SWANSEA UNIVERSITY

England & Wales · Charity number 1138342

Details

Other names	PRIFYSGOL ABERTAWE
Status	Registered
Legal form	Other
Registered	2010-10-11
Register	View on the Charity Commission register

Contact

Address	Swansea University Singleton Park Swansea SA2 8PP
Phone	01792 205678
Email	l.a.woollard@swansea.ac.uk
Website	www.swansea.ac.uk

Activities

Objects: ARTICLE 3 OF THE UNIVERSITY'S 2007 SUPPLEMENTAL CHARTER STATES THAT "THE OBJECTS OF THE UNIVERSITY SHALL BE TO ADVANCE LEARNING AND KNOWLEDGE BY TEACHING AND RESEARCH, AND TO ENGAGE IN ACTIVITIES TO PROMOTE AND CONTRIBUTE TO CULTURAL, SOCIAL AND ECONOMIC DEVELOPMENT WITHIN WALES AND BEYOND."

Activities: The University advances learning and knowledge by teaching and research, and engages in activities to promote and contribute to cultural, social and economic development within Wales and beyond.

Classification

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

Downloaded from opencharities.uk/ew/1138342

Geography

- **Area of benefit:** WALES
- City Of Swansea

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£333,637,000	£373,030,000	£292,824,000	3448
2024-07-31	£381,610,000	£298,779,000	£327,356,000	3661
2023-07-31	£412,628,000	£348,691,000	£247,015,000	3714
2022-07-31	£370,056,000	£447,629,000	£163,917,000	3546
2021-07-31	£360,665,000	£332,920,000	£219,798,000	3627

Trustees

Name	Role	Appointed
Carlos Gregorio Ashmore	Chair	2020-08-01
Anne Catherine Tutt		2020-07-06
Charles Heath Davies		2025-07-03
Dafydd Huw Davies		2024-08-01
Dr Phatsimo Mabophiwa		2023-07-01
Edward Illtyd David		2020-02-04
Kathryn Jacqueline Lucy Wilkinson		2024-07-01
Keshav Singhal		2020-12-01
LAURENCE JEROME CARPANINI		2023-01-01
Marcia Ann Sinfield		2020-12-01
Matthew Robert Harris		2026-01-12
Nan Williams		2024-01-01
Professor Michelle Denise Lee		2023-07-01
Professor Paul Joseph Boyle		2019-07-26
Richard Adam Jones		2023-07-01
Richard David Thomas		2024-05-16

