6,919
UK Industry	1,103	964	1,103	964
European Union	1,815	1,468	1,815	1,468
Overseas	91	78	91	78
UK Universities	596	533	596	533
Other Sources	7,293	7,608	9,534	7,608
Total other services rendered	42,702	40,232	44,704	40,232
Residences, catering and conferences	29,685	27,788	29,685	27,788
Exempt VAT recoverable	559	632	559	632
Other capital grants	2,357	2,000	2,357	2,000
Other income	15,571	8,717	4,425	6,181
	90,874	79,369	81,730	76,833

6. Investment Income

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Income from investments	8,292	4,465	8,245	4,461
Income from endowment investments (Note 23)	1,378	1,264	1,377	1,264
	9,670	5,729	9,622	5,725

7. Donations and Endowments

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
New endowments (Note 22)	1,175	267	1,175	267
Donations with restriction	-	-	-	-
Unrestricted donations	222	972	222	972
	1,397	1,239	1,397	1,239

8. Staff Costs

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Staff costs:				
Wages and salaries	274,178	258,247	274,178	257,897
Social security costs	28,879	27,370	28,879	27,336
Other pension costs	43,033	53,596	43,033	53,527
	346,090	339,213	346,090	338,760

The above figures exclude payments made to staff on behalf of the National Health Service.

	Consolidated		Institution	
	2023 FTE	2022 FTE	2023 FTE	2022 FTE
Average staff numbers by major category:				
Clinical and non-clinical academic and academic related	4,712	4,599	4,712	4,591
Technical services	217	219	217	219
Administrative support	1,005	981	1,005	981
Operational services	237	233	237	233
	6,171	6,032	6,171	6,024

Key management personnel compensation

The Institution considers that key management personnel are the 12 individuals (2022: 12) who serve as members of the University Executive Board having authority and responsibility for planning, directing, and controlling the activities of the Institution. Staff costs include compensation paid to key management personnel.

	2023 £'000	2022 £'000
Key management personnel compensation	2,305	1,959

A list of current members of University Executive Board is publicly available on our website: www.cardiff.ac.uk/about/organisation/University-executive-board

Compensation for loss of office to higher paid employees

No compensation payments were made to higher paid employees in year (2022: nil)

8. Staff Costs (continued)

Other higher paid staff

The remuneration of higher paid staff (excluding the Vice-Chancellor) reflected in the ranges below exclude employer pension contributions, bonuses, and compensation for loss of office but include payments made on behalf of the NHS in respect of its contractual obligation to Institution staff under separate NHS contracts of employment. These payments are excluded from the Institution's Income and Expenditure account. Of the 167 staff earning in excess of £100,000 in 2023 (2022: 151), 45 (2022: 43 Restated) include such payments on behalf of the NHS.

Salary Band	2023 NHS No.	2023 Other No.	**2023 Total No.**	2022 NHS No.	2022 Other No.	**2022 Total No.**
£100,000 - £104,999	-	27	**27**	1	33	**34**
£105,000 - £109,999	-	24	**24**	-	21	**21**
£110,000 - £114,999	-	16	**16**	1	10	**11**
£115,000 - £119,999	1	13	**14**	2	8	**10**
£120,000 - £124,999	2	5	**7**	7	6	**13**
£125,000 - £129,999	4	9	**13**	1	5	**6**
£130,000 - £134,999	4	5	**9**	2	9	**11**
£135,000 - £139,999	3	6	**9**	2	4	**6**
£140,000 - £144,999	3	4	**7**	5	4	**9**
£145,000 - £149,999	4	2	**6**	4	2	**6**
£150,000 - £154,999	1	3	**4**	3	-	**3**
£155,000 - £159,999	5	-	**5**	2	-	**2**
£160,000 - £164,999	3	-	**3**	1	2	**3**
£165,000 - £169,999	4	4	**8**	1	1	**2**
£170,000 - £174,999	1	1	**2**	3	1	**4**
£175,000 - £179,999	-	2	**2**	2	-	**2**
£180,000 - £184,999	5	-	**5**	4	-	**4**
£185,000 - £189,999	-	-	**-**	1	2	**3**
£190,000 - £194,999	3	1	**4**	-	-	**-**
£195,000 - £199,999	-	-	**-**	-	-	**-**
£200,000 - £204,999	-	-	**-**	1	-	**1**
£205,000 - £209,999	1	-	**1**	-	-	**-**
£210,000 - £214,999	1	-	**1**			
	45	122	**167**	43	108	**151**

8. Staff Costs (continued)

Emoluments of the Vice-Chancellor

	2023 £'000	2022 £'000
Salary	301	289
Bonus	56	1
Benefits-in-kind	20	20
	377	310
Pension Death in Service Enhanced Opt-out contribution only	19	16
	396	326

The benefits-in-kind received by the Vice-Chancellor are as follows (£000s):		
Private medical insurance	1	1
Permanent accommodation	19	19

The remuneration of the Vice-Chancellor is set by the Remuneration Committee, which comprises independent lay members of Council who possess relevant knowledge and expertise. The Vice-Chancellor is not in attendance for, and does not play any part in, the discussions and decisions of their own remuneration.

The Vice-Chancellor's Reward Scheme involved:

- an annual review of base pay in relation to the market; and
- a long-term lump sum non-pensionable performance-related bonus payment linked to the achievement of the Way Forward 2018-2023.

The scheme built on the principles of the Senior Salary Review process as outlined in the Senior Staff Pay Policy and was designed as a long-term incentive plan to reward and retain the Vice-Chancellor with a view to delivery of the Way Forward Strategy 2018-23.

The Remuneration Committee determined the remuneration according to several factors including, but not limited to:

- the Vice-Chancellor's leadership, management, and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the Institution.
- the benchmarking of base salary against the annual salary of Vice-Chancellors of Russell Group universities and other institutions of comparable size and scope.
- The performance of the Institution according to the strategy and agreed metrics.

Each year, the Remuneration Committee receives a report by the Chair of Council on the Vice-Chancellor's Performance Development Review (which includes input from Council members) and agreed objectives for the following year.

This information supported the final performance review against the Vice-Chancellor's 5-year Reward Scheme. This Scheme is now concluded and no longer in place. The final performance bonus given is noted within this report. The Vice-Chancellor does not receive any annual performance payments.

The Vice-Chancellor's base salary is reviewed in line with national pay awards for the Higher Education sector.

The Vice-Chancellor's basic salary is 7.0 times (2022: 7.2 times) the median pay of all staff, where the median pay is calculated on a full-time equivalent basis for the salaries and wages paid by the Institution.

The Vice-Chancellor's total remuneration is 8.7 times (2022: 7.6 times) the median total remuneration of all staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Institution.

As per HEFCW Accounts Direction, remuneration includes personal service companies that are deemed by the Institution to be employees under HMRC Intermediary Regulations (IR35) and paid through payroll and reported to HMRC via "Real-time Information" (RTI) reporting.

9. Interest and Other Finance Costs

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bond interest & finance costs	11,588	11,594	11,588	11,594
Bank loan interest	277	386	277	386
	11,865	11,980	11,865	11,980
Net charge on pension schemes (Note 21)	798	1,640	798	1,640
Unwind of discount on USS pension provision (Note 21)	6,584	752	6,584	752
	19,247	14,372	19,247	14,372

10. Analysis of Expenditure by Activity

Consolidated

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2023 £'000	Total 2022 £'000
Academic departments	213,255	51,943	-	265,198	256,035
Academic services	21,169	17,245	-	38,414	36,545
Research grants and contracts	55,192	35,340	-	90,532	86,910
Other services rendered	16,213	25,675	-	41,888	38,234
Residences, catering and conferences	5,405	14,703	277	20,385	18,753
Premises	10,479	41,094	-	51,573	44,348
Administration and central services	41,452	27,800	-	69,252	68,196
Other expenses	439	12,488	11,588	24,515	19,509
Pension fund adjustments	(17,514)	-	7,382	(10,132)	(2,048)
	346,090	226,288	19,247	591,625	566,482
Depreciation (note 11)				47,291	40,041
Staff costs – (Decrease)/Increase in USS pension scheme provision (note 19)				(27,447)	118,781
Staff costs – Voluntary Severance Scheme				-	9
Total per Statement of Comprehensive Income and Expenditure				611,469	725,313

Institution

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2023 £'000	Total 2022 £'000
Academic departments	213,255	51,943	-	265,198	256,035
Academic services	21,169	17,245	-	38,414	36,545
Research grants and contracts	55,192	35,340	-	90,532	86,910
Other services rendered	16,213	25,571	-	41,784	38,234
Residences, catering and conferences	5,405	14,703	277	20,385	18,753
Premises	10,479	41,094	-	51,573	44,348
Administration and central services	41,452	27,800	-	69,252	68,196
Other expenses (see Page 67)	439	4,137	11,588	16,164	17,171
Pension fund adjustments	(17,514)	-	7,382	(10,132)	(2,048)
	346,090	217,833	19,247	583,170	564,144
Depreciation (note 11)				47,291	40,041
Staff costs – (Decrease)/Increase in USS pension scheme provision (note 21)				(27,447)	118,781
Staff costs – Voluntary Severance Scheme				-	9
Total per Statement of Comprehensive Income and Expenditure				603,014	722,975

10. Analysis of Expenditure by Activity (continued)

Other operating expenses include	2023	2022
External auditors' remuneration in respect of audit services	224	204
External auditors' remuneration in respect of audit-related services	2	2
External auditors' remuneration in respect of non-audit services	Nil	Nil
Operating lease rentals		
Land and buildings	2,905	2,973
Other	118	122

Other expenses include:

- a credit in staff costs of £4,560k (2022: credit of £2,876k) relating to the movement on the Employee Leave Accrual (Note 17)
- No costs associated with the Institution's COVID-19 Testing facility (2022: £637k).

11. Tangible Fixed Assets

Consolidated and Institution

	Land and Buildings			Equipment	Total
	Freehold £'000	Long leasehold £'000	Assets in the Course of Construction £'000	£'000	£'000
Cost or valuation					
At 1 August 2022	738,818	300,823	2,432	214,402	1,256,475
Additions at cost	12,425	2,281	18,850	22,981	56,537
Disposals	(2,435)	(4,061)	-	(29,572)	(36,068)
Projects completed	1,448	-	(1,448)	-	-
At 31 July 2023	**750,102**	**299,043**	**19,834**	**207,811**	**1,276,944**
Valuation (i)	369,771	229,472	-	-	599,243
Cost	380,485	69,571	19,834	207,811	677,701
At 31 July 2023	750,256	299,043	19,834	207,464	1,276,944
Accumulated depreciation					
At 1 August 2022	76,844	59,130	-	171,446	307,420
Charge for year	20,879	8,372	-	18,040	47,291
Eliminated on disposal	(442)	(3,524)	-	(29,572)	(33,538)
Impairments	(3,154)			(347)	(3,501)
At 31 July 2023	**100,435**	**63,978**	**-**	**160,261**	**324,674**
Net book value					
At 31 July 2023	649,821	235,065	19,834	47,550	952,270
At 31 July 2022	661,974	241,693	2,432	42,956	949,055

(i) A full valuation of the Institution's Estate was carried out on 31 July 2014 by Cooke and Arkwright Chartered Surveyors in accordance with the RICS Valuation – Professional Standards January 2014 (the Red Book) to establish deemed cost. Of the total valuation of £609m, £557m was at fair value by depreciated replacement cost and £52m was at fair value.

Certain buildings have been funded from U.K. Treasury sources at a cost of £132m. Should these particular buildings be sold, the Institution would use the proceeds in accordance with the HEFCW Terms of Funding.

Land and buildings include non-depreciated land of £116m (2022: £118m).

Spend on capital projects incurred and completed in year is recognised in freehold additions rather than through assets in the course of construction.

An impairment of £3,154k has been recognised in the year. Main impairments include £2,048k related to land which holds an old Maths/Computer Science building which has been written off, with costs to demolish in excess of the land's net book value. £1,078k relates to buildings and pitches in Llanrumney Playing Fields.

Where information is available, buildings have been broken down into key components causing an overall reduction in the estimate of a building's useful life. This change in estimate has led to an additional depreciation charge of £4,430k when compared to the prior year estimate of depreciating whole buildings over 50 years.

12. Non-Current Investments

	Consolidated			Institution		
	Investment in joint ventures	Other Investments	Total	Equity investment in joint ventures	Other Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2022	3,592	5,657	9,249	2,003	5,627	7,630
Additions	-	6,632	6,632	-	6,632	6,632
Disposals	-	(829)	(829)	-	(829)	(829)
Share of operating deficit in joint ventures	155	-	155	-	-	
Balance at 31 July 2023	**3,747**	**11,460**	**15,207**	**2,003**	**11,430**	**13,433**

The Institution has investments in the following:

University College Cardiff Consultants Limited (UC3)
The results of UC3, a company limited by guarantee and registered in the UK, have been included by consolidation in the financial information. The company's principal activity is the commercialisation of the intellectual property and other outputs of research generated by the academic schools of the Institution. The company is also responsible for the Institution's interests through shareholdings in a number of spin-out companies arising from the Institution's research and other operations.

Compound Semiconductor Centre Limited
Compound Semi Conductor Centre Limited is a joint venture between Cardiff University and IQE (Europe) Ltd. The Institution recognises its share of the overall net liability of the joint venture and this is disclosed under Other Provisions in the Statement of Financial Position (see Note 22). The total of Cardiff University's share of liabilities in Compound Semi Conductor Centre Limited as at 31st July was £3,931k. On the 18th September 2023, Cardiff University transferred its holding of Compound Semiconductor Centre Limited for nil consideration.

Cardiff Medicentre
The Institution holds an investment of £2,003k (2022: £2,003k) representing an 89% shareholding in Cardiff Medicentre with Cardiff and Vale UHB holding the remaining 11%. This Group's total investment after its share of operating surpluses is £3,747k (2021 £3,592k). This interest is treated as a joint venture as the Institution has joint control with Cardiff and Vale UHB.

Mobeus
The Institution made an original commitment (in 2016) to invest £10m in the Mobeus Equity Partners IV fund and another £15m in the Mobeus Equity Partners V Fund. Both funds contribute to the bond repayment fund for the repayment of the £400m bond capital in December 2055.

In the year, additions to IV Fund were £263k and divestments proceeds were £829k, of which a gain of £539k was realised (2022: divestment proceeds of £3,009k). As at 31 July 2023, the investment fund is held at £4,985k (2022: £5,551k).

In the year, additions to V Fund were £6,369k (2022: nil).

Cash and cash equivalent balances relating to both Mobeus funds are combined to form part of the Bond Repayment Fund (Note 24).

Cardiff Partnership Fund Limited
The Institution owns a 100% shareholding of £76k (2022: £76k) in the Cardiff Partnership Fund Limited, the holding company of the unincorporated Cardiff Partnership Fund Limited Partnership. This company is not consolidated on the basis that the Institution does not exercise control over the activities that rest with an independent board.

SETsquared Partnership
In September 2021, the Institution joined the SETsquared Partnership, a Institution incubator network. This company is not consolidated.

12. Non-Current Investments (continued)

International Learning Exchange Programme Limited ("ILEP")
Following the UK Government's decision to withdraw from the Erasmus+ scheme, the Welsh Government announced a new learning scheme to continue to benefit staff and students from international exchanges in a similar way to Erasmus+, not just in Europe but also further afield. The scheme will run from 2022 to 2026. To safeguard transparency, the Institution agreed to operate the programme on behalf of the Welsh Government through a wholly owned subsidiary company. ILEP was incorporated on 22 June 2021 and commenced operations on 1 August 2022. The results of ILEP have been included by consolidation in the financial statements.

13. Stocks

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Residences and Catering	97	86	97	86
Maintenance	72	107	72	107
Academic Departments	120	103	120	103
	289	296	289	296

14. Trade and other receivables

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Amounts falling due within one year:				
Trade Debtors:				
- Tuition fees	4,204	4,745	4,204	4,745
- Research grants & contracts	9,726	11,201	9,726	11,201
- Other Services	6,538	6,283	6,112	6,036
Less: Trade Debtors impairment provision (i)	(5,785)	(5,571)	(5,785)	(5,571)
Net Trade Debtors	14,683	16,658	14,257	16,411
Other Debtors	2,047	1,639	2,047	1,639
Amount due from subsidiary undertaking	-	-	1,914	1,480
Prepayments	5,969	4,159	5,643	3,802
Accrued Income				
- Research grants and contracts	28,501	25,213	28,501	25,213
- Other Income	10,349	12,576	10,421	12,576
Total Debtors	61,549	60,245	62,783	61,121

(i) Further information regarding the judgements and estimates in relation to the impairment can be found in Note 1: Accounting Policies on Page 58 "Recoverability of debtors".

15. Current Investments

Consolidated and Institution

	Endowment Investments £'000 (Note 23)	Other Investments £'000	2023 Total £'000	2022 Total £'000
Short term investment in shares	-	162,130	162,130	161,000
Short term bonds	-	85,423	85,423	68,446
Other short-term investments	43,482	20,443	63,925	79,790
Short term deposits	-	78,961	78,961	55,815
	43,482	346,957	390,439	365,051

The decrease in fair value of current investments in the year was £4,525k (2022: decrease of £10,922k).

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at the time of placement.

At 31 July 2022 the weighted average interest rate of these fixed rate short term deposits was 5.12% (2022: 1.54%) per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 35 days (2022: 135 days). The fair value of these deposits was not materially different from the book value.

16. Cash and Cash Equivalents

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Operational bank accounts	10,460	55,143	7,009	48,216
Cash-in-hand	9	10	9	10
Money market funds	11,539	24,468	11,539	24,468
Cash funds held by investment fund managers	11,813	14,889	11,813	14,889
Cash fund held within endowment funds	2,765	1,855	2,765	1,855
	36,586	96,365	33,135	89,438

17. Creditors: amounts falling due within one year

	Consolidated		Institution	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	20,936	19,730	20,891	19,693
Social security and other taxation	7,929	9,815	7,929	9,815
Sundry creditors	10,351	10,104	9,665	9,577
Deposits	187	142	187	142
Employees leave entitlement accrual (i)	9,721	14,280	9,721	14,280
Accruals	27,166	25,193	27,032	25,143
Deferred income (see below)	89,589	86,761	88,883	81,238
Unsecured loans	-	129	-	129
Secured loans	2,259	2,603	2,259	2,603
	168,138	168,757	166,567	162,620

Deferred Income

Included in deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Tuition Fees	9,761	4,551	9,761	4,551
Research grants and contracts	52,531	47,518	52,768	47,518
Other Income	26,327	33,240	25,384	27,717
Capital grant income	970	1,452	970	1,452
	89,589	86,761	88,883	81,238

(i) The Institution has returned to its traditional policy of allowing staff to carry-forward up to five days (2022: ten days) holiday entitlement. Prior year increases were due to the impact of the COVID-19 pandemic.

18. Creditors: amounts falling due after more than one year

Consolidated and Institution	2023 £'000	2022 £'000
Sundry Creditors	1,297	-
Unsecured loans (i)	-	1
Secured loan	875	3,134
Public Bond (ii)	294,084	293,956
Public Bond Tap (iii)	126,645	127,233
Total loans and long-term debt	421,604	424,324
	422,901	424,324

Analysis of secured and unsecured loans

Due within one year or on demand (Note 17)	2,259	2,732
Due between two and five years	875	3,135
Due in five years or more	420,729	421,189
Due after more than one year	421,604	424,324
	423,863	427,056

Included in loans are the following:

Lender	Term	Secured/ Unsecured	Interest rate %	Borrower	2023 £'000	2022 £'000
Welsh Government (i)	2023	Unsecured	-	Institution	-	130
Lloyds Bank/Scottish Widows(iv)	2024	Secured	8.853	Institution	1,559	3,462
Royal Bank of Scotland (v)	2025	Secured	See below	Institution	1,575	2,275
					3,134	5,867

(i) The interest free Welsh Government loan is from their Invest-to-Save scheme for student transition, retention and success and was repaid in full in November 2022.

(ii) The 39-year public bond of £300 million was issued in February 2016 and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 3.1%.

(iii) A £100m bond tap was issued in February 2021 at a premium and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 1.9%.

(iv) Lloyds Bank originally advanced £17 million to the Institution to finance the cost of student residences. The loan is secured on Talybont South property and is repayable by 28 February 2024 on a reducing balance method. In 2013, Lloyds Bank transferred certain rights of the loan to Scottish Widows (part of the Lloyds Banking Group), however, Lloyds Bank act on behalf of Scottish Widows in the capacity of service provider.

(v) Royal Bank of Scotland originally advanced £14 million to the Institution to finance the cost of Talybont Court. The loan is secured on Talybont Court and is repayable by 1 October 2025 by equal instalments of £0.7m per annum. Interest is payable on the loan at 0.225% above Base Rate.

(vi) In July 2021 the Institution took out a 3-year unsecured Revolving Credit Facility with Lloyds Bank for £20m over three years. As at 31 July 2023, the facility had not been utilised.

19. Consolidated and Institution Reconciliation of Net Debt

	Consolidated	Institution
	£'000	£'000
Net debt 1 August 2022	330,691	337,618
Movement in cash and cash equivalents	59,779	56,303
Repayment of secured loans	(2,603)	(2,603)
Repayment of unsecured loans	(130)	(130)
Other non-cash changes (bond interest)	(460)	(460)
Net Debt 31 July 2023	387,277	390,728
Change in net debt	56,586	53,110

Analysis of net debt		Consolidated		Institution	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Borrowings: amounts falling due within one year					
Secured loans		2,259	2,603	2,259	2,603
Unsecured loans		-	129	-	129
	(Note 17)	2,259	2,732	2,259	2,732
Borrowings: amounts falling due after more than one year					
Secured Loans		875	3,134	875	3,134
Unsecured loans		-	1	-	1
Public Bond		294,084	293,956	294,084	293,956
Public Bond Tap		126,645	127,233	126,645	127,233
	(Note 18)	421,604	424,324	421,604	424,324
Less: Cash and cash equivalents	(Note 16)	(36,586)	(96,365)	(33,135)	(89,438)
Net debt		387,277	330,691	390,728	337,618

20. Financial Instruments

The Institution has the following financial instruments which are all denominated in sterling:

		Consolidated		Institution	
	Note	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Financial assets at fair value through surplus or deficit investments in equity and listed bonds	16	311,478	309,236	311,478	309,236
		311,478	309,236	311,478	309,236
Financial assets that are debt instruments measured at amortised cost					
Trade receivables	14	14,683	16,658	14,257	16,411
Other receivables	14	2,047	1,639	3,961	3,119
Investments in short term deposits	15	78,961	55,816	78,961	55,816
		95,691	74,113	97,179	75,346
Financial liabilities measured at amortised cost					
Public Bond	18	294,084	293,956	294,084	293,956
Public Bond Tap	18	126,645	127,233	126,645	127,233
Loans	18	3,134	5,867	3,134	5,867
Trade creditors	17	20,936	19,730	20,891	19,693
Other creditors	17,18	11,835	10,246	11,149	9,719
Accruals	17	27,166	25,193	27,032	25,143
		483,800	482,225	482,935	481,611

21. Pension Provision

Consolidated and Institution

	Obligation to fund deficit on USS Pension	CUPF fund obligations (Note 25)	LGPS fund obligations (Note 25)	2023 Total Pension Provision	2022 Total Pension Provision
	£'000	£'000	£'000	£'000	£'000
At 1 August 2022	198,922	34,530	-	233,452	188,814
Utilised in year	(12,814)	-	-	(12,814)	(4,677)
Additions/ (reductions)	(27,447)	(20,391)	150	(47,688)	46,923
Discount rate changes (Note 9)	6,584	948	(150)	7,382	2,392
At 31 July 2023	165,245	15,087	-	180,332	233,452

USS deficit

The Institution has entered into an agreement (the Recovery Plan) that determines how each employer within the multi-employer scheme will fund the overall deficit. The Institution recognises a liability for the contributions payable that arise from the agreement to fund the scheme (to the extent that they relate to the deficit) and the resulting expense in the Statement of Comprehensive Income. For key assumptions used in calculating the liability please refer to Note 25.

LGPS Fund

The actuary has estimated that the net pension asset/liability as at 31 July 2023 is an asset of £10,800k. The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2023 the surplus recognised as an asset in the statement of financial position is £nil (2022: £nil).

22. Other Provisions

Consolidated	Share of net liability in joint venture £'000	Marking Assessment Boycott £'000	Leasehold Property Dilapidations £'000	2023 Total £'000	2022 Total £'000
As at 31 August 2022	2,963	-	2,106	5,069	3,431
Additions / (Reductions)	968	1,726	(310)	2,384	1,638
Closing balance	**3,931**	**1,726**	**1,796**	**7,453**	**5,069**

Increase in share of net liability in joint venture represents the Group's share of operating deficit in the year of Compound Semiconductors Centre Limited – see Note 12.

Institution	Marking Assessment Boycott	Leasehold Property Dilapidations £'000	2023 Total £'000	2022 Total £'000
As at 31 August 2021	-	2,106	2,106	-
Additions / (Reductions)	1,726	(310)	1,416	2,106
Closing balance	**1,726**	**1,796**	**3,522**	**2,106**

. Provision for Leasehold Property dilapidations recognised as per Note 1 Page 59.

23. Endowment reserves

Consolidated and Institution

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2023 Total £'000	2022 Total £'000
Capital opening balance	2,762	22,481	25,243	1,511	26,754	27,363
Accumulated income	1,593	14,401	15,994	2,821	18,815	18,119
	4,355	36,882	41,237	4,332	45,569	45,482
New endowments	-	1,010	1,010	165	1,175	267
Income for year	128	1,087	1,215	123	1,338	1,264
Expenditure	(117)	(523)	(640)	(136)	(776)	(791)
	11	564	575	(13)	562	473
(Decrease) in market value	(104)	(861)	(965)	(95)	(1,060)	(652)
Closing balance	**4,262**	**37,595**	**41,857**	**4,389**	**46,246**	**45,570**
Represented by:						
Capital	2,692	22,719	25,411	1,494	26,905	26,755
Accumulated income	1,570	14,876	16,446	2,895	19,341	18,815
	4,262	**37,595**	**41,857**	**4,389**	**46,246**	**45,570**

23. Endowment reserves (continued)

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2023 Total £'000	2022 Total £'000
Analysis by type of purpose:						
Appeal Fund	-	95	95	-	95	95
Chairs	-	14,070	14,070	-	14,070	13,371
Lectures	-	1,117	1,117	-	1,117	1,116
Hardship Funds	11	2,320	2,331	588	2,919	2,881
Scholarships	-	9,715	9,715	478	10,193	10,196
Prizes	-	3,211	3,211	42	3,253	3,247
Research	-	1,658	1,658	2,577	4,235	4,247
General	4,251	5,409	9,660	704	10,364	10,417
	4,262	37,595	41,857	4,389	46,246	45,570
Analysis by asset:						
Current asset investments						
- investment units					43,482	43,716
Cash & cash equivalents					2,764	1,854
					46,246	45,570

24. Bond repayment fund

Cardiff University's 39-year public bond of £300m, issued in February 2016, along with the subsequent £100m tap issued in February 2021, will be redeemed at their principal amounts of £400m on 7 December 2055 and the Institution will have to repay this sum on that date.

In July 2019 Council approved the creation of a Bond Repayment Fund (BRF) which has as its sole objective to deliver £400m in cash in 2055.

The bond repayment fund forms part of the unrestricted funds in the statement of financial position.

The Institution has, to date, invested £58.7m (2022: £50m) on a total return basis to generate the repayment.

Total fund value	2023 £'000	2022 £'000
Cash held for investment	2,016	8,191
Current investments	52,342	50,470
Non-current investments	11,354	5,551
	65,712	64,212

25. Pension Schemes

Different categories of staff were eligible to join one of six different schemes:

(i) Universities Superannuation Scheme (USS)
(ii) Cardiff University Pension Fund (CUPF)
(iii) Local Government Pension Scheme (LGPS)
(iv) Cardiff University Pension Scheme (CUPS)
(v) National Health Service Scheme (NHSPS)
(vi) NEST workplace pension scheme

The nature of the schemes above are detailed below.

Cardiff University Pension Scheme is a new Defined Contribution Scheme effective from 1 January 2022 in co-ordination with the closure of the CUPF DB scheme to new members.
The tender for a DC Scheme to be available for new members was undertaken and Legal and General appointed to provide the scheme. The DC scheme allows members flexibility in contribution rates and a member could choose to contribute 0%, but still benefit from Institution contributions into the scheme. Any flexibility which allows members to pay zero or very low contributions may result in some members who have previously opted out of pension scheme (currently around 230 members) to opt in. The additional benefits of life insurance and income protection are available for members from 1st March 2022.
Elements of the DC scheme that are offered.
Institution 10% fixed Member 6.5% default, option to reduce to 4%,2%,0% Life Insurance 5x basic salary, Income Protection.

The **NHSPS** which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government. Scheme is a defined benefit public service pension scheme, which operates on a pay-as-you-go basis. A new reformed scheme was introduced on 1 April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1 April 2012 were within ten years of normal pension age to continue participating in the old 'final salary' NHS Pension Scheme arrangements (the 1995 and 2008 sections).

An HM Treasury pension scheme valuation for funding purposes was carried out as at March 2012. The Scheme Regulations have been changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate. The employers' contribution rate payable by the Institution during the year ended 31 July 2023 remained unchanged at 14.38% of total pensionable earnings.

NEST is a defined contributions pension scheme for eligible non-contractual workers.

	Consolidated		Institution	
The total pension cost for the period was:	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Universities' Superannuation Scheme (USS)	31,828	36,730	31,828	36,662
Cardiff University Pension Fund (CUPF)	9,059	15,114	9,059	15,113
Local Government Pension Scheme (LGPS)	230	351	230	351
Cardiff University Pension Scheme (CUPS)	651	62	651	62
National Health Service Pension (NHSPS)	1,538	1,328	1,538	1,328
NEST	11	11	11	11
	43,317	53,596	43,317	53,527
USS minimum funding guarantee adjustment	(27,447)	118,781	(27,447)	118,781
	15,870	172,377	15,870	172,308

25. Pension Schemes (continued)

(i) The Universities Superannuation Scheme

The Institution participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total cost charged to the Consolidated Statement of Comprehensive Income is £31,828k (2022: £36,730k) including Pension Choice, but excluding the impact of the change in the deficit recovery plan, as shown in note 21.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020 ("the valuation date"), which was carried out using the projected unit method.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The deficit recovery contributions due within one year for the institution are £12,814k (2022: £13,150k).

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (https://www.uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles):

CPI Assumption:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less:

1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040

Pension increases (subject to a floor of 0%):

CPI assumption plus 0.05%

Discount rate (forward rates):

Fixed interest gilt yield curve plus:
Pre-retirement: 2.75% p.a.
Post retirement: 1.00% p.a.

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

Mortality base table:

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality:

CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

25. Pension Schemes (continued)

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary – inflation - Year 1	6.00%	6.00%
Pensionable salary – inflation – remaining years	3.00%	3.00%
Pensionable salary – Headcount – Year 1	Nil	2.70%
Pensionable salary – Headcount – remaining years	Nil	Nil

The employers' contribution rates are as follows:

1 October 2019 to 30 September 2021	21.10%
1 October 2021 to 31 March 2022	21.40%
1 April 2022 to 31 March 2024	21.60%
1 April 2024 to 30 April 2038	21.40%

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Sensitivity	2023	2022
	£'000	£'000
0.5% per annum decrease in discount rate	5,986	8,255
0.5% per annum increase in salary inflation over duration	6,090	8,211
0.5% per annum increase in salary inflation in year 1 only	787	938
0.5% increase in staff changes over duration	5,898	8,465
0.5% increase in staff changes year 1 only	796	968

(ii) Cardiff University Pension Fund

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision. As at 1 January 2022, the fund was closed to new members.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 July 2022.

Following consultation with members, a Deed of Amendment effecting the change to future benefits was executed by the Institution and the Trustees of the Fund. The change impacts the benefits accrued from an effective date of 1 January 2022. A summary of the changes to benefit accrual from this date is set out below:

The actual rate reduced from 80ths to 85ths

Pension increases reduced in line with CPI inflation up to a maximum of 2.5% p.a.; and

The Normal Retirement Date increased from age 65 to age 66.

As these changes only impact benefits in relation to service from 1 January 2022, there is no impact on the Defined Benefit Obligation (DBO).

25. Pension Schemes (continued)

Cardiff University Pension Fund (continued)

An estimated valuation of the defined benefit schemes was performed at 31 July 2021 by qualified actuary. The Fund deficit under FRS 102 has reduced from £34.5m at 31 July 2022 to £15.1m at 31 July 2023.

Under the latest Schedule of Contributions dated 23 June 2023, the University contributes the following*:

17.0% of pensionable earnings in respect of all active CARE members who have elected to participate in salary sacrifice.

10.5% of pensionable earnings in respect of all members who have not elected to participate in salary sacrifice

18.0% of pensionable earnings in respect of Final Salary members who have elected to participate in salary sacrifice.

*Up to 31 July 2023, the University agreed to continue to pay contributions in respect of future service in line with the previous Schedule of Contributions, dated 30 December 2021.

In addition. up until 31 July 2023, the University agreed to pay deficit contributions of:

8.2% per annum of total pensionable salary; and

£1,000,000 per annum

From 1 August 2023 until 31 July 2029, the University agrees to pay deficit contributions of £4,800,000 per annum.

The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

The actuary has made Guaranteed Minimum Pensions (GMP) equalisation allowance and the result has been included with the scheme's' FRS102 disclosures.

(iii) Local Government Pension Scheme

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 March 2022.

During the accounting period, the Institution paid contributions to the CUPF of 19.2% of pensionable salaries (LGPS - 27.7% plus a cash lump sum of £1.0m). The Institution has also contributed the salary sacrifice amount of 7.5% (final salary members) or 6.5% for Career Average Revalued Earnings members for each Non-Contributory member (i.e., those participating in the Salary Sacrifice arrangement) in the CUPF. Salary sacrifices of pension contributions is not permitted in the LGPS scheme.

An estimated valuation of the defined benefit schemes was performed at 31 July 2023 by qualified actuary. The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

The actuary has made GMP equalisation allowance and the result has been included with the scheme's' FRS102 disclosures.

In addition, the actuary, due to current levels of high inflation, has also made an allowance in the DBO for the expected impact of CPI inflation on the pension increase order of April 2023, which is expected to reflect CPI inflation for the year ending 30 September 2022. Therefore, allowance is made for CPI inflation between 30 September 2021 and the accounting date of 9.0% and is included within the CPI inflation assumption and reflects market expectations at the accounting date.

As at 31 July 2023, the LGPS fund FRS102 actuarial report resulted in a pension asset £10,800k. The asset has not been recognised as such on the Statement of Financial Position, as there is no automated entitlement to a refund from the scheme. The £10,800k is eliminated by an additional asset valuation charge to Other Comprehensive Expenditure

25. Pension Schemes (continued)

Assumptions relating to CUPF and LGPS

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	CUPF At 31 July 2023	LGPS At 31 July 2023	CUPF At 31 July 2022	LGPS At 31 July 2022
	% p.a.	% p.a.	% p.a.	% p.a.
Price Inflation (RPI)	3.15	n/a	3.15	n/a
Price Inflation (CPI)	2.75	2.60	2.75	2.70
Rate of increase in salaries	2.75	3.60	2.75	3.70
Rate of increase of pensions in payment	2.64	2.60	2.75	2.70
Increases to deferred pensions before retirement	2.75	2.60	2.75	2.70
Discount rate	5.15	5.10	3.55	3.50

Key non-financial assumptions relate to member life expectancy at the accounting date, based on actual mortality experience of members within the Funds carried out as part of the latest formal actuarial valuations (see above), and allow for expected future mortality improvements, the accounting assessments are based on the life expectancy of male and female members at age 65 in normal health as shown below.

	CUPF At 31 July 2023	LGPS At 31 July 2023	CUPF At 31 July 2022	LGPS At 31 July 2022
Pensioner – male	21.0	22.0	21.5	22.1
Pensioner – female	23.7	24.2	24.2	24.6
Non-pensioner (currently aged 45) – male	21.6	22.6	22.1	23.2
Non-pensioner (currently aged 45) – female	24.8	25.3	25.3	26.0

Funder membership data summary at last actuarial valuation	CUPF July 2022	LGPS March 2022
Active members	1,798	29
Deferred members	1,887	85
Pensioners and dependants	1,137	237

25. Pension Schemes (continued)

Scheme Assets and Liabilities	2023 CUPF £m	2023 LGPS £m	2022 CUPF £m	2022 LGPS £m
The assets in the scheme at fair value were:				
Equities	36.0	26.4	39.1	25.0
Property	-	2.7	-	3.0
Government bonds	-	3.4	-	3.4
Corporate bonds	18.7	2.9	22.3	2.9
Multi Asset Credit	-	2.1	-	1.9
Liability Driven Investments	57.0	-	51.0	-
Diversified Growth	62.8	-	85.7	-
Private Markets	24.7	-	31.3	-
Cash	2.4	1.3	1.8	1.1
Scheme assets at fair value	201.6	38.8	231.2	37.3
Scheme liabilities at present value	(216.7)	(28.0)	(265.7)	(33.2)
Net pension asset/(liability) recorded within pension provisions (Note 21)	**(15.1)**	**10.8**	**(34.5)**	**4.1**
Analysis of the amount charged within Operating Surplus				
Operating cost				
Current service cost	8.2	0.2	14.0	0.4
Past service cost	-	-	-	-
Administrative expenses	0.8	-	1.0	-
Total operating cost:	9.0	0.2	15.0	0.4
Financing cost:				
Interest expense on liabilities	9.3	1.1	6.2	0.7
Interest income on assets	(8.3)	(1.3)	(4.6)	(0.7)
Total financing cost:	1.0	(0.2)	1.6	-
Total charge within Operating Surplus before tax	**10.0**	**-**	**16.6**	**0.4**
Amounts recognised in Other Comprehensive Income:				
Actuarial losses/(gains) from assets	42.4	(0.8)	45.8	2.1
Actuarial losses/(gains) on liabilities	(58.8)	(5.1)	(115.4)	(8.6)
Effect of asset ceiling as per IAS19 approach	-	6.7	-	4.1
Total loss/(gain) to Other Comprehensive Income before tax	**(16.4)**	**0.8**	**(69.6)**	**(2.4)**
Analysis of movement in deficit:				
Deficit at beginning of year	34.5	-	101.4	3.4
Contributions by the Institution - normal	(12.1)	(0.3)	(10.2)	(0.3)
Contributions by the Institution - additional	(0.9)	(0.7)	(3.7)	(1.0)
Operating cost	9.1	0.2	15.0	0.4
Financing cost	0.9	-	1.6	-
Loss/(Gain) recognised in Other Comprehensive Income	(16.4)	0.8	(69.6)	(2.5)
Deficit/(Surplus) at end of year	**15.1**	**-**	**34.5**	**-**

25. Pension Schemes (continued)

Changes to the present value of scheme liabilities:	2023 CUPF £m	2023 LGPS £m	2022 CUPF £m	2022 LGPS £m
Present value of scheme liabilities at start of the year	265.7	33.2	368.7	42.1
Current service cost	8.2	0.2	14.0	0.4
Past service cost	-	-	-	-
Interest expense on liabilities	9.3	1.1	6.2	0.7
Contribution by participants	0.2	-	0.2	-
Actuarial losses/(gains) on liabilities	(58.8)	(5.0)	(115.4)	(8.6)
Actual benefit payments	(7.9)	(1.5)	(8.0)	(1.4)
Present value of scheme liabilities at the end of the year	**216.7**	**28.0**	**265.7**	**33.2**
Changes in the fair value of scheme assets:				
Fair value of scheme assets at the start of the year	231.2	37.2	267.3	38.7
Interest Income on assets	8.3	1.3	4.6	0.7
Actuarial gains/(losses) on assets	(42.4)	0.8	(45.8)	(2.2)
Contributions by the Institution	13.0	1.0	13.9	1.3
Contributions by participants	0.2	-	0.2	-
Net benefits paid out	(7.9)	(1.5)	(8.0)	(1.3)
Expenses	(0.8)	-	(1.0)	-
Fair value of scheme assets at the end of the year	**201.6**	**38.8**	**231.2**	**37.2**

CUPF and LGPS assets do not include any of the Institution's own financial instruments, or property occupied by the Institution.

In the prior year an asset ceiling was applied resulting in a net closing fair value of assets of £33.2m. The current year opening position presents these assets at a gross position, therefore does not reflect the impact of the asset ceiling. This results in a presentational difference of £4m therefore showing the opening fair value of assets at £37.2m.

	2022 LGPS £'m
Closing net position of assets as presented in the 2022 accounts	33.2
Impact of presenting the assets ceiling	4.0
Closing gross position of assets as at 31 July 2022	**37.2**

	Year ended 31 July 2023 CUPF £m	2023 LGPS £m	Year ended 31 Jul 2022 CUPF £m	2022 LGPS £m
Actual return on scheme assets:				
Interest income on scheme assets	8.3	1.3	4.6	0.7
Asset gain / (loss)	(42.4)	0.8	(45.8)	(2.2)
Actual return on scheme assets	**(34.1)**	**2.1**	**(41.2)**	**(1.5)**

25. Pension Schemes (continued)

Sensitivity of movement in key assumptions

The approximate impact of changing the key assumption on the present value of the funded defined benefit liabilities as at 31 July 2023 is set out below.
In each case, only the assumption mentioned is altered; all other assumptions remain the same.

	Funded Defined Benefit Liability (£m)		
CUPF	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	213.3	216.7	220.2
Rate of general increase in salaries	220.0	216.7	213.5
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	210.7	216.7	222.7
LGPS	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	27.7	28.0	28.4
Rate of general increase in salaries	28.0	28.0	28.0
Rate of increase to pensions and rate of revaluation of pension accounts	28.3	28.0	27.7
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	28.7	28.0	27.3

Inflation
Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS102 discount rate, have increased significantly, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore both gross DBOs and assets have fallen.

26. Capital Commitments

Consolidated and Institution	2023 £'000	2022 £'000
Commitments contracted at 31 July 2023	19,988	4,968

27. Operating Lease obligations

Consolidated and Institution

Future minimum lease payments due	**Land and buildings £'000**	**Other £'000**	**Total 2023 £'000**	**Total 2022 £'000**
Not later than one year	2,747	86	2,833	3,000
Later than one year and not later than 5 years	8,369	40	8,409	8,957
Later than five years	27,164	43	27,207	27,616
Total lease payments due	38,280	169	38,449	39,573

Land and building leases are held in respect of office premises and car parking facilities. Other leases comprise vehicle and other equipment leases.

28. Related Party Transactions

All transactions involving organisations in which a member of the Council may have an interest are conducted in accordance with the Institution's financial regulations and normal procurement procedures. The Institution maintains a Register of Interests of members of Council and senior officers.

The list below represents the trading transactions and year-end close balances with organisations of which the relevant Council member or senior officer holds a position of influence in both the related party and the Institution.

Organisation	Council member or senior officer	Income £'000	Expenditure £'000	Debtor £'000	Creditor £'000
Association of Commonwealth Universities	Prof C Riordan	-	9	-	-
British Council	Prof C Riordan	41	-	(2)	-
Cardiff & Vale University Health Board	Ms S Rankin	1,128	7,195	1,576	910
Cardiff Business Club	Ms A Xavier-Phillips	-	2	-	-
Cardiff Council	Ms C Morgan Dr J Wademan	1	535	2	8
Cardiff University Students' Union	Ms G Dunn Ms A Flores Acuna Mr D Owen	-	6,341	2	247
Careers Research and Advisory Centre (CRAC)	Ms J Juillerat	-	-	-	1
Compound Semiconductor Centre Limited	Prof R Allemann Mr D Xiberras	60	822	4	-
Digital Health & Care Wales/NHS Wales	Mr D Selway	(13)	5	48	-
Gower College, Swansea	Judge R Singh	-	28	1	-
Gwent Office of the Police and Crime commissioner	Dr J Wademan	26	-	-	-
IDP Connect	Prof C Riordan	-	81	-	71
Institute of Cancer Research	J Shakeshaft	1	-	4	-
King's College London	Ms J Newman	-	444	141	108
Liverpool University	Prof Dame J Finch	-	-	34	-
Medical Research Council	Prof K Graham	11,196	6	(1)	-
Medical Schools Council	Prof S Riley	-	49	-	-
Microsoft	Mr B Paul	-	75	-	-
Quality Assurance Agency	Ms Claire Morgan	-	60	-	49
Race Council Cymru	Judge R Singh	-	4	-	-
Russell Group	Prof C Riordan	-	87	-	-
The Conversation UK	Ms J Newman	-	35	-	-
Tata Steel UK	Dr R Weaver	50	-	-	-
UCAS	Prof C Riordan	-	242	-	-
Universities UK	Prof U Khaliq Prof C Riordan	-	271	-	-
Welsh Government	Prof R Ashworth Prof K Graham	26,666	55	3,589	-
Welsh Wound Innovation Centre	Prof I Weeks Ms S Rankin	-	-	22	-

28. Related Party Transactions (continued.)

The Institution has taken advantage of Paragraph 33.1A of FRS 102 in that disclosures need not be given for transactions that have taken place between the parent and its wholly owned subsidiaries.

Trustee remuneration and expenses

No trustee received any remuneration or waived payment from the Institution during the year (2022: none).

The amounts in the table below represent payments made to trustees for travel and subsistence costs incurred in attending Council, committee meetings and charity events in their official capacity. Not all trustees have claimed expenses in the year or prior year. Where trustees are also employees of the Institution, expenses claimed in their capacity as an employee are not included.

	2023 £'000	2022 £'000
Expenses paid to 6 trustees in the year (2022: 6)	5	4

29. Post Balance Sheet Events

On the 18th September 2023, Cardiff University transferred its holding of Compound Semiconductor Centre Limited (comprising of 50 B ordinary shares of £1 each, 9,950 B ordinary shares of £1 each and 10,160 preferred B shares of £1 each) to IQE (Europe) Limited for nil consideration, thus relinquishing its share within the joint venture. The total of Cardiff University's share of liabilities in Compound Semi Conductor Centre Limited as at 31st July was £3,931k.