Downloaded from opencharities.uk/ew/1138342

Downloaded from opencharities.uk/ew/1138342

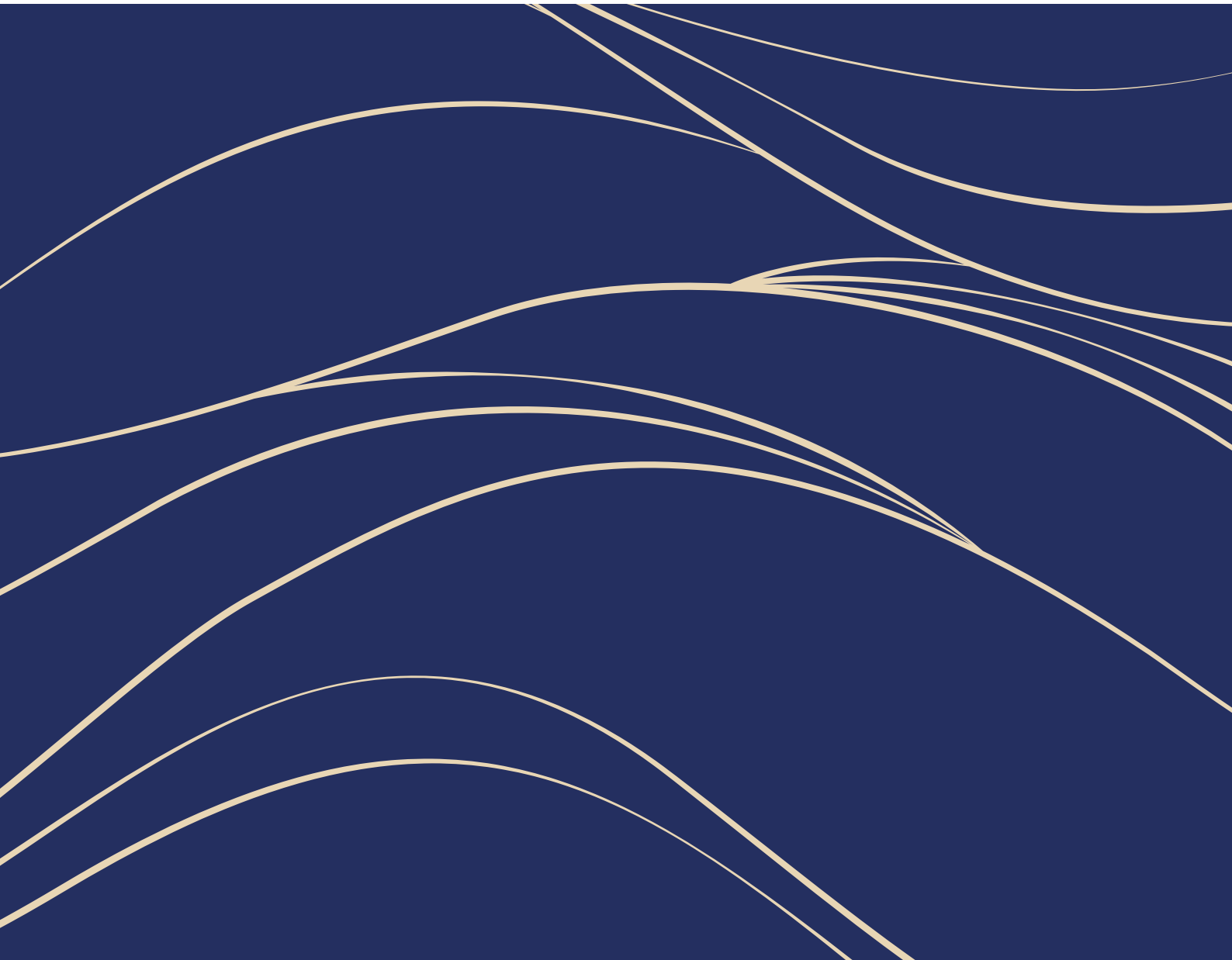
SWANSEA UNIVERSITY

England & Wales - Charity number 1138342

Accounts

ANNUAL REVIEW 2025

Swansea University
Prifysgol Abertawe



CONTENTS

02 Chair's Introduction
04 Vice-Chancellor's Review
06 Facts and Figures
10 Our Strategic Vision
12 Our People, Values and Culture
14 Our Education and Student Experience
16 Our Research and Enterprise
20 Our International University
22 Our Estate
24 Our Sustainability
30 Financial Review
42 Principal Risks and Uncertainties
44 Public Benefit Statement
46 Corporate Governance Statement and Statement of Internal Control
54 Annual Pay Policy Statement - Swansea University
56 Independent Auditor's Report
60 Statement of Council's Responsibilities
62 Statement of Principal Accounting Policies
70 Consolidated and Institution Statement of Comprehensive Income
71 Consolidated and Institution Statement of Change in Reserves
72 Consolidated and Institution Statement of Financial Position
73 Consolidated Statement of Cash Flows
74 Notes to the Financial Statements

CHAIR'S INTRODUCTION

As Pro-Chancellor and Chair of the University Council, I am pleased, on behalf of the Council, to introduce the University's Annual Review. This is a key moment for us to reflect on the past academic year and celebrate our achievements while also recognising the significant challenges currently facing the UK higher education sector and the University. It is also an opportunity to acknowledge the dedication, commitment, and resilience of our staff whose contributions continue to drive the changes necessary to respond to these challenges and to shape the University's long-term success.

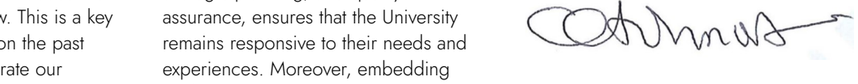
In this context, strong governance is more important than ever as the foundation of a successful and resilient University. It ensures that decisions are made transparently, strategically, and in the best interests of the University. Over the past year, as the governing body of the University, Council has played a critical role in ensuring robust scrutiny and effective governance of the University's strategy and finances and has upheld the highest standards of governance to support the University through this time of difficult and significant sector-wide change. As part of a sustained commitment to continuous improvement, Council has continued to strengthen the University's governance structures including introducing changes to the University Court to enhance its role as a forum for engaging with the wider community and as an important link with the University's stakeholders.

The University is proud of the quality of our student experience, and remains committed to listening to and acting on the voices of our students. Student voice plays a vital role in the University's governance, serving as a cornerstone for transparency, accountability, and inclusive decision-making. From a governance perspective, actively engaging students in institutional processes, such as policy development, strategic planning, and quality assurance, ensures that the University remains responsive to their needs and experiences. Moreover, embedding student voice into governance structures enhances trust, promotes democratic values, and supports continuous improvement by incorporating diverse perspectives into institutional leadership and oversight.

I would like to highlight just two of the University's recent successes. Firstly the improvements in the National Student Survey 2025, which at a time of considerable competition in student recruitment provide important, positive messages for prospective students, and secondly the University securing its highest ever position in the QS World University Rankings advancing the University's reputation globally. On behalf of the Council, I would like to take this opportunity to thank staff whose collective efforts have been instrumental in these achievements, and to acknowledge the vital role all our staff play in shaping the University's success and its future.

The next few years will be crucial for us, as they will be for all UK universities. We need to maintain our standing as a University that prides itself on outstanding research and the highest quality teaching. As long as we continue to work together, I have every confidence we will rise to the challenges ahead and continue to thrive.