30. US Department of Education Financial Responsibility - Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, Cardiff University is required by the US Department of Education to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. The accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

			Year ended 31 July 2023		Year ended 31 July 2022	
Page	**Line item - related disclosures**	**Expendable Net Assets**	**£'000**	**£'000**	£'000	£'000
51	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		631,110		607,998
51	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		46,406		45,730
51	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	952,270		949,055	
51	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation	Property, plant and equipment - pre-implementation		899,332		639,852
51	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post-implementation without outstanding debt for original purchase		39,135		306,717
51	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		19,834		2,432
51	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities		180,332		233,452
51	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	422,901		424,324	
51	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation		422,901		424,324
51	Statement of Financial Position - Term endowments	Term endowments with donor restrictions		4,389		4,332
51	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		41,857		41,238

30. US Department of Education Financial Responsibility - Supplemental Schedule (continued)

Primary Reserve Ratio (continued)

			Year ended 31 July 2023		Year ended 31 July 2022	
Page	**Line item - related disclosures**	**Total Expenses and Losses**	**£'000**	**£'000**	**£'000**	£'000
65	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		654,207		608,580
65	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		46,683		(53,390)
65	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)		(5,624)		(9,393)
65	Statement of Activities - Pension related changes other than periodic pension	Pension-related (credits)/ changes other than net periodic costs		53,120		(44,638)

Equity Ratio

			Year ended 31 July 2023		Year ended 31 July 2022	
Page	**Line item - related disclosures**	**Modified Net Assets**	**£'000**	**£'000**	£'000	£'000
51	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		631,110		607,998
51	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		46,406		45,730
Page	**Line item - related disclosures**	**Modified Assets**	**£'000**	**£'000**	**£'000**	**£'000**
51	Statement of Financial Position - Total Assets	Total Assets		1,456,340		1,480,261

30. US Department of Education Financial Responsibility - Supplemental Schedule (continued)

Net Income Ratio

			Year ended 31 July 2023		Year ended 31 July 2022	
Page	**Line item - related disclosures**		**£'000**	**£'000**	£'000	£'000
50	Statement of Changes in Reserves - total of movement shown for Income & Expenditure Reserve and Revaluation Reserve	Change in Net Assets Without Donor Restrictions		28,180		(27,891)
65	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		635,704		634,079


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CARDIFF UNIVERSITY

England & Wales - Charity number 1136855

Accounts

CARDIFF UNIVERSITY
PRIFYSGOL CAERDYDD

Annual Report and Financial Statements

Year ended 31 July 2022



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Charity Name:
Cardiff University

Charity Registration Number:
1136855

Registered Office:
Main Building
Cathays Park
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www.cardiff.ac.uk



Chair of Council's Introduction

The challenges Cardiff University has faced over the last 12 months have been varied and unpredictable. While the pandemic rumbled on, other external forces such as the cost of living and the impact of the war in Ukraine came to the fore.

During this time, it has been a real privilege to lead Council.

Thanks are due to the Vice-Chancellor and University Executive Board for continuing to navigate the path through the pandemic with the safety of our community at the forefront of their actions.

They also reacted quickly to the situation in Ukraine, pledging £1m over the next three years to support academics and students in the country who have been affected by the war.

The University increased the support available to students via its hardship funds in response to the cost-of-living crisis. I'm glad Council was able to approve this vital funding which means students most in need have access to over £1m in additional support.

Over the year, Council continued to provide steady support for the University's aims and vision. That support comes in the form of appropriate scrutiny and governance of the University's strategy and activities.

Council met seven times during the period, with three special meetings and four development sessions. These development sessions allowed Council to focus on issues such as the climate emergency, the health and wellbeing of staff, and the impact of Covid-19 on the University's strategy. As the immediacy of the threat posed by the Covid-19 pandemic recedes, Council has now approved the return to the full reporting of the University's strategy, with some enhancements to reflect the Recast Way Forward. This will give us a fuller understanding of the University's performance in our post-pandemic world.

Council continued to monitor the University's Capital Investment Plan. It has been very rewarding to see the Centre for Student Life and Abacws buildings fully operational and now integral parts of the University's campus. They were joined by sbarc/ spark, a state-of-the-art building at the heart of the University's Cardiff Innovation Campus which brings together social science researchers, entrepreneurs, student start-ups and academic spinouts, and the Translational Research Hub, a multi-million-pound facility where industry and scientists from the worlds of catalysis and compound semiconductors work together to solve commercial challenges. Together, these incredible buildings are investing in our people, places, and partnerships.

Over the last year, Council has approved a number of notable appointments. Perhaps of most significance is the journey to recruit a new Vice-Chancellor when Professor Colin Riordan retires at the end of the 2023 academic year. Council approved the initiation of a Joint Committee of Council and Senate as part of this and the recruitment process is now underway.

On a personal level, I can't leave the University's graduation celebrations unrecognised. The class of 2020 and 2021 – who had their in-person ceremonies postponed because of Covid-19 - joined the class of 2022 for a magnificent, showpiece event on campus and at the Principality stadium in July.

Covid-19 presented us with some unprecedented challenges in terms of this year's ceremonies, and we rose to meet them. The University went the extra mile to ensure our students and their families had a truly memorable day that matched their hard work and achievement.

This was Cardiff University at its best, and on behalf of the Council I'm keen to recognise and salute the contributions of everyone involved.

Patrick Younge
Chair of Council

University Strategic Plan

The Way Forward 2018-2023: Recast Covid-19

The University reviewed its strategic plan in response to Covid-19 at the start of the pandemic, adapting its strategic priorities to the new reality faced by society. The University recast its Way Forward strategy as set out below.

Cardiff University exists to create and share knowledge and to educate for the benefit of all. Our vision is to be a world-leading, research excellent, educationally outstanding university, driven by creativity and curiosity, which fulfils its social, cultural, and economic obligations to Cardiff, Wales, the UK and the world.

By fulfilling our vision our objective is to become one of the top 100 universities in the World and the top 20 in the UK. Our priority must be the health and wellbeing of our students and staff. To secure this, we must be financially sustainable.

As we take forward the interdependent priorities of health and wellbeing and financial sustainability, we must ensure that the quality and integrity of our academic and educational activity remain paramount. The changed circumstances will have profound effects in terms of our performance and how we assess progress. League table position will not be the primary concern. Instead, we must ensure that we survive and thrive.

Our Values

We will operate according to the Nolan Principles of Public Life and furthermore be guided by the following values: **institutional autonomy; freedom of enquiry; collegiality, leadership and management; equality, diversity and inclusion; environmental sustainability; financial resilience; and civic mission**.

Education and students

We will re-prioritise activity to provide our students with the highest quality experience possible given the constraints of the Covid-19 crisis, whilst preserving our academic standards and integrity.

Learning environment: We will move forward on plans to enhance our online and blended offering to ensure we are agile enough to deliver programmes.

Student experience: The priorities for the University will remain enhancement of the student experience, retention and outcomes successes of our students.

Student success: Work to support careers and skills will continue. The University will take forward the planning and implementation of its newly drafted Widening Participation Strategy. Work on this will continue, supporting students from socio-economically deprived and educationally disrupted backgrounds to engage, achieve and succeed at Cardiff University.

Teaching excellence: Work on supporting academics and those who support learning and teaching will continue, with progress being made on the Academic CPD Framework and achievement of Advance HE accreditation, although timeframes for implementation may be changed.

Academic standards: The priority here will be the maintenance of academic standards due to the significant variation which has been introduced as a result of Covid-19.

Civic mission

In the same way as Cardiff University reacted to major societal challenges of the 20th Century, the current social and health crisis caused by coronavirus requires the University to reshape our civic mission to help government, health services and wider society to revive and renew the Welsh economic, social, and cultural landscape.

Supporting job creation will be of paramount importance given the economic impact of the virus. Innovation in education is more prominent than ever and we will continue our contributions to this. Our partnership with the NHS will achieve very much greater salience. We will continue to work to enhance the Welsh-language culture of our campus in line with our new Welsh-Language Strategy.



International

We maintain and continue to build international relationships to position ourselves for the future.

We will explore the extent to which we can learn from current changes in learning and teaching practices regarding international travel and reduce the level of international travel relating to conferences and fieldtrips.

We will continue to focus on maintaining and building strong relationships with international partner universities by remote methods.

The international summer school programme will be adapted to the changing circumstances, with modified means of delivery as necessary. We will continue to support our staff to develop international collaborations that ensure success in a changing international research funding landscape.

Research

We will mitigate the immediate impact of Covid-19 on research by encouraging staff to work on research outputs deliverable remotely. Enhanced support for staff and postgraduate research students will be considered, depending upon the financial resilience of the University.

We will minimise potential financial impacts of Covid-19 on our research by working closely with funders, external partners and governments to ensure deliverable research outcomes, as well as consider matched-funding commitments to research. We will reconsider our research strategy in light of the long-term challenges to the financial sustainability of research and the likely scale and direction of future research funding post-Covid-19.

Innovation

We have completed our research related building projects and the Cardiff Innovation Campus to position ourselves effectively for post-Covid-19 revival and renewal opportunities. This includes reworking of business cases for our major Innovation projects to ensure that these are aligned to new funding opportunities and positioned strategically.

We will work closely with local authorities, the Cardiff Capital Region, third sector and Welsh Government to develop major strategic initiatives able to deliver major economic benefit to the region. This will include developing new private and public sector collaborations for a post-Covid-19 world, in alignment with UK research and development priorities.

Assessing our progress

Now, as we learn to live with the threat faced by Covid-19, we will continue to be guided by our recast strategy and monitor the critical success factors within it, but in the year ahead we will also turn our attention to reporting against an enhanced, broader set of KPIs.

Our attention must remain strategically focused on the following: **the health and wellbeing of our staff and students; financial sustainability, especially fee revenue, cost base and the cash position; student satisfaction and experience; research grants and contracts; civic mission and our contribution to rescue, revive and renew**.

Vice-Chancellor's Review

While Covid-19 continued to affect our day-to-day activities in the first half of the academic year, by the second semester the position was much improved despite the continuing waves of omicron.

Some blended learning continued, but the move to use our teaching spaces to full capacity was welcomed by our students. We are not complacent, however, and precautions such as much improved ventilation remain in place and will do so until the risk has reduced further.

After nearly two years of playing a pivotal role in keeping our campus safe, our Covid-19 Screening Service ceased operating. We were one of the first and, ultimately, relatively few universities in the UK to offer free asymptomatic testing for staff and students. This is what allowed us to understand how coronavirus was developing at Cardiff and to issue early warnings that helped close down outbreaks as soon as possible. I would like to express the gratitude of the whole University to everybody involved in the service. It was a huge success and an achievement of which we can be collectively proud.

Our position as one of the UK's leading research-intensive universities was confirmed in May with the release of the Research Excellence Framework (REF) 2021 results. 90% of our research was judged to be world-leading or internationally excellent. I'll talk more about these results later on, but they mean that we can turn our minds to the future direction of research at Cardiff with optimism and confidence, knowing that we will continue to work together to create research that really matters.

Our focus on student experience also paid dividends. An improved NSS result saw us increase our score in Overall Satisfaction by over three percentage points, which may not sound much but saw us moving ahead of other universities in the sector, than other universities in Wales and, than a number of universities in the Russell Group.

The academic year ended with an ambitious graduation celebration. The classes of 2020 and 2021, who had seen their graduation ceremonies postponed because of Covid-19 restrictions, joined the class of 2022 for a wonderful series of events to mark their achievements. It was genuinely the most spectacular example of very large-scale teamwork that I have ever encountered, and I am immensely proud of everybody involved. Realising this huge event and seeing it through to fruition captured the dedication and commitment that we have to our students and graduates.



What follows next are some of the highlights from across the University over the last year, detailing progress against our strategy, and outlining some of the principal risks the University faces in the near future.

Education

Once again, in the face of coronavirus, our students have shown extraordinary resilience.

This generation of students has had a very difficult time of it through the pandemic and will continue to need our support for some time to come. Our strategic focus was rightly on student experience throughout the year, and to that end, it's been heartening to see the Centre for Student Life so well used by our students. As well as offering very practical support, and being a home for students between classes, the Centre is a wonderful symbol of how much importance we attach to the welfare, wellbeing, and academic progress of our students.



New student mental health service launches

The HEFCW-funded South-East Wales Mental Health Partnership began its work, allowing our students, along with those from other universities in the city, to be referred to an NHS mental health team based in our Centre for Student Life.

The service ensures that students who require non-emergency clinical assessment and treatment will be able to receive it in a timely and appropriate manner, and communication between all those involved in supporting student cases will be made easier. This is a great step forward for our students and a significant achievement both for our Student Life team and for all our partners.



Groundworks begin on University sports complex

Work began on brand-new, state-of-the-art facilities at our Llanrumney Sports Fields that will transform the site into some of the best sports provision in the UK.

The project – a partnership between the University, Cardiff Council and Cardiff City House of Sport - offers a much-needed boost for our students' sporting experience. It means more students will be able to benefit from activities that we know can help enhance and maintain mental health, boost academic achievement, and increase employability prospects



Students Save Lives

A group of our student doctors launched what they believe to be the first scheme of its kind in the world to teach life-saving skills to students. Students Save Lives equips students with the basics of CPR.

It was introduced across the University; with the hope it could eventually be expanded to institutions across Wales.



North Wales medical degree programme doubles intake

More medical students will study for their degree in north Wales after an expansion in the region's training programme.

The C21 North Wales programme, which is delivered in partnership between Cardiff and Bangor Universities, allows students to study in north Wales with a greater focus on community medicine and a wide range of placements including a full year at a GP surgery. The Welsh Government, which funds the initiative, expanded the intake from 20 students to 40 students in the 2022 intake.



Students part of BBC reporting team for COP26

Two students from our School of Journalism, Media and Culture produced original stories on climate change and sustainability as part of the BBC's COP26 coverage.

Nel Richards and Chloe Blissett were selected from more than 500 applicants to be part of the team working to cover the 26th UN Climate Change Conference of the Parties.

Research

As I have already mentioned, the last academic year saw the results of the REF exercise released. In very good news for Cardiff, the University was ranked 14th in the UK on research power and 19th on quality.

We rank 11th for the reach and significance of our impact, and 16th for environment and culture. Ten of our 23 submissions rank in the top quartile for overall performance.

13 of our 23 submissions are ranked in the top quartile for research impact. Our KPI for REF was to achieve 12th position on research power (the combination of quality and volume).

This was always a stretch target, and we can be very happy with our 14th position on that measure, up from 18th last time.



Landmark study reveals new genes associated with increased risk of Alzheimer's

A major new international study involving researchers from the University identified 75 genes associated with an increased risk of developing Alzheimer's disease, including 42 new genes which had not previously been implicated in the condition.

The study also provided compelling evidence to support a role for inflammation and the immune system in the disease.



Scientists use vaccination to successfully treat Covid-19 for the first time

Doctors successfully used vaccination to treat a patient with Covid-19 in what is thought to be the first instance of the vaccine being used for therapy instead of prevention or pre-infection mitigation.

The patient, who has a rare genetic immunodeficiency, tested positive for Covid-19 for seven-and-a-half months after catching the virus. It was finally cleared from his system after clinicians from the Immunodeficiency Centre for Wales used two doses of the Pfizer vaccine to treat him while scientists from Cardiff University monitored his immune system's response.



Scientists provide explanation for exceptional Tsonga Tsunami

An international team, including scientists from the University, identified the exact mechanism responsible for the exceptional tsunami that spread quickly across the world after the colossal eruption of the Tonga volcano.

They say acoustic-gravity waves triggered by the powerful volcanic blast, travelled into the atmosphere and across the ocean. As these waves converged with each other, energy was continuously pumped into the tsunami which caused it to grow bigger and travel much further, much quicker and for much longer.

International

We have created and maintained strong relationships with our international partner universities through remote methods, and, as the world opened up again, in person.

We also continued to support our staff to develop international collaborations in light of the changing international research funding landscape.

In a deeply troubling turn of events, international relations, the economy and, ultimately, the lives and livelihoods of citizens in Europe and beyond have been affected by Russia's invasion of Ukraine. In common with many universities across the world, we unequivocally condemned Russia's catastrophic aggression in Ukraine. We announced ten undergraduate and ten postgraduate scholarships for Ukrainian applicants for the academic year 2022-23 and are working with the Council for At Risk Academics to support Ukrainian academics seeking refuge in the country.

In parallel we are reviewing our current asylum seeker scholarship scheme to ensure that it is both robust and flexible enough to support those displaced by conflict across the globe.



Partnership with Beijing Normal University leads to first graduates with dual degree

A trailblazing programme established with Beijing Normal University saw the first cohort of students graduate this year with a dual degree.

While most universities in the UK host great numbers of Chinese students, it is far rarer for students from the UK to study in China.

This innovative programme allows students to study Mandarin and other China-related subjects for two years at the Joint College in Cardiff, before spending two years perfecting their skills and knowledge in Beijing. These levels of skills and expertise are vital to the future of this country and will see our graduates much in demand.



Strategic partnership with the University of Waikato

International opportunities are being developed between Cardiff and the University of Waikato in New Zealand as part of a new strategic partnership.

The agreement, which was signed at simultaneous events being held at both universities, builds on a successful Student Exchange agreement between the two institutions.



Cardiff backs Taith international learning exchange programme

The University is hosting the Programme Executive delivering Welsh Government's new international learning exchange programme, Taith, which has the power to help students carve out new career pathways.

Taith (Welsh for 'journey') aims to help 15,000 students and staff from Wales travel overseas, and for 10,000 in turn to work or study in Wales. It replaces the Erasmus+ programme the UK Government left after Brexit.



Supporting universities in Ukraine

Cardiff University is twinning with National University Zaporizhzhia Polytechnic to provide vital support to Ukrainian staff and students, enabling them to continue their learning and research and to lay the foundation for a rich, long-term collaboration between the two institutions.

Innovation

The opening of our new innovation building, sbarc / spark completes our Cardiff Innovation Campus, and fulfils our strategic vision that innovation is something that crosses the campus, arising from the interplay between ideas, people, and facilities.

This beautiful building is a fitting home for all the public interest work in social sciences that we engage in. With the completion of this Campus, we have positioned ourselves effectively in line with post-Covid-19 revival and renewal opportunities in Wales and the UK.



Creating a centre of excellence for clinical research

The Cardiff Joint Research Office, a collaboration between the University and Cardiff and Vale University Health Board, officially opened.

The new office supports a joint approach to the development and delivery of healthcare research and aims to make the Welsh capital one of the best places in the UK for clinical research.



£9.5m for Cardiff-led cyber innovation hub

A proposal to establish a Cyber Innovation Hub has attracted commitments of funding from Welsh Government and the Cardiff Capital Region City Deal.

The co-investment in a Cardiff University-led Cyber Innovation Hub is expected to drive the transformation and growth of a cybersecurity cluster in South Wales. The cluster is aligned with our innovation strategy, leveraging long standing commercial and public sector partnerships to develop market-led challenges, deliver IP, champion new cyber products and high-growth companies, and develop a talent pool that feeds directly into the cluster.



Clwstwr celebrates success of creatives in south Wales

Clwstwr, a multi-million-pound programme to drive innovation in the screen industries, celebrated the work of more than 100 projects which have benefited.

A research and development programme, it has supported freelancers, small businesses and larger organisations in south Wales to explore new ways of working and trial new products and services.



Accelerating Cardiff's bright ideas

Cardiff University's best, brightest and most disruptive ideas are to benefit from £3m funding to accelerate knowledge exchange, translation, and commercialisation.

The award from UK Research and Innovation's Impact Acceleration Account will support early-stage translation of UK research to create new jobs, transform public services, attract private investment, and forge new partnerships with business and charities.



World Health Organization endorses Cardiff Model

The World Health Organization is calling on global governments to adopt the UK's Cardiff Model for Violence Prevention.

Pioneered by Professor Jonathan Shepherd, the model brings agencies together to prevent violence using data collected in emergency departments as well as police intelligence.

Civic Mission and Sustainability

One of the key milestones in our civic mission strategy was achieved this year with the opening of the Grange Pavilion.

The Pavilion is the centrepiece of the Community Gateway Project and was one of our original Way Forward Flagship Engagement Projects. It has transformed an old bowls pavilion into a thriving hub of activity for the community.

It is a stand-out example of how it is possible, by working with the local community and making Civic Mission part of the University strategy, to engage schools, local agencies and above all members of our local communities in working together to make real change and improvements that benefit all.



Parent Power Cardiff launched to boost university access for local communities

A group for parents has been launched to boost university access for local students.

Parent Power Cardiff is a joint initiative between Cardiff University and UK education charity The Brilliant Club. Parents will be driving the aims of the network, drawing on our expertise and support to address the challenges or potential barriers to higher education.



New scholarships for disadvantaged black British students

We are collaborating with the Cowrie Scholarship Foundation to provide scholarships for financially disadvantaged Black British students.

The University will cover tuition fees with the Foundation providing funding to cover maintenance and living costs through business and individual donors, along with mentorship, role models, and resilience programmes for scholarship students to ensure they make the most of their study opportunities.



Bronze Age enclosure sheds light on earliest inhabitants of Cardiff

An archaeological dig at a city park has uncovered what could be the earliest house found in Cardiff.

The Caerau and Ely Rediscovering (CAER) Heritage Project, a partnership between the University, Action in Caerau and Ely, local schools, residents, and heritage partners, began excavations at Trelai Park. Their discovery sheds light on some of the earliest inhabitants of Cardiff.

Celebrating Children's



University success

Our Centre for Student Life played host to a graduation ceremony for school children from across the city.

The pupils from four primary schools dressed in traditional caps and gowns to mark the completion of a new scheme designed to encourage and develop a love of learning.

Supporting Cardiff

We are very grateful to our donors, fundraisers, and volunteers, who continue to show their support through generous donations and legacies, and by giving their time and expertise.

The support we receive through gifts and pledges make world-class research possible and ensure the best and brightest students can access the education and opportunities they deserve.

Our volunteers, many of them alumni, play a vital role in supporting the next generation of Cardiff students. This year they've generously shared their experiences and knowledge through open days, offer holder events and by sharing their stories. They have also provided mentoring, career talks and internships to help students develop the skills and experience they need for life after university.

Our #TeamCardiff fundraisers, whose efforts support life-changing research in neuroscience, mental health and cancer at Cardiff University, welcomed the return of in-person events, including the rescheduled Cardiff Half Marathon which took place in March 2022. We were extremely grateful to the hundreds of alumni, staff and students who took part, as well as those who organised their own fundraising challenges and events.

A big thank you to everyone who supported us this year.

Over £6m

of new funds were secured* from more than 531 donors and fundraisers, including 30 organisations

Their support is making world-class research possible and giving talented students opportunities to flourish. (*Using CASE-Ross definitions).

£500,000

was pledged by The Wolfson Foundation

A longstanding supporter of Cardiff University, this gift will build a new cleanroom where Cardiff physicists can help develop and create the exquisite measurement devices which comprise global Gravitational Wave observatories – allowing the exploration of some of the most challenging problems in physics today.

£507,000

has been generously donated through gifts in wills

These gifts make a lasting difference to future generations of students, and enable pioneering research to save, change and enrich lives in Wales and beyond.

8,842

volunteering hours were given by Cardiff's alumni community

Our global alumni community supported future and current students, as well their fellow alumni by sharing their experience and expertise. Alumni gave their time to support recruitment events and offer mentoring and career guidance, as well helping to build networks and open doors.

£68,700

was raised by 262 #TeamCardiff fundraisers

#TeamCardiff stepped up with fundraisers taking on challenges like the Cardiff Half Marathon in March 2022, London Marathon, and the National 3 Peaks Challenge. Our fundraisers also organised their own fundraising events and challenges, to help accelerate life-changing discoveries to improve prevention, diagnosis, and treatment for people living with a wide range of conditions.

81 members

of Cylch Caerdydd supported students and research with a gift of £1,000 a year or more

Cylch Caerdydd donors play a crucial role in supporting the University's work.

Find out more:

cardiff.ac.uk/donate/join-cylch-caerdydd



Cost of living and war in Ukraine

I want to cover two of the risks facing the University over the next year, and indeed further ahead.

As I write, the cost-of-living crisis is presenting uncertainties for all. Earlier in the year we made a further £400,000 available for our Financial Assistance Funds, bringing the total available to help those students most in need to over £1m. The current situation is unpredictable, and looking to the future, it is crucial that we continue to support our students to deal with these pressures. We are considering how best to offer support to staff and are also working on measures such as ensuring that people can work on campus rather than at home if they need to, and that affordable food will be available at our outlets.

I have already mentioned the brutal and illegal invasion of Ukraine but wanted to return to it here as a risk we face in the months and years ahead. We are committed to supporting academics and students in Ukraine, as well as our own staff and students. It is important to say that we must be careful not to withdraw our support from Russian academic colleagues who may have opposed Putinism for years, many of whom have run significant risks and made personal sacrifices by signing statements opposing the war and the actions of their government. This is a complex set of circumstances, and it is important to remember that a key role of universities is to build academic bridges where governments may destroy them.

Planning for the future

As we have seen with the Omicron variant, Covid-19 still has the potential to disrupt, and it would be remiss of us to consider the pandemic as over.

We will remain watchful rather than complacent and have been working on contingency plans for the winter should they be needed.

As we learn to live with Covid-19, now is a good time to remind ourselves of other critical matters that we must address in the years ahead. We retain a strong focus on climate change and our achieving net zero, but we must also re-affirm our commitment to removing single-use plastic from the campus to the greatest extent possible.

While we have turned a corner in relation to NSS and student experience, there is still some way to go. The challenge now is to make the improvements sustainable, embed good practice and ensure that our students increasingly confirm that they are happy with the experience they have at Cardiff University.

With the REF 2021 results now behind us, the next phase of our research strategy will need to focus on providing the right kind of supportive environment for our researchers, along with guidance on how to succeed, especially for those in the early phase of their career. Our strategy since 2014 has been one of support and inclusivity, and we have learned much along the way that we can successfully deploy as we look forward to the next REF, expected in 2028.

The year ahead will be my last as Vice-Chancellor, as I retire at the end of the 2023 academic year. Until that point, of course, I shall remain committed and focussed on my role and on the needs of the University.

I would like to end by thanking our staff, students and supporters for the energy and time they have dedicated to this university and our mission. I have always maintained that Cardiff's strength comes from its community. It is a community characterised by compassion, kindness and commitment, values that have triumphed again over the last year.

Professor Colin Riordan
Vice-Chancellor
24 November 2022



Key trends in Higher Education

Following the Senedd elections in May 2021, Welsh Labour and Plaid Cymru entered into a co-operation agreement.

In December they agreed a three-year joint policy agreement covering 46 policy areas, and with funding to support them. Both parties have been clear that this is a not a coalition but an agreement to deliver a shared programme of work and provide stability to governance in Wales during this Senedd term.

One of the key policy areas in the agreement was the Tertiary Education & Research (Wales) Act, a long-standing piece of the Welsh Government's legislative programme. The Act contains nine key strategic duties and will bring together all parts of the post-16 education sector under one new regulator, the Commission for Tertiary Education & Research.

Cardiff University fed into the consultation highlighting sectoral concerns and pushing on research areas.

The Welsh Government has also been developing their International Learning Exchange Programme, now called Taith. The £65m investment serves as a partial replacement for Erasmus+ and has been developed by Cardiff University over the academic year. Welsh universities can utilise the programme in conjunction with the UK Government's Turing scheme and is positive for the sector in Wales, giving a clear indication that internationalisation remains vital to Welsh Higher Education.

Cardiff University continues to contribute to plans for a North Wales Medical School at Bangor University, which will be Wales's third such school. We continue to support the establishment of the North Wales Medical School, while making the case that any expansion in Wales's medical education and research should mean additional investment rather than re-allocation of existing resource.

In July, the Welsh Government launched their draft Innovation Strategy for Wales, to which Cardiff University has submitted a detailed response. Cardiff University continues to encourage greater ambition for Welsh innovation to complement and build on our own vision for research and innovation which was set out in our refreshed sub-strategy in December 2021.

While much of higher education is devolved, the reality of the UK's constitution means Cardiff University is affected by Westminster policy shifts. The great levers affecting the research funding system are reserved in London, where the trend is towards a heavy emphasis on science and technology.

Amidst political uncertainty at Westminster, the status of the 'Levelling Up' agenda has become uncertain, and it is highly likely that prioritisation and financial support for addressing regional inequality might slip. Meanwhile, the worsening cost of living crisis presents a key challenge, with HE institutions needing to put the case for their own funding to increase to reflect growing costs of provision.

There continues to be a substantially different rate of fees between England and Wales that puts Welsh universities at a competitive disadvantage to English counterparts, not only for research but for our ability to attract and retain staff.

Making this disparity clear to both UK and Welsh Governments remains a priority.

Major Committees and University Executive Board

Report from the Governing Body's key committees

Council has established four major committees whose members it appoints to oversee various aspects of the University's business: the Audit and Risk Committee, the Finance and Resources Committee, the Governance Committee, and the Remuneration Committee.
All of these committees are formally constituted, each with terms of reference and a membership which includes lay members of Council and a Council lay member as Chair. Major committees may establish sub-committees, such as the Nominations Sub-Committee which is a key sub-committee created to consider and agree recommendations to Council in relation to key appointments.

Audit and Risk Committee

Member	Type	Attendance
Michael Hampson (Chair)	Lay	5/5
Pers Aswani (appointed from 01 Aug 22)	Lay	0/0
Paul Benjamin (resigned 16 Apr 22)	Lay	2/4
Donall Curtin	Lay	5/5
Suzanne Rankin (appointed from 01 Aug 22)	Lay	0/0
Dr Janet Wademan (term ended 31 Jul 22)	Lay	5/5
Robert Weaver (appointed from 01 Aug 22)	Lay	0/0
Agnes Xavier-Phillips	Lay	4/5

The Chair of Council and members of staff or students at the institution, are not members of the Committee. Members are not individuals with executive management responsibilities within the institution or members of the Finance and Resources Committee.

Key responsibilities

The Audit and Risk Committee has a key role in advising and assisting the Council in overseeing the assurance and control environment of the University. Its duties cover:

- Assessing and advising Council on the effectiveness of the institution's risk management, control and governance arrangements, and the internal controls and procedures to promote economy, efficiency and effectiveness;
- Oversight of external and internal audit arrangements, including advising the governing body on the appointment of the audit providers, and oversight of the nature and scope of external and internal audits and the effectiveness of the audit processes; and
- Oversight of audit aspects of the University's financial statements, including the independent auditors' opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the management representation letter.

Summary of business

The Audit and Risk Committee met five times during 2021-22, including an extraordinary meeting to make a recommendation to the Council on the appointment of the External Auditor following a competitive tender exercise undertaken during the year.

The External Auditors were present for consideration of a Going Concern Report, the annual Financial Statements and management representation letter, as well as approval of the annual internal audit plan.

The Committee reviewed the University's risk register and detailed reports, including those from internal audit, together with recommendations for the improvement of the University's systems of internal control, as well as management responses and implementation plans.

The Committee considered reports on value for money, cyber security and in relation to HEFCW institutional reviews, and approved revisions to the Serious Incident Framework to ensure compliance with the Charities Act.

Finance and Resources Committee

Member	Type	Attendance
John Shakeshaft (Chair from 01 Jan 21)	Lay	4/4
Professor Rudolf Allemann (appointed from 09 Feb 22)	Employee	1/2
Hannah Doe (term ended 30 Jun 22)	Student	4/4
Gina Dunn	Student	2/4
Angie Flores Acuña (appointed from 01 Jul 22)	Student	0/0
Chris Jones	Lay	4/4
Jan Juillerat	Lay	4/4
Robert Kingham (appointed from 01 Jan 22)	Lay	3/3
Professor Stuart Palmer (term ended 31 Dec 21)	Lay	1/1
Professor Colin Riordan	Employee	4/4
Professor Damian Walford Davies	Employee	4/4
David Simmons (term ended 31 Jul 22)	Lay	3/4
Jennifer Wood (appointed from 01 Aug 22)		0/0
Patrick Younge (appointed from 01 Jan 22)	Lay	3/3

Key responsibilities

The broad remit of the Finance and Resources Committee is to monitor the University Executive Board's proposals for achievement of the strategic aims by scrutinising the alignment of resources to the Strategic plan and monitoring of performance against that. It has specific duties in respect of the following areas:

- Resource Allocation, including allocation provided to Students' Union.
- Financial management.
- Digital Infrastructure management.
- Human Resources management.

Summary of business

The Committee met four times during the 2021/22 academic year. The Committee oversaw the business of its two sub-committees that scrutinise the development and implementation of environmental sustainability strategy and activity of the University, and the management of the University's investment and banking activity. On review of its terms of reference and the governance of estates matters, the Committee agreed to disband the Estates and Infrastructure Sub-Committee with its activities absorbed into the Finance and Resources Committee. In light of this, the Committee reviewed the proposed criteria for requesting funding from investment reserves, directly associated with the public bond cash injection, and scrutinised proposals for several estates related projects.

Over the course of the year, the Committee reviewed performance across HR related activities, and the University's financial statements, budgets, and financial plans alongside the Strategic Plan. Other work reviewed included proposals for staff pensions, the Students' Union Accounts and Block Grant, the 10-year Residences Fire Safety Planned Maintenance Programme and progress with completion of the Cardiff Innovation Campus. The Committee received regular updates on the formation and launch of the International Learning Exchange Programme.

Governance Committee

Member	Type	Attendance
Judith Fabian (Chair)	Lay	4/4
Hannah Doe (term ended 30 Jun 22)	Student	4/4
Gina Dunn (appointed from 01 Jul 22)	Student	0/0
Professor Dame Janet Finch (appointed from 22 Feb 22)	Lay	2/2
Jan Juillerat	Lay	4/4
Dr Joanna Newman (resigned 01 May 22)	Lay	2/3
Professor Stuart Palmer (term ended 31 Dec 21)	Lay	1/1
Professor Colin Riordan	Employee	2/4
David Selaway (appointed from 01 Aug 22)	Lay	0/0
Judge Ray Singh	Lay	4/4
Dr Andy Skyrme	Employee	4/4
Professor Ceri Sullivan	Employee	2/4
Professor Damian Walford Davies	Employee	3/4
Professor Stuart Walker (resigned 22 Feb 22)	Lay	1/2
Patrick Younge (appointed from 01 Jan 22)	Lay	3/3

Key responsibilities

The key role of the Governance Committee is to advise and make recommendations to the Council on:

- Matters relating to the governance of the University;
- The University's level of compliance with the mandatory requirements of legislation and other regulations, including the provisions of the Equality Act and the Welsh Language Act;
- Effectiveness reviews of Council as required;
- Constitutional and legal matters, including the Charter, Statutes and Ordinances;
- Lay Member nominations and appointments

To discharge its responsibilities, the Governance Committee has established five sub-committees:

- Nominations
- Health, Safety and Wellbeing
- Equality, Diversity and Inclusion
- Biological Standards
- Open Research Ethics and Integrity

Summary of business

The Governance Committee met four times in 2021-22. Over the year the Committee has reviewed the University's Governance Framework and approved associated updates to Statutes and Ordinances. It has also monitored completion of outstanding actions from a series of governance reviews, including the

Governance Charter for Wales 2020 and Commitment to Action and the Governance Effectiveness Review 2021.

The Committee approved the first tranche of a new Scheme of Delegation, which was a key recommendation from the Governance Effectiveness Review 2021 and reviewed a number of annual assurance documents, including compliance with the Welsh Language Standards, Information Management, PREVENT, The Modern Slavery Act 2015 and the Strategic Equality Plan Annual Monitoring Report.

The Governance Committee reviewed the lay member skills matrix and equality and diversity data to consider the composition requirements of an effective and efficient governing body, and, with the support of the Nominations Sub-Committee, oversaw the appointment of the new Chair of Council and three new Lay Members of Council.

Nominations Sub-Committee

Member	Type	Attendance
Jan Juillerat (Chair) (term ended on 19 Jan 22)	Lay	2/2
Professor Rachel Ashworth	Staff – Senate member of Council	4/5
Hannah Doe (appointed from 20 Jan 22, term ended 31 Jul 22)	Student	3/5
Gina Dunn (appointed from 01 Aug 22)		0/0
Tomos Evans (term ended on 19 Jan 22)	Student – Senate member of Council	2/2
Judith Fabian (Chair from 20 Jan 22)	Lay	5/5
Judge Ray Singh (term ended on 19 Jan 22)	Lay	2/2
John Shakeshaft (appointed from 20 Jan 22)	Lay	2/3
Patrick Younge (appointed from 20 Jan 22)	Lay	3/3

Key responsibilities

The role of the Nominations Sub-Committee is to consider and agree recommendations to Council in relation to key appointments, including the appointment and re-appointment of the Chair and Lay Members to the Council and its committees.

The sub-committee ensures that lay member recruitment is achieved through a clear and transparent appointment process, having due regard for the overall skills and experience of the governing body, balance of sector and non-sector knowledge and commitments to diversity and inclusivity.

Summary of business

The sub-committee met on five occasions during 2021-22 to consider the recruitment and selection of the new Chair of Council and the first Governor Apprentice. Following on from a Governance Effectiveness Review recommendation, the composition was reviewed, and a new body composed for the subsequent recruitment of a number of new Lay Members of Council and Sub-Committees. The Committee approved the advertising materials and methods for the posts and worked with an executive search firm appointed in relation to the Chair of Council position and Lay Member positions on the Council and the Audit and Risk Committee, Perrett Laver.

The governor apprentice was recruited via Perrett Laver's Governor Apprenticeship Scheme which aims to encourage diversity on boards, and the post was advertised externally.

The recruitment exercise for the Chair of Council commenced during 2020-21 and concluded in September 2021 with a recommendation made to Council in October 2021. Recruitment for the Lay Member positions was undertaken during June and July 2022.

Remuneration Committee

Member	Type	Attendance
Jan Juillerat (Chair)	Lay	2/2
Professor Dame Janet Finch	Lay	2/2
Michael Hampson (appointed from 01 Aug 22)	Lay	0/0
Professor Stuart Palmer (term ended on 31 Dec 22)	Lay	1/1
Dr Janet Wademan (term ended on 31 Jul 22)	Lay	2/2
Patrick Younge (appointed from 01 Jan 22)	Lay	1/1

The Remuneration Committee has a wholly independent membership of lay members of the Council (who include the Chair and Vice-Chair of Council). The Remuneration Committee shall not be chaired by the Chair of Council.

Key responsibilities

The Remuneration Committee, with advice from the Professorial and Senior Salaries Committee, develops the overall reward strategy and policy to cover the remuneration, benefits, conditions of employment and severance of the senior officers and staff of the University, including Deans and Heads of School.

The Committee is responsible for determining the remuneration, benefits, and conditions of employment of the Vice-Chancellor and their direct reports, taking account of affordability, comparative information of the remuneration, benefits and conditions of employment in the Higher Education Sector and elsewhere as appropriate and relevant metrics and performance data.

Summary of business

During 2021-22 the Committee reviewed the Senior Salary Review for the Vice-Chancellor and the Senior Staff Salary and Professorial Banding (including the Vice-Chancellor's direct reports), the annual update on the Gender and Ethnicity Pay Gap and on Equal Pay and Senior Pay Governance. The Committee also undertook its annual review of the Committee of University Chairs (CUC) HE Senior Staff Remuneration Code.

Senate

Member	Type	Attendance
Professor Colin Riordan (Chair)	Employee	2/3
Professor Rudolf Allemann	Employee	3/3
Professor Stuart Allen	Employee	3/3
Professor Rachel Ashworth	Employee	0/3
Professor Roger Behrend	Employee	1/3
Tine Bloome	Employee	3/3
Professor Kate Brain	Employee	3/3
Dr Paul Brennan	Employee	2/3
Gill Bristow	Employee	1/3
Professor Marc Buehner	Employee	3/3
Dr Cindy Carter	Employee	1/2
Professor David Clarke	Employee	3/3
Kelsey Coward	Employee	0/3
Professor Trevor Dale	Employee	2/3
Dr Juliet Davis	Employee	1/3
Professor Lina Dencik	Employee	1/3
Rhys Denton	Employee	2/3
Hannah Doe	Student	3/3
Dr Luiza Dominguez	Employee	3/3
Gina Dunn	Student	3/3
Helen Evans	Employee	3/3
Professor Stewart Field	Employee	1/3
Professor Dylan Foster Evans	Employee	3/3
Graham Getheridge	Employee	3/3
Professor Kim Graham	Employee	2/2
Chris Grieve	Student	1/3
Dr John Groves	Employee	1/3
Professor Mark Gumbleton	Employee	1/3
Professor Ian Hall	Employee	0/3
Professor Thomas Hall	Employee	3/3
Professor Ken Hamilton	Employee	2/3
Dr Natasha Hammond-Browning	Employee	1/3
Professor Ben Hannigan	Employee	3/3
Dr Alexander Harmer	Employee	3/3
Professor Adam Hedgecoe	Employee	3/3
Professor James Hegarty	Employee	0/3
Professor Mary Heimann	Employee	0/3
Dr Monika Hennemann	Employee	2/3
Professor Joanne Hunt	Employee	2/3
Professor Nicola Innes	Employee	2/3
Professor Dai John	Employee	3/3
Professor Urfan Khaliq	Employee	1/3
Professor Alan Kwan	Employee	0/3
Professor Wolfgang Maier	Employee	2/3
Emmajane Milton	Employee	2/3

Member	Type	Attendance
Claire Morgan	Employee	3/3
Professor Damien Murphy	Employee	2/3
Professor Jim Murray	Employee	2/3
Larissa Nelson	Employee	2/3
Dr James Osborne	Employee	3/3
Joanne Pagett	Employee	1/3
Dr Jo Patterson	Employee	3/3
Dr Jamie Platts	Employee	1/3
Dr Juan Pereiro Viterbo	Employee	2/3
Abyd Quinn-Aziz	Employee	3/3
Dr Caroline Rae	Employee	2/3
Dr Emma Richards	Employee	1/3
Kate Richards	Employee	3/3
Professor Steve Riley	Employee	2/3
Sebastian Ripley	Student	3/3
Dr Josh Robinson	Employee	1/3
Sarah Saunders	Employee	1/3
Dr Andy Skyrme	Employee	1/3
Professor Peter Smowton	Employee	2/3
Dr Zbig Sobiesierski	Employee	3/3
Megan Somerville	Student	3/3
Helen Spittle	Employee	3/3
Tracey Stanley	Employee	3/3
Professor Ceri Sullivan	Employee	3/3
Professor Petroc Sumner	Employee	2/3
Professor Peter Sutch	Employee	1/3
Professor Patrick Sutton	Employee	2/3
Orla Tarn	Student	3/3
Dr Catherine Teehan	Employee	3/3
Gail Thomas	Employee	2/3
Dr Jonathan Thompson	Employee	2/2
Dr Onur Tosun	Employee	2/3
Dr Laurence Totelin	Employee	2/3
Charlotte Towlson	Student	2/3
Professor Damian Walford Davies	Employee	3/3
Dr Catherine Walsh	Employee	1/3
Matt Walsh	Employee	3/3
Professor Ian Weeks	Employee	3/3
Prof Keith Whitfield	Employee	2/3
Professor David Whitaker	Employee	2/3
Professor Roger Whitaker	Employee	1/1
Professor John Wild	Employee	1/3
Professor Martin Willis	Employee	2/3
Professor Jianzhong Wu	Employee	2/3

Key responsibilities

The Senate is established by the University's Charter, which gives it responsibility for the ordering of the academic affairs of the University, both in teaching and in research, and powers to make Academic Regulations. It draws its membership from the academic staff, professional services staff and students of the Institution. Senate keeps under review the educational policy of the University and provides Council with assurance that the academic affairs of the University are appropriately managed.

In turn, Senate has established standing panels and Sub-Committees to support it in discharging its responsibilities, such as the Academic Standards and Quality Committee and the Education and Student Experience Sub-Committee.

Summary of business

The Senate met three times during the 2021/22 academic year. Key areas of strategic business included an update on the prioritising and delivery of the Education & Students Sub-Strategy, discussions on the approach to online provision and updates on strategic partnerships and entities. Senate also received detail on the recommendations of the 2021 Governance Effectiveness Review and the proposals for engagement with stakeholders following the conclusions of the Court Working Group. Senate also received a presentation on the results of the 2021 REF submission.

Senate considered the Annual Quality Report 2020/21 and the Student View and Institutional Response for 2021, as well as the 2022 Student View at its last meeting of the academic year. Senate received reports from its sub-committees on the business they had undertaken along with a number of annual reports (such as the Annual Statement on Research Integrity and the Students' Union Charter and Relationship Agreement).

University Executive Board

Member	Type
Professor Colin Riordan (Chair)	Employee
Professor Rudolf Allemann	Employee
Professor Kim Graham (term ended 31 May 22)	Employee
Rashi Jain	Employee
Professor Urfan Khaliq (appointed 01 Sep 21)	Employee
Susan Midha	Employee
Claire Morgan	Employee
TJ Rawlinson	Employee
Claire Sanders	Employee
Robert Williams (term ended 31 Dec 21)	Employee
Professor Damian Walford Davies	Employee
Darren Xiberras (appointed 01 Jan 22)	Employee
Professor Ian Weeks	Employee
Professor Roger Whitaker (appointed 01 Jun 22)	Employee

All members of the University Executive Board attend weekly senior meetings. Given the frequency of these meetings, the attendance is not recorded in the table above.

Key responsibilities

The University Executive Board is the University's senior executive team. The HEFCW Terms and Conditions of Funding defines the Senior Executive Team in accordance with Financial Reporting Standard 102 (FRS 102)'s definition for 'key management personnel'; that is "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity".

The broad remit of UEB is to advise the Vice-Chancellor in the performance of their duties as the Chief Executive Officer including developing and implementing strategy, operational plans, policies, and procedures, setting budgets, and monitoring operating and financial performance.

Summary of business

In addition to weekly meetings throughout 2021-22, the UEB held three extended away days to look at strategic themes in addition to decision-making. Student life and the student experience were a priority focus through the year. Other key areas of activity included the Better Ways of Working programme and return to campus; development and implementation of a University-wide Integrated Planning Process; the handover and opening of major new capital builds; enhancing provision for asylum seekers, refugees, and individuals from BAME communities; and progressing the short-term investment plan 2021-23.

Remuneration Statement

Senior Pay Remuneration

The Remuneration Statement provides the framework for decision making in respect of remuneration and in particular decision making on remuneration for senior staff.

All senior staff, excluding the Vice-Chancellor, are covered by the University's Senior Pay Policy, which is published annually. This reviews performance on a biennial basis, and allows performance-based awards, as well as reviewing equity. Data drawn from the Universities and Colleges Employer Association's (UCEA) Senior Staff Remuneration Survey and the Russell Group Reward Survey are used to provide evidence for any market adjustments. The policy is set by the Remuneration Committee, who have overall responsibility for the University's approach to senior remuneration. As part of this role, it takes decisions on the pay of the most senior individuals in the University, including the Vice-Chancellor.

The numbers of all staff paid above £100k are published in the Notes to the Financial Statements of this report, along with directly reimbursed expenses for senior staff who are members of the University Executive Board. All expense claims and payments made to senior members of the University are in accordance with the University's financial regulations. These apply to all staff and are reviewed and approved annually by the University Council.

Vice-Chancellor Remuneration

The remuneration of the Vice-Chancellor is determined by the Remuneration Committee, through the Vice-Chancellor's Reward Scheme.

This scheme is designed as a long-term incentive plan to reward and retain the Vice-Chancellor with a view to delivery of The Way Forward Strategy 2018-23. The scheme builds on the principles of the Senior Salary Review process as outlined in the Senior Staff Pay Policy.

The Vice-Chancellor's Reward Scheme involves:

- an annual review of base pay in relation to the market;
- a long-term lump sum non-pensionable performance-related bonus payment linked to the achievement of The Way Forward 2018-2023.

When the Remuneration Committee reviews the Vice-Chancellor's remuneration package, it considers comparative information on salaries, other benefits, and conditions of service in the Higher Education sector and elsewhere.

Remuneration for other staff groups

The majority of other staff are on the National Framework Agreement (NFA) pay spine and covered by the University's Grading Structure which consists of 8 grades. These grades are supported by the Higher Education Role Analysis (HERA) role evaluation methodology.

Staff on NFA pay scales gain pay increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade's core range.

They are also subject to any nationally agreed pay awards.

The Clinical Pay Scale covers clinical staff, and replicates the NHS pay ranges. Clinical staff gain increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade range. Clinical consultants also gain commitment awards above the top of the consultant grade range.

The Outstanding Contribution Award Scheme (OCAS) recognises exceptional performance and contribution, resulting in both one-off awards, and any accelerated incremental progression.

Living Wage Employer

The University is an accredited Living Wage employer and as a result all staff receive at least the Living Wage Foundation rate of pay.

Pay Ratio

The ratios between the VC salary and the median pay of staff and the VC total remuneration and the median total remuneration of staff are disclosed in note 8 (staff costs).

Exit policy

All settlement agreements, including voluntary severance, for professorial, professional service directors and senior staff are reported biannually to the Remuneration Committee, with details of both the severance payment and the saving to the University. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.

Financial Review
2021-2022

The University retained an operating surplus of £28m in 2021/22 before the change in the USS pension scheme provision

The financial year ending 31st July 2022 continued to challenge us, as we emerged from the global pandemic into the 'new normal' way of operating. As we ended the year, new economic headwinds were starting to emerge in inflation, especially in energy costs and higher interest rates which look set to remain entrenched for the foreseeable future at the time of writing this report. Despite these challenges the University was able to retain an operating surplus of £28m before the change in the USS pension scheme provision and strengthen its financial reserves.

The underlying operating surplus of £28m reconciles to the total deficit of £28m as follows:

Summary of group results

	2021/22 £m	2020/21 £m
Total comprehensive (deficit)/surplus for the year	(27.8)	58.9
USS pension provision charge/(credit)	118.8	2.4
Actuarial (gain)/ loss on pensions	(72.1)	(3.0)
Surplus before other gains/(losses)	**18.9**	**58.3**
Other (gains)	8.8	(27.4)
Underlying operating surplus	**27.7**	**30.9**

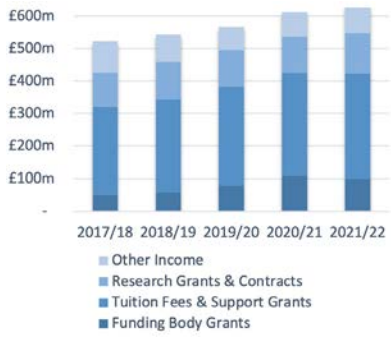
The financial statements for the year ended 31 July 2022 consolidate the results of the University, its subsidiary companies University College Cardiff Consultants Limited and International Learning Exchange Limited ("Taith") and, the joint ventures of Compound Semiconductor Centre Limited and Cardiff Medicentre.

Income up 3.6% to £634m

2021/22 saw total income grow from £612.2m (restated – see note 29 in the financial statements) to £634.2m largely due to strong growth in research income (up £13m or 11% to £125m), tuition fee income (up £9m or 2.9% to £289m) and residence, catering, and conference income (up £5m or 22% to £28m).

2021/22 saw a 2.9% increase in tuition fees and education contracts which while better than 2020/21 was not as high as we had anticipated. This was, however, offset by higher research and income relating to commercial services offered by the Institution.

Income by Category £m



Student Fees (£m) and FTEs (000's)



Our student body of 30,267 students is made up as follows:

Student numbers	2021/22	2020/21
Undergraduates	22,485	21,665
Postgraduate Taught	5,985	5,867
Postgraduate Research	1,797	2,241
Total	**30,267**	**29,763**
Home	24,073	24,080
Overseas	6,194	5,683
Total	**30,267**	**29,763**

Whilst recurrent grant income from HEFCW increased by £13m to £75m overall funding reduced by £11m. This reduction reflected the withdrawal of Welsh Government Covid-19 funding for the sector to support students, staff, and facilities as we emerged from the worst of the pandemic.

Research activity returned to a growth during this financial year generating £125m of income although new awards secured in the year fell slightly.

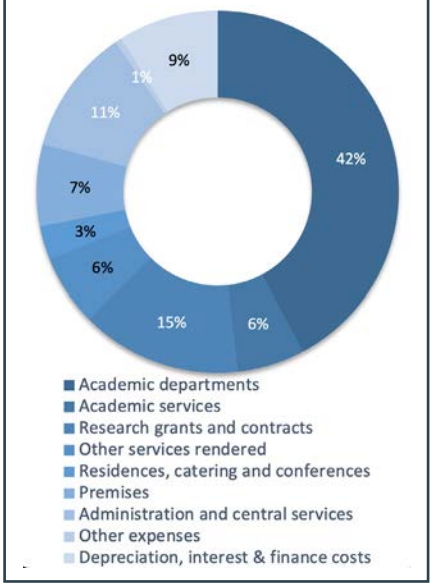
Other income recovered from the impact of the pandemic with services rendered to UK Government and other sources growing strongly as well as residences catering and conferencing activity.

Active management of expenditure continued throughout the year

Total expenditure, excluding the USS pension provision, increased by 5.0% to £606.5m. The increase in expenditure is largely attributable to the institution returning to near pre-Covid-19 operating environment.

Staff costs grew by 3.0% in the year which was less than income grew despite the payment of a £750 one off payment to all staff up from the £250 paid in 2020/21. These payments reflected the exceptional commitment and dedication of staff during the pandemic. Average staff full time equivalent (fte) numbers increased by 4% to 6,032 mainly in academic areas as we strove to improve student experience and to deliver our research commitments. Staff costs as a proportion of income was 53.5% and remained broadly in line with the previous year (53.8%).

Expenditure by Category %



Operating expenses increased by £17.5m to £212.9m in the year as the Institution gradually returns to a normal operating environment, whilst investing further in supporting staff and students, and continuing to maintain a safe campus whilst Covid-19 variants still circulate the general UK population.

Pension provisions increased

The Universities Superannuation Scheme (USS) of which Cardiff is an employer member provides pensions for academic and professional staff. The University's financial statements reflect the actuarial valuation as of 31 March 2020, when the scheme had a deficit of £16.1Bn (up from £3.6Bn in 2018).

This has resulted in an increase of £118m in the provision to £199m. This was anticipated in last year's financial report as the valuation was published after the accounting date but before the signing date of the accounts. Whilst the situation remains volatile the funding position of the USS has improved since March 2020 with interim valuation positions indicating that scheme's deficit decreased reflecting the changes to benefits which were introduced in April 2022 and the current interest rate environment. The next valuation is due to be undertaken in March 2023 and we remain cautiously optimistic for a better valuation outcome at that point.

Following the completion of the Cardiff University Pension Scheme's 2019 valuation the University undertook a strategic review of the defined benefit scheme. This resulted in a consultation with members to close the scheme to new entrants and to amend the benefits structure. The changes to the Scheme were approved by Council and were implemented from 1st January 2022 along with a defined contribution scheme for new entrants.

Operating cash surplus of £50m retained to support investment

The University retained an operating cash surplus in the year of £50m or 7.9% of income. After servicing debt, further fixed asset expenditure and depositing funds into investments, the cash and cash equivalent reserves of the University decreased by £52.2m to £96.4m (see Statement of Cashflows on Page 44).

At 31 July 2022 the University's available cash reserves and investments totalled £461m (2021 £474m), although this includes £64m ring-fenced as the Bond Repayment Fund (see Note 24).

The University is in a strong position financially to deal with any future financial challenges.

Campus upgrade programme substantially complete

Following last year's record level of annual capital spend at £133.1m the campus upgrade programme was substantially completed in 2021/22. This year saw the opening of Abacws, our new School of Mathematics and School of Computer Science and Informatics, the Centre for Student Life, an upgraded Bute Building to accommodate the Welsh School of Architecture. sbarc|spark, our new innovation centre and the Translational Research Hub new home to the Cardiff Catalysis Institute and Institute for Compound Semiconductors.

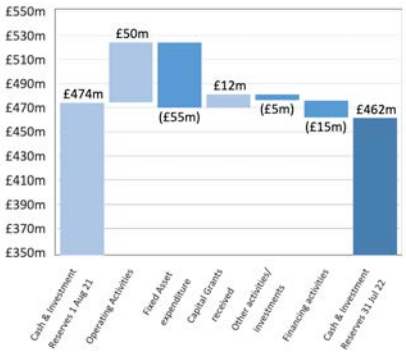
Investments

2020/21 proved a false dawn for the recovery of the world economy, with war in Ukraine and the ensuing economic turbulence and uncertainty driving down financial markets globally during 2021/22 from where they finished the prior year. As a result, our investment balances reduced by £11.6m by the year end. During the year the University incurred a net interest cost of £7.5m an increase of £0.2m on the prior year.

A full year's interest was due on the bond issued in February 2021 accounting for the increase in interest payable of £1.5m offset by increased investment income of £1.2m.

During the year the University has become a partner in SETsquared, the world's top-ranked university-business incubator. This will add significantly to our ambition to turn research into real-world economic and social enterprises.

Movement in Cash and Investment Reserves £m



Borrowings

Borrowings at the year-end totalled £427.1m of which the public bond totalled £421.2m. This incurs interest of 3.0% p.a. and is repayable in 2055. Moody's have assessed the bond as A1 with a stable outlook.

The University has, to date, set aside £64m of reserves into a bond repayment fund that is invested on a total return basis with the objective of being able to fund the repayment of the £400m bond in 2055.

The University has a three year £20m Revolving Credit Facility with Lloyds Bank to cover working capital requirements. To date this facility has not been used and expires in July 2024.

Strong Balance Sheet

At 31 July 2022 the University's consolidated net assets had reduced 4.1% to £649m (2021 £676m) of which £292m or 45.1% represented unrestricted reserves.

The University has successfully managed the many challenges of the last year due to the significant commitment of our staff. Whilst not reflected on the balance sheet of the University they remain our most important and valued asset.

Financial sustainability

In the short-term global economic headwinds and the geo-political situation will continue to mean that financial performance will continue to be difficult to forecast and deliver. Higher inflation rates will filter into our operating costs especially in energy and pay. There is a continued threat of industrial action which could impact upon our ability to deliver our objectives. Likely higher interest rates are unlikely to impact upon our borrowing costs but could continue to depress returns on our investment portfolios. We expect that if higher interest rates are sustained it may have a positive impact upon our pensions costs and liabilities. Despite these challenges the University remains in robust financial health with an excess of £450m of cash, cash equivalents and investments held by the University.

In the medium to longer term, we continue to expect to achieve student growth in the highly competitive international market. It is essential that we are able to continue to attract and retain talented students from both the UK and overseas to support our scholarly activities across a diverse range of academic disciplines. In order to do so, we will continue to invest in our strategy to deliver a world-leading, research excellent, educationally outstanding university, driven by creativity and curiosity. The significant investment we have made to deliver a world-class campus will enable us to achieve this vision alongside continued investment in our employee's professional development.

Our key performance financial metric is to deliver an operating surplus before investment income and depreciation in excess of 12% of income. This enables us to generate sufficient cashflow to maintain and enhance the University's facilities and retain reserves that are sufficient to weather any reasonably foreseeable economic challenges.

The University continuously scans the risk horizon and regularly updates its risk register. All risks are rated in terms of impact and likelihood, risk mitigation actions are logged and monitored. The risk register is discussed and monitored at University Executive Board, Finance & Resources and Audit & Risk Committee and at Council. The principal risks to the University and how they are being mitigated are shown in the tables on pages 32 to 33.

The University's capital commitments of £5.0m (2021 £44.1m) are significantly less at the reporting date than the prior year as a result of the estates upgrade being substantially complete by the year end. Our operating lease commitments at £39.6m (2021 £42.4m) are also less as the University seeks to divest itself of leased premises where possible.

Significant risks still ahead

Despite successfully managing the challenges of the pandemic the University still faces significant uncertainties and risks. Future UK and Welsh Government policy could have a major impact on the funding of higher education. The global response to the pandemic and geopolitical tensions may affect the international student market while at home the sector faces major challenges on inflation, pay and pensions.

We remain focused on delivering an excellent student experience alongside our five priorities of the health and wellbeing of our staff and students, maintaining financial sustainability, improving student satisfaction and experience, supporting research grants and contracts, and continuing to contribute to our civic mission.

A cautious financial outlook

Whilst we face some significant political and economic risks and continued uncertainty about the global pandemic, we remain cautious but optimistic about the future.

The successful completion of our major capital investment programme creates some exciting opportunities for our teaching and research activities.

We have been encouraged by the strong demand from students to study at Cardiff and we will continue to focus on providing students with a positive experience in a safe campus environment.

This will require continued investment in teaching support. We expect expenditure to increase as we return to more on-campus activities. The loss of one-off income support during the pandemic will put added pressure on our financial performance that will require continued strong financial management.

The University has a strong balance sheet and sufficient liquidity to deal positively with the uncertainties and opportunities that the future holds.

Darren Xiberras, Chief Financial Officer
John Shakeshaft, Chair of Finance & Resources Committee
24 November 2022

Environmental reporting

Cardiff University is committed to leadership in sustainability and improving our environmental performance. Our vision is towards building an inclusive, sustainable, and resilient future for our community and to bring about environmental benefits not only to Cardiff and Wales but to the wider world. It is crucial to develop environmental sustainability as an integral part of our values and to embed the United Nations Sustainable Development Goals into all aspects of our academic and operational activities.

We will promote sustainability through education, dissemination, and direct participation, enabling students and staff to make positive changes to our environmental impact, in particular our declaration of a Climate Emergency and our aim to become carbon net zero (Scopes 1 and 2) by 2030. We will empower our students, graduates, and staff to become sustainable citizens who make a positive contribution to society and are active within their communities. We will ensure sustainable development is a key consideration in all major decision making, promote sustainability issues and principles with all staff, students and stakeholders and enable the application of our innovative research to improve global sustainability.

Our underpinning goals are adapted from the United Nations Sustainable Development Goals, the Welsh Government's Environment Act and the Welsh Government's Well-being of Future Generations Act, Well-being Goals. These are as follows:

- A prosperous University - An innovative, productive, and low carbon community which recognises the limits of the global environment and therefore uses resources efficiently and proportionately including acting on climate change
- A resilient University - A University which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic, and ecological resilience, embedding the capacity to adapt to change
- A healthier University - A University which provides facilities for and encourages staff and students to make healthier food, lifestyle, and travel choices which in turn help to improve wellbeing and reduce pollution both locally and globally
- A globally responsible University - A University which will take account of the impact of its activities on global sustainable development and global well-being. We will purchase clean energy and adopt responsible consumption practices for all goods and services we procure and use. We will also actively enable our innovative research to improve global sustainability

Our aims, by 2023, are:

- We will reduce scope 1 and 2 emissions by at least 15%
- Any refurbishment projects in a building over £250,000 will show a net reduction in carbon emission of 30% compared to the original installation
- Carbon modelling will be initiated to establish lifecycle costings for all new buildings and assets based on the realistic life expectancy of each asset
- All operational University buildings and laboratories will take part in our environmental sustainability behavioural change programme – following the Green Impact and LEAF programs

Carbon emissions

An Environmental Sustainability Sub Committee chaired by the Deputy Vice-Chancellor has been established and will be responsible for taking forward our carbon net zero work over the coming years. We have updated our commitment to achieve carbon net zero for scope 1 (direct emissions) and 2 (indirect emissions) by 2030 and before 2050 for scope 3 (indirect emissions).

We will undertake annual emissions analysis and reporting to assess the impact of the carbon mitigation measures we implement.

Transport and Travel

An umbrella Travel Plan has been developed to manage the impact that travel generated by staff and students has on the local environment as well as addressing other objectives around health and wellbeing and the cost and convenience of travel.

A travel hierarchy is at the core of the Travel Plan which places active travel modes as the priority.

The Travel Plan is based on the results of both a staff and student travel survey as well as an updated site audit and review of local transport provision and infrastructure.

A series of measures are included which will be delivered University-wide as well as site specific measures to improve access by sustainable modes to some buildings or sites.

Reporting of transport related carbon emissions is being developed to support the monitoring and evaluation of the success of the Travel Plan which will be implemented over the next five years. Specific focus is given to areas that are likely to generate the greatest impact including a review of the University fleet and addressing the amount of business travel that is undertaken.

Waste and Recycling

Following transformation of University Waste and Recycling facilities (having been successfully awarded £1m WG Circular Economy funding), there has been a significant increase in recycling, and a notable decrease in the quantity sent for energy recovery.

Having successfully transitioned to full material segregation at the point of disposal, we are ahead of many in Wales, creating less contamination and better quality recyclate.

We have retendered and re-awarded our General / Domestic Waste and Recycling contract which was awarded to Biffa Waste Services, and we look forward to forging a successful partnership.

THE Impact Rankings

The Times Higher Education (THE) Impact Rankings provide the only global performance table that assess universities against the United Nations' Sustainable Development Goals (SDGs). Calibrated indicators provide comprehensive and balanced comparisons across three broad areas: research, outreach and stewardship.

The University increased its submission of evidence for six SDGs out of 17 in 2021 to 10 in 2022. The 2022 results ranked the University in the 101-200 band globally. Our overall score improved from 77.9% to 88.5%.

Three SDGs were ranked in the top 50 globally: SDG15: Life on Land (26); SDG16: Peace, Justice, and Strong Institutions (38) and SDG3: Good Health and Wellbeing (41). Four SDGs were ranked in the top 20 in the UK: SDG3: Good health and wellbeing (4); SDG15: Life on land (8); SDG14: Life below water (10); SDG16: Peace, justice, and strong institutions (11).

Education for Sustainable Development Champions Network

We have established networks for Education Sustainable Development Champions across our Colleges. The aim is to understand how sustainability is currently being embedded throughout our curricula. A survey of current practices has identified over 80 case studies across our Schools that address a breadth of global challenges, enabling our students to engage with the relationship between their academic disciplines

and all 17 of the UN Sustainable Development Goals (SDGs). Following this survey, the Champions will work towards the ambition that all our students will have the opportunity to engage with the SDGs during their time with us.

Ecosystem Resilience and Biodiversity Action Plan

The University's Ecosystem Resilience and Biodiversity Action Plan (ERBAP) was established in 2020 and included the Key Performance Indicator of enhancing biodiversity across 30% of the University's estate by 2023. In line with this ambitious aim, we have identified key sites across the University for enhancing green infrastructure by planting new trees. These trees will be sourced and planted during the winter of 2022, in collaboration with Cardiff City Council's Coed Caerdydd program, with the University contributing to the Council's aim to increase canopy cover across the city to 25% by 2030.

We will continue to characterise our existing tree stock to fully understand the carbon we are currently sequestering and will continue to enhance the biodiversity across the estate with a network of low maintenance and no mow areas established by February 2023. In 2022, a team of Masters students in the School of Architecture produced a tree planting guide to ensure we plant the 'right trees in the right place', according to local green and grey infrastructure constraints across the estate.

We have created enhance meadows and other wildlife friendly areas across Cathays Park and will commence a large characterisation and monitoring program in 2023.

Hedgehog Friendly Campus

The University was awarded Bronze Accreditation by the Hedgehog Friendly Campus campaign in January 2022 in recognition of the efforts of staff and students in making the campus a better habitat for the species.

Building on that work, in March, we were awarded an Earth Hour 2022 Community Activity Grant for our 'HogBuzz' campaign. This helped us continue to raise awareness about the campaign with staff and students, acquire more footprint tracking tunnels, two wildlife cameras, and wildflower seeds plus planting equipment. We also ran an event that included wildflower planting and hedgehog survey training sessions and continued to work on the development of our wildlife corner outside our Main Building.

We confirmed 12 sites with hedgehog presence on our campus and over the year have transformed certain areas to support hedgehogs and other species. This includes installing five hedgehog houses across our site and creating wildlife and wellbeing areas around parts of campus. This includes planting wildflowers, installing bug hotels and bird baths, creating hedgehog nesting/ hibernation areas, log/leaf piles and hoverfly lagoons.

We also took our work out to the wider community, engaging with four primary schools in south Wales in online sessions and in-person, teaching children about hedgehogs and how to build hedgehog houses.

The University is now working towards the Silver Accreditation from the Hedgehog Friendly Campus campaign.

Changing Steps Cardiff

Changing Steps is a free to join rewards programme funded by the University. It is designed to help staff and students get around more sustainably. It rewards sustainable travel for commuting and leisure trips to and from campus, and encourages regular walking, running, wheeling, and cycling activity for health and wellbeing.

99,428 active and sustainable journeys were recorded on the Changing Steps Cardiff app between 27 September 2021 and 17 June 2022, with an average of 182 journeys per participants. Walking was the most popular activity accounting for 78% of total activity with cycling and bus travel being 10% and 5% respectively.

Public Benefit Statement

Cardiff University is a registered charity (no. 1136855). It exists to create and share knowledge and to educate for the benefit of all. Its Royal Charter, first granted in 1884, sets out its constitutional arrangements and objects.

Embodied within the objects is the fundamental principle of the advancement of education, empowering the University to research, teach, examine, and award degrees. The objects also contain obligations to develop the character of students, promote health and welfare—especially in Wales— and contribute to social, cultural, and economic development.

A member of the Russell Group of research-intensive universities, Cardiff University sees fundamental research as essential to human aspiration and critical to the development of cultural artefacts, technologies and services that improve the quality of life for all.

In setting and reviewing the University's objectives and activities, the University's Council has had due regard to the Charity Commission's guidance on the reporting of public benefit, particularly its supplementary guidance on the advancement of education. The Way Forward 2018–2023 (Recast Covid-19) sets out the University's strategic themes, which are summarised below.

Education and Students

The University provides an educationally outstanding and consistently high-quality student experience, driven by creativity and curiosity, which seeks to enhance learning and support student life.

During the unprecedented times of Covid-19, many aspects of our provision have been provided in a remote, online and now blended environment, and students have benefited from continued online support and education provision to allow them to progress, graduate and gain employment or further study.

Our priorities remain to provide a high-quality student experience, maintain academic standards of our degrees, and ensure the safety and wellbeing of our staff and students.

Building on our strong track record in widening participation, we continue to prioritise ensuring that students from a variety of backgrounds have access to the benefits of higher education, and this is also coupled with work on retention and student success. In our blended provision, combining face-to face classroom methods with computer mediated activities or online provision, students are benefitting from a pedagogic high-quality approach to digital learning which permits them to succeed, and to continue on their inspiring education journey.

Research and Innovation

Through its research, the University has been fast acting in its response and is actively contributing to Covid-19 recovery efforts both in relation to tackling the disease and combatting the wider societal challenges post-Covid-19. We have continued to support our staff and students during this difficult time, ensuring that where safe and possible to do so, research has continued allowing us to contribute towards tackling critical global issues that require cross disciplinary co-operation. For example, our researchers are addressing major challenges facing society, the economy, and the environment in Wales, in the UK and globally, delivering breakthroughs in areas such as mental health, compound semiconductors, astronomy, climate change and creative industries.

The University has also established itself as the Home of Innovation with the implementation of a new innovation strategy ensuring that the impacts from its research make a difference, often working in partnership with business, public and third sector organisations.

We are investing in bespoke facilities for innovative collaborations with industry, government, and wider society, and enhancing support for students to engage in innovation and entrepreneurial training. This ensures all members of Cardiff University can contribute to the growth of the knowledge economy. Aligned to our Civic Mission activities, our researchers also work with local communities, supporting new forms of education and socio-economic change in our region.

International

The University is a global institution with over 9,500 (more than 25% of the total student body) international students (EU included) from more than 130 countries and formal links with more than 300 institutions worldwide. It collaborates with business and education partners all over the world, including formal strategic partnerships with Xiamen University and Beijing Normal University in China, University of Campinas in Brazil, University of Bremen in Germany, and University of Waikato in New Zealand.

The University's strong links with institutions worldwide mean that many of its students have the opportunity to study, work, or volunteer abroad. It attracts the highest calibre of academics and researchers from around the world. International staff make up more than 30% of the academic body, enhancing the learning experience for students and bringing a global perspective to its research. Its researchers collaborate with partners worldwide to tackle global issues such as climate change adaptation for improved food and water security, mitigation of CO2 emissions through storage in coal deposits, and the genetic architecture of mental disorders.

Civic Mission

In response to the social and health crisis caused by Covid-19, the University has reshaped its civic mission. It is committed to using its research strengths, expertise, and knowledge to help government, health services and wider society to revive and renew the Welsh economic, social, and cultural landscape in response to the pandemic. The University's research strengths will be utilized to make greater civic mission contributions to new societal challenges faced by Wales, aligned to successful revival and renewal. Supporting job creation is of paramount importance given the economic impact of the virus.

Now more than ever, the University will continue to contribute to innovation in education with primary and secondary schools and further education colleges. Its partnership with the NHS will achieve much greater salience. The University has a strong sense of place in the Cardiff and south Wales region and will continue to enhance and celebrate the Welsh language culture of its campus in line with its Welsh-Language Strategy.

Statement of Corporate Governance

The University's legal status derives from a Royal Charter first granted by Queen Victoria in 1884 to found the University College of South Wales and Monmouthshire. The University's objects, powers and framework of governance are set out in its Charter and its supporting Statutes, the latest amendments to which were approved by the Privy Council in 2022.

Embodied within the Charter are fundamental principles such as the University's power to teach, examine, carry out research and award degrees. The Charter also gives Council its 'supreme authority', establishes Senate for 'ordering of the academic affairs', and establishes the President and Vice-Chancellor as 'the chief academic and executive officer' and Chair of Senate.

The University was registered as a charity in 2010 (1136855).

Council

The Council is the governing body and thus the supreme authority of the University, which means that it is ultimately accountable for the conduct and activity of the University and its representatives. The Council is responsible for the administration and management of the affairs of the University and for agreeing the general strategic direction of the institution.

The Council is committed to conducting its business in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). The Council complies with the Committee of University Chairs (CUC) Higher Education Code of Governance published in September 2020 and the CUC Audit Committee Code of Practice (May 2020), with a number of areas identified for enhancement during the coming year to strengthen the evidence for compliance, including documenting existing processes and policies, and approving the final part of the University Scheme of Delegation. The University has also adopted the Universities in Wales Governance Charter.

In the preparation of this statement the Council of the University has had regard for the guidance issued by the Charity Commission:

(i) that there was no element of the CUC HE Code of Governance with which the University's practice was not consistent; and

(ii) that the University's fundraising policies and practices are fully aligned with the Fundraising Regulator's requirements set out in the University's Code of Fundraising Practice. No fundraising complaints were received during the reporting period.

The University's commitment to all funders of the University, and additional commitments to philanthropic donors to the University is available on the University's website:

https://www.cardiff.ac.uk/donate/other-ways-to-give/funders-rights

The University undertakes regular Council effectiveness reviews with the last external review undertaken in 2021. The Report concluded that the University's overall governance effectiveness is satisfactory, with no material weaknesses. An action plan to support the implementation of the recommendations was approved by Council in July 2021 and, during 2021-22, progress to complete the actions has been monitored by the Governance Committee. The majority of actions have now been completed with the remainder on track for completion during 2022-23.

The Governance Committee also receives regular progress reports against outstanding recommendations from earlier reviews of governance, including the Universities in Wales Governance Charter (Camm Review) Commitment to Action. In light of these, the Council has reflected during 2021-22 on its culture as a governing body and that of the University more broadly and intends to put in place a cultural statement to ensure alignment between the Strategic Plan and working practices, and to integrate culture within its mechanisms for decision making and reporting.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner and has in place a Whistleblowing (Public Interest Disclosure) Policy to enable staff, students and other members of the University to raise concerns which are in the public interest.

Over the year, we have utilised the positive benefits of hybrid (virtual and face to face) working to communicate with key stakeholders on a variety of activities. Council Development sessions have involved the Students' Union, University Executive members, and Directors of Professional Services, to discuss developments such as international diversification, the impact

of Covid-19, Key Performance Indicators, and culture. Representatives from Advance HE and HEFCW have also been involved in our development schedule. The governing body has been consulted on their preferences for future stakeholder engagement. The University Executive Board has undertaken a review of stakeholder engagement following approval by the Privy Council for the abolition of the Court, and the results from this have been shared with the Senate and the Council.

The Council has a majority of members from outside the University (described as lay members). Council membership also includes staff and students. Council lay members are recruited in an open, fair and transparent manner and due regard is given to equality and diversity, the need to balance skills and expertise as well as geographical location.

With respect to boardroom diversity, we continue to build on our Strategic Equality Plan actions to promote and develop an inclusive (internal) culture and governance by addressing diversity of decision-making committees. We have improved our data capture, and guidance on inclusivity for committee meetings, and continue to use this to inform lay member recruitment and induction. We plan to develop this work further during 2022-23 by formalising our policy on diversity and membership. Council members also participated in a workshop on equality, diversity and inclusion to reflect on Council's role and priorities for the year. In 2021 we became a launch partner with Perrett Laver's Governor Apprenticeship Scheme, with our first governor apprentice successfully participating in the scheme during 2021-22. The scheme supports boardroom diversity by enabling a diverse and talented pool of candidates otherwise lacking in board room experience, to gain that experience.

The Nominations Sub-Committee (a sub-committee of the Governance Committee) is responsible for overseeing the recruitment process and recommending new lay members to Council for approval. Each year the Committee reviews a schedule of lay membership to review term end dates to consider succession planning. All vacancies for Independent Lay Members of Council are advertised externally, as well as being communicated to staff, students, and current members of Council, with expressions of interest particularly welcome from under-represented groups. In 2021-22, the University reviewed the process for recruiting a Chair and appointing a Vice-Chair, prior to the initiation of a recruitment campaign for a new Chair of Council. By revising its role description and using an external recruitment firm, the University was able to ensure a broad and diverse candidate pool could be reached. We have also reviewed and introduced a revised skills matrix which is used by the Governance Committee to inform the recruitment needs of Council.

Lay members do not receive any payment, apart from the reimbursement of expenses, for the work they do for the University. On appointment, Council members are required to complete a Register of Interests entry. The current Register of Interests is publicly available on our website:

https://www.cardiff.ac.uk/about/organisation/governance/council

Throughout the 2021-22 academic year, the Council met six times and approved a number of business cases, reviewed strategic direction and decision making across a number of University activities to include the establishment of the Cardiff University- led Cyber Innovation Hub, delivery of the Education and Student Sub-Strategy, and investment in the University and the estate. Council has continued to oversee the ongoing University response to the Covid-19 pandemic. Council held an extraordinary meeting to consider the appointment of the External Auditor following a competitive tender exercise that was held during the year. KPMG were appointed as the University's External Auditor from June 2022.

All new members of Council receive an induction to the University and their responsibilities as a member of the governing body. There is an annual development programme which focuses on sharing information and creates opportunities for discussion for Council members and the University's Executive Team. Feedback is collated from all members of Council to inform an annual development schedule. The induction pack has been reviewed to ensure the currency of the information provided to new members.

The Chair of Council holds an annual appraisal with all members of Council and this feedback is used to inform and improve the effectiveness of the governing body. The outgoing Chair of Council held appraisals during Summer 2021 and the new Chair, appointed during the year, will repeat this exercise in Autumn 2022. The Audit and Risk Committee also conducts an annual review of their effectiveness, which in 2021-22 was via a self-evaluation survey. The next Governance Effectiveness Review is planned for 2024.

Accountable Officer

The chief executive and principal academic and administrative officer of the University is the Vice-Chancellor, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.

Under the Terms and Conditions of Funding between the University and the Higher Education Funding Council for Wales, the Vice-Chancellor is the Accountable Officer of the University and in that capacity can be summoned to appear before the Audit Committee of the Welsh Government.

Management

As chief executive of the University, the Vice-Chancellor has responsibility for the development of institutional strategy, the identification and planning of new developments, and the shaping of the institutional ethos. The Deputy Vice-Chancellor, Pro Vice-Chancellors, University Deans and the senior professional officers all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council.

Council Membership

The University's legal status derives from a Royal Charter first granted by Queen Victoria in 1884 to found the University College of South Wales and Monmouthshire. The University's objects, powers and framework of governance are set out in its Charter and its supporting Statutes, the latest amendments to which were approved by the Privy Council in 2022.

Name	Category	Attendance at Council
1. **Professor Rudolf Allemann**	Employee	6/7
2. **Professor Rachel Ashworth**	Employee	6/7
3. **Paul Baston**	Employee	4/7
4. **Professor Marc Buehner**	Employee	4/7
5. **Ricardo Calil** (term ended on 31 Jul 22)	Employee	7/7
6. **Hannah Doe, Students' Union** (term ended on 30 Jun 22)	Student	5/6
7. **Gina Dunn, Students' Union**	Student	7/7
8. **Judith Fabian**	Lay	7/7
9. **Professor Dame Janet Finch**	Lay	6/7
10. **Angie Flores Acuña** (appointed from 1 Jul 22)	Student	1/1
11. **Professor Ken Hamilton** (term ended 31 Jul 22)	Employee	4/7
12. **Michael Hampson**	Lay	5/7
13. **Chris Jones**	Lay	5/7
14. **Jan Juillerat, Vice Chair of Council**	Lay	7/7
15. **Jeremy Lewis** (appointed from 1 Aug 22)	Lay	-
16. **Dr Joanna Newman**	Lay	3/7
17. **Professor Stuart Palmer, Chair** (term ended 31 Dec 21)	Lay	2/2
18. **Suzanne Rankin** (appointed from 28 Apr 22)	Lay	1/2
19. **Professor Colin Riordan, Vice-Chancellor**	Employee	6/6
20. **Dr Pretty Sagoo**	Lay	3/7
21. **David Selway** (appointed from 01 Aug 22)	Lay	-
22. **John Shakeshaft**	Lay	7/7
23. **David Simmons** (term ended 31 Jul 22)	Lay	3/7
24. **Judge Ray Singh** (term ended 31 Jul 22)	Lay	5/7
25. **Dr Janet Wademan** (term ended 31 Jul 22)	Lay	6/7
26. **Professor Damian Walford Davies**	Employee	**5/7**
27. **Professor Stuart Walker** (resigned 22 Feb 22)	Lay	3/4
28. **Jennifer Wood** (appointed from 01 Aug 22)	Lay	-
29. **Agnes Xavier-Phillips**	Lay	7/7
30. **Patrick Younge, Chair of Council** (appointed from 01 Jan 22)	Lay	5/5

The University must adopt a definition of independence for lay membership of governing bodies to provide a robust approach to identifying and managing conflicts of interest.[1]

How is independence defined and tested?

There are several circumstances which may prevent a person being appointed as an independent member of the governing body. The Governing Body's Nominations Sub-Committee has oversight of the appointment process and responsibility for considering these factors.

In response to the Universities in Wales Charter Commitment to Action, the University has adopted a Statement of Independence based on the Welsh Secretaries and Clerks Group guidance, including a Definition of Independence and Principles of Independence for lay membership. The University defines 'senior employees' as University Executive Board members in this context.

The robust process for ensuring independence through the recruitment and training of members is also set out in the Statement of Independence. When considering applications and interviewing prospective new governors, recruitment panels shall establish whether the individual has any relationships or statuses that might give rise to a conflict of interest or loyalty, as defined in the Principles of Independence and including being related to any senior employee of an organisation gaining a pecuniary advantage from the University.

The University's Statement of Independence is available on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

1. Source: The Governance Charter for Universities in Wales – Commitment to Action is available at **http://uniswales.ac.uk/media/Universities-of-Wales-Governance-charter-committments-FINAL-FOR-PUBLICATION-CL.pdf**

How does the governing body manage conflicts of interests?

A Register of Interests of all Council and Audit and Risk Committee members is maintained by the Secretary to Council and is available publicly on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

If any member of a Committee has any pecuniary or other interest, direct or indirect, in any Contract or proposed Contract or other matter involving financial transaction, that interest shall be disclosed to the Committee as soon as practicable. All Committees request that Members and Officers disclose any interests at the start of each Committee meeting, and the Member shall take no further part in the consideration or discussion of, or vote on, any position with respect thereto. A member of any Committee is not considered to have a pecuniary or personal interest in matters under discussion merely because he/she is a member of staff or student at the University.

As set out in the Statement of Independence section 4, the University Secretary (as Clerk to the governing body) is accountable for highlighting issues of independence or conflict to the Chair.

The University is committed to the highest standards of openness, probity, and accountability, and seeks to conduct its affairs in a responsible manner. The Whistleblowing (Public Interest Disclosure) Policy enables staff, students, and other members of the University to raise conflict of interest concerns which they feel have not been addressed through existing procedures.



Statement of Internal Controls

Principal risk and system of internal control

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

The system of internal control is designed to manage rather than eliminate the risk of non-achievement of policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the University's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them effectively.

Council confirms that this process has been in place and operating effectively for the year ended 31 July 2022 and up to the date of approval of the financial statements and accords with HEFCW guidance.

As the governing body, Council has responsibility for ensuring that a sound system of control is maintained and reviewing the effectiveness of the arrangements. It meets at regular intervals to consider the plans and strategic direction of the institution and receives assurance reports from the Chair of the Audit and Risk Committee concerning internal control.

The Audit and Risk Committee receives regular reports from the Internal Audit service. An independent opinion is provided on each report relating to the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. A summary of the work undertaken by the Internal Audit service is provided in an Annual Report. This provides an independent opinion on the adequacy and effectiveness of the University's arrangements for the provision of risk management, internal control, governance and value for money and data quality.

Considering the completion of the approved audit plan for 2021-22 and the supporting information; the University's arrangements for risk management, control and governance, and value for money and data quality are adequate and effective.

The Vice Chancellor is the University's Accountable Officer, responsible for providing HEFCW with clear assurances that the institution has an effective policy of risk management. The University Secretary is the Chief Risk Officer, responsible for promoting effective risk management across the University.

The University Executive Board has responsibility for the management of risk across the University, assessing the University's risk appetite, updating the University's strategic risk register and reporting on risk to the Finance and Resources Committee, Audit and Risk Committee, and Council throughout the year.

The University operates a hierarchical system for risk management. Risks within individual teams and projects are reported to the relevant school or department on a quarterly basis. The schools and departments then escalate any key risks to the Colleges and Professional Services Board for consideration and inclusion in their risk registers. Colleges and Professional Services Board then report their risk registers to the University Executive Board on a quarterly basis. This ensures that governance, management, reputational, quality and financial risks from across the University are considered for incorporation into the University's strategic risk register.

The University produces a merged risk reporting structure which combines teaching and assessment, student life, research and operations with school/departmental/operational group systems, the focus of risk reporting being on the former. Risks identified in the strategic register are also cascaded down the hierarchy to ensure that any mitigating actions required are put in place.

All staff have a part to play in protecting the University from undue exposure to risk, whether reputational, financial, legal or in terms of its core activities of teaching and research and are encouraged to be aware of the implications and potential consequences of their actions for the University.

Principal Risks

Risk area	Risk description	Risk management
Student Recruitment	The University fails to recruit and retain a strategically desirable number, quality, and diversity of students, including high-quality EU and international students.	The University's Recruitment and Admissions Strategy Group has delegated authority to take strategic actions in relation to recruitment, to ensure target entrants are met. Student numbers are reviewed and monitored by this group on a regular basis to ensure that the University Executive Board has clear sight of predicted enrolments. International scholarships have been extended to include further awards for India, Malaysia, and awards for EU domiciled students for all years of study introduced. Virtual recruitment events and an enhanced e-comms programme have been implemented as well as a return to face-to-face recruitment events. Conversion activities including subject-specific offer holder communications/virtual tours, calling and Unibuddy campaigns which enable one-to-one interaction with applicants.

Principal Risks *continued*

Risk area	Risk description	Risk management
Financial Sustainability	The University's operational costs, including the costs of repairing and maintaining the estate, and capital plans outweigh the income the University can generate or receives in grants, making it financially unsustainable.	The University deploys detailed budget control and monitoring procedures are in place including zero-based budgeting. There are regular discussions between Recruitment and Admissions and Finance to model fee income. Research and Change projects are assessed for return on investment to ensure delivery on expected benefits. Integrated planning process has been launched to ensure delivery of robust academic and financial plans. All mitigating actions have resulted in a further improved financial position.
Cyber Security	The University fails to prevent a cyber security incident.	Cardiff University has a multi-layered approach to Cyber Security. We are prepared for cyber-attacks through scenario planning and testing the effectiveness of both business continuity and disaster recovery contingency plans. The University is regularly audited by cyber experts and is currently accredited for both Cyber Essentials (this is cyber assurance provided by the National Cyber Security Centre) and PCI DSS compliance. The University has a compulsory all staff information security training module. We have protected the University through the use of best-in-class cyber security tools. We detect threats using the latest national and international threat intelligence data combined with a full suite of monitoring tools.
Regulatory Compliance	The University is in breach of regulations.	A detailed Regulatory Compliance Risk Assurance Map has been completed and a follow-up review undertaken to outline the areas where additional measures would have the greatest impact on reducing the risk. In addition, the Assurance and Risk Group has overseen the creation of a risk assurance heatmap. This allows the University to readily identify the risks using the internal audit findings as to the level of assurance in place and the impact on the University should that risk crystallise.
Net Zero	The University does not achieve it's commitment to achieve reductions in its emissions to net zero by 2030 (scopes 1 & 2).	The Strategic Environmental Sustainability Sub-Committee has identified the staffing required to enable a step-change; recruitment is under way for professional staff in this area now. Analysis of our biggest carbon emitting buildings was completed in summer 2022; we are now developing quick win projects to maximise impact of short-term initiatives. We are exploring Welsh Government backed loan schemes to enable investment into short- and medium-term carbon reduction plans. We are confirming the University carbon emissions baselines, aligned to Welsh Government reporting requirements by June 2023. A tree-planting programme in partnership with Coed Caerdydd is in train. We are finalising our carbon offset policy now and will draft our roadmap to Net Zero (scopes 1 & 2) by 2030. The University is a member of Cardiff City Council One Planet Strategy Group and UUK groups relating to environmental sustainability.

Responsibilities of the Council of Cardiff University

In accordance with the University's Charter, the Council is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control.

The Council is responsible for ensuring the University and Group Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the University's Charter, the Accounts Direction issued by HEFCW, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions (2019), the Charities Act 2011 and other relevant accounting standards.

Within the Terms and Conditions of Funding between the Higher Education Funding Council for Wales (HEFCW) and the Council of the University, the Council, through its Accountable Officer, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and its subsidiaries and of the surplus or deficit, statement of movements on reserves and cash flows for that year. The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the University's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the University and Group and to enable it to ensure that the Financial Statements comply with applicable law and regulations.

The Council is also responsible for safeguarding the assets of the University and Group and for taking reasonable steps for the preventions and detection of fraud and other irregularities.

In preparing these Financial Statements, the Council is required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.

The Council has taken reasonable steps to:

- ensure that funds from HEFCW, Welsh Government and other Funding Bodies are used only for the purposes for which they have been given and in accordance with the HEFCW Terms and Conditions of Funding; and any other conditions which HEFCW or any other Funding Body may from time to time prescribe.
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.
- safeguard the assets of the University and its subsidiaries and prevent and detect fraud; and
- secure the economical, efficient and effective management of the resources and expenditure of the University and its subsidiaries.

Any system of internal financial control can, however, provide reasonable, but not absolute, assurance against material misstatement or loss.

On behalf of the Council

Professor Colin Riordan
Accounting Officer
24 November 2022

Independent Auditor's Report

To the Council of Cardiff University

Report on the Audit of the Financial Statements

1. Our opinion is unmodified

We have audited the financial statements of Cardiff University ("the University") for the year ended 31 July 2022 which comprise the Consolidated and University Statements of Comprehensive Income, the Consolidated and University Statements of Changes in Reserves, the Consolidated and University Statement of Financial Position, and the Consolidated and University Statements of Cash- flow and related notes, including the Statement of Accounting Policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2022 and of the Group's and of the University's income and expenditure, gains and losses, changes in reserves, and cash-flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under the Charters and Statutes of the University and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit & Risk Committee.

We were first appointed as auditor by the Council on 7 July 2022. The period of total uninterrupted engagement is for the one financial year ended 31 July 2022 We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview	
Materiality: group financial statements as a whole	£6.0 million 0.95% of Group total income
Coverage	100% of Group total Income
Key audit matters	
Recurring risks	Research Grants & Contract Income Valuation of pension liabilities



2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Group and University: Research Grants and Contract Income (£125 million (2021:£113 million))	**2021-22 income** The University manages a significant number of projects from a range of public and private sources with a variety of contractual requirements in terms of the treatment of direct and overhead costs and other evidence/compliance requirements. Research grants and contracts income is accounted for under the performance model. Unless specifically disallowed, in most cases expenditure on the project funded by the grant is presumed to be the performance condition and therefore income is generally recognised in line with the related expenditure, including apportioned overhead costs. We consider there to be a significant risk of fraud and error in the recognition of research revenue largely due to inappropriate apportionment of overhead costs. There is a related risk of fraud and error in that non-compliance with grant terms and conditions could result in income not being recognised in line with relevant accounting standards. Non- compliance with grant terms and conditions may also result in the claw- back of funding by research funders.	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: • We obtained a transactional breakdown of all research expenditure in the year and tested a sample to assess whether the expenditure incurred was in line with the terms and conditions of the relevant contract and, where applicable, that overhead rates had been set at the level specified in the grant agreement. • For a sample of research projects with underlying milestones, we agreed the revenue recognised to invoices raised and cash receipts, and assessed whether the milestone had been met in accordance with the grant agreement. • We reviewed the reconciliation of research expenditure to corresponding research income and agreed that income had been accounted for in accordance with the requirements of the relevant accounting standards. • For a sample of research projects with large accrued and deferred income balances at year-end, we reviewed the grant agreements, cash received to date, and the payment profile to assess whether research expenditure and income had been accounted for in the appropriate accounting period. • We inquired with management as whether there were any disputes or significant issues on any projects that could impact on revenue recognition. **Our results** The results of our testing were satisfactory and we considered the amount of research grants and contract income recognised to be acceptable.

	The risk	Our response
Group and Parent University: Pension Liability **Group and Parent University:** Cardiff University Pension Fund: Net Present value of funded defined benefit obligations £34.5 million (2021: £101.4 million) **Group and Parent University:** USS : Deficit recovery plan provisions £199 million (2021: £84 million))	**Subjective valuation** The Group is a member of a number of defined benefit schemes, including the Cardiff University Pension Fund (CUPF) and the Universities Superannuation Scheme (USS). **Cardiff University Pension Fund (CUPF)** The valuation of the post retirement benefit obligations involves the selection of appropriate actuarial assumptions, most notably the discount rate applied to the scheme liabilities, inflation rates and mortality rates. The selection of these assumptions is inherently subjective and small changes in the assumptions and estimates used to value the University's pension liability could have a significant effect on the financial position of the University. The effect of these matters is that, as part of our risk assessment, we determined that post retirement benefits obligation has a high degree of estimation uncertainty. The financial statements disclose the assumptions used by the University in completing the year end valuation of the pension deficit and the year on year movements. **Universities Superannuation Scheme (USS)** While this is accounted for as a defined contribution scheme a provision is required to be recognised for the University's obligation to fund deficit payments. This valuation of this provision involves the selection of appropriate assumptions, most notably discount rate and payroll and headcount growth assumptions The selection of these assumptions is inherently subjective and small changes in the assumptions used to value the group's USS pension liability could have a significant effect on the financial position of the University. The USS pension liability at 31 July 2022 was £199 million. This was based on the valuation set out by the USS review panel at the time. A non adjusting post-Balance Sheet event was disclosed reflecting the impacts of the 2020 scheme valuation, which could result in a significant increase in the provision when a new deficit recovery plan based on the 2020 valuation is agreed and implemented.	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: • Our actuarial expertise: We used our own actuarial specialists to challenge the key assumptions and estimates used in the calculation of the retirement benefit obligations (and USS provision); and performed a comparison of key assumptions against our own benchmark ranges derived from externally available data and against those used by other universities reporting on the same period. • Assessing external actuaries' credentials: We assessed the competence and independence of all external actuaries engaged by the Group. • Reviewed non actuarial assumptions: We reviewed the non-actuarial assumptions used in the USS provision calculation such as payroll and headcount increases and compared assumptions to Group forecasts for appropriateness. • Assessing transparency: We considered the adequacy of the Group's disclosure in respect of retirement benefits, in particular the gross defined benefit obligation and USS provision and the sensitivity of the obligation to the assumptions used. **Our results** We found the resulting estimates of the CUPF and USS retirement benefit obligations to be acceptable.