Finally, I would like to take this opportunity thank the Vice-Chancellor, the Senior Leadership Team, and all our University staff for their ongoing dedication and hard work, and also to thank all members of the University Council and its committees, who voluntarily give their time and expertise to support the University, for their continued commitment and contribution to the University.



Mr Goi Ashmore
Chair of Council

28 November 2025

VICE-CHANCELLOR'S REVIEW

We publish this report at a particularly challenging time for higher education in the UK. Swansea University has not been immune to these pressures, necessitating considerable focus on achieving the outcomes of our Financial Sustainability Programme (a combination of pay and non-pay savings and income generation initiatives to improve our future outlook) this year, alongside our continued commitment to providing transformative learning experiences, shaped by our world-leading research.

Thanks to the resilience of our leaders and colleagues, and support from our University Council, we are making good progress in reshaping our institution, such that it will be resilient in the face of challenging external circumstances. Despite recent UK policy changes significantly affecting our ability to recruit international students and a rising cost base due to continued inflationary pressures, we are confident in our ability to retain focus on our core purpose and mission, as has been the case this year.

We are nearing completion of our Professional Services Redesign programme; a significant transformation through which we are seeking to improve the efficiency and effectiveness of every service area across our institution.

We have also achieved significant success during 2024/25 across our five strategic pillars (see page 10). We have embarked on a major programme to transform our curriculum, ensuring that our teaching meets the needs of our learners and equips them with the skills required of the workforce of the future. We have also launched Hwb, a single point of access for student support and information. And we were delighted to have seen improvements across a range of measures within the National Student Survey 2025, including an overall course satisfaction rate of 84%.

Our commitment to research excellence has been supported by our grant capture performance this year (see page 14) and has driven a further improvement in our placement within the QS World Rankings 2026. Swansea University is now ranked 292nd in the world, representing our highest ever position. In respect of enterprise, we were delighted to be ranked 8th in the UK in this year's *Spotlight on Spinouts* report (2025), and to be recognised as one of just five UK universities to have more than 100 spinout companies registered.

We have retained our strong sense of mission to both our planet and its people. We continue to make significant progress on our Pathway to Zero roadmap (see page 24), through which we have now reduced our Scope 1 and 2 campus emissions by 39% since 2015/16. Supported by external funding such as that secured from Welsh Government's Digarbon Scheme, we remain committed to our ambition to become a net zero university by 2035. We are also incredibly proud to have been awarded University of Sanctuary status in 2025, reflecting the compassion and commitment of our staff, students and alumni in creating a truly welcoming environment for those fleeing conflict and persecution.

Finally, throughout the year we have retained our institutional focus on partnership, both locally (including continued progress on our major Swansea Bay City Deal projects) and globally, with the successful launch of our Joint Education Institute with Nanjing Tech University in China with a first cohort of 247 students; just one example from a number of developing international initiatives (see page 20). This commitment to collaborative working for the benefit of our own region and communities across the world forms the basis of our developing future strategy, which we will launch in 2025/26. Through this refreshed vision, and despite the challenges ahead, we are determined to retain our institution's strong commitment to partnership, which has enabled us both to strive for excellence and to make a difference throughout our history.

Professor Paul Boyle,
Vice-Chancellor

28 November 2025

FACTS AND FIGURES

The University utilises a number of Key Performance Indicators (KPIs) to assist in the monitoring of the University against its objectives. A selection of the main KPIs are shown below. Where possible, 2024-25 figures are reported but in some cases the most recent HESA data available will relate to 2023-24.

STUDENT NUMBERS

16,348 UNDERGRADUATES

6,264 POSTGRADUATES

17,699 HOME STUDENTS

5,102 OVERSEAS STUDENTS

STUDENT OUTCOMES

84% OF STUDENTS ARE SATISFIED

NSS National Student Survey

(NSS 2025)

77% ACHIEVED A FIRST OR 2:1 DEGREE

(HESA DATA 23 - 24)

81.0% HAD A POSITIVE GRADUATE OUTCOME

(TIMES GOOD UNIVERSITY GUIDE 2026)

SUSTAINABILITY RANKINGS

36TH Times Higher Education Impact Rankings

THE Impact Rankings 2024

12 RESPONSIBLE CONSUMPTION AND PRODUCTION — SUSTAINABLE DEVELOPMENT GOALS

2ND IN THE WORLD

THE Impact Rankings 2025

15 LIFE ON LAND — SUSTAINABLE DEVELOPMENT GOALS

15TH IN THE WORLD

THE Impact Rankings 2025

16 PEACE, JUSTICE AND STRONG INSTITUTIONS — SUSTAINABLE DEVELOPMENT GOALS

22ND IN THE WORLD

THE Impact Rankings 2025

121ST QS WORLD UNIVERSITY RANKINGS

SUSTAINABILITY RANKINGS

QS World university Rankings 2026

people & planet UNIVERSITY LEAGUE **21ST IN THE UK**

People and Planet University League 2024/25

WORLD RANKINGS

RANKED 292ND

QS WORLD UNIVERSITY RANKINGS

QS World University Rankings 2026

THE World University Rankings 2026

301 - 350TH

THE World University Rankings 2026

UK RANKINGS

37TH

Times Good University Guide 2026

29TH The Guardian

Guardian University Guide 2026

40TH Complete University Guide

Complete University Guide 2026

OUR STRATEGIC VISION

Our Vision

Our University's Strategic Vision and Purpose document (published in 2020) states that we are, and will remain, a principled, purposeful and resilient institution that balances excellent teaching with world-leading research and innovation in an open environment which enables our students and colleagues to excel.

While we are valued globally as a trusted partner, we are also deeply committed to our region and are proud to be a university for Wales.

Our Strategy

Our Strategy reflects this vision. Our community of colleagues, students, partners and stakeholders is characterised by the distinct values, culture and behaviours that lie at our core.

The commitment of our community underpins the five key strategic pillars of our University; our civic mission, student experience, learning and teaching, research and enterprise. Each of these is marked by our commitment to making a difference, to being socially responsible, to striving for excellence, and to maintaining a global outlook that enables us to be a community University with international reach and reputation.

Our work is enabled by strong leadership and robust governance, effective communication and a commitment to financial and environmental sustainability. It is built upon our digital and physical infrastructure, our internationalisation strategy and our approach to recruiting talented and enthusiastic colleagues.

Key Pillars

Our Civic Mission

We are proud to belong to the City of Swansea and the wider Swansea Bay City Region, and we celebrate that heritage. With campuses in three local authority areas, we recognise that our University is the region's university, and that we have a responsibility to work with and for our community and Wales.

Our Student Experience

Our students are the lifeblood of our University. We take their needs and expectations into account in our decision-making and take pride in our consistently strong reputation for the quality of our student experience, the strength of our student support services and our commitment to student mental health and wellbeing. In partnership with our Students' Union, we work to ensure that every student who makes Swansea their home experiences the best of us.

Our Learning and Teaching

The sharing of knowledge to nurture independent, critical thinking is fundamental to our purpose. It enables our students to be resilient in the face of global challenges and to adapt to the changing world of work. We celebrate our Welsh heritage and are proud to be part of a bilingual nation. We also work to maintain our status as a community that balances research and teaching excellence.

Our Research

Our research changes lives, drives innovation and regional growth, and is aligned to the UN Sustainable Development Goals. It impacts our culture and society as well as our health and wellbeing, our economy and our planet. We drive policy change nationally and internationally. We are exploring new ways to assess and mitigate the risks of the climate crisis and are working to protect the most vulnerable in our society and to enrich all our lives through our understanding of history and the arts.

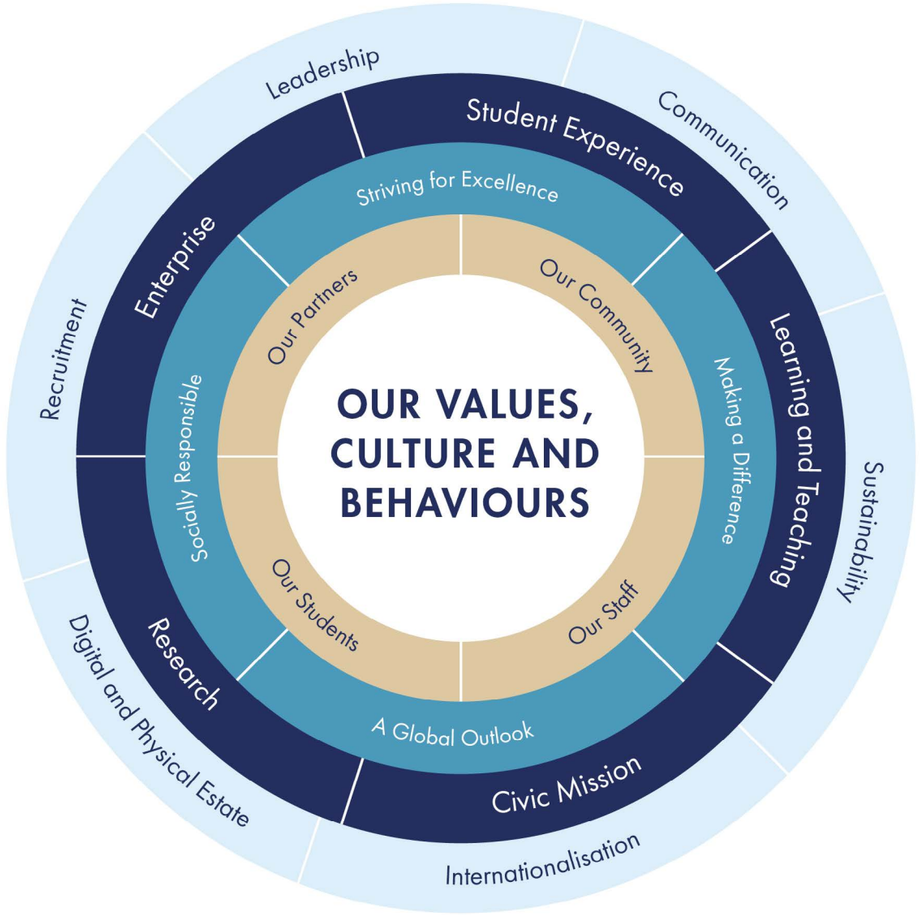
Our Enterprise

We are an exceptionally collaborative and entrepreneurial university. We were founded by industry, for industry, and we remain true to the ambitions of our founders in that we work with industrial, commercial and public sector partners for the benefit of our region and nation. We value our partnerships with anchor companies and SMEs in Wales and with the many organisations we collaborate with internationally.