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £6.0 million, determined with reference to a benchmark of group total income for 2021/22 of £634 million, of which it represents 0.95%.

Materiality for the University financial statements was set at £5.95 million, determined with reference to a benchmark of University total income for 2021/22 of £632 million, of which it represents 0.94%.

We consider total income, rather than a surplus- related benchmark, to be the appropriate benchmark as the University is a not-for-profit organisation.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

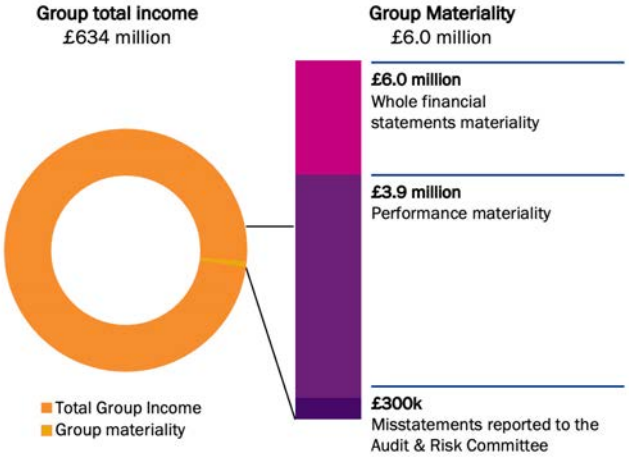
Performance materiality was set at 65% of materiality for the financial statements as a whole, which equates to £3.9 million for the group and £3.9 million for the University. We applied this percentage in our determination of performance materiality based on this being our first year audit.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £300k, in addition to other identified misstatements that warranted reporting on qualitative grounds.

The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

We treated the group as one single component.





4. Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the University or to cease their operations, and as it has concluded that the Group's and the University's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and University's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and University's available financial resources over this period were:

- A reduction in tuition fee income
- Impact of inflation on underlying cost base;

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current and projected cash and facilities (a reverse stress test).

Our conclusions based on this work:

- We consider that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the Council's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University's ability to continue as a going concern for the going concern period; and
- We found the going concern disclosure in note 1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the University will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Audit and Risk Committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Council and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Obtaining a copy of the Group's risk register.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks. We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts and unusual cash and borrowing journals.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Audit and Risk Committee and other management (as required by auditing standards), and discussed with the management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities legislation, higher education related legislation and regulation), taxation legislation, pensions and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: GDPR, Health and Safety legislation, employment and social security legislation and the higher education regulatory requirements of the Higher Education Funding Council for Wales (HEFCW), recognising the regulated nature of the University's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the other information in the Annual Report

The Council (the members of which are the Trustees of the University for the purposes of charity law) is responsible for the other information, which comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated

or inconsistent with the financial statements or our audit knowledge. We are required to report to you if, based solely on that work:

- we have identified material misstatements in the other information; or
- in our opinion the information given in the Financial Review, Statement of Corporate Governance, and Statement of Internal Control (which together constitutes the Trustees' Annual Report for the financial year) is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the University has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.
- We have nothing to report in these respects.

8. Respective responsibilities

Council's responsibilities

As explained more fully in its statement set out on page 34, Council is responsible for: the preparation of financial statements that give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT OF OTHER LEGAL AND REGULATORY REQUIREMENTS

9. Reporting on other legal and regulatory requirements

We are required to report on the following matters prescribed in the Higher Education Funding Council for Wales ('HEFCW') Audit Code of Practice issued under the Further and Higher Education Act 1992 and in the Financial Management Code issued under the Higher Education (Wales) Act 2015 and the Accounts Direction to Higher Education Institutions for 2021/22 issued by the HEFCW ("the Accounts Direction").

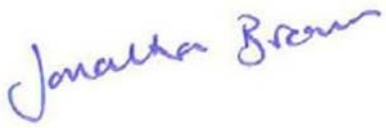
In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code (FMC);
- Funding Council grants have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding;
- the requirements of HEFCW's Accounts Direction have been met.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council in accordance with Section 4 of the Charters and Statutes of the University and with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act.

Our audit work has been undertaken so that we might state to Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.



Jonathan Brown
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants. KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

19 December 2022

Consolidated and Institution Statements of Comprehensive Income and Expenditure

Year ended 31 July 2022

	Note	Consolidated 2022 £'000	Consolidated 2021 £'000	Institution 2022 £'000	Institution 2021 £'000
Income			Restated (See Note 29)		Restated (See Note 29)
Tuition fees and education contracts	2	323,510	314,500	323,510	314,500
Funding body grants	3	98,893	109,464	98,893	109,464
Research grants and contracts	4	125,427	112,648	125,427	112,648
Other income	5	79,369	68,455	76,833	67,246
Investment income	6	5,729	4,376	5,725	4,376
Donations and endowments	7	1,239	2,738	1,239	2,738
Total Income		634,167	612,181	631,627	610,972
Expenditure			Restated (See Note 29)		Restated (See Note 29)
Staff costs	8	339,213	329,331	338,760	329,331
Staff costs – Voluntary Severance Scheme	10	9	482	9	482
Staff costs – increase/(decrease) in USS pension scheme provision	10,21	118,781	2,394	118,781	2,394
Other operating expenses	10	212,897	195,439	211,012	194,286
Depreciation	11	40,041	40,644	40,041	40,644
Interest and other finance costs	9	14,372	12,498	14,372	12,491
Total Expenditure	10	725,313	580,788	722,975	579,628
Operating (deficit) / surplus before other gains and losses		**(91,146)**	**31,393**	**(91,348)**	**31,344**
Impairment of tangible fixed assets	11	-	(2,061)	-	(2,061)
Impairment of non-current assets	12,14	(6)	(2,000)	-	(5,160)
Gain on sale/disposal of non-current investments	12	2,181	726	2,181	726
(Loss)/Gain on valuation of investments	15,23	(11,574)	34,463	(11,574)	34,463
Share of surplus/ (deficit) in joint venture	12,22	641	(3,769)	-	-
(Deficit)/Surplus for the year		**(99,904)**	**58,752**	**(100,741)**	**59,312**
Other Comprehensive Income					
Impairment on the revaluation of assets	11	-	(2,889)	-	(2,889)
Actuarial gain/(loss) in respect of pension schemes	25	72,095	3,000	72,095	3,000
Total comprehensive (deficit) / surplus for the year		**(27,809)**	**58,863**	**(28,646)**	**59,423**
Represented by:					
Endowment comprehensive income for the year		88	6,544	88	6,544
Restricted comprehensive expenditure for the year		-	(188)	-	(188)
Unrestricted comprehensive (expenditure) / income for the year		(27,897)	52,507	(28,734)	53,067
		(27,809)	**58,863**	**(28,646)**	**59,423**

All items of income and expenditure relate to continuing activities.

The Notes on page 45 to 78 form part of these financial statements.

Consolidated and Institution Statements of Changes in Reserves

Year ended 31 July 2022

Consolidated	Income and expenditure account			Revaluation reserve	Total
	Endowment	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2020	38,938	348	252,423	325,896	617,605
Surplus / (deficit) from the income and expenditure statement	6,544	(188)	52,396	-	58,752
Other comprehensive expenditure	-	-	111	-	111
Total comprehensive surplus/(deficit)for the year	6,544	(188)	52,507	-	58,863
Transfers between revaluation and income and expenditure reserve	-	-	9,167	(9,167)	-
Balance at 31 July 2021	45,482	160	314,097	316,729	676,468
Surplus / (deficit) from the income and expenditure statement	88		(99,992)		(99.904)
Other comprehensive income	-		72,095		72,095
Total comprehensive surplus/(deficit) for the year	**88**		**(27,897)**		**(27,809)**
Transfers between reserves	-		6,118	(6,118)	
Balance at 31 July 2022	**45,570**	**160**	**292,318**	**310,611**	**648,659**

Institution	Income and expenditure account				Total
	Endowment	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2020	38,938	348	254,130	325,896	619,312
Surplus / (deficit) from the income and expenditure statement	6,544	(188)	52,956	-	59,312
Other comprehensive expenditure	-	-	111	-	111
Total comprehensive surplus/ (deficit) for the year	6,544	(188)	53,067	-	59,423
Transfers between revaluation and income and expenditure reserve	-	-	9,167	(9,167)	-
Balance at 31 July 2021	45,482	160	316,364	316,729	678,735
Surplus / (deficit) from the income and expenditure statement	88		(100,829)		(100,741)
Other comprehensive income			72,095		72,095
Total comprehensive surplus / (deficit) for the year	**88**	**-**	**(28,734)**		**(28,646)**
Transfers between reserves			6,118	(6,118)	-
Balance at 31 July 2022	**47,570**	**160**	**293,748**	**310,611**	**650,089**

The Notes on page 45 to 78 form part of these financial statements.

Consolidated and Institution Statements of Financial position

As at 31 July 2022

	Note	Consolidated 2022 £'000	Consolidated 2021 £'000	Institution 2022 £'000	Institution 2021 £'000
Non-current assets					
Tangible fixed assets	11	949,055	934,275	949,055	934,275
Investments	12	9,249	7,598	7,630	6,146
		958,304	941,873	956,685	940,421
Current assets					
Stocks	13	296	296	296	296
Trade and other receivables	14	60,245	46,794	61,121	47,649
Investments	15	365,051	325,592	365,051	325,592
Cash and cash equivalents	16	96,365	148,587	89,438	147,637
		521,957	521,269	515,906	521,174
Creditors: amounts falling due within one year	17	(168,757)	(166,708)	(162,620)	(166,325)
Net current assets		353,200	354,561	353,286	354,849
Total assets less current liabilities		1,311,504	1,296,434	1,309,971	1,295,270
Creditors: amounts falling due after more than one year	18	(424,324)	(427,721)	(424,324)	(427,721)
Pension provisions	21	(233,452)	(188,814)	(233,452)	(188,814)
Other provisions	22	(5,069)	(3,431)	(2,106)	-
Total net assets		**648,659**	**676,468**	**650,089**	**678,735**
Restricted Reserves					
Income and expenditure - endowment reserve	23	45,570	45,482	45,570	45,482
Income and expenditure - restricted reserve		160	160	160	160
Unrestricted Reserves					
Income and expenditure - unrestricted		292,318	314,097	293,748	316,364
Revaluation reserve		310,611	316,729	310,611	316,729
Total Reserves		**648,659**	**676,468**	**650,089**	**678,735**

The Notes on page 45 to 78 form part of these financial statements.

The financial statements on pages 41 to 81 were approved by Council on 24 November 2022 and were signed on its behalf on 19 December 2022 by:

Patrick Younge
Chair of Council

Professor Colin Riordan
Vice-Chancellor

Darren Xiberras
Chief Financial Officer

Consolidated and Institution Statements of Cash-flow

Year ended 31 July 2022

	Note	Consolidated 2022 £'000	Consolidated 2021 £'000	Institution 2022 £'000	Institution 2021 £'000
Cash flow from operating activities			Restated		Restated
(Deficit)/Surplus for the year		(99,904)	58,751	(100,741)	59,311
Adjustment for non-cash items					
Depreciation	11	40,041	40,644	40,041	40,644
Impairment of fixed assets	11	-	2,061	-	2,061
Impairment of non-current investments	12	6	-	-	3,160
Share of operating (surplus)/deficit in JV's	12,22	(641)	3,769	-	-
Correction to non-current investment costs	12	-	401	-	401
Non-cash pension charges	21	116,733	4,505	116,733	4,505
Increase in stock	13	-	(1)	-	(1)
(Increase)/decrease in debtors	14	(13,451)	5,208	(13,472)	5,139
Increase in creditors	17,18	6,662	29,345	908	29,468
Increase in other provisions		2,106	-	2,106	-
Adjustment for investing or financing activities					
Capital grant income	3,5	(16,577)	(31,166)	(16,577)	(31,166)
Investment income	6	(5,729)	(4,376)	(5,725)	(4,376)
Interest payable	9	11,980	10,448	11,980	10,441
New endowments	7	(267)	(288)	(267)	(288)
Gain on disposal of non-current investments	12	(2,181)	(726)	(2,181)	(726)
Loss/(gain) on current investments	12,15	11,574	(34,463)	11,574	(34,463)
Net cash inflow from operating activities		50,352	84,112	44,379	84,109
Cash flows from investing activities					
Capital grant receipts		11,562	26,346	11,562	26,346
Investment income	6	5,729	4,376	5,729	4,376
(Increase)/ decrease in deposits	15	(51,033)	(75,205)	(51,033)	(75,205)
Payments made to acquire fixed assets	11	(54,821)	(133,071)	(54,821)	(133,071)
Non-current investment acquisitions	12	(2,312)	(571)	(2,312)	(571)
Non-current investment disposal proceeds	12	3,009	2,224	3,009	2,224
Net cash (outflow) from investing activities		(87,866)	(175,901)	(87,870)	(175,901)
Cash flows from financing activities					
Interest paid	9	(12,433)	(10,854)	(12,433)	(10,847)
Endowment cash received	7	267	288	267	288
Repayments of amounts borrowed	17,18	(2,542)	(2,251)	(2,542)	(2,251)
Bond issue	18	-	128,217	-	128,217
Net cash inflow/ (outflow) from financing activities		(14,708)	115,400	(14,708)	115,407
Increase in cash and cash equivalents in the year		(52,222)	23,611	(58,199)	23,615
Cash and cash equivalents at beginning of the year		148,587	124,976	147,637	124,022
Cash and cash equivalents at end of the year	16	96,365	148,587	89,438	147,637

The Notes on page 45 to 78 form part of these financial statements

Notes to the Financial Statements

Year ended 31 July 2022

1. Statement of Principal Accounting Policies

Basis of preparation

This consolidated financial information has been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, the Financial Reporting Standard (FRS 102) and the Charities Act 2011. The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial information is prepared in accordance with the historical cost convention (modified by the revaluation of land and buildings and the measurement of certain financial instruments at fair value).

The Group and University's activities, together with the factors likely to affect its future development, performance, and position, are set out in the Financial Review which forms part of the Board of Council's Report. The Council's Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

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

- The Council has reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements.
- After reviewing these forecasts, the Council is of the opinion that, taking account of severe but plausible downsides, the Group and parent Institution will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, Council is confident that the Group and parent Institution will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore has prepared the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial information consolidates the financial statements of the Institution and its subsidiary undertakings University College Cardiff Consultants Limited and International Learning Exchange Programme Limited for the financial year to 31 July. It does not include those of the University Students' Union, or the Cardiff Partnership Fund Limited as the Council does not exercise control over their financial and operating activities.

Uniform accounting policies are adopted throughout the Group. Joint ventures are accounted for using the equity method.

Recognition of income

Fee income is stated gross of any expenditure which is not a discount or fee waiver and credited to the Consolidated Statement of Comprehensive Income. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customer, or the terms of the contract have been satisfied.

Investment income is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

Funds the Institution receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the Institution where the Institution is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Grant funding including funding council block grants, research and furlough grants from government sources and grants (including research grants) from non-government sources are recognised as income when the performance related conditions have been met and the Institution has become entitled to the income. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the Institution is entitled to the funds and is retained within the separate restricted reserve until such time that it is utilised in line with such restrictions.

Donations with no restrictions are recognised in income when the Institution is entitled to the funds.

Investment income and movements in fair value of endowments are recorded in income in the year in which they arise and as either restricted or unrestricted income according to the terms of the endowment.

There are four main types of donations and endowments identified within reserves:

1. **Restricted donations** - the donor has specified that the donation must be used for a particular objective.
2. **Unrestricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.
3. **Restricted expendable endowments** - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.
4. **Restricted permanent endowments** - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Capital grants are recognised in income when the Institution is entitled to the funds subject to any performance related conditions being met.

Provision for doubtful debts

Provision is normally made for individual debts where recovery is thought to be in doubt based the ageing of the debt past its due date, other known circumstances relating to the individual debtor, such as referred to debt collection agency, and post year end recovery of debts. Any un-provided debts are deemed as recoverable.

Pension schemes

The three principal defined benefit pension schemes for the Institution's staff are the Universities Superannuation Scheme (USS), the Cardiff Institution Pension Fund (CUPF), and the Local Government Pension Scheme (LGPS). The schemes are funded defined benefit schemes. The funds are actuarially valued every three years by a professionally qualified actuary using either the aggregate method or the attained age method with the rates of contribution payable being determined by the scheme's trustees on the advice of the actuary.

Universities Superannuation Scheme

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which the Institution pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined benefit plan:

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

In addition, the National Health Service (NHS) Pension Scheme is in operation for certain staff. The NHS scheme is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution rates determined by HM Treasury. This is accounted for as a defined contribution scheme. To comply with The Pensions Act 2008, the Institution also uses the NEST defined contributions pension scheme for eligible non-contractual workers.

Employment benefits

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

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into GB Sterling, the functional currency of the Institution, at year-end rates and the resulting exchange differences are included in the determination of the deficit or surplus for the year.

Operating leases

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

Fixed assets

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Freehold and Long Leasehold property assets in existence on the transition to the FRS102 (1 August 2014) were measured on the basis of deemed cost, being market fair value or deemed cost of replacement. The difference between the revalued amount and historical cost is credited to a revaluation reserve.

An amount equal to the depreciation in excess of that on the historical cost basis is transferred from the revaluation reserve to retained earnings.

Land and buildings

Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the Institution.

Land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives, in years, as follows:

Academic buildings and listed buildings	50 years
Pre 1990 residence sites	25 years
Post 1990 and Talybont North residence sites	50 years
Residential Houses	50 years
Semi-permanent buildings	25 years
New UHW site buildings	50 years
Old UHW site buildings	25 years
Refurbishments	15 years

Leasehold buildings are depreciated over the shorter of the lease term or the expected useful lives shown above.

No depreciation is charged on assets in the course of construction.

Plant and Equipment

Plant and equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition unless purchased as part of a new build or major building infrastructure refurbishment.

All other equipment is capitalised, with the exception of equipment funded from Research Grants which costs under £50,000 which is also written off in the year of acquisition.

Capitalised plant and equipment are stated at cost and depreciated over their expected useful life of between four and ten years, for equipment, as appropriate, and fifteen years for plant / equipment associated with building infrastructure (e.g. boilers, air-conditioning, or alarm systems).

Assets under construction are not depreciated until brought into use.

Fully depreciated equipment is written off 10 years after acquisition.

Investments

Non-current asset investments are held on the Balance Sheet at cost less impairment.

Joint ventures are carried at cost less impairment in the Institution's financial statements.

Current asset investments are held at fair value with movements recognised in the total comprehensive income for the year.

Stocks

Stocks held are building materials, medical/bioscience consumables, and trading consumables of the Estates Works Unit, College of Biomedical and Life Sciences and Catering respectively. They are valued at the lower of cost or net realisable value.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Maintenance of premises

The University has a rolling maintenance plan which is reviewed on an annual basis. The cost of routine corrective maintenance is charged to the statement of comprehensive income.

Taxation status

The Institution is a registered charity within the meaning of Chapter 1 Section 3 of the Charities Act 2011 and as such is a charity within the meaning of Section 6 to the Finance Act 2010. Accordingly, the Institution is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes for public benefit.

All subsidiary companies are liable to Corporation Tax and Value Added Tax (VAT). The Institution's principal activities are exempt from VAT, but certain ancillary supplies and services are liable to VAT at various rates. Expenditure includes irrecoverable VAT charged by suppliers to the Institution. The Institution does not have to pay Stamp Duty Land Tax when buying and leasing a property.

Provisions

Provisions are recognised when the Institution has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Financial instruments

The Institution has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments for its consolidated and Institution financial statements.

(i) Financial Assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the total comprehensive income for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the total comprehensive income for the year.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the surplus or deficit, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party

who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities
Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the Institution, are held as a permanently restricted fund which the Institution must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the Institution is restricted in the use of these funds.

The bond repayment fund, a designated reserve, was created in 2019/20 for the purpose of being able to give a reasonable likelihood of being able to meet the bond repayment of £400m, due on 7 December 2055 (note 24).

Significant estimates and judgements

Significant estimates and judgements used in the preparation of this financial information were as follows:

(i) Recoverability of debtors
The normal (post-Covid-19) accounting policy for the assessment of recoverability of debtors and the subsequent doubtful debt impairment provisioning regarding the collection of students fees and Commercial and Research debt has been applied.

As a result of measures put in place during the Covid-19 pandemic, our dunning procedures have continued, and students have been required to clear their current fees before progressing to another academic year. For students who have completed their course but have fees outstanding their full certification is withheld until their fee debt is cleared, in line with Institution Tuition fee policy.

Overall, post- Covid-19, the Institution's ability to collect debt from our students, UK and international Commercial and Research clients has improved which has lessened the risk in recovering the debt, with the exception of specific debts. We continue to monitor closely overseas debt and act as appropriate.

Estimate

Tuition fee debt
The year-end tuition fees doubtful debt impairment provision is assessed on the basis of all overdue debt by fee debtor category regardless of aged profile, with particular categories attributing more risk than others.

The resulting aggregated debt impairment provision is reduced by subsequent fee settlements received after 31 July 2022 from debtors within these same categories. All other tuition fee debt is deemed recoverable.

Tuition fee debt at 31 July 2022 was £5.1m (2021: £6.3m) (see Note 14), of which £4.8n (2021: £6.2m) was overdue. After applying our debt impairment policy, £4.7m (2021: £5.7m) was deemed at risk, subject to doubtful debt impairment provision of £4.3m (2021: £4.7m) after assessment of receipts received after 31st July 2022.

Commercial and Research Debt
General debt impairment assessment policies have been applied, with the exception of overseas embassies whereby debt over 91 days overdue is subject to impairment provision (normally provided on 181 days overdue).

Overall, Commercial and Research debt at 31 July 2022 was £16.9m (2021: £11.5m) (see Note 14).

After applying the modified doubtful debt impairment policy £1.2m is assessed at risk (2021: £1.0m) and subject to doubtful debt impairment provision.

(ii) Leasehold Property Dilapidations
The Institution has recognised its future estimated obligation to return short term leasehold properties to their original state on the termination of the lease arrangement, based on the current market works cost estimate provided by a professional property surveyor on assessing the current status of each relevant building.

As at the 31 July 2022, it is assumed that the Institution will exit each lease on the relevant date as there are no plans or indications to counter this view.

The resulting estimated provision(s) will be subject to future annual review for both relevance, i.e. future plans to exit or renew, and to the application of inflation, based on relevant industry cost price indexation data.

Future cost inflation fluctuations will be recognised in the Statement of Comprehensive Income and Expenditure as a repairs and maintenance cost.

(iii) Retirement benefit obligations
Estimate – CUPF and LGPS
University Pension Fund (CUPF) and participates in a Local Government Pension Scheme (LGPS); both are defined benefit schemes. Actuarial valuations of the schemes are carried out as determined by the trustees at intervals of not more than three years.

Pension costs under FRS 102 are assessed in accordance with the advice of independent actuaries based upon latest actuarial valuations and assumptions determined by the actuaries.

The assumptions are based upon information supplied to the actuaries by the Institution, supplemented by discussions between the actuary and management, where relevant. The assumptions are documented in Note 25.

As at 31 July 2022, the LGPS fund, under FRS102 accounting treatment, resulted in a pension asset. The asset has not been recognised as such on the Statement of Financial Position, as there is no automated entitlement to a refund from the scheme.

Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS102 discount rate, have increased significantly since 31 July 2022, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore while both gross DBOs and assets will have fallen, it is difficult to estimate the impact of these changes on the net balance sheet position.

Estimate - USS

As the Institution is contractually bound to make deficit recovery payments to USS, this is recognised as a liability in the balance sheet. The provision is currently based on USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions are re-assessed within each triennial valuation of the scheme. The provision is based on management's estimate of future salaries inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in Note 25.

Judgement - USS

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme.

The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit result in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

Council is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.



2. Tuition Fees and Education Contracts

Consolidated and Institution

	2022 £'000	2021 £'000 Restated
UK and European Union Undergraduate	156,378	154,288
UK and European Union Postgraduate	13,246	17,234
Overseas (including part-time)	113,334	102.096
Part Time (UK and European Union)	6,389	6,670
	289,347	280,288
Education contracts	16,490	16,068
Research training support grants	10,053	10,491
Non-credit bearing fees	7,620	7,653
	323,510	314,500

2021 Restated: Refer to Note 29.

3. Funding Body Grants

Consolidated and Institution

	2022 £'000	2021 £'000 Restated
Recurrent grant	75,263	62,925
Specific grants	9,053	19,912
Capital grants - buildings	5,968	12,907
Capital grants - equipment	8,609	13,720
	98,893	109,464

2021 Restated: amounts have been reclassified between the four line items to better reflect the nature of the grant. There is no overall impact on the total funding body grants for the year ended 31 July 2021 from this.

4. Research Grants and Contracts

Consolidated and Institution

	2022 £'000	2021 £'000 Restated
Research Councils	41,833	37,888
UK-based charities	22,857	18,004
UK Government bodies	37,553	33,384
UK Industry	6,563	6,433
European Commission	8,828	9,189
Overseas	5,708	6,319
Other grants and contracts	2,085	1,431
	125,427	112,648

5. Other Income

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
		Restated		Restated
Other services rendered:				
UK Central Government	22,662	18,336	22,662	18,336
UK Health Authorities	6,919	7,258	6,919	7,258
UK Industry	964	1,092	964	1,092
European Union	1,468	1,049	1,468	1,049
Overseas	78	167	78	167
UK Universities	533	396	533	396
Other Sources	7,608	5,570	7,608	5,570
Total other services rendered	40,232	33,868	40,232	33,868
Residences, catering and conferences	27,788	22,774	27,788	22,774
Exempt VAT recoverable	632	2,008	632	2,008
Other capital grants	2,000	4,539	2,000	4,539
Government Job Retention Scheme	-	400	-	400
Other income	8,717	4,866	6,181	3,657
	79,369	68,455	76,833	67,246

6. Investment Income

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Income from investments	4,465	3,151	4,462	3,151
Income from endowment investments (Note 23)	1,264	1,225	1,264	1,225
	5,729	4,376	5,725	4,376

7. Donations and Endowments

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
New endowments (Note 23)	267	288	267	288
Donations with restriction	-	210	-	210
Unrestricted donations	972	2,240	972	2,240
	1,239	2,738	1,239	2,738

8. Staff Costs

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Staff costs:				
Wages and salaries	258,247	251,928	257,897	251,928
Social security costs	27,370	25,356	27,336	25,356
Other pension costs	53,596	52,529	53,527	52,529
	339,213	329,813	338,760	329,813

The above figures exclude payments made to staff on behalf of the National Health Service.

	Consolidated		Institution	
	2022 FTE	2021 FTE	2022 FTE	2021 FTE
Average staff numbers by major category:		Restated		Restated
Clinical and non-clinical academic and academic related	4,599	4,389	4,591	4,389
Technical services	219	214	219	214
Administrative support	981	962	971	962
Operational services	233	236	233	236
	6,032	5,801	6,014	5,801

The institution's wholly owned subsidiary, International Learning Exchange Limited (Taith) is included in the Consolidation position of above disclosures.

Key management personnel compensation

The Institution considers that key management personnel are the 12 individuals (2021: 12) who serve as members of the University Executive Board having authority and responsibility for planning, directing, and controlling the activities of the Institution. Staff costs include compensation paid to key management personnel.

	2022 £'000	2021 £'000
Key management personnel compensation	1,959	1,833

A list of current members of University Executive Board is publicly available on our website: www.cardiff.ac.uk/about/organisation/university-executive-board

Compensation for loss of office to higher paid employees

No compensation payments were made to higher paid employees in year (2021: nil)

8. Staff Costs (continued)

Other higher paid staff

The remuneration of higher paid staff (excluding the Vice Chancellor) reflected in the ranges below exclude employer pension contributions, bonuses, and compensation for loss of office but include payments made on behalf of the NHS in respect of its contractual obligation to Institution staff under separate NHS contracts of employment. These payments are excluded from the Institution's Income and Expenditure account. Of the 151 staff earning in excess of £100,000 in 2022 (2021: 149), 43 (2021: 53 Restated) include such payments on behalf of the NHS.

Salary Band	2022 NHS No.	2022 Other No.	**2022 Total No.**	2021 NHS No. Restated	2021 Other No. Restated	**2021 Total No. Restated**
£100,000 - £104,999	1	33	**34**	1	23	**24**
£105,000 - £109,999	-	21	**21**	1	21	**22**
£110,000 - £114,999	1	10	**11**	3	8	**11**
£115,000 - £119,999	2	8	**10**	4	8	**12**
£120,000 - £124,999	7	6	**13**	7	3	**10**
£125,000 - £129,999	1	5	**6**	1	7	**8**
£130,000 - £134,999	2	9	**11**	2	7	**9**
£135,000 - £139,999	2	4	**6**	3	4	**7**
£140,000 - £144,999	5	4	**9**	8	4	**12**
£145,000 - £149,999	4	2	**6**	4	1	**5**
£150,000 - £154,999	3	-	**3**	3	1	**4**
£155,000 - £159,999	2	-	**2**	3	5	**8**
£160,000 - £164,999	1	2	**3**	1	-	**1**
£165,000 - £169,999	1	1	**2**	3	3	**6**
£170,000 - £174,999	3	1	**4**	2	-	**2**
£175,000 - £179,999	2	-	**2**	3	-	**3**
£180,000 - £184,999	4	-	**4**	1	-	**1**
£185,000 - £189,999	1	2	**3**	3	1	**4**
£200,000 - £204,999	1	-	**1**	-	-	**-**
	43	108	**151**	53	96	**149**

8. Staff Costs (continued)

Emoluments of the Vice Chancellor

	2022 £'000	2021 £'000
Salary	289	271
Bonus	1	-
Benefits-in-kind	20	22
	310	293
Pension Death in Service Enhanced Opt-out contribution only	16	5
	326	298

The benefits-in-kind received by the Vice Chancellor are as follows (£000s):		
Private medical insurance	1	1
Permanent accommodation	19	21

The remuneration of the Vice-Chancellor is set by the Remuneration Committee, which comprises independent lay members of Council who possess relevant knowledge and expertise. The Vice-Chancellor is not in attendance for, and does not play any part in, the discussions and decisions of his own remuneration.

The Vice-Chancellor's Reward Scheme involves:

- an annual review of base pay in relation to the market; and
- a long-term lump sum non-pensionable performance-related bonus payment linked to the achievement of the Way Forward 2018-2023.

The scheme builds on the principles of the Senior Salary Review process as outlined in the Senior Staff Pay Policy and is designed as a long-term incentive plan to reward and retain the Vice-Chancellor with a view to delivery of the Way Forward Strategy 2018-23

The Remuneration Committee determines the remuneration according to several factors including, but not limited to:

- the Vice-Chancellor's leadership, management, and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the Institution.
- the benchmarking of base salary against the annual salary of Vice Chancellors of Russell Group universities and other institutions of comparable size and scope.
- The performance of the Institution according to the strategy and agreed metrics.

Each year, the Remuneration Committee receives a report by the Chair of Council on the Vice Chancellor's Performance Development Review (which includes input from Council members) and agreed objectives for the following year.

This information will also support the final performance review against the Vice Chancellor's 5-year Reward Scheme. This Scheme runs to 2023 at which point any performance payment will be made. The Vice Chancellor does not receive any annual performance payments.

The Vice-Chancellor's base salary is reviewed in line with national pay awards for the Higher Education sector.

The Vice-Chancellor's basic salary is 7.2 times (2021: 7.0 times) the median pay of all staff, where the median pay is calculated on a full-time equivalent basis for the salaries and wages paid by the Institution.

The Vice-Chancellor's total remuneration is 7.6 times (2021: 7.6 times) the median total remuneration of all staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Institution.

As per HEFCW Accounts Direction, remuneration includes personal service companies that are deemed by the Institution to be employees under HMRC Intermediary Regulations (IR35) and paid through payroll and reported to HMRC via "Real-time Information" (RTI) reporting.

9. Interest and Other Finance Costs

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Bond interest & finance costs	11,594	9,915	11,594	9,915
Bank loan interest	386	526	386	526
Other interest & finance costs	-	7	-	-
	11,980	10,448	11,980	10,441
Net charge on pension schemes (Note 21)	1,640	1,430	1,640	1,430
Unwind of discount on USS pension provision (Note 21)	752	620	752	620
	14,372	12,498	14,372	12,491



10. Analysis of Expenditure by Activity

Consolidated

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2022 £'000	Total 2021 £'000
					Restated
Academic departments	200,188	55,847	-	256,035	236,621
Academic services	20,409	16,136	-	36,545	37,022
Research grants and contracts	54,281	32,629	-	86,910	81,576
Other services rendered	14,005	24,229	-	38,234	32,143
Residences, catering and conferences	5,271	13,096	386	18,753	11,827
Premises	7,014	37,334	-	44,348	46,742
Administration and central services	37,860	30,336	-	68,196	67,361
Other expenses	4,625	3,290	11,594	19,509	21,865
Pension fund adjustments	(4,440)	-	2,392	(2,048)	2,111
	339,213	212,897	14,372	566,482	537,268
Depreciation (note 11)				40,041	40,644
Staff costs – Increase in USS pension scheme provision (note 21)				118,781	2,394
Staff costs – Voluntary Severance Scheme				9	482
Total per Statement of Comprehensive Income and Expenditure				725,313	580,788

Institution

	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2022 £'000	Total 2021 £'000
					Restated
Academic departments	200,188	55,847	-	256,035	236,621
Academic services	20,409	16,136	-	36,545	37,022
Research grants and contracts	54,281	32,629	-	86,910	81,576
Other services rendered	14,005	24,229	-	38,234	32,143
Residences, catering and conferences	5,271	13,096	386	18,753	11,827
Premises	7,014	37,334	-	44,348	46,742
Administration and central services	37,860	30,336	-	68,196	67,361
Other expenses (see Page 66)	4,172	1,405	11,594	17,171	20,705
Pension fund adjustments	(4,440)	-	2,392	(2,048)	2,111
	338,760	211,012	14,372	564,144	536,108
Depreciation (note 11)				40,041	40,644
Staff costs – Increase in USS pension scheme provision (note 21)				118,781	2,394
Staff costs – Voluntary Severance Scheme				9	482
Total per Statement of Comprehensive Income and Expenditure				722,975	579,628

Consolidated and Institution 2021 Restated:
The following line items have been restated for the year ended 31 July 2021 for both the consolidated and institution figures to better reflect the nature of the expenditure - academic services has been reduced by £14.4m, administration and central services has been increased by £35.1m and other expenses has been reduced by £20.7m. There is no overall impact on the amounts reported in the consolidated or institution statements of comprehensive income from these reclassifications.

In addition, Academic departments has increased by £7.6m due to the restatement of overseas agents' commission costs previously offset against tuition fee income (see Note 29).

10. Analysis of Expenditure by Activity (continued)

	2022	2021
Other operating expenses include:		
External auditors' remuneration in respect of audit services	204	133
External auditors' remuneration in respect of audit-related services	2	12
External auditors' remuneration in respect of non-audit services	Nil	84
Operating lease rentals		
Land and buildings	2,973	3,180
Other	122	177

Other expenses include:

- a credit in staff costs of £2,876k (2021: charge of £3,407k) relating to the movement on the Employee Leave Accrual (Note 17)
- no costs associated with individuals placed on furlough (2021: £1,038k)
- costs associated with the Institution's COVID-19 Testing facility of £637k (2021: £1,659k).
- a release of £859k from the COVID-19 student claims provision, that is no longer required.



11. Tangible Fixed Assets

Consolidated and Institution

	Land and Buildings			Equipment	Total
	Freehold £'000	Long leasehold £'000	Assets in the Course of Construction £'000	£'000	£'000
Cost or valuation					
At 1 August 2021	473,175	284,516	254,382	193,516	1,205,589
Additions at cost	23,181	4,296	2,577	24,767	54,821
Disposals				(3,935)	(3,935)
Projects completed	242,462	12,011	(254,527)	54	-
At 31 July 2022	**738,818**	**300,823**	**2,432**	**214,402**	**1,256,475**
Valuation (i)	371,771	229,472	-	-	601,243
Cost	367,047	71,351	2,432	214,402	655,232
At 31 July 2022	738,818	300,823	2,432	214,402	1,256,475
Accumulated depreciation					
At 1 August 2021	63,914	50,197	-	157,203	271,314
Charge for year	12,930	8,933	-	18,178	40,041
Eliminated on disposal	-	-	-	(3,935)	(3,935)
At 31 July 2022	**76,844**	**59,130**	**-**	**171,446**	**307,420**
Net book value					
At 31 July 2022	661,974	241,693	2,432	42,596	949,055
At 31 July 2021	409,261	234,319	254,382	36,313	934,275

(i) A full valuation of the Institution's Estate was carried out on 31 July 2014 by Cooke and Arkwright Chartered Surveyors in accordance with the RICS Valuation – Professional Standards January 2014 (the Red Book) to establish deemed cost. Of the total valuation of £609m, £557m was at fair value by depreciated replacement cost and £52m was at fair value.

Certain buildings have been funded from U.K. Treasury sources at a cost of £132m. Should these particular buildings be sold, the Institution would use the proceeds in accordance with the HEFCW Terms of Funding.

Land and buildings include non-depreciated land of £118m (2021: £118m).

Spend on capital projects incurred and completed in year is recognised in freehold additions rather than through assets in the course of construction.

12. Non-Current Investments

	Consolidated			Institution		
	Investment in joint ventures	Other Investments	Total	Equity investment in joint ventures	Other Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2021	3,419	4,179	7,598	2,003	4,143	6,146
Additions	-	2,312	2,312	-	2,312	2,312
Disposals	-	(828)	(828)	-	(828)	(828)
Impairment of investments	-	(6)	(6)	-	-	-
Share of operating deficit in joint ventures	173		173	-	-	
Balance at 31 July 2022	**3,592**	**5,657**	**9,249**	**2,003**	**5,627**	**7,630**

The Institution has investments in the following:

University College Cardiff Consultants Limited (UC3)
The results of UC3, a company limited by guarantee and registered in the UK, have been included by consolidation in the financial information. The company's principal activity is the commercialisation of the intellectual property and other outputs of research generated by the academic schools of the Institution. The company is also responsible for the Institution's interests through shareholdings in a number of spin-out companies arising from the Institution's research and other operations.

Compound Semiconductor Centre Limited
The Group's total investment in the joint venture has been fully impaired, including loan debt of £2m. In addition, the Institution recognises its share of the overall net liability of the joint venture and this is disclosed under Other Provisions in the Statement of Financial Position (see Note 22). The Institution's share of the net liability reduced in year as a result of our share of the net surplus in year of £468k.

Cardiff Medicentre
The Institution holds an investment of £2,003k (2021: £2,003k) representing an 89% shareholding in Cardiff Medicentre with Cardiff and Vale UHB holding the remaining 11%. This Group's total investment after its share of operating surpluses is £3,592 (2021 £3,419k). This interest is treated as a joint venture as the Institution has joint control with Cardiff and Vale UHB.

Mobeus
The Institution made an original commitment (in 2016) to invest £10m in the Mobeus Equity Partners IV fund and another £15m in the Mobeus Equity Partners V Fund during this financial year. Both funds contribute to the bond repayment fund for the repayment of the £400m bond capital in December 2055.

In the year, additions to IV Fund were £2,312k and divestments £828k on which a gain of £2,181k was realised (divestment proceeds of £3,009k) (2021: invested £538k). As at 31 July 2021, the investment fund is held at £5,551k (2020: £4,067k).

No investment in the V Fund was made in year, however, an investment of £1.2m was made on 12 September 2022.

Cash and cash equivalent balances relating to both Mobeus funds are combined to form part of the Bond Repayment Fund (Note 24).

Cardiff Partnership Fund Limited
The Institution owns a 100% shareholding of £76k (2021: £76k) in the Cardiff Partnership Fund Limited, the holding company of the unincorporated Cardiff Partnership Fund Limited Partnership. This company is not consolidated on the basis that the Institution does not exercise control over the activities that rest with an independent board.

SETsquared Partnership
In September 2021, the Institution joined the SETsquared Partnership, a Institution incubator network.

12. Non-Current Investments (continued)

International Learning Exchange Programme Limited ("ILEP")
Following the UK Government's decision to withdraw from the Erasmus+ scheme, the Welsh Government announced a new learning scheme to continue to benefit staff and students from international exchanges in a similar way to Erasmus+, not just in Europe but also further afield. The scheme will run from 2022 to 2026. To safeguard transparency, the Institution agreed to operate the programme on behalf of the Welsh Government through a wholly owned subsidiary company.
ILEP was incorporated on 22 June 2021 and commenced operations on 1 August 2022.

13. Stocks

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Residences and Catering	86	83	86	83
Maintenance	107	101	107	101
Academic Departments	103	112	103	112
	296	296	296	296

14. Trade and other receivables

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Amounts falling due within one year:				
Trade Debtors:				
- Tuition fees	4,745	6,345	4,745	6,345
- Research grants & contracts	11,201	6,624	11,201	6,624
- Other Services	6,283	4,851	6,036	4,568
Less: Trade Debtors impairment provision (i)	(5,571)	(5,798)	(5,571)	(5,762)
Net Trade Debtors	16,658	12,022	16,411	11,775
Other Debtors	1,639	1,019	1,639	1,019
Amount due from subsidiary undertaking	-	-	1,480	1,102
Prepayments	4,159	287	3,802	287
Accrued Income				
- Research grants and contracts	25,213	24,833	25,213	24,833
- Other Income	12,576	8,633	12,576	8,633
Total Debtors	60,245	46,794	61,121	47,649

(i) Further information regarding the judgements and estimates in relation to the impairment can be found in Note 1: Accounting Policies on Page 57 "Recoverability of debtors".

15. Current Investments

Consolidated and Institution

	Endowment Investments £'000 (Note 23)	Other Investments £'000	2022 Total £'000	2021 Total £'000
Short term investment in shares	-	161,000	161,000	171,199
Short term bonds	-	68,446	68,446	67,782
Other short-term investments	43,715	36,075	79,790	74,320
Short term deposits	-	55,815	55,815	12,291
	43,715	321,336	365,051	325,592

The decrease in fair value of current investments in the year was £10,922k (2021: increase £34,661k).

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at the time of placement.

At 31 July 2022 the weighted average interest rate of these fixed rate short term deposits was 1.54% (2021: 0.1%) per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 135 days (2021: 31 days). The fair value of these deposits was not materially different from the book value.

16. Cash and Cash Equivalents

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Operational bank accounts	55,143	73,360	48,216	72,410
Cash-in-hand	10	10	10	10
Money market funds	24,468	55,383	24,468	55,383
Cash funds held by investment fund managers	14,889	17,707	14,889	17,707
Cash fund held within endowment funds	1,855	2,127	1,855	2,127
	96,365	148,587	89,438	147,637

17. Creditors: amounts falling due within one year

	Consolidated		Institution	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	19,730	10,952	19,693	10,569
Social security and other taxation	9,815	7,306	9,815	7,306
Sundry creditors	10,104	13,956	9,577	7,451
Deposits	142	235	142	235
Employees leave entitlement accrual (i)	14,280	17,157	14,280	17,157
Accruals	25,193	27,590	25,143	27,590
Deferred income (see below)	86,761	86,970	81,238	86,970
Unsecured loans	129	129	129	129
Secured loans	2,603	2,413	2,603	2,413
Amounts due to subsidiary undertakings	-	-	-	6,505
	168,757	166,708	162,620	166,325

Deferred Income

Included in deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Tuition Fees	4,551	4,837	4,551	4,837
Research grants and contracts	47,518	50,133	47,518	50,133
Other Income	33,240	23,775	27,717	23,775
Capital grant income	1,452	8,225	1,452	8,225
	86,762	86,970	81,238	86,970

(i) The Institution has continued to extend its policy to allow staff to carry-forward up to ten days holiday entitlement as a consequence of the continued impact of the COVID-19 pandemic. Previous year's exceptional circumstances that enabled critical operational staff to carry forward up to 10 additional days was withdrawn.

18. Creditors: amounts falling due after more than one year

Consolidated and Institution	2022 £'000	2021 £'000
Deferred capital grant income	-	212
Unsecured loans (i)	1	130
Secured loan	3,134	5,737
Public Bond (ii)	293,956	293,831
Public Bond Tap (iii)	127,233	127,811
Total loans and long-term debt	424,324	427,509
	424,324	427,721

Analysis of secured and unsecured loans

Due within one year or on demand (Note 17)	2,732	2,542
Due between two and five years	3,135	5,867
Due in five years or more	421,189	421,642
Due after more than one year	424,324	427,509
	427,056	430,051

Included in loans are the following:

Lender	Term	Secured/ Unsecured	Interest rate %	Borrower	2022 £'000	2021 £'000
Welsh Government (i)	2023	Unsecured	-	Institution	130	259
Lloyds Bank/Scottish Widows(iv)	2024	Secured	8.853	Institution	3,462	5,175
Royal Bank of Scotland (v)	2025	Secured	See below	Institution	2,275	2,975
					5,867	8,409

(i) The interest free Welsh Government loan is from their Invest-to-Save scheme for student transition, retention and success and will be repaid in full by November 2022.

(ii) The 39-year public bond of £300 million was issued in February 2016 and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 3.1%.

(iii) A £100m bond tap was issued in February 2021 at a premium and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 1.9%.

(iv) Lloyds Bank originally advanced £17 million to the Institution to finance the cost of student residences. The loan is secured on Talybont South property and is repayable by 28 February 2024 on a reducing balance method. In 2013, Lloyds Bank transferred certain rights of the loan to Scottish Widows (part of the Lloyds Banking Group), however, Lloyds Bank act on behalf of Scottish Widows in the capacity of service provider.

(v) Royal Bank of Scotland originally advanced £14 million to the Institution to finance the cost of Talybont Court. The loan is secured on Talybont Court and is repayable by 1 October 2025 by equal instalments of £0.7m per annum. Interest is payable on the loan at 0.225% above Base Rate.

(vi) In July 2021 the Institution took out a 3-year unsecured Revolving Credit Facility with Lloyds Bank for £20m over three years. As at 31 July 2022, the facility had not been utilised.