Looking ahead

It has now been five years since we launched our current strategic vision. Since then, both our institution and our sector have faced a period of unprecedented external change, including the realisation of post-Brexit impacts, the transformation demanded by a global pandemic, sustained high rates of inflation and significant changes to international student visa policy in the UK.

We are therefore undertaking a strategic refresh, through which we can lay the foundations of our future vision. Following early engagement with our Council and senior leaders across our University, we are working to reshape our strategy in order to clearly define and maximise our strengths and the unique contribution that we make to the world. We plan to launch this refreshed strategy later in 2025/26.



OUR PEOPLE, VALUES AND CULTURE

Our people are our greatest asset, embodying our values and shaping our University culture. We seek to foster a supportive and inclusive environment, and we work collaboratively as one institution, recognising the unique contributions of every colleague and student.

Our People and University Culture Strategy Committee continues to play a pivotal role in shaping and delivering Swansea University's priorities in respect of our community. Meeting termly and chaired jointly by the Vice-Chancellor and Registrar and Chief Operating Officer, the Committee ensures alignment between people-focused initiatives and our overarching University strategic goals.

In 2024/25, we continued to make progress across the key areas identified within our draft People and University Culture Strategy. Recognising the importance of supporting our community as we continue to operate within a challenging financial context, over the past year we have also prioritised wellbeing support and leadership development for our staff.

Equality, Diversity, Inclusion and Belonging

Swansea University remains a leader in advancing equality, diversity, inclusion and belonging. We are proud to be the first university in Wales to hold an Athena Swan Silver Institutional Award, with two of our three Faculties also holding silver awards. Additionally, two Swansea University colleagues serve as trained Athena Swan Panel reviewers.

This year, we achieved our first Bronze Race Equality Charter (REC) Award, recognising our commitment to institution-wide race equality. This milestone reflects our dedication to creating an inclusive environment where all colleagues and students, especially those from ethnic minority backgrounds, feel a sense of belonging and have equal opportunities to thrive. Looking ahead, we will continue to make progress against our Race Equality Action Plan under the leadership of our Deputy Pro-Vice-Chancellor for Equality, Diversity, Inclusion and Belonging.

Reward and Recognition

In 2024/25, we reaffirmed our commitment to paying the Real Living Wage, ensuring that all colleagues receive fair compensation aligned to the true cost of living.

Following engagement with our academic community, we successfully implemented our new Academic Career Pathways, transitioning 1,070 academic colleagues to pathways that reflect the diverse ways in which they contribute throughout their careers. Our new pathways align with sector best practice and support the responsible use of metrics, in line with the Declaration on Research Assessment (DORA) and our membership of the Coalition for Advancing Research Assessment (CoARA).

We were pleased to run a successful Academic Promotion round in 2024/25, following the difficult decision to defer the process in the previous year. This year, 122 academic colleagues were promoted across our new pathways.

Enhancing Inclusivity

In 2025, Swansea University proudly achieved the Bronze Race Equality Charter Award and launched a robust action plan to build on this progress. Initiatives such as Eid in the Park have strengthened community belonging and empowered staff and students to shape positive change.

We delivered targeted awareness training on Islamophobia and Antisemitism and co-created a race awareness course which is now available to all students. In partnership with Victim Support, staff and students also received Hate Crime awareness and reporting training, reinforcing our commitment to tackling discrimination.

Throughout the year, we celebrated events that promote diversity and inclusion, including Holocaust Memorial Day, LGBT+ History Month, International Women's Day, Black History Month, and various interfaith activities. We also began rolling out mandatory race training for all staff, complementing our existing EDI and Unconscious Bias training.

Supporting our community

This year, we have been conscious of the need to support our community as we seek to achieve our Financial Sustainability Programme aims. We have therefore focused our efforts on providing well-being support and equipping our leaders to navigate this critical period.

We continued to support the Professional Services Redesign programme, through which we are seeking to ensure the efficiency and effectiveness of every service area across our University. This has included providing support to colleagues affected by changes to their roles, and engaging and formally consulting with our recognised Campus Unions on the impact of any proposed changes to roles or team structures.

We have also provided guidance and resources for colleagues who have opted to utilise our Voluntary Exit Scheme to exit our University during this period. Our Voluntary Exit Scheme closed to our academic staff in January 2025, and to the majority of our Professional Services colleagues in July 2025. We continue to support the small number of colleagues who remain eligible for the Scheme due to ongoing Professional Services Redesign activity within their service area.

Leadership development and support has also remained a key focus throughout the year, as we understand the critical role of our leaders in supporting our wider community. This year, our programmes offered a blend of individual coaching and in-person group sessions, which were further supplemented by self-directed learning via LinkedIn Learning.

Finally, we continued to promote physical, mental, and social wellbeing across our community through services such as Occupational Health, counselling, and the digital mental health platform Togetherall. In addition to mental health support, we also endeavoured to support our colleagues' physical wellbeing through a holistic approach, by offering health assessments and eyesight referrals.

OUR EDUCATION AND STUDENT EXPERIENCE

We are committed not only to providing our students with high-quality learning and teaching, but also to offering them the support, services and opportunities which enhance and enrich their time with us and beyond.

Transforming our Curriculum

In 2023, we embarked on an ambitious Curriculum Transformation programme, through which we will ultimately review and redesign our teaching and learning provision across every University discipline and Faculty, at both Undergraduate and Master's levels. The project will also enhance skills and employability through embedding our Swansea Graduate Attributes (see below). We are proud to take a whole-University approach to the initiative, with Faculty, academic and Professional Services teams working together to deliver a transformative change for our students.

Since the project's inception, we have developed a robust Curriculum Framework, covering teaching content, delivery, and assessment design. Colleagues now have a clear and consistent set of structures upon which to (re)design both existing and new programmes. Six design principles underpin the framework, including co-creation with colleagues, students and external stakeholders; inclusive and accessible learning; and integrating new technology.

In 2024/25, we approved the first 29 programmes which have been through our Curriculum Transformation process. These are due to commence in 2025/26, and over the coming 12 months we will continue to work on the remaining 300-400 programmes in scope which are due to start in September 2026.

Graduate Attributes

Defining and embedding graduate attributes within our curriculum and student journey has been a key priority this year. Graduate attributes extend beyond academic knowledge, encompassing personal, professional, and social capabilities that prepare our students for success within both their careers and wider societal roles. Embedding graduate attributes and employability into the curriculum helps tackle inequality of opportunity, recognising that some students, such as those with caring responsibilities, have limited capacity to engage with opportunities outside of their formal curriculum. The Careers and Employability Team has played an active role in supporting academic colleagues, with over 57 programmes engaged to date.

Responding to student feedback

We remain committed to improving the learning experience by working in close partnership with our students and acting on their feedback. Centering the Student Voice was a key priority throughout 2024/25, and we have sought to improve channels of communication across our University community.

We were delighted, therefore, that in the most recent National Student Survey (NSS) 2025 results, we saw an improvement in our performance across all 27 questions, which translated into rank increases in 7 out of the 8 NSS themes (including overall satisfaction). Noteworthy rises include Academic Support, up 21 places to 39th in the UK; Organisation and Management, up 23 places to 38th; and Learning Resources, in which we jumped 50 places to 34th.

A number of initiatives launched in 2024/25 will feed into future outcomes, including the development of a Generative AI framework and activity focusing on improving students' sense of belonging. Our new Timetabling Policy, implemented in 2024/25, has also been a considerable success. Responding to student feedback, we have streamlined our timetabling processes, which has enabled us to produce timetables for all students far earlier in the year than ever before. This will enable our students (and staff) to plan their time more effectively, especially while managing other working commitments and caring responsibilities.

Employability and Skills Strategic Plan

During 2024/25, we developed our Employability and Skills Strategic Plan to focus resources on areas with the greatest potential impact. Its creation was led by Professor Gavin Bunting (Deputy Pro-Vice-Chancellor), and the Students Futures Board, with staff, students and employers engaged throughout the process via workshops and meetings. The Strategic Plan is based on a set of collective goals, which have already led to an increased use of Industrial Boards within curriculum design and better opportunities for students to undertake employment experiences during their programmes, all of which will contribute to positive graduate outcomes.

To support the Plan's delivery, we launched a newly designed Careers and Employability Team this year. This has enabled our expert careers and employability support to be fully coordinated and consistent across the institution, reducing duplication and ensuring that every student has access to the same high-quality advice, no matter their course or location.

Safeguarding and Disclosure Response Service

In 2024/25, we launched our Safeguarding and Disclosure Response Service. This dedicated provision ensures that any student affected by abuse, harm, exploitation, or other safeguarding concerns receives timely, expert support. The service was created in recognition of the increasing complexity of safeguarding issues within higher education and the need for a consistent and professional response.

The service is led by a Designated Safeguarding Lead who holds responsibility for institutional coordination and strategic oversight. A trained team of Safeguarding and Disclosure Advisors supports the management of disclosures relating to sexual misconduct, domestic violence, hate incidents, peer conflict, and other serious concerns. These responders work closely with academic departments, residences, student cases and external partners including South Wales Police, NHS and local safeguarding boards.