19. Consolidated and Institution Reconciliation of Net Debt

	Consolidated	Institution
	£'000	£'000
Net debt 1 August 2021	281,464	282,414
Movement in cash and cash equivalents	52,222	58,199
Repayment of secured loans	(2,413)	(2,413)
Repayment of unsecured loans	(129)	(129)
Other non-cash changes (bond interest)	(453)	(453)
Net Debt 31 July 2022	330,691	337,618
Change in net debt	49,227	55,204

Analysis of net debt		Consolidated		Institution	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
Borrowings: amounts falling due within one year					
Secured loans		2,603	2,413	2,603	2,413
Unsecured loans		129	129	129	129
	(Note 17)	2,732	2,542	2,732	2,542
Borrowings: amounts falling due after more than one year					
Secured Loans		3,134	5,737	3,134	5,737
Unsecured loans		1	130	1	130
Public Bond		293,956	293,831	293,956	293,831
Public Bond Tap		127,233	127,811	127,233	127,811
	(Note 18)	424,324	427,509	424,324	427,509
Less: Cash and cash equivalents	(Note 16)	(96,365)	(148,587)	(89,438)	(147,637)
Net debt		330,691	281,464	337,618	282,414

20. Financial Instruments

The Institution has the following financial instruments which are all denominated in sterling:

		Consolidated		Institution	
	Note	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Financial assets at fair value through surplus or deficit investments in equity and listed bonds	15	309,236	313,301	309,236	313,301
		309,236	313,301	309,236	313,301
Financial assets that are debt instruments measured at amortised cost					
Trade receivables	14	16,658	12,022	16,411	11,775
Other receivables	14	1,639	1,019	3,119	2,121
Investments in short term deposits	15	55,816	12,291	55,816	12,291
		74,113	25,332	75,346	26,187
Financial liabilities measured at amortised cost					
Public Bond	18	293,956	293,831	293,956	293,831
Public Bond Tap	18	127,233	127,811	127,233	127,811
Loans	18	5,867	8,409	5,867	8,409
Trade creditors	17	19,730	10,952	19,693	10,569
Other creditors	17	10,246	14,188	9,719	7,683
Accruals	17	25,193	27,590	25,143	27,590
		482,225	482,781	481,611	475,893

21. Pension Provision

Consolidated and Institution

	Obligation to fund deficit on USS Pension	CUPF fund obligations (Note 25)	LGPS fund obligations (Note 25)	2022 Total Pension Provision	2021 Total Pension Provision
	£'000	£'000	£'000	£'000	£'000
At 1 August 2021	84,066	101,393	3,355	188,814	187,309
Utilised in year	(4,677)	-	-	(4,677)	(3,754)
Additions/ (reductions)	118,781	(68,463)	(3,395)	46,923	3,209
Discount rate changes (Note 9)	752	1,600	40	2,392	2,050
At 31 July 2022	198,922	34,530	-	233,452	188,814

USS deficit

The Institution has entered into an agreement (the Recovery Plan) that determines how each employer within the multi-employer scheme will fund the overall deficit. The Institution recognises a liability for the contributions payable that arise from the agreement to fund the scheme (to the extent that they relate to the deficit) and the resulting expense in the Statement of Comprehensive Income. For key assumptions used in calculating the liability please refer to Note 25.

LGPS Fund

As at 31 July 2022, the LGPS fund FRS102 actuarial report resulted in a pension asset £4,050k. The asset has not been recognised as such on the Statement of Financial Position, as there is no automated entitlement to a refund from the scheme. The £4,050k is eliminated by an additional asset valuation charge to Other Comprehensive Expenditure.

22. Other Provisions

Consolidated	Share of net liability in joint venture £'000	Leasehold Property Dilapidations £'000	2022 Total £'000	2021 Total £'000
At at 31 August 2021	3,431	-	3,431	-
Additions / (Reductions)	(468)	2,106	1,638	3,431
Closing balance	**2,963**	**2,106**	**5,069**	**3,431**

Reduction is Share of net liability in joint venture represents the Group's share of operating surplus in the year of Compound Semiconductors Centre Limited – see Note 12.

Institution	Leasehold Property Dilapidations £'000	2022 Total £'000	2021 Total £'000
At at 31 August 2021	-	-	-
Additions / (Reductions)	2,106	2,106	-
Closing balance	**2,106**	**2,106**	**-**

. Provision for Leasehold Property dilapidations recognised as per Note 1 Page 48.

23. Endowment reserves

Consolidated and Institution

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2022 Total £'000	2021 Total £'000
Capital opening balance	2,807	22,997	25,804	1,559	27,363	23,943
Accumulated income	1,604	13,882	15,486	2,633	18,119	14,995
	4,411	36,879	41,290	4,192	45,482	38,938
New endowments	-	-	-	267	267	288
Income for year	123	1,028	1,151	113	1,264	1,225
Expenditure	(115)	(497)	(612)	(179)	(791)	(817)
	8	531	539	(66)	473	408
(Decrease) in market value	(64)	(527)	(591)	(61)	(652)	5,848
Closing balance	**4,355**	**36,882**	**41,237**	**4,332**	**45,570**	**45, 482**
Represented by:						
Capital	2,762	22,481	25,243	1,511	26,755	27,363
Accumulated income	1,593	14,401	15,994	2,821	18,815	18,119
	4,355	**36,882**	**41,237**	**4,332**	**45,570**	**45,482**

23. Endowment reserves (continued)

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2022 Total £'000	2021 Total £'000
Analysis by type of purpose:						
Appeal Fund	-	95	95	-	95	94
Chairs	-	13,371	13,371	-	13,371	13,559
Lectures	-	1,115	1,115	-	1,115	1,101
Hardship Funds	12	2,314	2,326	555	2,881	2,862
Scholarships	-	9,736	9,736	460	10,196	10,070
Prizes	-	3,205	3,205	42	3,247	3,235
Research	-	1,649	1,649	2,598	4,247	4,178
General	4,343	5,397	9,740	677	10,417	10,383
	4,355	36,882	41,237	4,332	45,570	45,482
Analysis by asset:						
Current asset investments						
- investment units					43,716	43,355
Cash & cash equivalents					1,854	2,127
					45,570	45,482

24. Bond repayment fund

Cardiff University's 39-year public bond of £300m, issued in February 2016, along with the subsequent £100m tap issued in February 2021, will be redeemed at their principal amounts of £400m on 7 December 2055 and the Institution will have to repay this sum on that date.

In July 2019 Council approved the creation of a Bond Repayment Fund (BRF) which has as its sole objective to deliver £400m in cash in 2055.

The bond repayment fund forms part of the unrestricted funds in the statement of financial position.

The Institution has, to date, invested £50m (2021: £50m) on a total return basis to generate the repayment.

Total fund value	2022 £'000	2021 £'000
Cash held for investment	8,191	2,432
Current investments	50,470	51,472
Non-current investments	5,551	4,067
	64,212	57,971

25. Pension Schemes

Different categories of staff were eligible to join one of six different schemes:

(i) Universities Superannuation Scheme (USS)
(ii) Cardiff University Pension Fund (CUPF)
(iii) Local Government Pension Scheme (LGPS)
(iv) Cardiff University Pension Scheme (CUPS)
(v) National Health Service Scheme (NHSPS)
(vi) NEST workplace pension scheme

The nature of the schemes above are detailed below.

Cardiff University Pension Scheme is a new Defined Contribution Scheme effective from 1 January 2022 in co-ordination with the closure of the CUPF DB scheme to new members,
The tender for a DC Scheme to be available for new members was undertaken and Legal and General appointed to provide the scheme. The DC scheme allows members flexibility in contribution rates and a member could choose to contribute 0%, but still benefit from Institution contributions into the scheme. Any flexibility which allows members to pay zero or very low contributions may result in some members who have previously opted out of pension scheme (currently around 230 members) to opt in. The additional benefits of life insurance and income protection are currently at the final stages of procurement and will be available for members from 1st March 2022.
Elements of the DC scheme that will be offered.
Institution 10% fixed Member 6.5% default, option to reduce to 4%,2%,0% Life Insurance 5x basic salary, Income Protection.

The **NHSPS** which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government. Scheme is a defined benefit public service pension scheme, which operates on a pay-as-you-go basis. A new reformed scheme was introduced on 1 April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1 April 2012 were within ten years of normal pension age to continue participating in the old 'final salary' NHS Pension Scheme arrangements (the 1995 and 2008 sections).

An HM Treasury pension scheme valuation for funding purposes was carried out as at March 2012. The Scheme Regulations have been changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate. The employers' contribution rate payable by the Institution during the year ended 31 July 2022 remained unchanged at 14.38% of total pensionable earnings.

NEST is a defined contributions pension scheme for eligible non-contractual workers.

	Consolidated		Institution	
The total pension cost for the period was:	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Universities' Superannuation Scheme (USS)	36,730	35,647	36,662	35,647
Cardiff University Pension Fund (CUPF)	15,114	15,121	15,113	15,121
Local Government Pension Scheme (LGPS)	351	360	351	360
Cardiff University Pension Scheme (CUPS)	62	-	62	-
National Health Service Pension (NHSPS)	1,328	1,386	1,328	1,386
NEST	11	15	11	15
	53,596	52,529	53,527	52,529
USS minimum funding guarantee adjustment	118,781	2,394	118,781	2,394
	172,377	54,923	172,308	54,923

25. Pension Schemes (continued)

(i) The Universities Superannuation Scheme

The Institution participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total cost charged to the Consolidated Statement of Comprehensive Income is £36,730k (2021: £35,647k) including Pension Choice, but excluding the impact of the change in the deficit recovery plan, as shown in note 21.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020 ("the valuation date"), which was carried out using the projected unit method.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The deficit recovery contributions due within one year for the institution are £13,150k (2021: £10,824k).

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (https://www.uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles):

CPI Assumption:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less:

1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040

Pension increases (subject to a floor of 0%):

CPI assumption plus 0.05%

Discount rate (forward rates):

Years 1-10, CPI plus 0.14% reducing linearly to CPI less 0.73%.
Years 11-20, CPI plus 2.52% reducing linearly to CPI plus 1.55% by year 21.
Years 21 onwards, CPI plus 1.55%.

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

Mortality base table:

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality:

CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

25. Pension Schemes (continued)

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.31%	0.89%
Pensionable salary – inflation - Year 1	6.00%	3.00%
Pensionable salary – inflation – remaining years	3.00%	3.00%
Pensionable salary – Headcount – Year 1	2.70%	5.00%
Pensionable salary – Headcount – remaining years	Nil	Nil

The employers' contribution rates are as follows:

1 October 2019 to 30 September 2021	21.10%
1 October 2021 to 31 March 2022	21.40%
1 April 2022 to 31 March 2024	21.60%
1 April 2024 to 30 April 2038	21.40%

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Sensitivity	2022	2021
	£'000	£'000
0.5% per annum decrease in discount rate	8,255	1,680
0.5% per annum increase in salary inflation over duration	8,211	1,637
0.5% per annum increase in salary inflation in year 1 only	938	408
0.5% increase in staff changes over duration	8,465	1,666
0.5% increase in staff changes year 1 only	968	400

(ii) Cardiff University Pension Fund

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision. As at 1 January 2022, the fund was closed to new members.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 July 2019.

Following consultation with members, a Deed of Amendment effecting the change to future benefits was executed by the Institution and the Trustees of the Fund. The change impacts the benefits accrued from an effective date of 1 January 2022. A summary of the changes to benefit accrual from this date is set out below:

- The actual rate reduced from 80ths to 85ths
- Pension increases reduced in line with CPI inflation up to a maximum of 2.5% p.a.; and
- The Normal Retirement Date increased from age 65 to age 66.

As these changes only impact benefits in relation to service from 1 January 2022, there is no impact on the Defined Benefit Obligation (DBO).

An estimated valuation of the defined benefit schemes was performed at 31 July 2021 by qualified actuary. The Fund deficit under FRS 102 has reduced from £101.4m at 31 July 2021 to £34.5m at 31 July 2022.

25. Pension Schemes (continued)

Cardiff University Pension Fund (continued)

Under the latest Scheme of Contributions dated 30 December 2021, the University contributes the following:

- 21.7% of pensionable earnings in respect of all active CARE members who have elected to participate in salary sacrifice.
- 22.7% of pensionable earnings in respect of all non-CARE members who have elected to participate in salary sacrifice
- 15.2% of pensionable earning in respect of all other active members.

In addition, between 1 January 2022 and 31 July 2029, the University agrees to pay deficit contributions of:

- 8.2% per annum of total pensionable salary; and
- £1,000,000 per annum

The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

The actuary has made Guaranteed Minimum Pensions (GMP) equalisation allowance and the result has been included with the scheme's' FRS102 disclosures.

(iii) Local Government Pension Scheme

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 March 2019.

During the accounting period, the Institution paid contributions to the CUPF of 19.2% of pensionable salaries (LGPS - 27.7% plus a cash lump sum of £1.0m). The Institution has also contributed the salary sacrifice amount of 7.5% (final salary members) or 6.5% for Career Average Revalued Earnings members for each Non-Contributory member (i.e., those participating in the Salary Sacrifice arrangement) in the CUPF. Salary sacrifices of pension contributions is not permitted in the LGPS scheme.

An estimated valuation of the defined benefit schemes was performed at 31 July 2022 by qualified actuary. The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

The actuary has made GMP equalisation allowance and the result has been included with the scheme's' FRS102 disclosures.

In addition, the actuary, due to current levels of high inflation, has also made an allowance in the DBO for the expected impact of CPI inflation on the pension increase order of April 2023, which is expected to reflect CPI inflation for the year ending 30 September 2022. Therefore, allowance is made for CPI inflation between 30 September 2021 and the accounting date of 9.0% and is included within the CPI inflation assumption and reflects market expectations at the accounting date.

As at 31 July 2022, the LGPS fund FRS102 actuarial report resulted in a pension asset £4,050k. The asset has not been recognised as such on the Statement of Financial Position, as there is no automated entitlement to a refund from the scheme. The £4,050k is eliminated by an additional asset valuation charge to Other Comprehensive Expenditure.

25. Pension Schemes (continued)

Assumptions relating to CUPF and LGPS

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	CUPF At 31 July 2022 % p.a.	LGPS At 31 July 2022 % p.a.	CUPF At 31 July 2021 % p.a.	LGPS At 31 July 2021 % p.a.
Price Inflation (RPI)	3.15	n/a	3.20	n/a
Price Inflation (CPI)	2.75	2.70	2.80	2.60
Rate of increase in salaries	2.75	3.70	2.80	3.60
Rate of increase of pensions in payment	2.75	2.70	2.75	2.60
Increases to deferred pensions before retirement	2.75	2.70	2.80	2.60
Discount rate	3.55	3.50	1.70	1.70

Key non-financial assumptions relate to member life expectancy at the accounting date, based on actual mortality experience of members within the Funds carried out as part of the latest formal actuarial valuations (see above), and allow for expected future mortality improvements, the accounting assessments are based on the life expectancy of male and female members at age 65 in normal health as shown below.

COVID-19 disclosure

CUPF actuary has not updated the mortality assumption as at 31 Jul 2022 to reflect the potential effects of Covid-19. This is mainly because there remains uncertainty of the Covid-19 impact on long-term mortality rates for pension scheme members. However, under LGPS, at the accounting date the assumed rates of future mortality have continued to increase to reflect a slightly more negative outlook as a result of the COVID-19 pandemic.

	CUPF At 31 July 2022	LGPS At 31 July 2022	CUPF At 31 July 2021	LGPS At 31 July 2021
Pensioner – male	21.5	22.1	21.2	22.3
Pensioner – female	24.2	24.6	23.8	24.7
Non-pensioner (currently aged 45) – male	22.1	23.2	22.2	23.3
Non-pensioner (currently aged 45) – female	25.3	26.0	24.7	26.1

Funder membership data summary at last actuarial valuation	CUPF July 2019	LGPS March 2019
Active members	1,811	40
Deferred members	1,485	96
Pensioners and dependants	1,023	231

25. Pension Schemes (continued)

Scheme Assets and Liabilities	2022 CUPF £m	2022 LGPS £m	2021 CUPF £m	2021 LGPS £m
The assets in the scheme at fair value were:				
Equities	39.1	25.0	57.6	25.7
Property	-	3.0	-	2.6
Government bonds	-	3.4	-	3.9
Corporate bonds	22.3	2.9	26.9	5.9
Multi Asset Credit	-	1.9	-	-
Liability Driven Investments	51.0	-	57.6	-
Diversified Growth	85.7	-	87.2	-
Private Markets	31.3	-	32.0	-
Cash	1,8	1.1	6.0	0.6
Scheme assets at fair value	231.2	37.3	267.3	38.7
Asset derecognition actuarial loss adjustment	-	(4.1)	-	-
Scheme assets at fair value (Restated)	231.2	33.2	267.3	38.7
Scheme liabilities at present value	(265.7)	(33.2)	(368.7)	(42.1)
Net pension asset/(liability) recorded within pension provisions (Note 21)	**(34.5)**	**-**	**(101.4)**	**(3.4)**
Analysis of the amount charged within Operating Surplus				
Operating cost				
Current service cost	14.0	0.4	13.3	0.4
Past service cost	-	-	-	-
Administrative expenses	1.0	-	0.9	-
Total operating cost:	15.0	0.4	14.2	0.4

25. Pension Schemes (continued)

	Year ended 31 July 2022 CUPF £m	2022 LGPS £m	Year ended 31 July 2021 CUPF £m	2021 LGPS £m
Financing cost:				
Interest expense on liabilities	6.2	0.7	4.9	0.6
Interest income on assets	(4.6)	(0.7)	(3.6)	(0.5)
Total financing cost:	1.6	-	1.3	0.1
Total charge within Operating Surplus before tax	**16.6**	**0.4**	**15.5**	**0.5**
Amounts recognised in Other Comprehensive Income:				
Actuarial losses/(gains) from assets	45.8	6.2	(24.8)	(5.7)
Actuarial losses/(gains) on liabilities	(115.4)	(8.6)	28.1	(0.6)
Total loss/(gain) to Other Comprehensive Income before tax	**(69.6)**	**(2.4)**	**3.3**	**(6.3)**
Analysis of movement in deficit:				
Deficit at beginning of year	101.4	3.4	92.1	10.4
Contributions by the Institution - normal	(10.2)	(0.3)	(9.5)	(0.2)
Contributions by the Institution - additional	(3.7)	(1.0)	-	(1.0)
Operating cost	15.0	0.4	14.2	0.4
Financing cost	1.6	-	1.3	0.1
Loss/(Gain) recognised in Other Comprehensive Income	(69.6)	(2.5)	3.3	(6.3)
Deficit/(Surplus) at end of year	**(34.5)**	**-**	**101.4**	**3.4**
Changes to the present value of scheme liabilities:				
Present value of scheme liabilities at start of the year	368.7	42.1	329.7	43.0
Current service cost	14.0	0.4	13.3	0.4
Past service cost	-	-	-	-
Interest expense on liabilities	6.2	0.7	4.9	0.6
Contribution by participants	0.2	-	0.2	-
Actuarial losses/(gains) on liabilities	(115.4)	(8.6)	28.1	(0.6)
Actual benefit payments	(8.0)	(1.3)	(7.5)	(1.3)
Present value of scheme liabilities at the end of the year	**265.7**	**33.2**	**368.7**	**42.1**
Changes in the fair value of scheme assets:				
Fair value of scheme assets at the start of the year	267.3	38.7	237.6	32.6
Interest Income on assets	4.6	0.7	3.6	0.5
Actuarial gains/(losses) on assets	(45.8)	(6.2)	24.8	5.7
Contributions by the Institution	13.9	1.3	9.5	1.2
Contributions by participants	0.2	-	0.2	-
Net benefits paid out	(8.0)	(1.3)	(7.5)	(1.3)
Expenses	(1.0)	-	(0.9)	-
Fair value of scheme assets at the end of the year	**231.2**	**33.2**	**267.3**	**38.7**

CUPF and LGPS assets do not include any of the Institution's own financial instruments, or property occupied by the Institution.

25. Pension Schemes (continued)

	Year ended 31 July 2022 CUPF £m	Year ended 31 July 2022 LGPS £m	Year ended 31 July 2021 CUPF £m	Year ended 31 July 2021 LGPS £m
Actual return on scheme assets:				
Interest income on scheme assets	4.6	0.7	3.6	0.5
Asset gain / (loss)	(45.8)	(6.2)	24.8	5.7
Actual return on scheme assets	**(41.2)**	**(5.5)**	**28.4**	**6.2**

Sensitivity of movement in key assumptions

The approximate impact of changing the key assumption on the present value of the funded defined benefit liabilities as at 31 July 2022 is set out below.
In each case, only the assumption mentioned is altered; all other assumptions remain the same.

	Funded Defined Benefit Liability (£m)		
CUPF	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	260.8	265.76300	270.8
Rate of general increase in salaries	270.2	265.7	261.8
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	256.8	265.7	274.6
LGPS	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Discount Rate assumption	32.7	33.2	33.8
Rate of general increase in salaries	33.3	33.2	33.1
Rate of increase to pensions and rate of revaluation of pension accounts	33.7	33.2	32.8
	- 1 year	**Base figure**	**+1 Year**
Post-retirement Mortality assumption	34.2	33.2	32.2

Post balance sheet market movements

Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS102 discount rate, have increased significantly since 31 July 2022, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore while both gross DBOs and assets will have fallen, it is difficult to estimate the impact of these changes on the net balance sheet position.

26. Capital Commitments

Consolidated and Institution	2022 £'000	2021 £'000
Commitments contracted at 31 July 2022	4,968	44,095

27. Operating Lease obligations

Consolidated and Institution

Future minimum lease payments due	Land and buildings £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Not later than one year	2,899	101	3,000	3,036
Later than one year and not later than 5 years	8,866	91	8,957	10,003
Later than five years	27,616	-	27,616	29,382
Total lease payments due	39,381	192	39,573	42,421

Land and building leases are held in respect of office premises and car parking facilities. Other leases comprise vehicle and other equipment leases.



28. Related Party Transactions

All transactions involving organisations in which a member of the Council may have an interest are conducted in accordance with the Institution's financial regulations and normal procurement procedures. The Institution maintains a Register of Interests of members of Council and senior officers.

The list below represents the trading transactions and year-end close balances with organisations of which the relevant Council member or senior officer holds a position of influence in both the related party and the Institution.

Organisation	Council member or senior officer	Income £'000	Expenditure £'000	Debtor £'000	Creditor £'000
Association of Commonwealth Universities	Prof C Riordan	-	7	-	-
British Council	Prof C Riordan	1,209	-	-	46
Cardiff & Vale University Health Board	Ms S Rankin	1,488	7,682	1,467	668
Cardiff Council	Ms C Morgan Dr J Wademan	43	329	-	85
Cardiff Productions Limited	Mr P Younge	-	7	-	-
Cardiff University Students' Union	Ms G Dunn Ms H Doe Ms A Flores Acuna	146	6,510	85	23
Compound Semiconductors Centre Limited	Prof R Allemann Mr D Xiberras	1,154	693	1,384	-
Digital Health & Care Wales/NHS Wales	Mr D Selway	-	10	-	3
Gower College, Swansea	Judge R Singh	-	60	-	-
Gwent Office of the Police and Crime Commissioner	Dr J Wademan	26	-	-	-
Hugh James Solicitors	Ms K Singh (daughter-in-law of) Judge R Singh	-	6	-	1
IDP Connect	Prof C Riordan	-	25	-	10
Institute of Cancer Research	J Shakeshaft	1	-	-	-
King's College London	Ms J Newman	-	182	89	-
Liverpool University	Prof Dame J Finch	-	16	-	-
Medical Research Council	Prof K Graham	9,515	4	-	-
Microsoft UK	Mr P Benjamin	-	76	-	-
Quality Assurance Agency	Ms Claire Morgan	-	102	-	-
Race Council Cymru	Judge R Singh	-	2	-	-
Russell Group	Prof C Riordan	-	83	-	-
The Conversation UK Limited	Ms J Newman	-	17	-	-
Universities UK	Prof C Riordan Prof U Khaliq	-	557	-	342
University of London	Prof U Khaliq Prof Dame J Finch	-	658	-	-
Welsh Government	Prof R Ashworth Prof K Graham	18,271	27	2,490	128

The Institution has taken advantage of Paragraph 33.1A of FRS 102 in that disclosures need not be given for transactions that have taken place between the parent and its wholly owned subsidiaries.

28. Related Party Transactions (Cont'd.)

Trustee remuneration and expenses

No trustee received any remuneration or waived payment from the Institution during the year (2021: none).

The amounts in the table below represent payments made to trustees for travel and subsistence costs incurred in attending Council, committee meetings and charity events in their official capacity. Not all trustees have claimed expenses in the year or prior year. Where trustees are also employees of the Institution, expenses claimed in their capacity as an employee are not included.

	2022 £'000	2021 £'000
Expenses paid to 6 trustees in the year (2021: 7)	4	1

29. Prior year adjustment

During 2022, the Institution discovered that overseas agent commission costs had been netted of against tuition fees and education contracts income within both the consolidated and institution financial statements. These amounts should have been presented gross and the comparative information has been restated accordingly. The effect of the adjustment is to increase both the tuition fee and education contracts income (Note 2) and operating expenses (Note 10) within the Statement of Comprehensive Income and Expenditure for the year ended 31 July 2021 by £7.6 million. There was no impact on total comprehensive surplus for the year ended 31 July 2021 or net assets as at 31 July 2021 for either the group or institution from this restatement.

Other restatements

Comparatives have been restated in notes 3, 8 and 10 to reclassify amounts between sub-captions. These reclassifications had no impact on the numbers reported in the primary statements. These can be found in notes 3 and 10.

30. US Department of Education Financial Responsibility - Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, Cardiff University is required by the US Department of Education to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. The accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

			Year ended 31 July 2022		Year ended 31 July 2021	
Page	**Line item - related disclosures**	**Expendable Net Assets**	**£'000**	**£'000**	£'000	£'000
43	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		607,998		663,652
43	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		45,730		45,641
43	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	949,055		934,274	
43	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation	Property, plant and equipment - pre-implementation		639,852		654,486
43	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post-implementation without outstanding debt for original purchase		306,717		30,356
43	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		2,432		254,382
43	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities		233,452		188,814
43	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	424,324		427,509	
43	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation		424,324		427,509
43	Statement of Financial Position - Term endowments	Term endowments with donor restrictions		4,332		4,192
43	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		41,238		41,289

30. US Department of Education Financial Responsibility - Supplemental Schedule (Continued)

Primary Reserve Ratio (continued)

			Year ended 31 July 2022		Year ended 31 July 2021	
Page	**Line item - related disclosures**	**Total Expenses and Losses**	**£'000**	**£'000**	**£'000**	£'000
56	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		608,580		568,696
56	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		(53,390)		29,915
56	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)		(9,393)		35,189
56	Statement of Activities - Pension related changes other than periodic pension	Pension-related (credits)/ changes other than net periodic costs		(44,638)		(1,505)

Equity Ratio

			Year ended 31 July 2022		Year ended 31 July 2021	
Page	**Line item - related disclosures**	**Modified Net Assets**	**£'000**	**£'000**	£'000	£'000
43	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		607,998		633,662
43	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		45,730		45,641
Page	**Line item - related disclosures**	**Modified Assets**	**£'000**	**£'000**	£'000	£'000
43	Statement of Financial Position - Total Assets	Total Assets		1,480,261		1,463,141

30. US Department of Education Financial Responsibility - Supplemental Schedule (Continued)

Net Income Ratio

			Year ended 31 July 2022		Year ended 31 July 2021	
Page	**Line item - related disclosures**		**£'000**	**£'000**	£'000	£'000
42	Statement of Changes in Reserves - total of movement shown for Income & Expenditure Reserve and Revaluation Reserve	Change in Net Assets Without Donor Restrictions		(27,891)		59,457
56	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		634,079		598,238

CARDIFF UNIVERSITY

England & Wales - Charity number 1136855

Accounts

Cardiff University

Annual Report and Financial Statements

Year Ended 31 July 2021

Statutory Information

Charity Name:	Cardiff University
Charity Registration Number:	1136855
Registered Office:	Main Building Cathays Park Cardiff CF10 3AT

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Chair of Council's Introduction

Like all other universities in Wales, the challenges Cardiff University has faced during the coronavirus pandemic have been vast and varied, and our students, staff and the wider community have been affected in many different ways. On behalf of the Council, I wish to thank the Vice-Chancellor and the University Executive Board for their unwavering support and commitment over the past year. I also wish to commend our students, stakeholders and local community for their resilience, patience and adaptability.

During 2020/21, the Council met more frequently with six on-line meetings and has welcomed two new lay Council members. The dedication of our governing body, which consists of students, staff, and lay members who are not remunerated, ensures appropriate scrutiny and governance of the University's strategy and activities, the value of which cannot be overstated.

Throughout this period we have all had to react to the changing external environment. Council has overseen the strategic transition to the five Critical Success Factors as set out in The Way Forward 2018-2023: Recast COVID-19, namely:

- Health and well-being of our students
- Financial sustainability, especially fee revenue, cost base and the cash position
- Student satisfaction and experience
- Research grants and contracts
- Civic mission and our contribution to rescue, revive and renew

Against this backdrop, Council has approved a number of recommendations to embed the ongoing success of Cardiff University and its benefits to Cardiff, Wales, the UK and beyond.

Council's approval of the Welsh Language Strategy is a significant step to delivering a vision for the development of our Welsh-language activity, prioritising the student experience but also focusing on staff experience, the wider civic aspects of our activity, and the possibilities for research. The strategy builds on the positive work already underway.

Council has overseen the progress of our major capital programmes including the Cardiff Innovation Campus.

The Abacws building, the new home for the School of Computer Science and Informatics and the School of Mathematics, and the Centre for Student Life both opened in autumn 2021.

Abacws will support a wide range of research, from mathematical analysis, human-centered computing and fluid mechanics to the Internet of Things.

The Centre for Student Life reflects a £50m investment in the student experience that will transform the way we provide student support services.

In declaring a climate emergency, and by including an Environmental Sustainability Strategy in the Recast Way Forward strategy, the University has recognised the need for fundamental change in the way it operates. The University has specifically committed to work towards Carbon Net Zero status, achieving Scopes 1 and 2 for reporting greenhouse gas emissions by 2030 and starting to tackle the reporting of other indirect emissions via Scope 3.

The newly established Environmental Sustainability Sub-Committee will provide clarity and focus to the University's strategy and actions in this area.

As my term as the Chair of Council draws to a close on 31 December 2021, I would like to take this opportunity to personally recognise the commitment, determination and hard work of all our staff, students and stakeholders, and to thank them for their continued support throughout my tenure.

It has been a privilege to be part of the Cardiff University community and to witness first-hand the positive social, cultural and economic impact that the institution has on Cardiff, Wales, the UK and the rest of the world.



Professor Stuart Palmer
Chair of Council

Council Membership

All of those persons listed above served as Charity Trustees throughout the year covered by this Report. Unless otherwise indicated they also occupied these positions on the date on which the Report was approved.

With effect from 01 January 2022, Mr Patrick Younge has been appointed as the new Chair of Council.

NAME	Category	Attendance at Council
1. Professor Rudolf Allemann	Employee	6/6
2. Dr Rachel Ashworth (appointed from 01 Aug 20)	Employee	6/6
3. Paul Baston	Employee	5/6
4. Dr Carol Bell (term ended on 31 Dec 20)	Lay	2/3
5. Ricardo Calil	Employee	6/6
6. Hannah Doe, Students' Union	Student	6/6
7. Gina Dunn, Students' Union (appointed from 01 July 21)	Student	1/1
8. Tomos Evans, Students' Union (term ended on 30 Jun 21)	Student	5/5
9. Judith Fabian	Lay	6/6
10. Professor Dame Janet Finch	Lay	6/6
11. Alastair Gibbons (term ended on 31 Dec 20)	Lay	3/3
12. Professor Kim Graham (term ended on 31 July 21)	Employee	6/6
13. Professor Ken Hamilton	Employee	6/6
14. Michael Hampson	Lay	6/6
15. Karen Harvey-Cooke (appointed from 01 Aug 20 to 31 July 21)	Employee	5/6
16. Professor Karen Holford (term ended on 31 July 21)	Employee	6/6
17. Chris Jones (appointed from 01 Jan 21)	Lay	3/3
18. Jan Juillerat, Vice Chair of Council	Lay	6/6
19. Dr Steven Luke (term ended on 31 July 21)	Lay	6/6
20. Dr Joanna Newman (appointed from 01 Aug 20)	Lay	4/6
21. Professor Stuart Palmer, Chair (term due to end 31 Dec 21)	Lay	6/6
22. Leonard Richards (term ended on 31 July 21)	Lay	2/6
23. Professor Colin Riordan, Vice-Chancellor	Employee	6/6
24. Pretty Sagoo (appointed from 01 Jan 21)	Lay	3/3
25. John Shakeshaft	Lay	6/6
26. David Simmons	Lay	6/6
27. Judge Ray Singh	Lay	5/6
28. Dr Janet Wademan	Lay	6/6
29. Professor Damian Walford Davies (appointed from 01 Aug 21)	Employee	-
30. Professor Stuart Walker (appointed from 01 Aug 21)	Lay	-
31. Agnes Xavier-Phillips	Lay	6/6

DRAFT

The University must adopt a definition of independence for lay membership of governing bodies to provide a robust approach to identifying and managing conflicts of interest.

How is independence defined and tested?

There are several circumstances which may prevent a person being appointed as an independent member of the governing body. The Governing Body's Nominations Sub-Committee has oversight of the appointment process and responsibility for considering these factors.

In April 2021, in response to the Universities in Wales Charter Commitment to Action, the University adopted a Statement of Independence based on the Welsh Secretaries and Clerks Group guidance, including a Definition of Independence and Principles of Independence for lay membership. The University defined 'senior employees' as University Executive Board members in this context.

Minor changes were agreed to the recruitment and training of members and the robust process for ensuring independence is also set out in the Statement of Independence. When considering applications and interviewing prospective new governors, recruitment panels shall establish whether the individual has any relationships or statuses that might give rise to a conflict of interest or loyalty, as defined in the Principles of Independence and including being related to any senior employee of an organisation gaining a pecuniary advantage from the University.

The University's Statement of Independence is available on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

How does the governing body manage conflicts of interests?

A Register of Interests of all Council and Audit and Risk Committee members is maintained by the Secretary to Council and is available publicly on the University's governance webpages at:

https://www.cardiff.ac.uk/about/organisation/governance/council/

If any member of a Committee has any pecuniary or other interest, direct or indirect, in any Contract or proposed Contract or other matter involving financial transaction, that interest shall be disclosed to the Committee as soon as practicable. All Committees request that Members and Officers disclose any interests at the start of each Committee meeting, and the Member shall take no further part in the consideration or discussion of, or vote on, any position with respect thereto. A member of any Committee is not considered to have a pecuniary or personal interest in matters under discussion merely because he/she is a member of staff or student at the University.

As set out in the Statement of Independence section 4, the University Secretary (as Clerk to the governing body) is accountable for highlighting issues of independence or conflict to the Chair.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner. The Whistleblowing (Public Interest Disclosure) Policy enables staff, students and other members of the University to raise conflict of interest concerns which they feel have not been addressed through existing procedures.

The Way Forward 2018-2023: Recast COVID-19

At the start of the pandemic, the University reviewed its strategic plan in response to COVID-19, adapting its strategic priorities to the new reality. The University recast its Way Forward strategy as set out below.

Cardiff University exists to create and share knowledge and to educate for the benefit of all.

Our vision is to be a world-leading, research excellent, educationally outstanding university, driven by creativity and curiosity, which fulfils its social, cultural and economic obligations to Cardiff, Wales, the UK and the world.

By fulfilling our vision our objective is to become one of the top 100 universities in the world and the top 20 in the UK.

Our priority must be the health and wellbeing of our students and staff. To secure this, we must be financially sustainable. As we take forward the interdependent priorities of health and wellbeing and financial sustainability, we must ensure that the quality and integrity of our academic and educational activity remain paramount.

The changed circumstances will have profound effects in terms of our performance and how we assess progress. League table position will not be the primary concern. Instead, we must ensure that we survive and thrive.

Our Values

We will operate according to the Nolan Principles of Public Life and furthermore be guided by the following values: **institutional autonomy; freedom of enquiry; collegiality, leadership and management; equality, diversity and inclusion; environmental sustainability; financial resilience; and civic mission.**

Education and students

We will re-prioritise activity to provide our students with the highest quality experience possible given the constraints of the COVID-19 crisis, whilst preserving our academic standards and integrity.

Learning environment: We will move forward on plans to enhance our online and blended offering to ensure we are agile enough to deliver programmes.

Student experience: The priorities for the University will remain enhancement of the student experience, retention and outcomes successes of our students.

Student success: Work to support careers and skills will continue. The University will take forward the planning and implementation of its newly drafted Widening Participation Strategy. Work on this will continue, supporting students from socio-economically deprived and educationally disrupted backgrounds to engage, achieve and succeed at Cardiff University.

Teaching excellence: Work on supporting academics and those who support learning and teaching will continue, with progress being made on the Academic CPD Framework and achievement of Advance HE accreditation, although timeframes for implementation may be changed.

Academic standards: The priority here will be the maintenance of academic standards due to the significant variation which has been introduced as a result of COVID-19.

Civic mission

In the same way as Cardiff University reacted to major societal challenges of the 20th Century, the current social and health crisis caused by coronavirus requires the University to reshape our civic mission to help government, health services and wider society to revive and renew the Welsh economic, social and cultural landscape.

Supporting job creation will be of paramount importance given the economic impact of the virus. Innovation in education is likely to be more prominent than ever during the crisis and we will continue our contributions to this. Our partnership with the NHS will achieve very much greater salience. We will continue to work to enhance the Welsh-language culture of our campus in line with our new Welsh-Language Strategy.

International

We will put in place mitigation plans and prepare continuously for a post-COVID-19 world where travel, free social interaction and physical international activity will be possible once more. It will be critical to maintain and continue to build international relationships to position ourselves for the future.

We will explore the extent to which we can learn from current changes in learning and teaching practices regarding international travel and reduce the level of international travel relating to conferences and fieldtrips.

We will continue to focus on maintaining and building strong relationships with international partner universities by remote methods.

The international summer school programme will be adapted to the changing circumstances, with modified means of delivery as necessary.

We will continue to support our staff to develop international collaborations that ensure success in a changing international research funding landscape.

Research

We have mitigated the immediate impact of COVID-19 on research by encouraging staff to work on research outputs deliverable remotely. Enhanced support for staff and postgraduate research students will be considered, depending upon the financial resilience of the University.

We will minimise potential financial impacts of COVID-19 on our research by working closely with funders, external partners and governments to ensure deliverable research outcomes, as well as consider matched-funding commitments to research. We will reconsider our research strategy in light of the long-term challenges to the financial sustainability of research and the likely scale and direction of future research funding post-COVID-19.

Innovation

We have nearly completed our research-related building projects and the Cardiff Innovation Campus to position ourselves effectively in line with post-COVID-19 revival and renewal opportunities. This will include reworking of business cases for our major Innovation projects to ensure that these are aligned to new funding opportunities and positioned strategically.

We will work closely with local authorities, the Cardiff Capital Region, third sector and Welsh Government to develop major strategic initiatives able to deliver major economic benefit to the region. This will include developing new private and public sector collaborations for a post-COVID world, in alignment with UK research and development priorities.

Assessing our progress

At the strategic level we will monitor a small number of critical success factors rather than the top-level performance indicators by which we have previously judged our progress. While existing top-level KPIs will be monitored as part of the sub-strategies for the five themes, our attention must be strategically focused on the following: **the health and wellbeing of our staff and students; financial sustainability, especially fee revenue, cost base and the cash position; student satisfaction and experience; research grants and contracts; civic mission and our contribution to rescue, revive and renew.**

Our focus over the past 12 months has inevitably been to manage the challenges posed by coronavirus and to keep pace with the speed at which the virus has mutated and moved through the population.

This has meant developing new ways of working, often at short notice, to ensure we continued to offer outstanding levels of support for our students, and that members of our community felt comfortable and safe both on and off campus.

The monumental impact that COVID-19 has had on the University cannot be understated.

Similarly, the psychological, emotional, and physical impact on our staff and students has been significant.

We can be proud of the way we have worked together to protect the health, safety and wellbeing of everyone within our community, as well as the many ways we have been able to support our students, not least financially, during a period that has had a huge impact on the formative years of their lives.

I would like to use this opportunity to record my heartfelt thanks to everyone within the University community. The commitment, mutual support and fantastic goodwill shown in coming together in this time of national emergency and social need has been magnificent and moving.

Everybody at Cardiff University was shocked and deeply saddened to learn that members of our own staff were among those who lost their lives to this awful virus. On the anniversary of the first national lockdown this year, we lit up our Main Building in yellow to commemorate the loss of those colleagues, friends and family members whose lives were so sadly cut short by this devastating new disease.

On behalf of all of us I want to extend my deepest sympathies to the families of those individuals.

Whilst the pandemic has once again cast a shadow over much of the year, the response of our academic colleagues has been extraordinary.

Across the University they have continued to undertake research exploring potential vaccines for COVID-19, tracking the spread of the virus, and examining the impact of the pandemic on mental health.

The launch of the Cardiff University Screening Service has been an overwhelming success, allowing staff and students to take regular tests when coming on to campus. We have seen a fantastic uptake in the service, which has allowed University business to continue and has been keeping track of the virus on campus and keeping our community safe. Our safety measures have worked – there has been no evidence of on-campus transmission of coronavirus.

Credit must also go to our medical students who have continued to volunteer to help in the fight against coronavirus by supporting the Welsh NHS, along with our student nurses, student social workers and others.

What follows are highlights from across the University this year, detailing progress against our strategy, and outlining some of the principal risks the University faces in the near future.

The task ahead is to ensure that the University emerges from this pandemic in as robust shape as possible and to play our role in recovering from the unprecedented deleterious economic and social effects of the crisis.

Our guiding principle, however, will always be to protect the health, safety and wellbeing of our staff and students.

Education

Our students must be commended for their patience and understanding throughout the pandemic, as well as their willingness and determination to succeed in the face of adversity.

We can be proud of the outstanding level of support we have been able to provide to them during the year. As well as considerably increased welfare and academic support, we have supported our students financially, especially those in the greatest need.

Around £6.3m has been distributed in the form of one-off payments to students who have suffered hardship because of additional covid-related costs, while more than £0.4m was provided to students from low-income backgrounds, and those in hardship, for the necessary equipment to allow them to take part in remote teaching and learning.

Over 2,000 students received rent rebates this year at a cost of almost £1.8m, in addition to the £8m returned or not charged the previous year when students were unable to use their accommodation because of lockdown.

Looking to the future, it is crucial that we continue to support our students as we move out of the pandemic and ensure that we maintain and improve satisfaction levels.

Our brand-new Centre for Student Life will soon open its doors, providing a new home for our student support services, including support with study, health and well-being, preparing for the future, managing money and living in Cardiff. As part of the transformation, a 24-hour online service will be developed alongside extended opening hours to ensure greater accessibly for students including those based at Heath Park, our distance learners and all those on placement or study abroad.

The new Abacws building, housing our School of Computer Science and Informatics and the School of Mathematics, will also provide our students with interdisciplinary, flexible and creative workspaces, with innovative teaching areas being a key feature.

These brand-new buildings form part of our ongoing efforts to deliver an exceptional student experience and transform the way we provide student support services. Our enhanced services will ensure our students feel supported to succeed throughout their student journey, from interested applicant to proud Cardiff University Alumni.

App to implement social distancing on public transport

An app that allows companies to optimise social distancing measures on public transport was created by a group of Cardiff University students.

The app, created by three mathematics PhD students, gave public transport companies the opportunity to implement seating plans whilst also allowing passengers to select a safe seat in which to sit. The app was also able to calculate the CO2 emissions of a given seating scenario, allowing a user to find the most environmentally friendly seating plan in a quick and easy way.

Student gets first author on research paper

Undergraduate student Amy Murray achieved the remarkable feat of being first author on a published paper, all before she had finished her degree.

The paper explored the links between the genetic risk of developing Alzheimer's disease and the effect on the size of key brain structures, the results of which could be used to identify areas of the brain to target before the disease takes hold.

Awards for pressure ulcer-sensing mattress topper

A Cardiff University medical student who created a pressure ulcer-sensing mattress topper won two top innovation awards totalling £40,500 in just two days.

Luthfun Nessa, from the School of Medicine, teamed up with a Harvard University data scientist to create CalidiScope – a mattress topper that integrates novel sensors and machine learning to reduce the incidence of pressure ulcers.

Prestigious teaching award for National Software Academy

Cardiff University's National Software Academy (NSA) was recognised for its excellence in collaborative work and positive impact on teaching and learning by a leading sector organisation.

The NSA was given a Collaborative Award for Teaching Excellence (CATE) by Advance HE as a recognition of its outstanding commitment to teaching in the UK higher education sector. The NSA aims to give students 'real life' projects to work on throughout their studies and providing opportunities to engage with experienced software engineers from industry.

Student-led programme celebrates decade of building brighter futures

A project which aims to raise the aspirations of young people in South Wales has celebrated its 10th year.

Cardiff University's SHARE with Schools initiative, which is run by postgraduates and undergraduates, provides an annual programme of interactive, interdisciplinary workshops transferring research, teaching and knowledge to partner primary and secondary schools.

The project works to reach young people from geographic areas under-represented in higher education in South East Wales, building long-term partnerships with schools through fun, interactive annual outreach and return visits.

Research

The last academic year has seen the culmination of more than six years' work preparing and writing the University's REF 2021 submission, which was finally completed in March. This was a monumental team effort and I offer my gratitude to the staff who devoted much time and attention to help shape the submission, with more than 1,400 academic colleagues having their research outputs and impact case studies included.

We must wait some time for the results, but whatever these may be, we can be sure that we have made our very best effort and maximised our chances of success.

The strength of our research has once again been demonstrated through a series of hugely significant breakthroughs, including: the discovery of potential signs of life in the clouds above Venus; the revealing of a 20% reduction in the risk of death among cancer patients who take aspirin; and the unveiling of the backgrounds of eight crew found among the remains of the Mary Rose.

Reporting cancer symptoms during the pandemic

Nearly half of people who experienced possible cancer symptoms in the first wave of the COVID-19 pandemic did not contact their GP, Cardiff University research showed.

The research showed that a substantial proportion of people reported not contacting their GP for symptoms such as coughing up blood, an unexplained lump or swelling or a change in the appearance of a mole.

The research was accompanied by a coordinated campaign across the UK to highlight that NHS services are open safely for anyone with unusual or persistent symptoms.

Aspirin could cut risk of death in cancer patients

Patients with a wide range of cancers who take aspirin as part of their treatment could help to reduce their risk of death by 20%, a major review of existing research by Cardiff University suggested.

The results were taken from a review of about 250,000 patients with cancer who reported taking aspirin, leading the team to say that the available body of evidence on aspirin's efficacy and safety "justifies its use" as a supplementary treatment in a wide range of cancers.

Hints of life on Venus

An international team of astronomers, led by Cardiff University researchers, announced the potential discovery of a rare molecule – phosphine – in the clouds of Venus. On Earth, this gas is only made industrially, or by microbes that thrive in oxygen-free environments.