Accessibility is a central feature of the service. Students on placement, those studying overseas, or living off campus can access support remotely through a secure disclosure portal and virtual appointments. This ensures a consistent and inclusive approach, regardless of a student's physical location.

***Hwb:* A new gateway to student support services**

In 2024/25 we challenged ourselves to design a new model of student support that would provide clear, coordinated and visible access to services that promote wellbeing, academic success, and inclusion. After extensive consultation with students and staff, we finalised the service and brand to create *Hwb*.

Launching in September 2025, *Hwb* will seek to address the complexities of navigating University structures by offering students a single point of access – both in-person and digital – for a wide range of activities, including: health and wellbeing, disability services, academic and study skill, financial support, and transitions into and through higher education. Through real-time chat, virtual appointments, and a digital referral system, *Hwb* will provide a flexible and inclusive offer that meets the needs of the modern student.

OUR RESEARCH AND ENTERPRISE

Our curiosity-driven and sustainability-focused research and innovation activity is helping to address the net zero challenge, tackle climate change, build a connected and inclusive society, enhance health and wellbeing, and embrace the richness of place and culture.

Research funding and support

External investment to support our research and innovation activity is critical, as it underpins our ability to generate and publish groundbreaking outputs and to maximise our research activity's beneficial impacts. In 2024/25, we are proud to have increased both the total value of research applications submitted and research awards secured across our University community.

In particular, we have continued our successful transition away from European Structural and Investment Funds (ESIF) as a key source of financial support for our research and innovation activities, focusing instead on grant funding from UK Research and Innovation (UKRI). We are delighted that both the total value of applications submitted to UKRI, and the total value of grants awarded by UKRI, have again increased compared to previous years, which is indicative of both the ambition and the competitiveness of our research proposals.

Given the financial challenges facing our sector at present, we are increasingly focused on the sustainability of our research operations. Maximising cost recovery across our externally funded research portfolio is therefore critical, and the level of cash contribution secured as a percentage of total external research funding (grants and contracts) is a key metric for us. It is encouraging to note a significant positive trend in this figure, which now exceeds 20%. This overall increase in cost recovery is the result of detailed work undertaken on each external funding application to assess the financial viability of projects and to inform our decision making.

We remain extremely active across the breadth of our academic Faculties in respect of submitting competitive bids for external research funding, with examples of particular funding success this year as follows:

Dr Ashley Willow, Senior Lecturer in Chemical Engineering in our Faculty of Science and Engineering, is co-lead of a pioneering research partnership with the University of Limerick, aimed at driving innovation in battery technology. The project is supported by the Wales-Ireland Research Alliance Award and combines Swansea's expertise in battery materials and design with Limerick's advancements in component development to create cutting-edge sodium metal batteries that circumvent the need to handle sodium metal during manufacturing, a so-called "anode-free" solution.

Colleagues within our Faculty of Medicine, Health and Life Science have secured £10m of new investment from the Health and Care Research Wales Infrastructure Research Group 2025-2030 programme. Impressively, Swansea researchers are core research partners across ten programmes and are lead partners for three further awards, the latter including the National Centre for Suicide Prevention and Self Harm Research. In collaboration with Cardiff University, the University of South Wales (USW), and Samaritans, the National Centre will drive research excellence and pioneer change in policy and practice in suicide prevention and self-harm. The SAIL (Secure Anonymised Information Linkage) Databank also secured £4.5m in funding, enabling SAIL to maintain its role as a trusted resource for researchers using linked, anonymized data to improve health and social care.

Dr Laura Seymour of our Faculty of Humanities and Social Sciences was awarded a prestigious six-year Career Development Award by the Wellcome Trust, which aims to shift the understanding of what we currently call neurodivergence, by investigating similar concepts used by early modern people. Dr Seymour's project (AMEND) is the first Europe-wide analysis of neurodiversity and neurodivergence in early modern literary, legal, and theological texts. AMEND will challenge ableism in academia and gain new insights into literature by honing neurodivergent reading as a critical discipline.

Horizon Europe

Since the UK's formal Association to Horizon Europe in 2024, we have been proactive in encouraging our research community to engage with the flagship Horizon Europe programme, including by participating in pump-priming opportunities offered by Welsh Government and others. Consequently, Swansea researchers continue to be heavily involved in network and consortium building events in Brussels.

Examples of our recent successes include:

Partnership in the new SAFEPOWER project, via Professor Mike Jennings of the Centre for Integrative Semiconductor Materials, CISM. Led by the Institute of Microelectronics of Barcelona, the project aims to transform energy systems by creating new Medium-Voltage Direct Current (MVDC) converters for application in offshore wind and solar farms, electric vehicle fast charging and data centres for high performance computing.

Involvement in the large-scale, EU-funded consortium project SERENA, which seeks to investigate and improve access to health and social care services for children rendered vulnerable by abuse. The project, in which Swansea University's engagement is led by Professor Sinead Brophy and Dr Natasha Kennedy, focuses on child maltreatment. This remains a widespread yet underreported issue across Europe, with serious long-term consequences for victims' mental and physical health. SERENA will assess barriers and care pathways across Europe, generating evidence-based recommendations to improve detection, care and policy.