The detection of these molecules, which consist of hydrogen and phosphorus, could point to extra-terrestrial 'aerial' life on Venus.

The team are eagerly awaiting more telescope time to look for other gases associated with life and say new space missions could also travel to our neighbouring planet to sample the clouds in situ to further search for signs of life.

Mary Rose made up of a multinational crew

Scientists at Cardiff University used the latest archaeological methods to find the backgrounds of eight crew in the remains of the Tudor warship Mary Rose.

The team used cutting edge scientific techniques to reveal the ancestry, childhood origins and diets of some of the crew who perished on the ship in 1545 AD, revealing that as many as three of the eight crew in the study may have originated from warmer, more southerly climates than Britain, such as southern European coasts, Iberia and North Africa.

Black hole and neutron star merger detected for first time

Astronomers from Cardiff University detected, for the first time, the ripples in space-time caused by the collision of a neutron star and a black hole.

Two instances of this violent cosmic event were detected using the Advanced LIGO and Virgo gravitational wave detectors, bringing forward important new clues about how these stellar objects form.

Remote working to improve UK productivity

Nine out of ten employees who worked at home during lockdown would like to continue doing so in some capacity, research from Cardiff University suggested.

The results showed that 88% of employees who worked at home during lockdown would like to continue working at home in some capacity, with around one in two employees wanting to work at home often or all the time. The results indicate that productivity among the majority of those working from home during lockdown remained stable or even improved, compared to six months before.

International

Though many of our international activities have been curtailed by the travel restrictions imposed by governments across the world, we have continued to create, maintain, and build strong relationships with our international partner universities through remote methods.

I am pleased that Cardiff University has been entrusted with hosting and co-developing the Welsh Government's new International Learning Exchange Programme (ILEP), which will receive a substantial investment of £65m, running from 2022 to 2026.

The ILEP will ensure students continue to benefit from international exchanges in a similar way to the opportunities that flowed from Erasmus+, not just in Europe but also further afield.

During this time, it is hoped some 15,000 participants from Wales will go on overseas mobility exchanges, with 10,000 participants coming to study or work in Wales.

This will complement the UK government's Turing scheme, which aims to enable around 35,000 students annually, from universities, colleges and schools, to go on international placements and exchanges from September 2021.

We have already received £1.5m from the new Turing Programme to allow our students to experience the life-enhancing benefits of international experience during their studies.

This year saw the approval of a new strategic partnership with the University of Waikato in New Zealand, bolstering our global network of strategic partners with whom we have continued to work closely throughout the pandemic. These include Xiamen University and Beijing Normal University, China; University of Campinas, Brazil and University of Bremen, Germany.

International co-operation will be vital if we have any chance of repressing the global pandemic, and it has been in this area that we have excelled over the past 12 months.

Through our award-winning Phoenix Project, we secured £125,000 from the Welsh Government's Wales and Africa programme for the introduction of a COVID-19 vaccination campaign in Namibia, helping 90,000 of the country's most vulnerable and disadvantaged people to be inoculated.

This was a great example of how our international partnerships can be front and centre of our civic mission as well as our research effort and our international student mobility activity.

Brexit

Though much remains uncertain about the consequences of Brexit and the impact it may have on universities, there has been some clarity over the last 12 months pertaining to student mobility and research.

Our participation in Horizon Europe will continue and, to all intents and purposes, university researchers and industry should notice very little difference compared with our participation as a member state of the EU.

The UK voice in terms of research and science is considered a strong one and I am sure that our continued participation, especially through informal discussions behind the scenes, will be welcomed by the strongest science communities in the EU.

Much uncertainty remains as to our ability to attract European students to study at Cardiff now that they must be charged international student fees and undergo a process to attain a visa. We have put in place a generous scholarship scheme to attempt to retain as many students as possible and have begun work on a multi-pronged European strategy, which will see us focus efforts to develop new partnerships, projects and memberships to demonstrate our continued commitment to Europe.

Schemes such as the ILEP and Turing will help the UK to retain the mobilities and activities that have so enriched the lives of its participants, and we remain absolutely committed to ensuring that students, regardless of background, have the opportunity to work or study abroad during their time with us.

University of Bremen partnership success

Cardiff University's relationship with the University of Bremen was strengthened throughout the pandemic, despite the restrictions in travel.

Staff and students continued to take advantage of the opportunities presented by the strategic partnership, which included the awarding of a prestigious Marie Skłodowska-Curie European Fellowship to Dr Flavia Boscolo-Galazzo, previously of the School of Earth and Environmental Science, to join the University of Bremen's Centre for Marine Environmental Sciences.

A total of 30 students from both Cardiff University and the University of Bremen also worked together on an online project exploring social entrepreneurship ideas, developing their enterprise skills through creativity, problem solving and pitching to investors.

Arctic research is "dream come true" for Cardiff student

Cardiff University student Sophie Watson joined up with two Canadian universities as well as the Government of Nunavut to study bacteria and parasites found in the guts of Arctic animals.

Changes in gut bacteria can have worrying consequences for the health of animals and trying to understand more about how polar bears and other species respond to the many impacts of global warming, such as habitat loss or changing diet, is vital.

For Sophie, the combination of studying some of the world's most rare species in one of the most "magical, pristine and untouched" places which has become an "epicentre for research", has been the stuff of dreams.

PPE sent from Cardiff to Namibia

Cardiff University's Phoenix Project helped to deliver vital PPE equipment to Namibia to help tackle a devastating third surge of COVID-19 in the country.

More than £7m-worth of clinical equipment, including masks, gowns and hand sanitizer which was not needed by the NHS in Wales was donated, and a further £0.5m grant was awarded for oxygen equipment and nurse training. The kit includes more than 1.1m face masks, 500,000 gowns, 100,000 protective aprons and more than £1m-worth of hand sanitizer.

Innovation

Throughout this year we have striven to place the University in a strong position to contribute to the revival and renewal of research and innovation capacity in Wales and the UK post-COVID-19.

We have worked closely with local authorities, the Cardiff Capital Region, third sector and Welsh Government to develop major strategic initiatives as well as developing new private and public sector collaborations.

Work has also continued on the Cardiff Innovation Campus, which forms a central part of our biggest campus upgrade for a generation. The soon-to-be-opened facilities will include sbarc | spark, a new space for businesses, partners or stakeholders interested in working with enterprising staff and students at the University to drive innovation, as well as the Translational Research Hub, which will host our compound semiconductor and our catalysis activity.

£10m Challenge Fund to Reshape Society

A £10m Cardiff Capital Region Challenge Fund to develop innovative solutions to societal problems was launched in partnership with Cardiff University.

The CCR Challenge Fund will invite public sector bodies to develop challenges, connect with the private sector and deliver outcomes with a route to market, where no commercial solution currently exists. Cardiff Capital Region has identified three key challenge themes: accelerating decarbonisation; improving regional health and wellbeing; and supporting, enhancing and transforming communities.

Spinout success for Cardiff University

Cardiff University maintained third place in a UK league table of universities' spinout success.

The ranking, compiled by Octopus Ventures, one of Europe's largest venture capital funds, grades institutions for their ability to convert research into thriving high-value companies.

Thales and Cardiff forge cybersecurity links

Global advanced technology systems company Thales partnered with Cardiff University to develop cybersecurity solutions at the company's ResilientWorks 'living laboratory.'

Close cooperation between Thales and Cardiff will allow the company to exploit the University's expertise in the Centre for Cyber Security Research and other leading research groups at the University, building on an established platform of existing work.

Media sector to benefit from £50m funding

A Cardiff University-led consortium won a £50m bid to develop a world-leading cluster for media innovation in the Cardiff Capital Region.

Bringing together 24 organisations, media.cymru includes partners working in education, broadcasting, technology, media production and local leadership to drive inclusive, sustainable economic growth and an additional £236m in Gross Value Added by 2026. Since 2006, the Region has developed one of the strongest media sector growth rates in the UK, attracting one in eight of all new UK jobs in film/TV, producing global successes on film and TV shows including Sex Education, His Dark Materials, Doctor Who and Dream Horse.

Broken String Biosciences joins global accelerator

Cardiff University genomics start-up Broken String Biosciences, which works to unlock next generation medicines, has joined Illumina, Inc - the global company creation engine.

The fledgling company was one of nine UK and US businesses selected for fresh funding incentives by Illumina, which focuses on partnering with entrepreneurs to build breakthrough genomics start-ups. Broken String Biosciences Limited is developing a platform of novel DNA sequencing tools to assess genome stability and to unlock the next generation of innovative medicines, including cell and gene therapies.

Civic Mission and Sustainability

Over the past year we have been committed to working in partnership with stakeholders across the Cardiff Capital Region and Wales to lead a green recovery, embrace community engagement and build skills for the future as Wales revives and renews after COVID-19.

As always, our communities are at the heart of everything we do, and our activities have focussed on boosting the health, wealth, and wellbeing of those that we serve.

We've continued our commitment to providing leadership in sustainability and improving our environmental performance.

Our work has ranged from the launch of a new Ecosystem Resilience and Biodiversity Action Plan, developed alongside Cardiff Council, that is designed to increase our green infrastructure and enhance biodiversity across campus, to completely transforming the way we manage and recycle our waste.

Following the publication of our Climate Emergency white paper, we have been working towards prioritising the actions that will help us achieve net zero for the carbon emissions we generate on campus by 2030, as well as the emissions associated with staff and student travel and the goods and services we procure before 2050.

These initiatives are examples of how we're building an inclusive, sustainable, and resilient future for our community and bringing about environmental benefits not only to Cardiff and Wales but to the wider world.

Former bowls pavilion transformed into thriving community space

Residents in the Grangetown area of Cardiff celebrated the completion of a new £2m community centre.

The Grange Pavilion was the culmination of a six-year partnership between Cardiff University's Community Gateway project and resident groups Grange Pavilion Project and Grangetown Community Action.

The Pavilion will be home to community-led activities that increase education, employment, skills, health and wellbeing outcomes.

Online lessons delivered to children across Wales

Cardiff University teamed up with award-winning charity Teen Tech to deliver a month's worth of live online digital, science and technology events to children in schools and at home across Wales.

From space, the 'Internet of Things' and robotics, to music, health and game design, the students benefited from a wide range of interactive sessions delivered by well-known science and technology reporters. Content for the sessions was built around work and research undertaken at Cardiff University, with a live Q&A with Cardiff University staff afterwards.

Future Generations Commissioner and Cardiff join forces

The Office of the Future Generations Commissioner for Wales and Cardiff University formally joined forces to work on shared strategic goals to improve the health, wealth, and well-being of the people of Wales.

The three-year agreement will pave the way for closer cooperation on projects highlighting the challenges and opportunities facing future generations.

Ranking success for sustainability

In the first submission to the global Times Higher Education Impact Rankings assessing universities against the United Nations' Sustainable Development Goals (SDGs), Cardiff University was ranked joint 21st out of 50 UK institutions and placed between 101st-200th out of 1,115 institutions worldwide.

With an overall score of 77.9 out of 100, the University was placed 4th in the UK for SDG 13 (Climate Action) and in the top 6% globally for three of the SDGs.

Funding to improve recycling on campus

Cardiff University received a Circular Economy Grant from Welsh Government, totalling just over £1m, to transform waste and recycling on campus.

The grant contributed to the installation of new waste and recycling stations across the University's entire estate, as well as the creation of new waste and recycling compounds on existing University-owned land to allow the stripping down of end-of-life furniture and equipment to enable the separation of materials for recycling and diverting from landfill.

This will help to achieve the University's target of recycling 70% of waste by 2023.

Supporting Cardiff

We are grateful once again for the continued generosity and support of our donors, fundraisers and volunteers, particularly in these challenging times, who have taken part in initiatives to help further Cardiff University's mission to create and share knowledge, and to educate for the benefit of all.

The support we receive through gifts and pledges makes it possible to undertake world-class research and give our talented students the opportunity to flourish.

We know that these gifts can make a lasting difference to future generations and enable pioneering research to save, change and enrich lives in Wales and beyond.

I must also take this opportunity to thank our alumni and friends who have supported prospective and current students by joining virtual open days and offer-holder events, offering mentoring, employability talks, career guidance, or simply sharing their story.

Our volunteers are helping Cardiff to recruit, support, prepare, and inspire the next generation of Cardiff University students and alumni.

The dedication of our donors, fundraisers and volunteers is never more evident than at the Cardiff University/Cardiff Half Marathon, which was sadly postponed again this year due to the pandemic.

This did not deter the members of #TeamCardiff who found innovative ways to fundraise even when this event and other major races were postponed. Together, #TeamCardiff members are supporting cancer and neuroscience and mental health researchers, who are developing better and faster diagnosis techniques, and creating more effective, personalised treatments.

Over £4m of new gifts and pledges from more than 800 donors and fundraisers.

£450,000 pledged by The Hodge Foundation over three years to support Cardiff Business School to deliver benefits for students, researchers, and the wider community.

The Hodge Foundation Public Value Programme will see four initiatives rolled out across Cardiff Business School to equip the next generation of leaders with the knowledge and skills to safeguard the future economy, society and environment of Wales.

£400,000 has been generously donated through gifts in Wills.

100+ researchers supported with philanthropic income in 2020-21.

4,624 volunteering hours were given by Cardiff's alumni community, sharing their expertise and experience.

78 Cylch Caerdydd members supported us with their generous gifts supporting our students and research. Cylch Caerdydd, now in its sixth year, was founded to recognise donors who support Cardiff with gifts of £1,000 or more in an academic year.

Planning for the future

We are not out of the pandemic yet, by quite a long way, and the epidemic in this country will only gradually settle into a situation where SARS-CoV-2 is an endemic, largely seasonal virus that we are all used to managing, largely by the continued success of our excellent vaccination project.

We remain attuned to the risk that more restrictive measures may be required again at some point if our circumstances take a turn for the worse.

Our approach will always be within Welsh Government guidelines, and we are confident that we will be able to switch rapidly between scenarios as necessary, whilst protecting the student experience.

It would be easy to be distracted entirely by the pandemic, but it is critical that we look ahead to what I am confident will be a brighter future. The next year will see a renewed focus on the student experience at Cardiff, which will require a huge, combined effort across our academic and professional services staff.

We eagerly await the results of the Research Excellence Framework whilst continuing to develop our research and innovation activities. And we will continue to develop our international relationships – albeit, for the time being, from afar – building the University's global brand and reach.

Despite the difficult circumstances the University has faced over the past 12 months, I am confident that our committed, creative and hard-working community can emerge from the pandemic all the stronger for the challenges it has faced.



Professor Colin Riordan

Vice-Chancellor

24 November 2021

The University continues to respond to trends in both Wales and Westminster, adapting to the different policy agendas devolution entails.

The elections in May 2021 provided some clarity as to the direction of travel for those parts of higher education controlled by the Senedd, with the new Welsh Government's Programme for Government outlining the ambitions through until 2026.

Perhaps the most notable development is the forthcoming Tertiary Education and Research Bill, which is intended to better align the post-16 education sector. While the bill requires further detail, its emphasis on a coherent post-16 sector indicates potential for greater collaboration with partners in further education.

Away from legislation, two major investments will impact the course of the Welsh higher education sector. The Welsh Government will invest £65m in the International Learning Exchange Programme, which will serve as a partial replacement for Erasmus+ and be developed by the University over the 2021/22 academic year. That Welsh universities can utilise the programme in conjunction with the UK Government's Turing scheme is a boon for the sector in Wales, giving clear indication that internationalisation will remain vital to the University for years to come.

There will also be substantial investment in a North Wales Medical School at Bangor University, which will be Wales's third such school. Both Cardiff and Bangor universities have worked in collaboration to develop the provision of medical education in the north, with the C21 North Wales programme a continued and growing success. The University will support the establishment of the North Wales Medical School, while continuing to make the case that any expansion in Wales' medical education and research should mean additional investment rather than re-allocation of existing resource.

While much of higher education is devolved, the reality of the UK's constitution means the University could just as well be affected by Westminster policy shifts. The great levers affecting the research funding system are reserved in London, where the trend is towards a heavy emphasis on science and technology. There have already been some soft changes intended to reorient the sector to such courses, and the widely anticipated reforms to England's higher education funding could be more profound in this regard still.

Any major changes in England's fee regime will affect student recruitment in Wales, where a significant proportion of students are English domiciled. A substantially different rate of fees between England and Wales will create problems for cross-border study and it would be highly damaging if English domiciled students were no longer attracted to Wales due to a sharp divergence in fee policies. Equally, lost income would need to be made up in full if Wales followed suit with any fee cut.

Report from the Governing Body's key committees

Council has established four major committees whose members it appoints to oversee various aspects of the University's business: the Audit and Risk Committee, the Finance and Resources Committee, the Governance Committee, and the Remuneration Committee. All of these committees are formally constituted, each with terms of reference and a membership which includes lay members of Council and a Council lay member as Chair. Major committees may establish sub-committees, such as the Nominations Sub-Committee which is a key sub-committee created to consider and agree recommendations to Council in relation to key appointments.

Audit and Risk Committee

Member	Type	Attendance
Michael Hampson (Chair)	Lay	6/6
Paul Benjamin	Lay	3/6
Donall Curtin	Lay	6/6
Dr Janet Wademan	Lay	6/6
Agnes Xavier-Phillips	Lay	6/6

The Chair of Council and members of staff or students at the institution, are not members of the Committee. Members are not individuals with executive management responsibilities within the institution or members of the Finance and Resources Committee.

Key responsibilities

The Audit and Risk Committee has a key role in advising and assisting the Council in overseeing the assurance and control environment of the University. Its duties cover:

- Assessing and advising Council on the effectiveness of the institution's risk management, control and governance arrangements, and the internal controls and procedures to promote economy, efficiency and effectiveness.
- Oversight of external and internal audit arrangements, including advising the governing body on the appointment of the audit providers, and oversight of the nature and scope of external and internal audits and the effectiveness of the audit processes; and
- Oversight of audit aspects of the University's financial statements, including the independent auditors' opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the management representation letter.

Summary of business

The Audit and Risk Committee met six times during 2020/21, including an extraordinary meeting to consider going concern, and a meeting to review risk.

On review of its terms of reference the Committee agreed that its responsibilities shall include consideration of the culture and behaviour that is prevalent within the University and arrangements that can affect reputation, such as the management of conflicts of interest. This work will be combined with actions developed in response to the Governance Effectiveness Review and other evaluations.

The external auditors were present for consideration of a Financial Health Report and the annual Financial Statements and management representation letter, as well as the annual internal audit plan.

The Committee considered the University's risk register and detailed reports, including those from internal audit, together with recommendations for the improvement of the University's systems of internal control, as well as management responses and implementation plans.

Finance and Resources Committee

Member	Type	Attendance
John Shakeshaft (Chair from 01 Jan 21)	Lay	5/5
Dr Carol Bell (term ended 31 Dec 20)	Lay	2/2
Hannah Doe	Student	5/5
Gina Dunn (appointed from 01 July 21)	Student	0/0
Tomos Evans (term ended 30 Jun 21)	Student	5/5
Alastair Gibbons (Chair until 31 Dec 20	Lay	2/2
Professor Kim Graham (term ended 31 July 21)	Employee	2/5
Professor Karen Holford (term ended 31 Jul 21)	Employee	5/5
Chris Jones	Lay	2/3
Jan Juillerat	Lay	3/5
Dr Steven Luke (term ended 31 Jul 21)	Lay	4/5
Professor Stuart Palmer	Lay	5/5
Professor Colin Riordan	Employee	5/5
Professor Damian Walford Davies (appointed from 01 Aug 21)	Employee	0/0
David Simmons	Lay	3/3

Key responsibilities

The broad remit of the Finance and Resources Committee is to monitor the University Executive Board's proposals for achievement of the strategic aims by scrutinising the alignment of resources to the Strategic plan and monitoring of performance against that. It has specific duties in respect of the following areas:

- Resource Allocation, including allocation provided to Students' Union.
- Financial management.
- Digital Infrastructure management.
- Human Resources management

Summary of business

The Committee met five times during the 2020/21 academic year. The Committee oversaw the business of two sub-committees that scrutinise the estates and infrastructure development activity of the University and the management of the University's investment and banking activity. Over the course of the year, the Committee reviewed performance across HR related activities, and the University's financial statements, budgets and financial plans alongside the Strategic Plan. Other work reviewed included proposals for staff pensions, the Students' Union Accounts and Block Grant, the Estates Maintenance and Residential Fire Strategy 2020-21 and progress on the Cardiff Innovation Campus. The Committee has approved in-year funding requests in response to COVID-19 to support activities such as the Cardiff University Screening Service and adjustments to campus for returning students.

At the end of 2020/21 the Finance and Resources Committee created an Environmental Sustainability Sub-Committee to oversee the University's Environmental Sustainability Strategy and actions in this area, to work towards Carbon Net Zero status.

Governance Committee

Member	Type	Attendance
Judith Fabian (Chair)	Lay	5/5
Hannah Doe (appointed from 01 July 21)	Student	0/0
Tomos Evans (term ended 30 June 21)	Student	5/5
Professor Karen Holford (term ended 31 July 21)	Employee	5/5
Jan Juillerat	Lay	5/5
Dr Joanna Newman	Lay	1/3
Professor Stuart Palmer	Lay	5/5
Leonard Richards	Lay	0/5
Professor Colin Riordan	Employee	5/5
Judge Ray Singh	Lay	5/5
Dr Andy Skyrme	Employee	5/5
Professor Ceri Sullivan	Employee	5/5
Professor Stuart Walker (appointed from 01 Aug 21)	Lay	0/0

Key responsibilities

The key role of the Governance Committee is to advise and make recommendations to the Council on:

- Matters relating to the governance of the University;
- The University's level of compliance with the mandatory requirements of legislation and other regulations, including the provisions of the Equality Act and the Welsh Language Act;
- Effectiveness reviews of Council as required;
- Constitutional and legal matters, including the Charter, Statutes and Ordinances;
- Lay Member nominations and appointments

To discharge its responsibilities, the Governance Committee has established-five sub-committees:

- Nominations
- Health, Safety and Wellbeing
- Equality, Diversity and Inclusion
- Biological Standards
- Open Research Ethics and Integrity.

Summary of business

The Governance Committee met 5 times in 2020/21 including one extraordinary meeting. Over the year the Committee has reviewed the University's Governance Framework and approved associated updates to Statutes and Ordinances. It has also commissioned a review of outstanding actions from a series of governance reviews, consolidating these into a single tracker, including the Governance Charter for Wales 2020 and Commitment to Action and the Governance Effectiveness Review 2021.

The Committee established a Funders Advisory Panel in response to the Powell Review and a standing Nominations Sub-Committee with a defined remit and membership in response to the Governance Effectiveness Review 2021. In addition to reviewing a number of annual assurance documents (including compliance with the Welsh Language Standards, Information Management, PREVENT, The Modern Slavery Act 2015 and the Strategic Equality Plan Annual Monitoring Report 2019-20) the Committee also considered the possible adoption of the International Holocaust Remembrance Alliance's (IHRA) definition of antisemitism and islamophobia.

During 2020/21, the Governance Committee recommended changes to enhance the size and shape of the governing body, with a phased reduction in Council members planned over the next two years, which was approved by Council. The Governance Committee reviewed the lay member skills matrix and equality and diversity data to consider the composition requirements of an effective and efficient governing body.

Nominations Sub-Committee

Member	Type	Attendance
Jan Juillerat (Chair)	Lay	5/5
Professor Rachel Ashworth	Staff – Senate member of Council	3/5
Tomos Evans	Student – Senate member of Council	5/5
Judith Fabian	Lay	4/5
Judge Ray Singh	Lay	5/5

Key responsibilities

The role of the newly established Nominations Sub-Committee is to consider and agree recommendations to Council in relation to key appointments, including the appointment and re-appointment of the Chair and Lay Members to the Council and its committees.

The sub-committee ensures that lay member recruitment is achieved through a clear and transparent appointment process, having due regard for the overall skills and experience of the governing body, balance of sector and non-sector knowledge and commitments to diversity and inclusivity.

Summary of business

The sub-committee met on five occasions to consider the appointment of a governor apprentice and the appointment of the new Chair of Council. The Committee approved the advertising materials and methods for both posts and worked with an executive search firm appointed in relation to the Chair of Council position, Perrett Laver.

The governor apprentice was recruited via Perrett Laver's Governor Apprenticeship Scheme which aims to encourage diversity on boards, and the post was advertised externally. The Nominations Sub-Committee set up a panel to conduct the interviews from a short list of three applicants. The successful candidate was recommended to the Governance Committee in July 2021, to start in September 2021.

The recruitment exercise for the next Chair of Council was commenced in May 2021 with external adverts being placed in July 2021. The Nominations Sub-Committee conducted a scoping exercise with Perrett Laver, consulted key stakeholders and considered a long list.

This was subsequently refined into a short list in September 2021 and an interview panel comprising a sub-set of Nominations Sub-Committee members and an external peer has been established. The process was completed with a recommendation to Council in October 2021.

Remuneration Committee

Member	Type	Attendance
Jan Juillerat (Chair)	Lay	2/2
Professor Dame Janet Finch	Lay	2/2
Professor Stuart Palmer	Lay	2/2
Dr Janet Wademan	Lay	2/2

The Remuneration Committee has a wholly independent membership of lay members of the Council (who include the Chair and Vice-Chair of Council). The Remuneration Committee shall not be chaired by the Chair of Council.

Key responsibilities

The Remuneration Committee, with advice from the Professorial and Senior Salaries Committee, develops the overall reward strategy and policy to cover the remuneration, benefits, conditions of employment and severance of the senior officers and staff of the University, including Deans and Heads of School.

The Committee is responsible for determining the remuneration, benefits and conditions of employment of the Vice-Chancellor and their direct reports, taking account of affordability, comparative information of the remuneration, benefits and conditions of employment in the Higher Education Sector and elsewhere as appropriate and relevant metrics and performance data.

Summary of business

During 2020/21 the Committee reviewed the Senior Salary Review for the Vice-Chancellor and the Senior Staff Salary and Professorial Banding (including the Vice-Chancellor's direct reports), the annual update on the Gender and Ethnicity Pay Gap and on Equal Pay and Senior Pay Governance.

The Committee reviewed the CUC HE Senior Staff Remuneration Code and agreed to review the Code annually and communicate this in the Annual Statement on Senior Remuneration.

Senate

Member	Type	Attendance
Professor Colin Riordan (Chair)	Employee	3/3
Professor Rudolf Allemann	Employee	3/3
Professor Stuart Allen	Employee	3/3
Professor Rachel Ashworth	Employee	2/3
Gill Bristow	Employee	1/2
Dr Jonathan Ben-Artzi	Employee	1/1
Professor Marc Buehner	Employee	2/3
Jane Chukwu	Student	3/3
Professor David Clarke	Employee	1/1
Kelsey Coward	Employee	1/3
Professor Trevor Dale	Employee	3/3
Dr Jane Davies	Employee	3/3
Rhys Denton	Employee	3/3
Hannah Doe	Student	3/3
Georgina East	Student	3/3
Helen Evans	Employee	3/3
Luke Evans	Student	3/3
Tomos Evans	Student	3/3
Professor Dylan Foster Evans	Employee	3/3
Graham Getheridge	Employee	1/3
Professor Kim Graham	Employee	3/3
Professor Kate Griffiths	Employee	1/1
Dr John Groves	Employee	3/3
Professor Mark Gumbleton	Employee	2/3
Professor Ian Hall	Employee	1/3
Dr Thomas Hall	Employee	3/3
Professor Ken Hamilton	Employee	1/3
Dr Natasha Hammond-Browning	Employee	3/3
Professor Ben Hannigan	Employee	3/3
Dr Alexander Harmer	Employee	2/3
Karen Harvey-Cooke	Employee	3/3
Dr Athanasios Hassoulas	Employee	2/3
Professor James Hegarty	Employee	1/3
Professor Mary Heimann	Employee	2/3
Dr Monika Hennemann	Employee	3/3
Dr Kersty Hobson	Employee	1/3
Professor Karen Holford	Employee	3/3
Professor Joanne Hunt	Employee	2/3
Professor Nicola Innes	Employee	2/3
Professor Dai John	Employee	3/3
Professor Urfan Khaliq	Employee	3/3
Professor Alan Kwan	Employee	3/3
Dr Catherine Laing	Employee	3/3
Professor Wolfgang Maier	Employee	1/3
Professor Paul Milbourne	Employee	1/1
Emmajane Milton	Employee	3/3
Claire Morgan	Employee	3/3
Professor Damien Murphy	Employee	0/3
Professor Jim Murray	Employee	3/3
Larissa Nelson	Employee	0/3
Joanne Pagett	Employee	3/3
Dr Jo Patterson	Employee	3/3
Professor Tim Phillips	Employee	2/3
Jude Pickett	Student	3/3
Dr Jamie Platts	Employee	3/3
Dr Emma Richards	Employee	2/3
Dr Steve Riley	Employee	2/3
Sebastian Ripley	Student	3/3
Dr Josh Robinson	Employee	1/3
Sarah Saunders	Employee	2/3
Dr Hannah Shaw	Employee	2/3
Dr Andy Skyrme	Employee	3/3
Professor Peter Smowton	Employee	3/3
Dr Zbig Sobiesierski	Employee	3/3
Tracey Stanley	Employee	2/3
Professor Ceri Sullivan	Employee	3/3
Professor Petroc Sumner	Employee	2/3
Dr Catherine Teehan	Employee	1/3
Dr Christoph Teufel	Employee	2/3
Gail Thomas	Employee	3/3
Dr Onur Tosun	Employee	2/3
Dr Laurence Totelin	Employee	3/3
Professor Chris Tweed	Employee	1/3
Professor Damian Walford Davies	Employee	3/3
Matt Walsh	Employee	1/2
Professor Ian Weeks	Employee	3/3
Prof Keith Whitfield	Employee	2/3
Professor David Whitaker	Employee	3/3
Professor John Wild	Employee	3/3
Alexandra Williams	Employee	3/3
Professor Martin Willis	Employee	2/3
Dr Liz Wren-Owens	Employee	1/2
Professor Jianzhong Wu	Employee	3/3

Senate (Continued)

Key responsibilities

The Senate is established by the University's Charter, which gives it responsibility for the ordering of the academic affairs of the University, both in teaching and in research, and powers to make Academic Regulations. It draws its membership from the academic staff, professional services staff and students of the Institution. Senate keeps under review the educational policy of the University and provides Council with assurance that the academic affairs of the University are appropriately managed.

In turn, Senate has established standing panels and Sub-Committees to support it in discharging its responsibilities, such as the Academic Standards and Quality Committee and more recently the Education and Student Experience Sub-Committee, which was established in July 2021.

Summary of business

The Senate met three times during the 2020/21 academic year. Key areas of business included strategic items such as the review of the Education and Students Sub-strategy, the Welsh Language Strategy and the Widening Participation Strategy, reviewing the University's academic renewal and research institute proposals, as well as updates on COVID-19 and the Research Excellence Framework 2021 Submission.

Senate considered the Annual Quality Report 2019/20 and the Annual Degree Outcomes statement, as well as the possible adoption of the IHRA's definition of antisemitism and islamophobia.

A review of education governance conducted in 2020/21 recommended proposals to ensure clarity, effectiveness, and accountability, creating a single clear governance structure for education and student experience, and formalising existing groups as part of the governance structure. This was approved by Senate in June 2021.

University Executive Board

Member	Type
Professor Colin Riordan (Chair)	Employee
Professor Rudolf Allemann	Employee
Professor Karen Holford (term ended 31 July 21)	Employee
Professor Kim Graham	Employee
Rashi Jain	Employee
Professor Urfan Khaliq (appointed 01 Sep 21)	Employee
Susan Midha	Employee
Claire Morgan	Employee
TJ Rawlinson	Employee
Claire Sanders	Employee
Professor Damian Walford Davies	Employee
Professor Ian Weeks	Employee

All members of the University Executive Board attend weekly senior meetings. Given the frequency of these meetings, the attendance is not recorded in the table above. To manage the response to the global pandemic, meetings were extended to be held throughout the whole year.

Key responsibilities

The University Executive Board is the University's senior executive team. The HEFCW Memorandum of Assurance and Accountability defines the Senior Executive Team in accordance with Financial Reporting Standard 102 (FRS 102)'s definition for 'key management personnel'; that is "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity".

The broad remit of UEB is to advise the Vice-Chancellor in the performance of their duties as the Chief Executive Officer including developing and implementing strategy, operational plans, policies and procedures, setting budgets, and monitoring operating and financial performance.

Summary of business

In addition to weekly meetings through 2020/21, the UEB held three extended away days to look at strategic areas in addition to decision-making. Key areas of activity including the University's ongoing management of the COVID-19 crisis, including establishment of the asymptomatic screening service, alignment of the sub-strategies and enabling strategies with the Recast Way Forward, Climate Emergency White Paper and capital projects progress.

Senior Pay Remuneration

The Remuneration Statement provides the framework for decision making in respect of remuneration and in particular decision making on remuneration for senior staff.

All senior staff, excluding the Vice-Chancellor, are covered by the University's Senior Pay Policy, which is published annually. This reviews performance on a biennial basis, and allows performance-based awards, as well as reviewing equity. Data drawn from the Universities and Colleges Employer Association's (UCEA) Senior Staff Remuneration Survey and the Russell Reward Survey are used to provide evidence for any market adjustments. The policy is set by the Remuneration Committee, who have overall responsibility for the University's approach to senior remuneration. As part of this role, it takes decisions on the pay of the most senior individuals in the University, including the Vice-Chancellor.

The numbers of all staff paid above £100k are published in the Notes to the Financial Statements of this report, along with directly reimbursed expenses for senior staff who are members of the University Executive Board. All expense claims and payments made to senior members of the University are in accordance with the University's financial regulations. These apply to all staff and are reviewed and approved annually by the University Council.

Vice-Chancellor Remuneration

The remuneration of the Vice-Chancellor is determined by the Remuneration Committee, through the Vice-Chancellor's Reward Scheme.

This scheme is designed as a long-term incentive plan to reward and retain the Vice-Chancellor with a view to delivery of the Way Forward Strategy 2018-23. The scheme builds on the principles of the Senior Salary Review process as outlined in the Senior Staff Pay Policy.

The Vice-Chancellor's Reward Scheme involves:

- an annual review of base pay in relation to the market;
- a long-term lump sum non-pensionable performance-related bonus payment linked to the achievement of the Way Forward 2018-2023.

When the Remuneration Committee reviews the Vice-Chancellor's remuneration package, it takes into account comparative information on salaries, other benefits and conditions of service in the Higher Education sector and elsewhere.

Remuneration for other staff groups

The majority of other staff are on the National Framework Agreement (NFA) pay spine and covered by the University's Grading Structure which consists of 8 grades. These grades are supported by the Higher Education Role Analysis (HERA) role evaluation methodology.

Staff on NFA pay scales gain pay increases annually based on increased skill, knowledge and experience, until they reach the top of the grade's core range. They are also subject to any nationally agreed pay awards.

The Clinical Pay Scale covers clinical staff, and replicates the NHS pay ranges. Clinical staff gain increases annually based on increased skill, knowledge and experience, until they reach the top of the grade range. Clinical consultants also gain commitment awards above the top of the consultant grade range.

The Outstanding Contribution Award Scheme (OCAS) recognises exceptional performance and contribution, resulting in both one-off awards, and any accelerated incremental progression.

Living Wage Employer

The University is an accredited Living Wage employer and as a result all staff receive at least the Living Wage Foundation rate of pay.

Pay Ratio

The ratios between the VC salary and the median pay of staff and the VC total remuneration and the median total remuneration of staff are disclosed in note 8 (staff costs).

Exit policy

All settlement agreements, including voluntary severance, for professorial, professional service directors and senior staff are reported biannually to the Remuneration Committee, with details of both the severance payment and the saving to the university. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.

The University retained an operating surplus of £31m in 2020/21 despite the challenges of the coronavirus pandemic

2020/21 was a difficult year for students and staff as we dealt with the challenges of the coronavirus pandemic. It was also a challenging year financially due to the significant uncertainties anticipated at the start of the year, particularly overseas travel, lockdowns and blended learning. Despite these challenges the University was able to retain an operating surplus of £31m and strengthen its financial reserves.

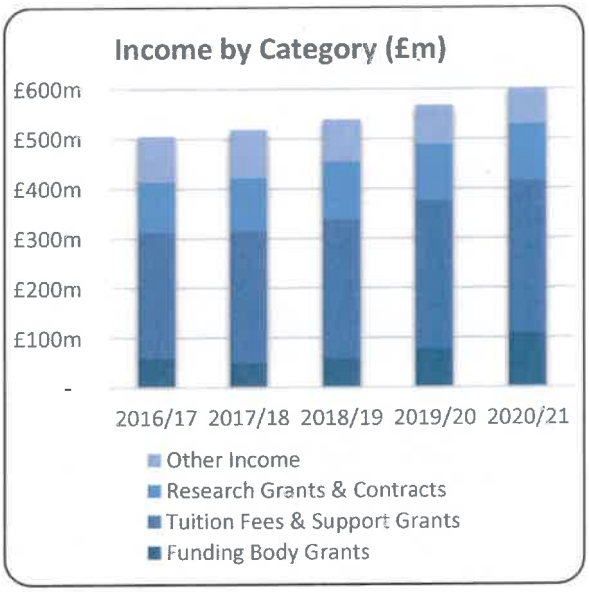
The underlying operating surplus of £31m reconciles to the total surplus of £59m as follows:

Summary of Group Results	2020/21	2019/20
	£m	£m
Total comprehensive surplus/ (deficit) for the year	58.9	30.9
USS pension provision charge /(credit)	2.4	(55.2)
Actuarial (gain)/ loss on pensions	(3.0)	40.0
Surplus/(Deficit) before other gains/(losses)	58.3	15.7
Other gains/(losses)	(26.9)	(1.6)
Underlying operating surplus/ (deficit)	**31.4**	**14.1**

The financial statements for the year ended 31 July 2021 consolidate the results of the University, its subsidiary company University College Cardiff Consultants Limited and the joint ventures Compound Semiconductor Centre Limited and Cardiff Medicentre.

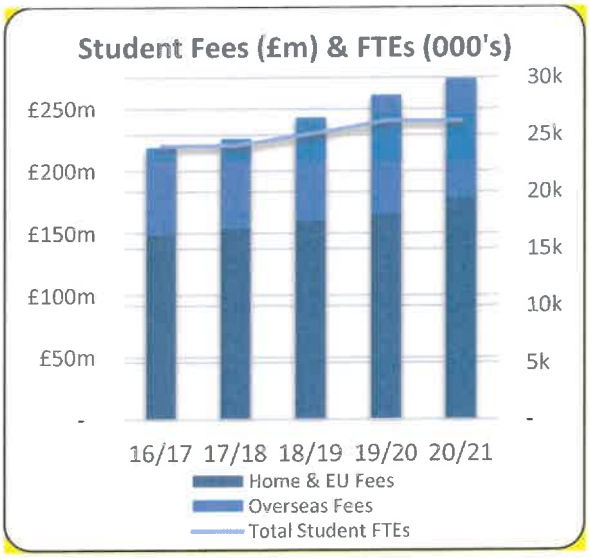
Income up 6.3% to £605m

2020/21 saw total income grow from £568.8m to £604.6m due to a 4.2% increase in undergraduate students and additional COVID-19 support from Welsh Government.



2020/21 saw a 3.3% increase in tuition fees and support grants which was significantly better than initially anticipated. The increased number of eligible school leavers saw undergraduate numbers increase by 4.2% and income by 8.2%.

Despite the challenges of COVID-19 and international travel we welcomed 4,925 international students a fall of 6.2% but only a decline of 1.0% in income.



Our student body of 26,670 students is made up as follows:

Student Numbers	2020/21	2019/20
Undergraduates	20,116	19,301
Postgraduate Taught	5,081	5,209
Postgraduate Research	1,473	1,709
Total	26,670	26,219
Home & EU	21,725	20,967
Overseas	4,945	5,252
Total	26,670	26,219

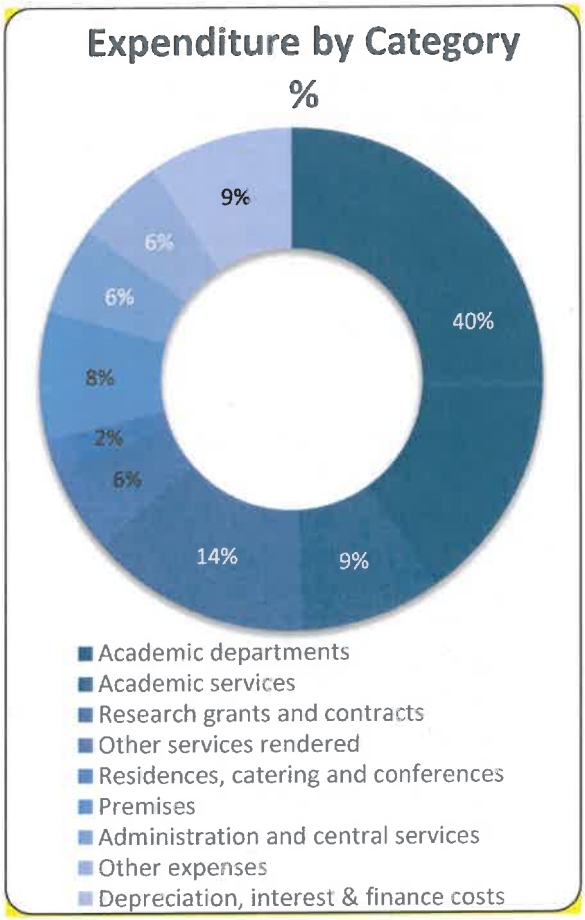
We received a significant increase in grant income this year from HEFCW. The increase from £78.2m to £109.5m included an additional £28.9m representing the University's share of Welsh Government COVID-19 funding for the sector to support students, staff and facilities during the pandemic.

Despite the challenges of COVID-19, including access to laboratories, and a focus on teaching, research activity was maintained and generated an unchanged £112.7m of income although new awards secured in the year fell slightly.

Other income saw a drop in the year as public sector contracts declined during the pandemic. This also affected conference and catering income although income from residences remained strong despite a low level of rebates to students.

Active management of expenditure continued throughout the year.

Total expenditure, excluding the USS pension provision, increased by 2.7% to £570.8m.



Recruitment controls and low inflation have meant that staff costs grew by 1.1% in the year despite a 2.4% increase in average staff numbers. Staff costs as a proportion of income reduced from 57.3% to 54.5%.

Operating expenses increased by £13.0m to £187.9m in the year as we dealt with the impact of the pandemic. Despite savings in travel and overhead costs the University spent £18.5m on supporting staff and students, and on maintaining a safe campus through the pandemic.

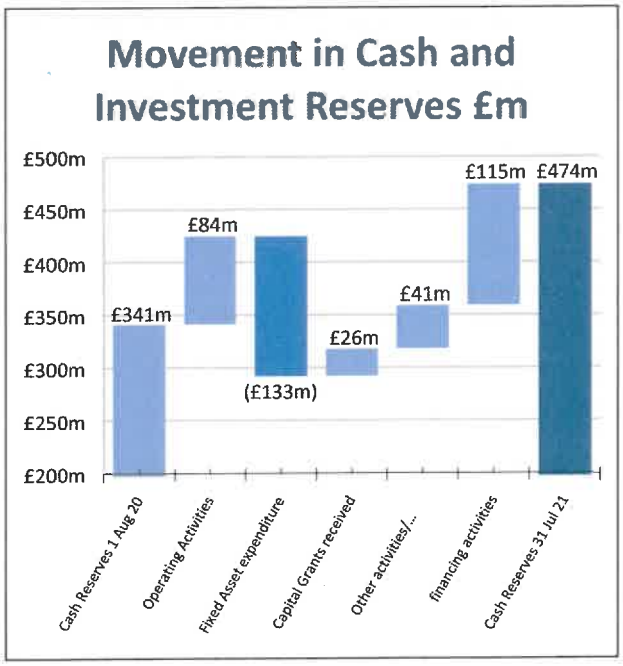
Pension provisions set to increase

The Universities Superannuation Scheme (USS) of which Cardiff is an employer member provides pensions for academic and professional staff. The University's financial statements reflect the actuarial valuation as of 31 March 2018, when the scheme had a deficit of £3.6bn. The USS Trustees are required to put in place a recovery plan of which Cardiff's share has reduced from £84.6m to £84.1m.

Since the year-end the USS Trustees have agreed a further valuation as of 31 March 2020 which saw the deficit increase to £16.1bn. This will result in an increase of £157m in the current provision of £84m which will be reflected in the University's 2021/22 financial statements.

Following the completion of the Cardiff University Pension Scheme's 2019 valuation the University undertook a strategic review of the defined benefit scheme. This resulted in a consultation with members to close the scheme to new entrants and to amend the benefits structure. The changes to the Scheme were approved by Council and will be implemented from 1st January 2022 along with a defined contribution scheme for new entrants.

Operating cash surplus of £84m retained to support investment



The University retained an operating cash surplus in the year of £84m or 13.3% of income. After the proceeds of the bond issue and the cost of investments, the cash reserves of the University increased by £23.6m to £148.6m.

At 31 July 2021 the University's available cash reserves and investments totalled £474.2m (2020 £340.7m) reflecting the impact of the bond issue.

The University is in a strong position financially to deal with any future financial challenges.

Capital expenditure peaks at £133m

This year saw the highest level of annual capital spend in the University's history at £133.1m as the current investment programme reached its peak. Since the year-end we have been able to open Abacws, our new School of Mathematics and School of Computer Science and Informatics, the iconic Centre for Student Life, an upgraded Bute Building to accommodate the Welsh School of Architecture and sbarc|spark our new innovation centre. The Translational Research Hub, the last major development in the current programme, is due to open in 2022.

Investments

The recovery in stock markets over the last year enabled the University's investments to grow in value by £34m. During the year the University incurred a net interest cost of £7.3m although this is significantly offset by the unrealised growth in investments.

During the year the University was awarded a £65m five-year grant to deliver the International Learning Exchange Programme on behalf of the Welsh Government. The scheme will enable learners and staff from Wales to continue to benefit from international exchanges in a similar way to Erasmus+ but will also enable the inward mobility of individuals from abroad. The scheme will be administered through a wholly owned subsidiary company.

Since the year-end the University has become a partner in SETsquared, the world's top-ranked university-business incubator. This will add significantly to our ambition to turn research into real-world economic and social enterprises.

Borrowings

Borrowings at the year-end totalled £430.1m of which the public bond totalled £421.6m. This incurs interest of 3.1% p.a. and is repayable in 2055. Moody's have assessed the bond as A1 with a stable outlook.

During the year the University issued a further £100m nominal value of its £300m 3% 2055 bond. The bonds were issued at a premium to their nominal value resulting in proceeds of £128m net of costs. The proceeds will be used to invest in teaching and research, in particular our digital teaching strategy and our medical facilities.

The University has set aside £59m of reserves into a bond repayment fund that is invested on a total return basis with the objective of being able to fund the repayment of the £400m bond in 2055.

During the year the University agreed a three year £20m Revolving Credit Facility with Lloyds Bank to cover working capital requirements. To date this facility has not been used.

A strengthened Balance Sheet

At 31 July 2021 the University's consolidated net assets had grown 9.5% to £676m (2020 £618m) of which £314m or 46.4% represented unrestricted reserves.

The University has successfully managed the many challenges of the last year due to the significant commitment of our staff. Whilst not reflected on the balance sheet of the University they remain our most important and valued asset.

Significant risks still ahead

Despite successfully managing the challenges of the pandemic the University still faces some significant uncertainties and risks. Future U.K. and Welsh Government policy could have a major impact on the funding of higher education. The global response to the pandemic may affect the international student market while at home the sector faces major challenges on pay and pensions.

Despite these challenges we remain focused on delivering an excellent student experience alongside our five priorities of the health and wellbeing of our staff and students, maintaining financial sustainability, improving student satisfaction and experience, supporting research grants and contracts and continuing to contribute to our civic mission.

The University's Executive Board regularly reviews our key risks. The principal risks to the University and how they are being mitigated are shown in the tables on pages 31 to 33.

A cautious financial outlook

Whilst we face some significant political and economic risks and continued uncertainty about the global pandemic, we remain cautious but optimistic about the future.

The successful completion of our major capital investment programme creates some exciting opportunities for our teaching and research activities.

We have been encouraged by the strong demand from students to study at Cardiff and we will continue to focus on providing students with a positive experience in a safe campus environment.

This will require continued investment in teaching support. We expect expenditure to increase as we return to more on-campus activities. The loss of one-off income support during the pandemic will put added pressure on our financial performance that will require continued strong financial management.

The University has a strong balance sheet and sufficient liquidity to deal positively with the uncertainties and opportunities that the future holds.

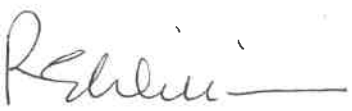


Robert Williams
Chief Financial Officer
24 November 2021

Risk area	Risk description	Risk management
Staff Wellbeing and Welfare	The University is unable to maintain its duty of care to staff.	A taskforce is in place to oversee the operational aspects required for a safe working environment for staff and students who return to campus. An organisational COVID-19 Risk Assessment is in place to reflect Welsh Government requirements and support increased activity on campus. The University's coronavirus screening service has received stage 2 (of 3) of accreditation by UKAS and will continue to test asymptomatic staff and students on campus. An external mental health and wellbeing programme will be delivered to line managers across the University in 2021/22 to help them support staff. The University has stated its commitment to addressing workload through a Workload Steering Group with College PVC membership and a Workload Operations Groups. Other measures include redistributing tutees where appropriate and introducing an appointment-based system for 1:1 student/staff interactions.
Student Wellbeing and Welfare	The University is unable to maintain its duty of care to students.	The University's coronavirus screening service has received stage 2 (of 3) of accreditation by UKAS and will continue to test asymptomatic staff and students on campus. Investment in key frontline staff in areas such as enrolment and Student Life Services. Maximising vaccination take up through pre-arrival advice to get vaccinated before starting university and vaccination pop up sites being established for the start of the year. Data gathering to understand vaccination reach in the student population and enabling targeted advice and follow up for those not partially or not vaccinated.
Financial Sustainability	The University's operational costs and capital plans outweigh the income the University can generate or receives in grants, making it financially unsustainable.	The University deploys detailed budget control and monitoring procedures are in place. Zero-based budgeting was introduced for the 2020/21 academic year and a break-even budget agreed for 2021/22. There are regular discussions between Recruitment and Admissions and Finance to model fee income. Research and Change projects are assessed for return on investment to ensure delivery on expected benefits. New spend commitments have been reduced through recruitment controls, delaying capital spend and reconsidering the pace of transformation projects. Throughout the current pandemic members of Council and the Executive Board have met regularly to review the financial position and mitigating actions, including revenue generation, cost controls, cash management and financing options. All mitigating actions have resulted in a further improved financial position.

Risk area	Risk description	Risk management
Capital Programme	The Capital Programme is not delivered to time, budget or specification.	All capital programmes are subject to detailed business case budgets and cost monitoring through individual steering boards and University Executive Board. Capital project progress reports with detailed action plans to address slippages and consolidated portfolio risk registers (with mitigating actions) are presented regularly to Portfolio Groups for review and discussion. A finance report is presented to each Portfolio Group highlighting any potential budget pressures and over-runs on a monthly basis, including detail on risk/contingency budget drawdown.
Student Recruitment	The University fails to recruit and retain a strategically desirable number, quality and diversity of students, including high-quality EU and international students.	The University's Recruitment and Admissions Strategy Group has delegated authority to take strategic actions in relation to recruitment, to ensure target entrants are met. Student numbers are reviewed and monitored by this group on a regular basis to ensure that the University Executive Board has clear sight of predicted enrolments. School/College conversion activities including offer holder comms/online tours, call/unibuddy campaigns. Virtual recruitment events and an enhanced e-comms programme have been implemented. International scholarships have been extended to include further awards for India, Malaysia, and awards for EU domiciled students for all years of study introduced. Consistent and clear messaging to our applicants on what the teaching experience will be for the 2021/22 year and beyond, including a return to face-to-face provision.
Research Activity and Income	The University's research activities are significantly impacted reducing research income.	An overarching Research, Innovation and Enterprise Strategy Group continues to ensure clear delivery of key goals within the research and innovation portfolio. A new approach to funder engagement successfully developed and now being used across the University; this will be additionally enhanced by the appointment of a Funder Relationship Manager. Implementation of the strategic entities review is ensuring a clear forward-looking focus for the University, to help deliver our strategic ambitions, build upon our research income and broaden our innovation portfolio.

Risk area	Risk description	Risk management
Business Continuity	The University is unable to maintain its key operational tasks during ever changing conditions.	The University has established several taskforces to deal with the varying conditions with which we are faced including return to campus operations and further outbreaks. These taskforces review and consider all operational decisions for approval by University Executive Board.
Student Experience	The University is unable to provide a high-quality learning experience to its students.	Implementation of the Education & Students Sub-Strategy plan is underway with actions aimed at making significant change to student experience. Opening of the Centre for Student Life will provide significant social study spaces. Extended remote study is being made available to international students on selected programmes.
Cyber Security	The University suffers an information security breach as a result of a cyber-attack.	Key policies and procedures are in place and Information Security training is mandatory for all staff. Multi-Factor Authentication is required to access systems and Cyber Essentials and Cyber Essentials+ certification obtained.
Regulatory Compliance	The University experiences a significant breach of laws and/or regulations	Key policies and procedures are in place and mandatory training is undertaken for key compliance areas. External validation of processes is undertaken where available. Cross-university working groups in place for key areas such as Information Security, fraud and financial compliance, UK Visas and Immigration (a division of the Home Office) to periodically review and update working practices.
Pensions	The volatility in the valuation of pension assets and impact of changes in actuarial assumptions expose the university to significant movements in its reserves.	Strategic reviews are undertaken on a periodic basis following triannual pension scheme valuations. The university engages with other institutions to agree proposed mitigating changes with respect to the Universities Superannuation Scheme. These are subject to member consultation. Contribution and investment strategy plans are managed by the Scheme trustees, in conjunction with short-term liability management.



Robert Williams

Chief Financial Officer
24 November 2021

Cardiff University is a registered charity (no. 1136855). It exists to create and share knowledge and to educate for the benefit of all. Its Royal Charter, first granted in 1884, sets out its constitutional arrangements and objects. Embodied within the objects is the fundamental principle of the advancement of education, empowering the University to research, teach, examine and award degrees. The objects also contain obligations to develop the character of students, promote health and welfare—especially in Wales—and contribute to social, cultural and economic development.

A member of the Russell Group of research-intensive universities, Cardiff University sees fundamental research as essential to human aspiration and critical to the development of cultural artefacts, technologies and services that improve the quality of life for all.

In setting and reviewing the University's objectives and activities, the University's Council has had due regard to the Charity Commission's guidance on the reporting of public benefit, particularly its supplementary guidance on the advancement of education.

The Way Forward 2018–2023 (Recast COVID-19) sets out the University's strategic themes, which are summarised below.

Education and Students

The University provides an educationally-outstanding and consistently high-quality student experience, driven by creativity and curiosity, which seeks to enhance learning and support student life.

During the unprecedented times of COVID-19, many aspects of our provision have been provided in a remote, online and now blended environment, and students have benefited from continued online support and education provision to allow them to progress, graduate and gain employment or further study. Our priorities remain to provide a high-quality student experience, maintain academic standards of our degrees and ensure the safety and wellbeing of our staff and students.

Building on our strong track record in widening participation, we continue to prioritise ensuring that students from a variety of backgrounds have access to the benefits of higher education, and this is also coupled with work on retention and student success. In our blended provision, combining face-to-face classroom methods with computer-mediated activities or online provision, students are benefitting from a pedagogic high-quality approach to digital learning which permits them to succeed, and to continue on their inspiring education journey.

Research and Innovation

This year has been exceptional in the face of the global pandemic. Through its research, the University has been fast acting in its response and is actively contributing to COVID-19 recovery efforts both in relation to tackling the disease and combatting the wider societal challenges post-COVID-19. We have continued to support our staff and students during this difficult time, ensuring that where safe and possible to do so, research has continued allowing us to contribute towards tackling critical global issues that require cross disciplinary co-operation. For example, our researchers are addressing major challenges facing society, the economy and the environment in Wales, in the UK and globally, delivering breakthroughs in areas such as Alzheimer's disease and mental health, compound semiconductors, gravitational waves, climate change and creative industries.

The University has also established itself as the Home of Innovation with implementation of new innovation strategy ensuring that the impacts from its research make a difference, often working in partnership with business, public and third sector organisations. We are investing in bespoke facilities for innovative collaborations with industry, government and wider society, and enhancing support for students to engage in innovation and entrepreneurial training. This ensures all members of Cardiff University can contribute to the growth of the knowledge economy. Aligned to our Civic Mission activities, our researchers also work with local communities, supporting new forms of education and socio-economic change in our region.

International

The University is a global institution with over 9,500 (more than 25% of the total student body) international students (EU included) from more than 130 countries and formal links with more than 300 institutions worldwide. It collaborates with business and education partners all over the world, including formal strategic partnerships with Xiamen University and Beijing Normal University in China, University of Campinas in Brazil, University of Bremen in Germany, and University of Waikato in New Zealand.

The University's strong links with institutions worldwide mean that many of its students have the opportunity to study, work or volunteer abroad. It attracts the highest calibre of academics and researchers from around the world. International staff make up more than 30% of the academic body, enhancing the learning experience for students and bringing a global perspective to its research. Its researchers collaborate with partners worldwide to tackle global issues such as climate change adaptation for improved food and water security, mitigation of CO2 emissions through storage in coal deposits, and the genetic architecture of mental disorders.

In the past 18 months, they have also turned their expertise to supporting the global response to the COVID-19 pandemic. Through its long-standing partnership with the University of Namibia, the University has been able to alleviate the surge in COVID-19 cases in Namibia. This has included a vaccination project for some of the most disadvantaged of Namibia's people and organising a donation of more than £7m worth of clinical equipment and PPE.

Civic Mission

In response to the social and health crisis caused by COVID-19, the University has reshaped its civic mission. It is committed to using its research strengths, expertise and knowledge to help government, health services and wider society to revive and renew the Welsh economic, social and cultural landscape in response to the pandemic. The University's research strengths will be utilized to make greater civic mission contributions to new societal challenges faced by Wales, aligned to successful revival and renewal. Supporting job creation is of paramount importance given the economic impact of the virus.

Now more than ever, the University will continue to contribute to innovation in education with primary and secondary schools and further education colleges. Its partnership with the NHS will achieve much greater salience. The University has a strong sense of place in the Cardiff and South Wales region and will continue to enhance and celebrate the Welsh-language culture of its campus in line with its Welsh-Language Strategy.

The University's legal status derives from a Royal Charter first granted by Queen Victoria in 1884 to found the University College of South Wales and Monmouthshire. The current charter (known as a Supplemental Charter) was approved in 2004 and sets out the purpose and powers of the University. Embodied within it are fundamental principles such as the University's power to teach, examine, carry out research and award degrees. Its objects, powers and framework of governance are set out in its Charter and its supporting Statutes, the latest amendments to which were approved by the Privy Council in 2021. The University registered as a charity in 2010 (1136855).

The Charter and Statutes require the University to have three separate bodies, each with clearly defined functions and responsibilities, to oversee and manage its activities:

Council

The Council is the governing body and thus the supreme authority of the University, which means that it is ultimately accountable for the conduct and activity of the University and its representatives. The Council is responsible for the administration and management of the affairs of the University and for agreeing the general strategic direction of the institution.

The Council is committed to conducting its business in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and aligned with the Committee of University Chairs (CUC) Higher Education Code of Governance published in September 2020 and the CUC Audit Committee Code of Practice (May 2020).

In the preparation of this statement the Council of the University has had regard for the guidance issued by the Charity Commission:

(i) that there was no element of the CUC HE Code of Governance with which the University's practice was not consistent; and

(ii) that the University's fundraising policies and practices are fully aligned with the Fundraising Regulator's requirements set out in the University's Code of Fundraising Practice. No fundraising complaints were received during the reporting period.

The University's commitment to all funders of the University, and additional commitments to philanthropic donors to the University is available on the University's website:

https://www.cardiff.ac.uk/donate/other-ways-to-give/funders-rights

The University undertakes regular Council effectiveness reviews and underwent a Governance Effectiveness Review this year, conducted by Dr Jonathan Nicholls, an external consultant. The Review focused on the culture of Council and its relationship with University Executive Board and Senate, and the effectiveness of the supporting governance structures. The Report concluded that the University's overall governance effectiveness is satisfactory, with no material weaknesses. The review offered a number of recommendations for improvement, in the areas of culture, engagement and communication, and the streamlining of committee business and Council's focus onto strategic matters. Many of the initiatives were already planned or underway, but others require significant work and/or discussion with Senate prior to implementation. An action plan has been developed to support the implementation of the recommendations approved by Council in July 2021.

In 2021 the Governance Committee reviewed progress against a number of outstanding recommendations from earlier reviews of governance, including the Powell Review, Governance Arrangements internal audits and the Governance Charter for Wales and the Commitment to Action. The Governance Committee receive regular progress reports against these actions and substantial progress has been made against these recommendations during 2020/21, where the University is not already aligned.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner and has in place a Whistleblowing (Public Interest Disclosure) Policy to enable staff, students and other members of the University to raise concerns which are in the public interest.

Over the year, we have utilised the positive benefits of remote working to communicate with key stakeholders on a variety of activities. Council Development sessions have involved the Students' Union, University Executive members, Directors of Professional Services and representatives from the Centre for Education Support and Innovation, to discuss developments such as academic provision and the digital transformation. Representatives from Advance HE, HEFCW and legal professionals have also been involved in our development schedule. The governing body have been consulted on their preferences for future stakeholder engagement.

The Council has a majority of members from outside the University (described as lay members). Council membership also includes staff and students. Council lay members are recruited in an open, fair and transparent manner and due regard is given to equality and diversity, the need to balance skills and expertise as well as geographical location.

With respect to boardroom diversity, we continue to build on our Strategic Equality Plan actions to promote and develop an inclusive (internal) culture and governance by addressing diversity of decision-making committees. We have improved our data capture, and guidance on inclusivity for committee meetings, and use this to inform lay member recruitment and induction. Council members also received a session on race to discuss and reflect on these matters. In 2021 we became a launch partner with Perrett Laver's Governor Apprenticeship Scheme, appointing our first governor apprentice to start in 2021-22. The scheme supports boardroom diversity by enabling a diverse and talented pool of candidates otherwise lacking in board room experience, to gain that experience.

The Nominations Sub-Committee (a sub-committee of the Governance Committee) is responsible for overseeing the recruitment process and recommending new lay members to Council for approval. Each year the Committee review a schedule of lay membership to review term end dates to consider succession planning. All vacancies for Independent Lay Members of Council are communicated to staff, students and current members of Council, with expressions of interest particularly welcome from under-represented groups. In 2020-21 the process for the recruitment of a Chair and Vice-Chair of Council was agreed. Approval by the Privy Council to enable external recruitment of the Chair of Council has led to greater opportunities to increase diversity amongst our members. Arrangements for the succession planning of key Senior Executive roles is currently under review.

Lay members do not receive any payment, apart from the reimbursement of expenses, for the work they do for the University. On appointment, Council members are required to complete a Register of Interests entry. The current Register of Interests is publicly available on our website:

https://www.cardiff.ac.uk/about/organisation/governance/council

Throughout the 2020/21 academic year, the Council met six times and approved a number of business cases, reviewed strategic direction and decision making across a number of university activities to include a Welsh Language Strategy, the Centre for Student Life and the Cardiff Innovation Campus. Council has continued to oversee the ongoing University response to the COVID-19 pandemic.

All new members of Council receive an induction to the University and their responsibilities as a member of the governing body. There is an annual development programme which focuses on sharing information and creates opportunities for discussion for Council members and the University's Executive Team. Feedback is collated from all members of Council to inform an annual development schedule.

The Chair of Council holds an annual appraisal with all members of Council and this feedback is used to inform and improve the effectiveness of the governing body. The Audit and Risk Committee also conduct an annual review of their effectiveness, which in 2020/21 was via a self-evaluation survey. The next Governance Effectiveness Review is planned for 2024.

Accountable Officer

The chief executive and principal academic and administrative officer of the University is the Vice-Chancellor, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.

Under the terms of the Memorandum of Assurance and Accountability between the University and the Higher Education Funding Council for Wales, the Vice-Chancellor is the Accountable Officer of the University and in that capacity can be summoned to appear before the Audit Committee of the Welsh Government.

Management

As chief executive of the University, the Vice-Chancellor has responsibility for the development of institutional strategy, the identification and planning of new developments, and the shaping of the institutional ethos. The Deputy Vice-Chancellor, Pro-Vice-Chancellors, University Deans and the senior professional officers all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council.

Principal Risk and System of Internal Control

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

The system of internal control is designed to manage rather than eliminate the risk of non-achievement of policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the University's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them effectively.

Council confirms that this process has been in place and operating effectively for the year ended 31 July 2021 and up to the date of approval of the financial statements and accords with HEFCW guidance.

As the governing body, Council has responsibility for reviewing the effectiveness of the system of internal control. It meets at regular intervals to consider the plans and strategic direction of the institution and receives assurance reports from the Chair of Audit and Risk Committee concerning internal control.

The Audit and Risk Committee receives regular reports from the Internal Audit service. An independent opinion is provided on each report relating to the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. A summary of the work undertaken by the Internal Audit service is provided in an Annual Report. The Head of Internal Audit is unequivocally free to act in an independent manner in pursuit of her professional business and must not be fettered in their scope or reporting. This provides an independent opinion on the adequacy and effectiveness of the University's arrangements for the provision of risk management, internal control, governance and value for money and data quality.

Considering the completion of the approved audit plan for 2020/21 and the supporting information; the University's arrangements for risk management, control and governance, and value for money and data quality are adequate and effective.

The Vice Chancellor is the University's Accountable Officer, responsible for providing HEFCW with clear assurances that the institution has an effective policy of risk management. The University Secretary is the Chief Risk Officer, responsible for promoting effective risk management across the University.

The University Executive Board has responsibility for the management of risk across the University, assessing the University's risk appetite, updating the University's strategic risk register and reporting on risk to the Finance and Resources Committee, Audit and Risk Committee, and Council throughout the year.

The University operates a hierarchical system for risk management. Risks within individual teams and projects are reported to the relevant school or department on a quarterly basis. The schools and departments then escalate any key risks to the Colleges and Professional Services Board for consideration and inclusion in their risk registers. Colleges and Professional Services Board then report their risk registers to the University Executive Board on a quarterly basis. This ensures that governance, management, reputational, quality and financial risks from across the University are considered for incorporation into the University's strategic risk register.

For 2020/21, the University continued to produce a merged risk reporting structure which combined teaching and assessment, student life, research and operations with school/departmental/operational group systems, the focus of risk reporting being on the former. Risks identified in the strategic register were also cascaded down the hierarchy to ensure that the mitigating actions required were put in place.

All staff have a part to play in protecting the University from undue exposure to risk, whether reputational, financial, legal or in terms of its core activities of teaching and research and are encouraged to be aware of the implications and potential consequences of their actions for the University.

Responsibilities of the Council of Cardiff University

In accordance with the University's Charter, the Council is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control.

The Council is responsible for ensuring the University and Group Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the University's Charter, the Accounts Direction issued by HEFCW, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions, the Charities Act 2011 and other relevant accounting standards.

Within the terms and conditions of a Financial Memorandum agreed between the Higher Education Funding Council for Wales (HEFCW) and the Council of the University, the Council, through its Accountable Officer, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and its subsidiaries and of the surplus or deficit, statement of movements on reserves and cash flows for that year. The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the University's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the University and Group and to enable it to ensure that the Financial Statements comply with applicable law and regulations.

The Council is also responsible for safeguarding the assets of the University and Group and for taking reasonable steps for the preventions and detection of fraud and other irregularities.

In preparing these Financial Statements, the Council is required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.

The Council has taken reasonable steps to:

- ensure that funds from HEFCW, Welsh Government and other Funding Bodies are used only for the purposes for which they have been given and in accordance with the HEFCW Memorandum of Assurance and Accountability and Financial Management Code; and any other conditions which HEFCW or any other Funding Body may from time to time prescribe.
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.
- safeguard the assets of the University and its subsidiaries and prevent and detect fraud; and
- secure the economical, efficient and effective management of the resources and expenditure of the University and its subsidiaries.

Any system of internal financial control can, however, provide reasonable, but not absolute, assurance against material misstatement or loss.

On behalf of the Council



Professor Colin Riordan

Accountable Officer
24 November 2021

Report on the audit of the financial statements

Opinion

In our opinion, Cardiff University's group financial statements and institution financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the institution's affairs as at 31 July 2021 and of the group's and institution's income and expenditure, gains and losses and changes in reserves and the group's and institution's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Annual Report and Financial Statements, which comprise: the Consolidated and Institution Statements of Financial Position as at 31 July 2021; the Consolidated and Institution Statements of Comprehensive Income, the Consolidated and Institution Statements of Changes in Reserves and the Consolidated and Institution Statements of Cash-flow for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 10 of the financial statements, we have provided no non-audit services to the institution or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- The group comprises the institution and one subsidiary company
- The entities where we performed audit work accounted for 100% of the consolidated income and expenditure and net assets

Key audit matters

- Risk of fraud in revenue recognition (group and institution)
- Pension schemes (group and institution)
- Impact of COVID-19 (group and institution)

Materiality

- Overall group materiality: £6.0m (2020: £5.7m) based on 1% of income.
- Overall institution materiality: £6.0m (2020: £5.7m) based on 1% of income.
- Performance materiality: £4.5m (group) and £4.5m (institution).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit. The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Risk of fraud in revenue recognition (group and institution)	
Under ISA (UK) 240 there is a (rebuttable) presumption that there are risks of fraud in revenue recognition. There is a risk that the University could adopt accounting policies or treat income transactions in such a way as to lead to material misstatement in the reported revenue position. Revenue recognition is a particular risk due to changing contracting arrangements. We identified that the risk of fraud in relation to revenue was a significant audit risk, in particular whether the University and Group were entitled to recognise revenue. The majority of revenue recognised in the Group and University is not complex, with clear recognition points. Research grant and contract income (note 4) of £112.6m (2020: £112.8m) is included in the financial statements and was considered to be more susceptible to manipulation because performance related recognition conditions are specific to individual grants. Consequently, there is a risk that management could manipulate income by overstating accruals or understating deferrals of income. The risk related to both the group and the institution.	To ensure that income was recognised in accordance with performance related conditions we obtained the project funding agreements for a sample of projects to determine the conditions under which revenue could be recognised. By reference to the performance conditions identified, we determined whether the income had been recognised in accordance with these conditions. In addition, we performed sample tests to check whether underlying expenditure had been appropriately coded to the grants sampled to a high level of assurance. For other income streams we tested the appropriateness of journal entries using Computer Assisted Audit Techniques. We focussed on unusual journal entries which credited revenue. Our work did not identify any instances where performance criteria had not been achieved. From the procedures performed, we found that the amounts recorded and disclosures within the Annual Report are appropriate.
Pension schemes (group and institution) The group and the institution participate in two defined benefit pension plans with aggregate net liabilities of £104.8m (2020: £102.5m). There is also a further provision of £84.1m (2020: £84.8m) for future deficit repayments in relation to a multi-employer defined benefit scheme, the Universities Superannuation Scheme (USS). This scheme is treated as a defined contribution scheme because it is not possible to separately identify the assets and liabilities of each member organisation of the scheme. However, a liability is required to be recognised in respect of the future deficit repayments that the group and institution have agreed to make. The liability is determined by discounting the future cash flows under the deficit repayment plan at an appropriate discount rate.	*Defined benefit schemes* We obtained the pension valuation reports for each of the two defined benefit schemes from the external actuary. With the assistance of our internal actuarial specialists, we compared the principal assumptions used in the valuation of the pension liability by the external actuary to our internally developed benchmarks. The assumptions used were consistent with our benchmarks. For the Cardiff University Pension Fund we tested the existence and valuation of all pension assets. For the Cardiff & Vale Local Government Pension Scheme we tested the scheme's actuary's roll-forward calculation of the share of plan assets attributable to the institution. For both schemes we tested the underlying members data used to calculate the defined benefit pension liability. *USS liability*

Each of these liabilities is significant in the context of the group's and the institution's statements of financial position. The valuation of the pension liability requires significant levels of judgement and technical expertise in choosing appropriate assumptions. Changes in a number of key assumptions (including salary increases, inflation, discount rates, and mortality rates) can have a material impact on the calculation of the liability.

The risk related to both the group and the institution.

We obtained the models used by the group and institution to determine the USS liability included in the accounts. We used our internal actuarial specialists to establish that the discount rate used to quantify the liability fell within an acceptable range. We agreed that other principal assumptions used in the model were consistent with the group's and institution's internal planning and forecasting.

From the procedures performed, we found that the amounts recorded and disclosures within the Annual Report are appropriate.

Impact of COVID-19

COVID-19 was declared a global pandemic by the World Health Organisation (WHO) on 11 March 2020 and the pandemic continues to have an impact on the economy. This was considered as part of the audit. The Council has considered the risks posed by COVID-19, as set out in the University Strategic Plan, the Vice Chancellor's Review, the Financial Review and note 1 to the financial statements, and concluded that whilst the disruption and economic impact of the pandemic has had, and will continue to have, an impact on the results of the institution and group, there is minimal impact in areas, such as the assessment of going concern, that are likely to affect a number of other institutions in Higher Education.

The risk related to both the group and the institution.

We have performed the following audit procedures:

- Performed a risk assessment.
- Held discussions with management to understand, in qualitative and quantitative terms, the impact of COVID-19 on the institution's and group's operations;
- Considered the impact COVID-19 has had on areas such as the recoverability of debtors and going concern. In each case we performed certain additional procedures to validate explanations given and to explore potential estimation uncertainties where relevant and to explore any indicators of additional risk over recoverability. Further information on our work over going concern is set out below in the section 'Conclusion relating to going concern';
- Read management's disclosures in the Annual report and financial statements.

From the procedures performed, we found that the amounts recorded and disclosures within the Annual Report are appropriate.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the institution, the accounting processes and controls, and the sector in which they operate.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Council made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

The group comprises the institution and one subsidiary. We performed full scope audits on each entity because they each required individual statutory audits.

The full scope audits undertaken by the group team covered 100% of group turnover and 100% of group total assets.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows, for both Group and Institution:

Overall materiality	Financial Statements: £6.0m (2020: £5.7m)
How we determined it	1% of income

Rationale for benchmark applied	We consider that income is an appropriate benchmark, recognising that the institution is a not-for-profit organisation, and because income is an important driver in funding relevant expenditures.

For the component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The materiality allocated to the component was £65,000. The component was audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £4.5m for the group financial statements and £4.5m for the institution financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £0.30m (group audit) (2020: £0.28) and £0.30m (institution audit) (2020: £0.28m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Council' assessment of the group's and the institution's ability to continue to adopt the going concern basis of accounting included:

- reviewing the cash flow forecasts of the University,
- reviewing the adequacy of existing liquidity under base case and severe but plausible downside scenarios,
- assessing the disclosure given in the financial statements in respect of going concern and whether it gives a fair and balanced view

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the institution's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Council is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs

(UK) require us also to report certain opinions and matters as described below.

Annual Report

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Council for the financial statements

As explained more fully in the Responsibilities of the Council of Cardiff University, the Council is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Council are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the group's and the institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the group or the institution or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Higher Education Funding Council for Wales ('HEFCW') Audit Code of Practice issued under the Further and Higher Education Act 1992, the Financial Management Code issued under the Higher Education (Wales) Act 2015, employment and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Statement of Recommended Practice – Accounting for Further and Higher Education, HEFCW's Accounts Direction to Higher Education Institutions for 2020/21 (W21/19HE) and the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Identifying and testing the validity of journal entries, in particular any journal entries posted with unusual account combinations;
- Evaluation of the adequacy of the design of management's controls to prevent and detect irregularities;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Challenging assumptions and judgements made by management in their significant accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the institution's Council as a body in accordance with Section 4 of the Charters and Statutes of the institution and section 151 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on other matters prescribed in the Higher Education Funding Council for Wales ('HEFCW') Audit Code of Practice issued under the Further and Higher Education Act 1992 and the Financial Management Code issued under the Higher Education (Wales) Act 2015

In our opinion, in all material respects:

- the requirements of HEFCW's accounts direction have been met;
- funds from whatever source administered by the institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income has been applied in accordance with the institution's statutes;
- funds provided by HEFCW have been applied in accordance with the Memorandum of Assurance and Accountability and the Financial Management Code and any other terms and conditions attached to them; and
- funds provided by HEFCW have been used for the purposes for which they were received.

Sufficiency of accounting records and information and explanations received

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- sufficient accounting records have not been kept by the parent institution; or
- the parent institution financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

Appointment

Based on the information available, the latest date for which we were appointed as auditors is the year ended 31 July 1988. Based on the latest year of appointment of 1988 the period of total uninterrupted engagement is 33 years, covering the years ended 31 July 1988 to 31 July 2021.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
25 November 2021

Consolidated and Institution Statements of Comprehensive Income
Year ended 31 July 2021

	Note	Consolidated 2021 £'000	Consolidated 2020 £'000	Institution 2021 £'000	Institution 2020 £'000
Income					
Tuition fees and education contracts	2	306,912	297,005	306,912	297,005
Funding body grants	3	109,464	78,161	109,464	78,161
Research grants and contracts	4	112,648	112,773	112,648	112,773
Other income	5	68,455	74,183	67,246	72,839
Investment income	6	4,376	5,906	4,376	5,900
Donations and endowments	7	2,738	784	2,738	784
Total Income		604,593	568,812	603,384	567,462
Expenditure					
Staff costs	8	329,331	326,077	329,331	326,077
Staff costs – Voluntary Severance Scheme	8	482	-	482	-
Staff costs – increase/(decrease) in USS pension scheme provision	10,21	2,394	(55,214)	2,394	(55,214)
Other operating expenses	10	187,852	174,852	186,699	173,639
Depreciation	11	40,644	40,382	40,644	40,382
Interest and other finance costs	9	12,498	13,465	12,491	13,456
Total Expenditure	10	573,201	499,562	572,041	498,340
Operating surplus before other gains and losses		**31,392**	**69,250**	**31,343**	**69,122**
Impairment of tangible fixed assets	11	(2,061)	-	(2,061)	-
Impairment of non-current assets	12,14	(2,000)	-	(5,160)	-
Gain on disposal of non-current investments	12	726	-	726	-
Gain on valuation of investments	12,15	34,463	4,371	34,463	4,371
Share of deficit in joint venture		(3,769)	(2,742)	-	-
Surplus for the year		**58,751**	**70,879**	**59,311**	**73,493**
Other Comprehensive Income					
Impairment of tangible fixed assets	11	(2,889)	-	(2,889)	-
Actuarial gain/(loss) in respect of pension schemes	25	3,000	(39,970)	3,000	(39,970)
Total comprehensive surplus for the year		**58,862**	**30,909**	**59,422**	**33,523**
Represented by:					
Endowment comprehensive income for the year		6,544	701	6,544	701
Restricted comprehensive expenditure for the year		(188)	(274)	(188)	(274)
Unrestricted comprehensive income for the year		52,506	30,482	53,066	33,096
		58,862	30,909	59,422	33,523

All items of income and expenditure relate to continuing activities.

Consolidated and Institution Statements of Changes in Reserves
Year ended 31 July 2021

Consolidated	Income and expenditure account			Revaluation reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2019	38,237	622	215,664	332,173	586,696
Surplus / (deficit) from the income and expenditure statement	701	(274)	70,452	-	70,879
Other comprehensive expenditure	-	-	(39,970)	-	(39,970)
Total comprehensive surplus/(deficit)for the year	701	(274)	30,482	-	30,909
Transfers between revaluation and income and expenditure reserve	-	-	6,277	(6,277)	-
Balance at 31 July 2020	**38,938**	**348**	**252,423**	**325,896**	**617,605**
Surplus / (deficit) from the income and expenditure statement	6,544	(188)	52,395	-	58,751
Other comprehensive income	-	-	111	-	111
Total comprehensive surplus/(deficit) for the year	**6,544**	**(188)**	**52,506**	-	**58,862**
Transfers between reserves	-	-	9,167	(9,167)	-
Balance at 31 July 2021	**45,482**	**160**	**314,097**	**316,729**	**676,468**

Institution	Income and expenditure account				Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2019	38,237	622	214,757	332,173	585,789
Surplus / (deficit) from the income and expenditure statement	701	(274)	73,066	-	73,493
Other comprehensive expenditure	-	-	(39,970)	-	(39,970)
Total comprehensive surplus/ (deficit) for the year	701	(274)	33,096	-	33,523
Transfers between revaluation and income and expenditure reserve	-	-	6,277	(6,277)	-
Balance at 31 July 2020	**38,938**	**348**	**254,130**	**325,896**	**619,312**
Surplus / (deficit) from the income and expenditure statement	6,544	(188)	52,955	-	59,311
Other comprehensive income	-	-	111	-	111
Total comprehensive surplus / (deficit) for the year	**6,544**	**(188)**	**53,066**	-	**59,422**
Transfers between reserves	-	-	9,167	(9,167)	-
Balance at 31 July 2021	**45,482**	**160**	**316,364**	**316,729**	**678,735**

Consolidated and Institution Statements of Financial Position

Year ended 31 July 2021

	Note	Consolidated		Institution	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
Non-current assets					
Tangible fixed assets	11	934,275	846,797	934,275	846,797
Investments	12	7,598	9,264	6,146	10,634
		941,873	856,061	940,421	857,431
Current assets					
Stocks	13	296	295	296	295
Trade and other receivables	14	46,794	52,002	47,649	52,788
Investments	15	325,592	215,726	325,592	215,726
Cash and cash equivalents	16	148,587	124,976	147,637	124,022
		521,269	392,999	521,174	392,831
Creditors: amounts falling due within one year	17	(166,708)	(140,729)	(166,325)	(140,224)
Net current assets		354,561	252,270	354,849	252,607
Total assets less current liabilities		1,296,434	1,108,331	1,295,270	1,110,038
Creditors: amounts falling due after more than one year	18	(427,721)	(303,417)	(427,721)	(303,417)
Pension provisions	21	(188,814)	(187,309)	(188,814)	(187,309)
Other provisions	22	(3,431)	-	-	-
Total net assets		**676,468**	**617,605**	**678,735**	**619,312**
Restricted Reserves					
Income and expenditure - endowment reserve	23	45,482	38,938	45,482	38,938
Income and expenditure - restricted reserve		160	348	160	348
Unrestricted Reserves					
Income and expenditure - unrestricted	23	314,097	252,423	316,364	254,130
Revaluation reserve		316,729	325,896	316,729	325,896
Total Reserves		**676,468**	**617,605**	**678,735**	**619,312**

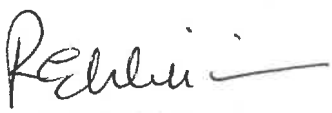
The financial statements on pages 46 to 83 were approved by Council on 24 November 2021 and were signed on its behalf on that date by:



Professor Stuart Palmer
Chair of Council



Professor Colin Riordan
Vice-Chancellor



Robert Williams
Chief Financial Officer

Consolidated and Institution Statements of Cash-flow

Year ended 31 July 2021

	Note	Consolidated		Institution	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
Cash flow from operating activities					
Surplus for the year		58,751	70,879	59,311	73,493
Adjustment for non-cash items					
Depreciation	11	40,644	40,382	40,644	40,382
Impairment of fixed assets	11	2,061	-	2,061	-
Impairment of non-current investments	12	-	-	3,160	-
Share of operating deficit in joint ventures	12	3,769	2,742	-	-
Correction to non-current investment costs	12	401	394	401	394
Non-cash pension charges/(credits)	22	4,505	(52,909)	4,505	(52,909)
Increase in stock	13	(1)	(55)	(1)	(55)
Decrease in debtors	14	5,208	3,157	5,139	3,037
Increase/ (decrease) in creditors	17,18	30,004	(4,869)	30,126	(4,774)
Adjustment for investing or financing activities					
Capital grant income	3,5	(31,826)	(21,518)	(31,826)	(21,518)
Investment income	6	(4,376)	(5,906)	(4,376)	(5,900)
Interest payable	9	10,448	9,846	10,441	9,837
New endowments	7	(288)	(166)	(288)	(166)
Gain on disposal of non-current investments	12	(726)	-	(726)	-
Gain on current and non-current investments	12,15	(34,463)	(4,765)	(34,463)	(4,765)
Net cash inflow from operating activities		84,112	37,212	84,109	37,056
Cash flows from investing activities					
Capital grant receipts		26,346	13,594	26,346	13,594
Investment income	6	4,376	5,906	4,376	5,900
(Decrease)/ increase in deposits	12	(75,205)	66,576	(75,205)	66,576
Payments made to acquire fixed assets	11	(133,071)	(104,346)	(133,071)	(104,346)
Non-current investment acquisitions	12	(571)	(793)	(571)	(763)
Non-current investment disposals	12	2,224	225	2,224	225
Net cash (outflow) from investing activities		(175,901)	(18,838)	(175,901)	(18,814)
Cash flows from financing activities					
Interest paid	9	(10,854)	(9,728)	(10,847)	(9,719)
Endowment cash received	7	288	166	288	166
Repayments of amounts borrowed	17,18	(2,251)	(2,345)	(2,251)	(2,345)
Bond issue	18	128,217	-	128,217	-
Net cash inflow/ (outflow) from financing activities		115,400	(11,907)	115,407	(11,898)
Increase in cash and cash equivalents in the year		23,611	6,467	23,615	6,344
Cash and cash equivalents at beginning of the year		124,976	118,509	124,022	117,678
Cash and cash equivalents at end of the year	16	148,587	124,976	147,637	124,022

1. Statement of Principal Accounting Policies

Basis of preparation

This consolidated financial information has been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, the Financial Reporting Standard (FRS 102) and the Charities Act 2011. The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial information is prepared in accordance with the historical cost convention (modified by the revaluation of land and buildings and the measurement of certain financial instruments at fair value).

The financial statements have been prepared on a going concern basis. The University is required when preparing its financial statements to provide assurance to Council and our auditors that the University is a going concern.

Assurance is provided by forecasting forward cash-flows, based on the University's latest income, expenditure, working capital and capital investment programme expectations, that ensure cash liquidity is maintained to an appropriate level for the 12-month period, from the date of signing of these statements, i.e., to 31 December 2022, and beyond to 31 July 2025.

The University has considered the impact of the current COVID-19 environment on the business for the next 12 months and the longer term. Detailed plans are predicated on the removal of all existing social distancing measures from the start of the 2021/22 academic year.

The University has secured a Revolving Credit Facility (RCF) with Lloyds Bank for £20m. The aim is to actively manage the operating cashflow, so that this facility is not needed but it provides security if there are timing differences on cash receipts and expenditure in year

As a consequence of the critical review of all the above, the Council considers that the University is well placed to manage its finance and other business risks satisfactorily and has a reasonable expectation that the University will have adequate resources to continue in operation for at least 12 months from the signing date of these consolidated financial statements.

Basis of consolidation

The consolidated financial information consolidates the financial statements of the University and its subsidiary undertakings University College Cardiff Consultants Limited and International Learning Exchange Programme Limited for the financial year to 31 July. It does not include those of the University Students' Union or the Cardiff Partnership Fund Limited as the Council does not exercise control over their financial and operating activities.

Uniform accounting policies are adopted throughout the Group. Joint ventures are accounted for using the equity method.

Recognition of income

Fee income is stated gross of any expenditure which is not a discount or overseas agent payment and credited to the Consolidated Statement of Comprehensive Income. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customer or the terms of the contract have been satisfied.

Investment income is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Grant funding including funding council block grants, research and furlough grants from government sources and grants (including research grants) from non-government sources are recognised as income when the performance related conditions have been met and the University has become entitled to the income. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the Institution is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the University is entitled to the funds.

Investment income and movements in fair value of endowments are recorded in income in the year in which they arise and as either restricted or unrestricted income according to the terms of the restrictions applied to the individual endowment funds.

1. Statement of Principal Accounting Policies (continued)

There are four main types of donations and endowments identified within reserves:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.

2. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Institution.

3. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Institution has the power to use the capital.

4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Capital grants are recognised in income when the Institution is entitled to the funds subject to any performance related conditions being met.

Provision for doubtful debts

Provision is normally made for individual debts where recovery is thought to be in doubt based the ageing of the debt past its due date, other known circumstances relating to the individual debtor, such as referred to debt collection agency, and post year end recovery of debts. Any un-provided debts are deemed as recoverable.

The COVID-19 pandemic has presented the University with unique circumstances in the year, and further judgements concerning tuition fee debtors have been made. Further details are provided in the Significant estimates and judgements section on page 54.

Pension schemes

The three principal defined benefit pension schemes for the University's staff are the Universities Superannuation Scheme (USS), the Cardiff Institution Pension Fund (CUPF), and the Local Government Pension Scheme (LGPS). The schemes are funded defined benefit schemes. The funds are actuarially valued every three years by a professionally qualified actuary using either the aggregate method or the attained age method with the rates of contribution payable being determined by the scheme's trustees on the advice of the actuary.

Universities Superannuation Scheme

The assets of the USS are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the University accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined benefit plan:

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

In addition, the National Health Service (NHS) Superannuation Scheme is in operation for certain staff. The NHS scheme is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution rates determined by HM Treasury. This is accounted

1. Statement of Principal Accounting Policies (continued)

for as a defined contribution scheme. To comply with The Pensions Act 2008, the Institution also uses the NEST defined contributions pension scheme for eligible non-contractual workers.

Employment benefits

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

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into GB Sterling, the functional currency of the Institution, at year-end rates and the resulting exchange differences are included in the determination of the deficit or surplus for the year.

Operating leases

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

Fixed assets

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Freehold and Long Leasehold property assets in existence on the transition to the FE/HE SORP (1st August 2014) were measured on the basis of deemed cost, being market fair value or deemed cost of replacement.

The difference between the revalued amount and historical cost is credited to a revaluation reserve.

An amount equal to the depreciation in excess of that on the historical cost basis is transferred from the revaluation reserve to retained earnings.

Land and buildings

Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the University.

Land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives, in years, as follows:

Academic buildings and listed buildings	50
Pre 1990 residence sites	25
Post 1990 and Talybont North residences	50
Residential Houses	50
Semi-permanent buildings	25
New UHW site buildings	50
Old UHW site buildings	25
Refurbishments	15

Leasehold buildings are depreciated over the shorter of the lease term or the expected useful lives shown above.

No depreciation is charged on assets in the course of construction.

Equipment

Equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition unless purchased as part of a refurbishment. All other equipment is capitalised with the exception of equipment funded from Research Grants which costs under £50,000 which is also written off in the year of acquisition.

Fully depreciated equipment is written off 10 years after acquisition.

Capitalised equipment is stated at cost and depreciated over its expected useful life of between four and fifteen years as appropriate. Assets under construction are not depreciated until brought into use.

Investments

Non-current asset investments are held on the Balance Sheet at cost less impairment. Joint ventures are carried at cost less impairment in the University's financial statements.

Current asset investments are held at fair value with movements recognised in the total comprehensive income for the year.

Stocks

The stocks are building materials, medical/bioscience consumables and trading consumables of the Estates Works Unit, College of Biomedical and Life Sciences and Catering respectively. They are valued at the lower of cost or net realisable value.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

1. Statement of Principal Accounting Policies (continued)

Maintenance of premises

The University has a rolling maintenance plan which is reviewed on an annual basis. The cost of routine corrective maintenance is charged to the statement of comprehensive income.

Taxation status

The University is a registered charity within the meaning of Chapter 1 Section 3 of the Charities Act 2011 and as such is a charity within the meaning of Section 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes for public benefit.

All subsidiary companies are liable to Corporation Tax and Value Added Tax (VAT). The University's principal activities are exempt from VAT, but certain ancillary supplies and services are liable to VAT at various rates. Expenditure includes irrecoverable VAT charged by suppliers to the University. The University does not have to pay Stamp Duty Land Tax when buying and leasing a property.

Provisions

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Financial instruments

The University has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments for its consolidated and Institution financial statements.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the total comprehensive income for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the total comprehensive income for the year.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the surplus or deficit, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

1. Statement of Principal Accounting Policies (continued)

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

The bond repayment fund, a designated reserve, was created in 2019/20 for the purpose of being able to give a reasonable likelihood of being able to meet the bond repayment of £400m, due on 7 December 2055 (note 24).

Significant estimates and judgements

Significant estimates and judgements used in the preparation of this financial information were as follows:

(i) **Recoverability of debtors**

The normal accounting policy for the assessment of recoverability of debtors and the subsequent doubtful debt impairment provisioning was challenged this year by the advent of the COVID-19 pandemic and the unique circumstances it presented to the University regarding the collection of students fees and Commercial and Research debt.

Following last year's cessation of normal dunning procedures for all student debt from mid-March onwards until August 2020, normal procedures have resumed and students have been required to clear their current fees before progressing to another academic year. For students who have completed their course but have fees outstanding their full certification is withheld until their fee debt is cleared, in line with University Tuition fee policy.

Overall, the impact of COVID-19 on both the University's ability to collect debt and our students, UK and international Commercial and Research clients to settle debt has been to increase the aged profile of overdue debt which means there is more risk in recovering the debt. This is particularly true for international debt due to the varying impact of COVID-19 on the relevant debtor's country of residence.

Estimate

Tuition fee debt

The year-end tuition fees doubtful debt impairment provision is assessed on the basis of all overdue debt by fee debtor category regardless of aged profile, with particular categories attributing more risk than others as a result of the impact of COVID-19 pandemic.

The resulting aggregated debt impairment provision is reduced by subsequent fee settlements received after 31 July 2021 from debtors within these same categories. All other tuition fee debt is deemed recoverable.

Tuition fee debt at 31 July 2021 was £6.3m (see Note 14), of which £6.2m was overdue. After applying our debt impairment policy, £5.7m was deemed at risk, of which £1.0m was received after 31 July 2021, resulting in a doubtful debt impairment provision of £4.7m (2020: £5.0m).

Commercial and Research Debt

General debt impairment assessment policies have been applied, with the exception of overseas higher education institutions whereby debt over 91 days overdue is subject to impairment provision (normally provided on 181 days overdue)

Overall, Commercial and Research debt at 31 July 2021 was £11.5m (see Note 14).

After applying the modified doubtful debt impairment policy to overdue debt of £3.1m, £1.0m is assessed at risk (2020: £1.3m) and subject to doubtful debt impairment provision

1. Statement of Principal Accounting Policies (continued)

(ii) **Retirement benefit obligations**

Estimate – CUPF and LGPS

The University operates its own scheme, Cardiff University Pension Fund (CUPF) and participates in a Local Government Pension Scheme (LGPS); both are defined benefit schemes. Actuarial valuations of the schemes are carried out as determined by the trustees at intervals of not more than three years.

Pension costs under FRS 102 are assessed in accordance with the advice of independent actuaries based upon latest actuarial valuations and assumptions determined by the actuaries.

The assumptions are based upon information supplied to the actuaries by the University, supplemented by discussions between the actuary and management, where relevant. The assumptions are documented in Note 25.

Estimate - USS

As the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability in the balance sheet. The provision is currently based on USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2027. These contributions are re-assessed within each triennial valuation of the scheme. The provision is based on management's estimate of future salaries inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in Note 25.

Judgement - USS

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme.

The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit. results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and the institution has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

2. Tuition Fees and Education Contracts

Consolidated and Institution

	2021 £'000	2020 £'000
UK and European Union Undergraduate	154,288	142,583
UK and European Union Postgraduate	17,234	15,708
Overseas (including part-time)	95,468	96,404
Part Time (UK and European Union)	6,670	6,430
	273,660	261,125
Education contracts	16,068	15,885
Research training support grants	10,491	9,446
Non-credit bearing fees	6,693	10,549
	306,912	297,005

3. Funding Body Grants

Consolidated and Institution

	2021 £'000	2020 £'000
Recurrent grant	62,130	59,740
Specific grants	20,047	3,063
Capital grants - buildings	16,034	13,108
Capital grants - equipment	11,253	2,250
	109,464	78,161

In 2021, the University received £31,246k of additional funding from HEFCW in response to the COVID-19 pandemic, of which £28,919k has been recognised in the year and included in the Funding Body Grant income above.

4. Research Grants and Contracts

Consolidated and Institution

	2021 £'000	2020 £'000
Research Councils	37,888	36,159
UK-based charities	18,004	18,423
UK Government bodies	33,384	33,799
UK Industry	6,433	7,348
European Commission	9,189	9,251
Overseas	6,319	6,734
Other grants and contracts	1,431	1,059
	112,648	112,773

5. Other Income

	Consolidated		Institution	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Other services rendered:				
UK Central Government	18,336	19,943	18,336	19,943
UK Health Authorities	7,258	8,501	7,258	8,501
UK Industry	1,092	1,006	1,092	1,006
European Union	1,049	1,704	1,049	1,704
Overseas	167	286	167	286
UK Universities	396	242	396	242
Other Sources	5,570	6,000	5,570	6,000
Total other services rendered	33,868	37,682	33,868	37,682
Residences, catering and conferences	22,774	20,964	22,774	20,964
Exempt VAT recoverable	2,008	857	2,008	857
Other capital grants	4,539	6,160	4,539	6,160
Government Job Retention Scheme	400	3,110	400	3,110
Other income	4,866	5,410	3,657	4,066
	68,455	74,183	67,246	72,839

6. Investment Income

	Consolidated		Institution	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Income from investments	3,151	4,773	3,151	4,767
Income from endowment investments (Note 23)	1,225	1,133	1,225	1,133
	4,376	5,906	4,376	5,900

7. Donations and Endowments

	Consolidated		Institution	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
New endowments (Note 23)	288	166	288	166
Donations with restriction	210	243	210	243
Unrestricted donations	2,240	375	2,240	375
	2,738	784	2,738	784

8. Staff Costs

Consolidated and Institution

	Note	2021 £'000	2020 £'000
Staff costs:			
Wages and salaries		251,928	250,206
Social security costs		25,356	25,292
Other pension costs	25	52,529	50,579
		329,813	326,077

The above figures exclude payments made to staff on behalf of the National Health Service.

	2021 FTE	2020 FTE
Average staff numbers by major category:		
Clinical and non-clinical academic and academic related	4,395	4,256
Technical services	215	224
Administrative support	963	945
Operational services	236	246
	5,809	5,671

8. Staff Costs: Emoluments of the Vice Chancellor

	2021 £'000	2020 £'000
Salary	271	269
Benefits-in-kind	22	25
	293	294
Pension	5	5
	298	299

The benefits-in-kind received by the Vice Chancellor are as follows (£000s):

Private medical insurance	1	1
Permanent accommodation	21	24

The remuneration of the Vice-Chancellor is set by the Remuneration Committee, which comprises independent lay members of Council who possess relevant knowledge and expertise. The Vice-Chancellor is not in attendance for, and does not play any part in, the discussions and decisions of his own remuneration.

The Vice-Chancellor's Reward Scheme involves:

- an annual review of base pay in relation to the market; and
- a long-term lump sum non-pensionable performance-related bonus payment linked to the achievement of the Way Forward 2018-2023.

The scheme builds on the principles of the Senior Salary Review process as outlined in the Senior Staff Pay Policy and is designed as a long-term incentive plan to reward and retain the Vice-Chancellor with a view to delivery of the Way Forward Strategy 2018-23

The Remuneration Committee determines the remuneration according to several factors including, but not limited to:

- the Vice-Chancellor's leadership, management and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- the benchmarking of base salary against the annual salary of Vice Chancellors of Russell Group universities and other institutions of comparable size and scope.
- The performance of the University according to the strategy and agreed metrics.

Each year, the Remuneration Committee receives a report by the Chair of Council on the Vice Chancellor's Performance Development Review (which includes input from Council members) and agreed objectives for the following year.

This information will also support the final performance review against the Vice Chancellor's 5-year Reward Scheme. This Scheme runs to 2023 at which point any performance payment will be made. The Vice Chancellor does not receive any annual performance payments.

The Vice-Chancellor's base salary is reviewed in line with national pay awards for the Higher Education sector.

The Vice-Chancellor's basic salary is 7.0 times (2020: 7.1 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries and wages paid by the University.

The Vice-Chancellor's total remuneration is 7.6 times (2020: 7.7 times) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University.

As per HEFCW Accounts Direction, remuneration includes personal service companies that are deemed by the University to be employees under HMRC Intermediary Regulations (IR35) and paid through payroll and reported to HMRC via "Real-time Information" (RTI) reporting.

8. Staff Costs: Key management personnel compensation

The University considers that key management personnel are the 12 individuals (2020: 11) who serve as members of the University Executive Board having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs include compensation paid to key management personnel.

	2021 £'000	2020 £'000
Key management personnel compensation	1,833	1,953

A list of current members of University Executive Board is publicly available on our website: www.cardiff.ac.uk/about/organisation/university-executive-board

Compensation for loss of office to higher paid employees

No compensation payments were made to higher paid employees in year (2020: nil)

Other higher paid staff

The remuneration of higher paid staff (excluding the Vice Chancellor) reflected in the ranges below exclude employer pension contributions and compensation for loss of office but include payments made on behalf of the NHS in respect of its contractual obligation to University staff under separate NHS contracts of employment. These payments are excluded from the University's Income and Expenditure account. Of the 148 staff earning in excess of £100,000 in 2021 (2020: 157), 51 (2020: 53) include such payments on behalf of the NHS.

Salary Band	2021 NHS No.	2021 Other No.	**2021 Total No.**	2020 NHS No.	2020 Other No.	**2020 Total No.**
£100,000 - £104,999	-	23	**23**	1	33	**34**
£105,000 - £109,999	1	21	**22**	2	19	**21**
£110,000 - £114,999	3	9	**12**	-	11	**11**
£115,000 - £119,999	4	8	**12**	8	5	**13**
£120,000 - £124,999	7	3	**10**	2	4	**6**
£125,000 - £129,999	-	7	**7**	5	6	**11**
£130,000 - £134,999	3	7	**10**	-	5	**5**
£135,000 - £139,999	3	4	**7**	8	3	**11**
£140,000 - £144,999	9	4	**13**	7	3	**10**
£145,000 - £149,999	4	1	**5**	3	4	**7**
£150,000 - £154,999	3	1	**4**	5	2	**7**
£155,000 - £159,999	4	5	**9**	1	2	**3**
£160,000 - £164,999	1	-	**1**	3	1	**4**
£165,000 - £169,999	3	3	**6**	1	2	**3**
£170,000 - £174,999	1	-	**1**	3	1	**4**
£175,000 - £179,999	2	-	**2**	1	-	**1**
£180,000 - £184,999	3	1	**4**	2	1	**3**
£185,000 - £189,999	-	-	**-**	-	1	**1**
£190,000 - £194,999	-	-	**-**	1	-	**1**
£225,000 - £229,999	-	-	**-**	-	1	**1**
	51	97	**148**	53	104	**157**

8. Staff Costs: Key management personnel compensation

Trustee remuneration and expenses

No trustee received any remuneration or waived payment from the University during the year (2020: none).

The amounts in the table below represent payments made to trustees for travel and subsistence costs incurred in attending Council, committee meetings and charity events in their official capacity. Not all trustees have claimed expenses in the year or prior year. Where trustees are also employees of the University, expenses claimed in their capacity as an employee are not included.

	2021 £'000	2020 £'000
Expenses paid to 7 trustees in the year (2020: 12)	1	8

9. Interest and Other Finance Costs

	Consolidated		Institution	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bond interest & finance costs	9,915	9,159	9,915	9,159
Bank loan interest	526	678	526	678
Other interest & finance costs	7	9	-	-
	10,448	9,846	10,441	9,837
Net charge on pension schemes (Note 21)	1,430	1,310	1,430	1,310
Unwind of discount on USS pension provision (Note 21)	620	2,309	620	2,309
	12,498	13,465	12,491	13,456

10. Analysis of Expenditure by Activity

Consolidated	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2021 £'000	Total 2020 £'000
Academic departments	191,945	37,088	-	229,033	234,922
Academic services	21,457	30,013	-	51,470	32,468
Research grants and contracts	51,764	29,812	-	81,576	80,654
Other services rendered	14,839	17,304	-	32,143	35,846
Residences, catering and conferences	4,876	6,425	526	11,827	12,145
Premises	5,985	40,757	-	46,742	38,800
Administration and central services	25,946	6,312	-	32,258	29,672
Other expenses	12,458	20,141	9,922	42,521	47,582
Pension fund adjustments	61	-	2,050	2,111	2,305
	329,331	187,852	12,498	529,681	514,394
Depreciation (note 11)				40,644	40,382
Staff costs - Increase/(decrease) in USS pension scheme provision (note 21)				2,394	(55,214)
Staff costs – Voluntary Severance Scheme				482	-
Total per Statement of Comprehensive Income				573,201	499,562

Institution	Staff costs £'000	Other operating expenses £'000	Interest Payable £'000	Total 2021 £'000	Total 2020 £'000
Academic departments	191,945	37,088	-	229,033	234,922
Academic services	21,457	30,013	-	51,470	32,468
Research grants and contracts	51,764	29,812	-	81,576	80,654
Other services rendered	14,839	17,304	-	32,143	35,846
Residences, catering and conferences	4,876	6,425	526	11,827	12,145
Premises	5,985	40,757	-	46,742	38,800
Administration and central services	25,946	6,312	-	32,258	29,672
Other expenses (see note below)	12,458	18,988	9,915	41,361	46,360
Pension fund adjustments	61	-	2,050	2,111	2,305
	329,331	186,699	12,491	528,521	513,172
Depreciation (note 11)				40,644	40,382
Staff costs – Increase/(decrease) in USS pension scheme provision (note 21)				2,394	(55,214)
Staff costs – Voluntary Severance Scheme				482	-
Total per Income and Expenditure Account				572,041	498,340

Other operating expenses include:		
External auditors' remuneration in respect of audit services (inclusive of VAT)	133	94
External auditors' remuneration in respect of audit-related services (incl. VAT)	12	3
External auditors' remuneration in respect of non-audit services (incl. VAT) -see (i) below	84	-
Operating lease rentals		
Land and buildings	3,180	2,416
Other	177	175

10. Analysis of Expenditure by Activity (continued)

Expenditure includes:

- staff costs of £3,407k (2020: £4,171k) relating to the movement on the Employee Leave Accrual (Note 18)
- expenditure in relation to the University's response to the COVID-19 pandemic of £18,472k (2020: £2,381k)
- costs of £1,039k (2020: £2,224k) for individuals placed on furlough, of which £911k relates to the cost of researchers (2020: £1,858k).
- COVID-19 student hardship payments of £11,485k.

(i) External auditors' remuneration in respect of non-audit services

As part of the bond issue in 2020/21, PwC were asked to provide a comfort letter to the issuing banks. As the fees for this work exceeded the Financial Reporting Council's (FRC) fee cap limits on the value of non-audit services, approval was given by the Audit and Risk Committee for PwC to approach the FRC to obtain a waiver. The FRC subsequently granted this waiver.

11. Tangible Fixed Assets

Consolidated and Institution

	Land and Buildings			Equipment	Total
	Freehold £'000	Long leasehold £'000	Assets in the Course of Construction £'000	£'000	£'000
Cost or valuation					
At 1 August 2020	471,266	284,516	151,667	175,493	1,082,942
Additions at cost	1,740	-	109,397	21,934	133,071
Disposals	-	-	-	(3,911)	(3,911)
Projects completed	6,682	-	(6,682)	-	-
Impairments (ii)	(6,513)	-	-	-	(6,513)
At 31 July 2021	473,175	284,516	254,382	193,516	1,205,589
Valuation (i)	371,815	229,472	-	-	601,287
Cost	101,360	55,044	254,382	193,516	604,302
2At 31 July 2021	473,175	284,516	254,382	193,516	1,205,589
Accumulated depreciation					
At 1 August 2020	54,699	41,971	-	139,475	236,145
Charge for year	10,778	8,226	-	21,640	40,644
Eliminated on disposal	-	-	-	(3,912)	(3,912)
Impairments (ii)	(1,563)	-	-	-	(1,563)
At 31 July 2021	63,914	50,197	-	157,203	271,314
Net book value					
At 31 July 2021	409,261	234,319	254,382	36,313	934,275
At 31 July 2020	416,567	242,545	151,667	36,018	846,797

(i) A full valuation of the University's Estate was carried out on 31 July 2014 by Cooke and Arkwright Chartered Surveyors in accordance with the RICS Valuation – Professional Standards January 2014 (the Red Book) to establish deemed cost. Of the total valuation of £609m, £557m was at fair value by depreciated replacement cost and £52m was at fair value.

(ii) Following the completion of the new Abacws building for Maths and Computer Science, the original building has been impaired in full as it will not be used in the provision of academic or research services in future. As this building was revalued in 2014, the impairment charge is represented by a £2,061k charge against the surplus for the year and a £2,889 reversal of accumulated depreciation charged against the revaluation reserve.

Certain buildings have been funded from U.K. Treasury sources at a cost of £132m. Should these particular buildings be sold, the University would use the proceeds in accordance with the Financial Memorandum with HEFCW.

Land and buildings include non-depreciated land of £118m (2020: £118m).

12. Non-Current Investments

	Consolidated			Institution		
	Investment in joint ventures	Other Investments	Total	Equity investment in joint ventures	Other Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2020	3,482	5,782	9,264	2,003	8,631	10,634
Additions	-	571	571	-	571	571
Disposals	-	(1,899)	(1,899)	-	(1,899)	(1,899)
Impairment of investments	-	-	-	-	(3,160)	(3,160)
Share of operating deficit in joint ventures	(63)	(275)	(338)	-	-	-
Balance at 31 July 2021	3,419	4,179	7,598	2,003	4,143	6,146

The University has investments in the following:

University College Cardiff Consultants Limited (UC3)
The results of UC3, a company limited by guarantee and registered in the UK, have been included by consolidation in the financial information. The company's principal activity is the commercialisation of the intellectual property and other outputs of research generated by the academic schools of the University. The company is also responsible for the University's interests through shareholdings in a number of spin-out companies arising from the Institution's research and other operations.

Compound Semiconductor Centre Limited
The Group's total investment after impairment and after its share of operating deficits is £nil (2020: £275k) and within the University £nil (2020: £3,160k) of preference shares. The preference shares are debt instruments and are included in 'other investments'. The ordinary share investment of £12,000k was fully impaired in 2019.

Cardiff Medicentre
The University holds an investment of £2,003k (2020: £2,003k) representing an 89% shareholding in Cardiff Medicentre with Cardiff and Vale UHB holding the remaining 11%. This Group's total investment after its share of operating surpluses is £3,419k (2020 £3,482k). This interest is treated as a joint venture as the University has joint control with Cardiff and Vale UHB.

Mobeus
The University has made a commitment to invest £10m in the Mobeus Equity Partners IV fund. This is a private equity investment fund which will contribute to the bond repayment fund for the repayment of the £400m bond capital in 2055. In the year there were additions of £571k and divestments of £1,498k on which a gain of £726k was realised (divestment proceeds of £2,224k) (2020: invested £538k). As at 31 July 2021, the investment fund is held at £4,067k (2020: £5,395k).

The prior year correction relates to investment income (£330k), net of fund management fees and other expenses (£(533)k) and investment movements £(198)k. These were classified as investment movements in past accounting periods and should have been recognised as expenditure and income.

In addition to the £4,067k held in non-current investments, the University holds a balance of £3,060k in Cash and cash equivalents relating to Mobeus Investments. The two balances combined form part of the Bond Repayment Fund (Note 24).

Cardiff Partnership Fund Limited
The University owns a 100% shareholding of £76k (2020: £76k) in the Cardiff Partnership Fund Limited, the holding company of the unincorporated Cardiff Partnership Fund Limited Partnership. This company is not consolidated on the basis that the University does not exercise control over the activities that rest with an independent board.

SETSquared Partnership
In September 2021, the University joined the SETSquared Partnership, a university incubator network.

12. Non-Current Investments (continued)

International Learning Exchange Programme Limited ("ILEP")
Following the UK Government's decision to withdraw from the Erasmus+ scheme, the Welsh Government announced a new learning scheme to continue to benefit staff and students from international exchanges in a similar way to Erasmus+, not just in Europe but also further afield. The scheme will run from 2022 to 2026. To safeguard transparency, the University agreed to operate the programme on behalf of the Welsh Government through a wholly owned subsidiary company. ILEP was incorporated on 22 June 2021. The company was not active at 31 July 2021 but the University received £6,505k of funds from the Welsh Government, on behalf of ILEP, during the year. These funds are held under current investments and the amount due to ILEP is included within creditors falling due within one year.

13. Stocks

Consolidated and Institution	2021 £'000	2020 £'000
Residences and Catering	83	81
Maintenance	101	98
Academic Departments	112	116
	296	295

14. Trade and other receivables

	Consolidated		Institution	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Amounts falling due within one year:				
Trade Debtors:				
- Tuition fees	6,345	9,803	6,345	9,803
- Research grants & contracts	6,624	8,520	6,624	8,520
- Other Services	4,851	8,929	4,568	8,548
Less: Trade Debtors impairment provision (i)	(5,798)	(6,282)	(5,762)	(6,246)
Net Trade Debtors	12,022	20,970	11,775	20,625
Other Debtors	1,019	1,092	1,019	1,053
Amount due from subsidiary undertaking	-	-	1,102	1,170
Prepayments	287	1,372	287	1,372
Accrued Income				
- Research grants and contracts	24,833	20,542	24,833	20,542
- Other Income	8,633	6,026	8,633	6,026
	46,794	50,002	47,649	50,788
Amounts falling due after more than one year:				
Compound Semiconductor Centre Limited (ii)	-	2,000	-	2,000
Total Debtors	46,794	52,002	47,649	52,788

(i) Further information regarding the judgements and estimates in relation to the impairment can be found in Note 1: Accounting Policies on Page 54 "Recoverability of debtors".

(ii) The amount owed from the University's joint venture was subject to an impairment review and has been fully provided for on the basis of doubtful recoverability.

15. Current Investments

Consolidated and Institution

	Endowment Investments £'000 (Note 22)	Other Investments £'000	2021 Total £'000	2020 Total £'000
Short term investment in shares	-	171,199	171,199	97,554
Short term bonds	-	67,782	67,782	44,237
Other short-term investments	43,354	30,966	74,320	58,165
Short term deposits	-	12,291	12,291	15,770
	43,354	282,238	325,592	215,726

The increase in fair value of current investments in the year was £34,661k (2020: £4,765k).

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at the time of placement.

At 31 July 2021 the weighted average interest rate of these fixed rate short term deposits was 0.1% (2020: 1.02%) per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 31 days (2020: 77 days). The fair value of these deposits was not materially different from the book value.

16. Cash and Cash Equivalents

	Consolidated		Institution	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Operational bank accounts	73,360	53,902	72,410	52,948
Cash-in-hand	10	12	10	12
Money market funds	55,383	60,343	55,383	60,343
Cash funds held by investment fund managers	17,707	8,186	17,707	8,186
Cash fund held within endowment funds	2,127	2,533	2,127	2,533
	148,587	124,976	147,637	124,022

17. Creditors: amounts falling due within one year

	Consolidated		Institution	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	10,952	6,564	10,569	6,536
Social security and other taxation	7,306	8,378	7,306	8,276
Sundry creditors	13,956	6,456	7,451	6,455
Deposits	235	192	235	192
Employees leave entitlement accrual (i)	17,157	13,750	17,157	13,750
Accruals	27,590	26,394	27,590	26,020
Deferred income (see below)	86,970	76,491	86,970	76,491
Unsecured loans	129	264	129	264
Secured loans	2,413	2,240	2,413	2,240
Amounts due to subsidiary undertakings	-	-	6,505	-
	166,708	140,729	166,325	140,224

Deferred Income

Included in deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Tuition Fees	4,837	2,904	4,837	2,904
Research grants and contracts	50,133	41,253	50,133	41,253
Other Income	23,775	19,979	23,775	19,979
Capital grant income	8,225	12,355	8,225	12,355
	86,970	76,491	86,970	76,491

(i) The University has extended its policy to allow staff to carry-forward up to ten days holiday entitlement as a consequence of the continued impact of the COVID-19 pandemic. In addition, in exceptional circumstances, entitlements over ten days may be carried forward.

18. Creditors: amounts falling due after more than one year

Consolidated and Institution	2021 £'000	2020 £'000
Deferred capital grant income	212	1,550
Unsecured loans (i)	130	6
Secured loan	5,737	8,150
Public Bond (ii)	293,831	293,711
Public Bond Tap (iii)	127,811	-
Total loans and long-term debt	427,509	301,867
	427,721	**303,417**

Analysis of secured and unsecured loans

Due within one year or on demand (Note 17)	2,542	2,504
Due between two and five years	5,867	7,981
Due in five years or more	421,642	293,886
Due after more than one year	427,509	301,867
	430,051	**304,371**

Included in loans are the following:

Lender	Term	Secured/ Unsecured	Interest rate %	Borrower	2021 £'000	2020 £'000
Welsh Government (i)	2023	Unsecured	-	University	259	270
Lloyds Bank (iv)	2024	Secured	8.853	University	5,175	6,715
Royal Bank of Scotland (v)	2025	Secured	See below	University	2,975	3,675
					8,409	10,660

(i) The interest free Welsh Government loan is from their Invest-to-Save scheme for student transition, retention and success and will be repaid in full by November 2022. The previous loan for energy efficient projects was fully repaid.

(ii) The 39-year public bond of £300 million was issued in February 2016 and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 3.1%.

(iii) A £100m bond tap was issued in February 2021 at a premium and is repayable in full on 7th December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7th June and 7th December each year. The effective interest rate is 1.9%.

(iv) Lloyds Bank originally advanced £17 million to the University to finance the cost of student residences. The loan is secured on Talybont South property and is repayable by 28 February 2024 on a reducing balance method.

(v) Royal Bank of Scotland originally advanced £14 million to the University to finance the cost of Talybont Court. The loan is secured on Talybont Court and is repayable by 1 October 2025 by equal instalments of £0.7m per annum. Interest is payable on the loan at 0.225% above Base Rate.

(vi) In July 2021, following approval by the Finance and Resource Committee, the University took out an unsecured Revolving Credit Facility with Lloyds bank for £20m over three years. As at 31 July 2021, the facility had not been utilised.

19. Consolidated and Institution Reconciliation of Net Debt

	Consolidated	Institution
	£'000	£'000
Net debt 1 August 2020	179,395	180,349
Movement in cash and cash equivalents	(23,611)	(23,615)
Repayment of secured loans	(2,240)	(2,240)
Repayment of unsecured loans	(11)	(11)
Bond tap	127,811	127,811
Other non-cash changes (bond interest)	120	120
Net Debt 31 July 2021	281,464	282,414
Change in net debt	102,069	102,065

Analysis of net debt		Consolidated		Institution	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
Borrowings: amounts falling due within one year					
Secured loans		2,413	2,240	2,413	2,240
Unsecured loans		129	264	129	264
	(Note 17)	2,542	2,504	2,542	2,504
Borrowings: amounts falling due after more than one year					
Secured Loans		5,737	8,150	5737	8,150
Unsecured loans		130	6	130	6
Public Bond		293,831	293,711	293,831	293,711
Public Bond Tap		127,811	-	127,811	-
	(Note 18)	427,509	301,867	427,509	301,867
Less: Cash and cash equivalents	(Note 16)	(148,587)	(124,976)	(147,637)	(124,022)
Net debt		281,464	179,395	282,414	180,349

20. Financial Instruments

The University has the following financial instruments which are all denominated in sterling:

		Consolidated		Institution	
	Note	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Financial assets at fair value through surplus or deficit investments in equity and listed bonds	15	313,301	199,956	313,301	199,956
		313,301	199,956	313,301	199,956
Financial assets that are debt instruments measured at amortised cost					
Trade receivables	14	12,022	20,970	11,775	20,625
Other receivables	14	1,019	3,092	2,121	4,223
Investments in short term deposits	15	12,291	15,770	12,291	15,770
		25,332	39,832	28,187	40,618
Financial liabilities measured at amortised cost					
Public Bond	18	293,831	293,711	293,831	293,711
Public Bond Tap	18	127,811	-	127,811	-
Loans	18	8,409	10,660	8,409	10,660
Trade creditors	17	10,952	6,564	10,569	6,536
Other creditors	17	14,188	6,648	7,683	6,647
Accruals	17	27,590	26,394	27,590	26,020
		482,781	343,977	475,893	343,574

21. Pension Provision

Consolidated and Institution

	Obligation to fund deficit on USS Pension	CUPF fund obligations (Note 25)	LGPS fund obligations (Note 25)	2021 Total Pension Provision	2020 Total Pension Provision
	£'000	£'000	£'000	£'000	£'000
At 1 August	84,806	92,083	10,420	187,309	200,248
Utilised in year	(3,754)	-	-	(3,754)	(3,114)
Additions/ (reductions)	2,394	8,010	(7,195)	3,209	(13,444)
Discount rate changes (Note 9)	620	1,300	130	2,050	3,619
At 31 July	84,066	101,393	3,355	188,814	187,309

USS deficit

The University has entered into an agreement (the Recovery Plan) that determines how each employer within the multi-employer scheme will fund the overall deficit. The University recognises a liability for the contributions payable that arise from the agreement to fund the scheme (to the extent that they relate to the deficit) and the resulting expense in the Statement of Comprehensive Income. For key assumptions used in calculating the liability please refer to Note 25.

The last formal completed actuarial valuation is as at 31 March 2018, which was carried out using the projected unit method, the result of which was incorporated in the 2019/20 Financial Statements. As the 2020 valuation was not filed with The Pensions Regulator until 1 October 2021, it constitutes a non-adjusting post balance sheet event. The impact on the year end provision would have been an increase in provision of £157m to £241m.

22. Other Provisions

Consolidated

	2021 Total £'000	2020 Total £'000
Share of net liability in joint venture	3,431	-

The University has an obligation to support its joint venture in Compound Semiconductor Centre Limited and has recognised the share of net liabilities of the investment in the Consolidated results.

23. Endowment reserves

Consolidated and Institution

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2021 Total £'000	2020 Total £'000
Capital opening balance	2,432	20,122	22,554	1,389	23,943	23,962
Accumulated income	1,379	11,395	12,774	2,221	14,995	14,275
	3,811	31,517	35,328	3,610	38,938	38,237
New endowments	-	-	-	288	288	166
Income for year	121	1,001	1,123	102	1,225	1,133
Expenditure	(113)	(415)	(528)	(289)	(817)	(1,066)
	8	588	595	(187)	408	67
Increase in market value	592	4,774	5,366	481	5,847	468
Closing balance	**4,411**	**36,879**	**41,289**	**4,192**	**45, 482**	**38,938**
Represented by:						
Capital	2,807	22,997	25,804	1,559	27,363	23,943
Accumulated income	1,604	13,882	15,486	2,633	18,119	14,995
	4,411	**36,879**	**41,290**	**4,192**	**45,482**	**38,938**
Analysis by type of purpose:						
Appeal Fund	-	94	94	-	94	79
Chairs	-	13,559	13,559	-	13,559	11,669
Lectures	-	1,101	1,101	-	1,101	934
Hardship Funds	12	2,291	2,303	559	2,862	2,430
Scholarships	-	9,678	9,678	392	10,070	8,596
Prizes	-	3,192	3,192	43	3,235	2,789
Research	-	1,628	1,628	2,550	4,178	3,592
General	4,399	5,336	9,735	648	10,383	8,849
	4,411	36,879	41,290	4,192	45,482	38,938
Analysis by asset:						
Current asset investments						
- investment units					43,355	36,405
Cash & cash equivalents					2,127	2,533
					45,482	38,938

24. Bond repayment fund

Cardiff University's 39-year public bond of £300m, issued in February 2016, along with the subsequent £100m tap issued in February 2021, will be redeemed at their principal amounts of £400m on 7 December 2055 and the University will have to repay this sum on that date.

In July 2019 Council approved the creation of a Bond Repayment Fund (BRF) which has as its sole objective to deliver £400m in cash in 2055. The Ordinances of the University were updated in 2019/20 to include a Bond Repayment Fund (BRF) under Ordinance 10, which will give a reasonable likelihood of being able to meet this repayment requirement.

The bond repayment fund forms part of the unrestricted funds in the statement of financial position.

The University has invested £59m on a total return basis to generate the repayment.

Total fund value	2021 £'000	2020 £'000
Cash held for investment	3,060	826
Current investments	52,208	29,983
Non-current investments	4,067	5,395
	59,335	36,204

25. Pension Schemes

Different categories of staff were eligible to join one of five different schemes:

(i) Universities' Superannuation Scheme (USS)
(ii) Cardiff University Pension Scheme (CUPF)
(iii) Local Government Pension Scheme (LGPS)
(iv) National Health Service Pension Scheme (NHSPS)
(v) Nest workplace pension Scheme

The nature of the first three schemes above are detailed below.

The NHS scheme is an unfunded defined benefit scheme, with pension benefits underwritten by the Government. The scheme is not designed to be run in a way that would enable members to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period. The notional assets of NHSPS are assessed by the Government Actuary and contribution rates determined by the Secretary of State for Health. The employer contribution rate was unchanged from last year at 14.38%.

To comply with The Pensions Act 2008, the University also uses the Nest defined contributions pension scheme for eligible non-contractual workers.

The total pension cost for the University was:

	2021	2020
	£'000	£'000
USS	34,976	35,541
CUPF	15,121	13,166
LGPS	360	400
NHSPS	2,057	1,457
Nest	15	15
	52,529	50,579
USS minimum funding guarantee adjustment	2,393	(55,214)
	54,922	(4,635)

(i) The Universities Superannuation Scheme

The University participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total cost charged to the Consolidated Statement of Comprehensive Income is £39,602k (2020: £38,914k) including Pension Choice, but excluding the impact of the change in the deficit recovery plan, as shown in note 21. The deficit recovery contributions due within one year for the institution are £10,824k (2020: £3,754k).

The latest available completed actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

25. Pension Schemes (continued)

The key financial assumptions used in the 2018 valuation are described below:

Pension increases (CPI): term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

Discount rate (forward rates):

Years 1-10, CPI plus 0.14% reducing linearly to CPI less 0.73%.
Years 11-20, CPI plus 2.52% reducing linearly to CPI plus 1.55% by year 21.
Years 21 onwards, CPI plus 1.55%.

The main demographic assumption used relates to the **mortality assumptions.** These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table:

Pre-retirement:	Males, 71% of AMC00 (duration 0);	Females, 112% of AFC00 (duration 0).
Post retirement:	Males, 97.6% of SAPS S1NMA "light";	Females, 102.7% of RFV00.

Future improvements to mortality:

CMI_2017 with a smoothing parameter of 8.5 and a long-term improvement rate of 1.8% per annum for males and 1.6% per annum for females

The current life expectancies on retirement at age 65 are:

	2021	2020
Males currently aged 65 (years)	24.6	24.4
Females currently aged 65 (years)	26.1	25.9
Males currently aged 45 (years)	26.6	26.3
Females currently aged 45 (years)	27.9	27.7

A **deficit recovery plan** was put in place as part of the 2018 valuation, which required payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate increased to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2021	2020
Pensionable salary - inflation	3.00%	3.00%
Pensionable salary - Headcount	5.00%	1.20%

The University has recognised a provision for its commitments under the 2018 Recovery plan. The initial assessment of the impact of the new deficit recovery plan to 31 July 2021. In calculating this provision, the University has assumed that changes in staff numbers and staff costs will follow that included in the 5-year forecast presented to Council, and that the liability is discounted at 0.894% (as calculated per BUFDG/Mercers discount rate guidance).

During the accounting period, employee contributions to the defined benefit were 9.6% of salary and 21.1% for the employer. From 1st October 2021, under the 2018 Recovery plan, contributions are set to increase to 11% and 23.7% respectively.

Details of the impact are disclosed in Note 21 (Pension Provisions).

25. Pension Schemes (continued)

(ii) Cardiff University Pension Fund and the Local Government Pension Scheme

Both of these defined benefit schemes are externally funded and are contracted out of the State Second Pension (S2P) pension provision.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 July 2019 for the Cardiff University Pension Fund (CUPF) and 31 March 2019 for the Local Government Pension Scheme (LGPS).

The 31 July 2019 valuation for CUPF resulted in a deficit of £35m and as a consequence, employer contributions will increase from 1st August 2021 to 24.8% (assuming cost sharing with employees) plus an additional deficit contribution of £1m p.a. for the duration of the recovery period to July 2029.

During the accounting period, the University paid contributions to the CUPF of 19.2% of pensionable salaries (LGPS - 27.7% plus a cash lump sum of £1.1m). The University has also contributed the salary sacrifice amount of 7.5% (final salary members) or 6.5% for Career Average Revalued Earnings members for each Non-Contributory member (i.e., those participating in the Salary Sacrifice arrangement) in the CUPF. Salary sacrifice of pension contributions is not permitted in the LGPS scheme.

An estimated valuation of each of the two defined benefit schemes was performed at 31 July 2021 by qualified actuaries. The FRS 102 disclosures set out below are based upon this updated valuation.

On 20 November 2020 the latest High Court judgement on GMP equalisation in relation to transfer value payments was made. It concluded that historic transfers since 17 May 1990, which contained GMP accrued after this date, will now need to be equalised. The actuaries for both CUPF and LGPS have made allowance for this ruling and the result has been included with the schemes' FRS102 disclosures.

Assumptions

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	CUPF At 31 July 2021 % p.a.	LGPS At 31 July 2021 % p.a.	CUPF At 31 July 2020 % p.a.	LGPS At 31 July 2020 % p.a.
Price Inflation (RPI)	3.20	n/a	2.85	3.30
Price Inflation (CPI)	2.80	2.60	2.05	2.30
Rate of increase in salaries	2.80	3.60	2.55	3.30
Rate of increase of pensions in payment	2.05	2.60	2.05	2.30
Increases to deferred pensions before retirement	2.80	2.60	2.05	2.30
Discount rate	1.70	1.70	1.50	1.40

Key non-financial assumptions relate to member life expectancy at the accounting date, based on actual mortality experience of members within the Funds carried out as part of the last actuarial valuations. Allowing for expected future mortality improvements, the accounting assessments are based on the life expectancy of male and female members at age 65 in normal health as shown below:

	CUPF At 31 July 2021	LGPS At 31 July 2021	CUPF At 31 July 2020	LGPS At 31 July 2020
Pensioner – male	21.2	22.3	21.2	22.2
Pensioner – female	23.9	24.7	23.8	24.6
Non-pensioner (currently aged 45) - male	22.2	23.3	22.2	23.2
Non-pensioner (currently aged 45) - female	24.7	26.1	24.7	26.0

25. Pension Schemes (continued)

Membership statistics	CUPF July 2019	LGPS March 2019
Active members	1,811	40
Deferred members	1,485	96
Pensioners and dependants	1,023	231

Scheme Assets and Liabilities	2021 CUPF £m	2021 LGPS £m	2020 CUPF £m	2020 LGPS £m
The assets in the scheme at fair value were:				
Equities	57.6	25.7	45.2	19.9
Property	-	2.6	-	2.7
Government bonds	-	3.9	-	3.9
Corporate bonds	26.7	5.9	26.4	5.5
LDI & Cash	57.6	0.6	56.1	0.5
Other	125.4	-	109.9	0.1
Scheme assets at fair value	267.3	38.7	237.6	32.6
Scheme liabilities at present value	(368.7)	(42.1)	(329.7)	(43.0)
Net pension liability recorded within pension provisions (Note 21) – Deficit in Scheme	**(101.4)**	**(3.4)**	**(92.1)**	**(10.4)**

Analysis of the amount charged within Operating Surplus	2021 CUPF £m	2021 LGPS £m	2020 CUPF £m	2020 LGPS £m
Operating cost				
Current service cost	13.3	0.4	12.3	0.3
Past service cost	-	-	-	0.1
Administrative expenses	0.9	-	0.9	-
Total operating cost:	14.2	0.4	13.2	0.4
Financing cost:				
Interest expense on liabilities	4.9	0.6	5.9	0.8
Interest income on assets	(3.6)	(0.5)	(4.7)	(0.7)
Total financing cost:	1.3	0.1	1.2	0.1
Total charge within Operating Surplus before tax	**15.5**	**0.5**	**14.4**	**0.5**
Amounts recognised in Other Comprehensive Income:				
Actuarial losses/(gains) from assets	(24.8)	(5.7)	(1.1)	1.4
Actuarial losses/(gains) on liabilities	28.1	(0.6)	35.7	4.0
Total loss/(gain) to Other Comprehensive Income before tax	**3.3**	**(6.3)**	**34.6**	**5.4**

25. Pension Schemes (continued)

	2021 CUPF £m	2021 LGPS £m	2020 CUPF £m	2020 LGPS £m
Analysis of movement in deficit:				
Deficit at beginning of year	92.1	10.4	53.5	6.0
Contributions by the University	(9.5)	(1.2)	(10.4)	(1.5)
Operating cost	14.2	0.4	13.2	0.4
Financing cost	1.3	0.1	1.2	0.1
Loss/(Gain) recognised in Other Comprehensive Income	3.3	(6.3)	34.6	5.4
Deficit at end of year	**101.4**	**3.4**	**92.1**	**10.4**
Changes to the present value of scheme liabilities:				
Present value of scheme liabilities at start of the year	329.7	43.0	283.4	39.0
Current service cost	13.3	0.4	12.3	0.3
Past service cost	-	-	-	0.1
Interest expense on liabilities	4.9	0.6	5.9	0.8
Contribution by participants	0.2	-	0.2	0.1
Actuarial losses/(gains) on liabilities	28.1	(0.6)	35.7	4.0
Actual benefit payments	(7.5)	(1.3)	(7.8)	(1.3)
Present value of scheme liabilities at the end of the year	**368.7**	**42.1**	**329.7**	**43.0**
Changes in the fair value of scheme assets:				
Fair value of scheme assets at the start of the year	237.6	32.6	229.9	33.0
Interest Income on assets	3.6	0.5	4.7	0.7
Actuarial gains/(losses) on assets	24.8	5.7	1.1	(1.4)
Contributions by the University	9.5	1.2	10.4	1.5
Contributions by participants	0.2	-	0.2	0.1
Net benefits paid out	(7.5)	(1.3)	(7.8)	(1.3)
Expenses	(0.9)	-	(0.9)	-
Fair value of scheme assets at the end of the year	**267.3**	**38.7**	**237.6**	**32.6**

CUPF and LGPS assets do not include any of the University's own financial instruments, or property occupied by the University.

	Year ended 31 July 2021 CUPF £m	Year ended 31 July 2021 LGPS £m	Year ended 31 July 2020 CUPF £m	Year ended 31 July 2020 LGPS £m
Actual return on scheme assets:				
Interest income on scheme assets	3.6	0.5	4.7	0.7
Asset gain / (loss)	24.8	5.7	1.1	(1.4)
Actual return on scheme assets	28.4	6.2	5.8	(0.7)

25. Pension Schemes (continued)

Sensitivity of movement in key assumptions

The approximate impact of changing the key assumption on the present value of the funded defined benefit liabilities as at 31 July 2021 is set out below.
In each case, only the assumption mentioned is altered; all other assumptions remain the same.

	Funded Defined Benefit Liability (£m)		
CUPF	**+1% p.a.**	**Base figure**	**-1% p.a.**
Discount Rate assumption	360.3	368.7	377.4
Price Inflation assumption	376.6	368.7	361.1
	- 1 year	**Base figure**	**+1 Year**
Post retirement Mortality assumption	381.7	368.7	355.7
LGPS	**+1% p.a.**	**Base figure**	**-1% p.a.**
Discount Rate assumption	41.4	42.1	40.5
Price Inflation assumption	42.2	42.1	42.0
	- 1 year	**Base figure**	**+1 Year**
Post retirement Mortality assumption	43.7	42.1	40.5

26. Capital Commitments

Consolidated and Institution	2021 £'000	2020 £'000
Commitments contracted at 31 July	44,095	108,896

Of the £44.1m, the majority of commitments relate to the Cardiff Innovation Centre (£28.7m), the Centre for Student Life (£6.6m), Architecture building (£4.7m) and Maths/Computer Science building (£3.4m).

27. Operating Lease obligations

Consolidated and Institution

Future minimum lease payments due	Land and buildings £'000	Other £'000	Total 2021 £'000	Total 2020 £'000
Not later than one year	2,930	106	3,036	3,228
Later than one year and not later than 5 years	9,826	177	10,003	10,157
Later than five years	29,382	-	29,382	30,577
Total lease payments due	42,138	283	42,421	43,962

Land and building leases are held in respect of office premises and car parking facilities. Other leases comprise vehicle and other equipment leases.

28. Related Party Transactions

All transactions involving organisations in which a member of the Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. The University maintains a Register of Interests of members of Council and senior officers.

The list below represents the trading transactions and year-end close balances with organisations of which the relevant Council member or senior officer holds a position of influence in both the related party and the University.

Organisation	Council or senior officer	Income £'000	Expenditure £'000	Debtor £'000	Creditor £'000
Association of Commonwealth Universities	Prof C Riordan	-	7	-	-
Cardiff & Vale University Health Board	L Richards	4,628	5,873	1,479	152
Cardiff University Students' Union	Ms G Dunn Ms H Doe Mr T Evans	8	2,841	2	1
Cardiff Students Union Services Limited	Ms G Dunn Ms H Doe	-	1,293	-	106
Careers Research & Advisory Centre	Ms J Juillerat	-	3	-	2
Compound Semiconductor Centre Limited	Mr R Williams	-	352	7	-
Department of Business, Energy & Industrial Strategy	Prof C Riordan	1	-	-	-
Fulbright Commission	Prof C Riordan	-	33	-	-
Office of the Police and Crime Commissioner for Gwent	Dr J Wademan	26	-	1	-
Hugh James Solicitors	Ms K Singh (daughter-in-law of) Judge R Singh	-	8	-	-
IDP Connect	Prof C Riordan	-	7	-	7
Institute of Cancer Research	J Shakeshaft	3	-	-	-
Medical Research Council	Prof Dame J Finch	8,957	1	-	-
Microsoft UK	Mr P Benjamin	-	57	-	
Qualification Wales	Ms C Morgan	1	-	-	-
Race Council Cymru	Judge R Singh	-	2	-	-
Royal Academy of Engineering	Prof K Holford	206	-	8	-
Russell Group	Prof C Riordan	-	80	-	-
The Conversation UK Limited	Prof C Riordan	-	16	-	-
The National Library of Wales	Dr J Wademan	-	1	-	-
The Royal Society	Mr R Williams	-	25	-	-
UCEA	Prof S Palmer	-	17	-	-
Universities UK	Prof C Riordan	-	217	-	1
University of Warwick	Prof S Palmer	-	57	20	2
Welsh Government	Prof C Riordan	16,329	102	2,994	-
Welsh Wound Centre	Prof I Weeks	309	-	25	-

All other related party transactions were with wholly owned subsidiaries.

29. US Department of Education Financial Responsibility - Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, Cardiff University is required by the US Department of Education to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. The accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

			Year ended 31 July 2021		Year ended 31 July 2020	
Page	Line item - related disclosures	Expendable Net Assets	£'000	£'000	£'000	£'000
46	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		663,652		578,319
46	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		45,641		39,286
46	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-		2,000
46	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		2,000
46	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	934,274		846,797	
46	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation	Property, plant and equipment - pre-implementation		654,486		673,751
46	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post-implementation without outstanding debt for original purchase		30,356		21,379
46	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		254,382		151,667
46	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities		188,814		187,309
46	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	427,509		301,867	
46	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation	427,509		301,867	
46	Statement of Financial Position - Term endowments	Term endowments with donor restrictions		4,192		3,610
46	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		41,289		35,328

29. US Department of Education Financial Responsibility - Supplemental Schedule (Cont'd)

Primary Reserve Ratio (continued)

			Year ended 31 July 2021		Year ended 31 July 2020	
Page	Line item - related disclosures	Total Expenses and Losses	£'000	£'000	£'000	£'000
62	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		568,696		552,471
62	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		29,915		14,568
62	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)		35,189		4,371
62	Statement of Activities - Pension related changes other than periodic pension	Pension-related (credits)/ changes other than net periodic costs	(1,505)			12,939

Equity Ratio

			Year ended 31 July 2021		Year ended 31 July 2020	
Page	Line item - related disclosures	Modified Net Assets	£'000	£'000	£'000	£'000
46	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		633,662		578,319
46	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		45,641		39,286
46	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-		2,000
46	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		2,000
Page	Line item - related disclosures	Modified Assets	£	£	£	£
46	Statement of Financial Position - Total Assets	Total Assets		1,463,141		1,249,060
46	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-		2,000
46	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		2,000

29. US Department of Education Financial Responsibility - Supplemental Schedule (Cont'd)

Net Income Ratio

			Year ended 31 July 2021		Year ended 31 July 2020	
Page	Line item - related disclosures		£'000	£'000	£'000	£'000
47	Statement of Changes in Reserves - total of movement shown for Income & Expenditure Reserve and Revaluation Reserve	Change in Net Assets Without Donor Restrictions		59,457		30,482
62	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		598,238		568,385