Research Culture

At Swansea University we recognise the importance of the environment and opportunities which we foster and their direct contribution to our continued research excellence. In 2024/25, we were pleased to establish our first Research Culture Action Plan, which comprises five key pillars:

- Enabling excellence in responsible research;
- Recognising diverse contributions;
- Developing careers;
- Connecting and belonging; and
- Wellbeing.

In support of pillars one and two, Swansea University is proud to be a signatory to the Coalition of Advancement of Research Assessment (CoARA) and a co-lead for the CoARA UK National Chapter. This year, we have undertaken an extensive reform of our Academic Career Pathways, through which we have sought to enhance the responsible assessment of research and innovation across our community, including by recognising diverse contributions to research

(e.g. Open Research practices) with the responsible use of metrics. We have been successfully funded through a CoARA Cascade Boost award to evaluate the impact of these changes.

We have also undertaken a range of activities aligned to our new Action Plan, and in support of our institutional research culture, including hosting the 4th Annual Symposium in support of the Technician Commitment in July 2025, and the development of a new award-winning action plan for our technician community. Similarly, a National Post-Doc Appreciation Week event was held in September 2024 in recognition of the diverse contributions of our postdoctoral community to research and innovation. Finally, Advance HE inclusive training opportunities have been supported through our Medr Research Culture Fund, providing places on equality, diversity and inclusivity (EDI)-oriented leadership programmes across our University, including Aurora Leadership, Aurora mentoring and Diversifying Leadership, addressing gaps identified in Swansea's recently awarded Race Equality Charter Award.

Research Leadership

An impressive total of eight of Swansea University researchers were selected to join the 2025 Welsh Crucible cohort of 30 outstanding researchers from across Wales. Welsh Crucible is an award-winning programme designed to foster personal, professional and leadership development among future research leaders in Wales via participation in a series of immersive residential workshops, known as skills labs. The programme provides a platform for interdisciplinary collaboration and supports participants to enhance the imapct of their research, while promoting the development of international research careers within Wales.

Similarly, in 2025 seven Swansea colleagues were among the new entrants to the Learned Society of Wales' Fellowship. They join more than 700 Fellows elected to the Learned Society of Wales, representing excellence in the sciences, humanities, arts, social sciences and other fields.

International recognition for innovation and enterprise

As an institution founded by industry and for industry, the spirit of entrepreneurship is woven into both our community culture and our student experience. This year, we are proud to have achieved considerable external recognition of our dynamic ecosystem of support, mentorship and funding:

Runner-Up in the Triple E European Entrepreneurial and Innovative University of the Year Award 2024, organised by the Accreditation Council for Entrepreneurial & Engaged Universities (ACEEU);

Shortlisted for the Triple E Award for the European Innovation and Entrepreneurship Activators of the Year (2025);

Our University was ranked 2nd in Wales and 15th in the UK for the number of student and graduate start-ups and businesses surviving over three years. Our performance with the latter metric has increased by 90% year-on-year, seeing us raise from 60th to 35th in the UK (HE-BCI dataset 2023/24);

Our University was named a Substantive Adopter of the recommendations set out in the UK Government's Independent Review of UK Spin-Out Companies, recognising that we are already demonstrating best practice on issues such as equity distribution to founders and stakeholders.

The new UK Spin-Out Register published by HESA in June 2025 ranked Swansea University fourth in the UK for the number of spinouts (behind only Oxford, Cambridge, and UCL).

Taken together, this recognition underscores our thriving culture of entrepreneurship and reflects our continued dedication to delivering the aims and ambitions of our University's Enterprise Strategy.

OUR INTERNATIONAL UNIVERSITY

We are committed to ensuring that Swansea University is a global university for everyone, where international students are valued members of our community and all students are afforded an international experience, whether at home or overseas. We are working to embed Swansea University as a global partner of choice for both education and research collaboration.

Despite sweeping changes to the UK's student visa policy framework over the past year, which have led to a significant reduction in the number of international students opting to study in the UK and therefore Swansea, we have continued to work to deliver our strategic objectives and support our ongoing transformation into a truly global university. We are shaping our global offering to include multiple modes of study across a range of academic models delivered in partnership with institutions around the world and at home, including the advent of an online portfolio. This transformation will draw students from new sources, regions and backgrounds, attracted by flexible hybrid teaching, globally located study opportunities and flexible learning.

Our global profile

In the QS World University Rankings 2026, we secured our highest ever position, rising to 292nd in the world. Our success is driven by strong performances in sustainability, international students, employer and academic reputation.

We continued to engage meaningfully with our ever-growing community of inspiring and impactful international alumni. In 2024/2025, we organized 17 events to engage international alumni across various regions, including Delhi, Mumbai, Brussels, Beijing, Riyadh, Berlin, Bangkok, Kuala Lumpur (in conjunction with the launch of our new office in Malaysia), Hong Kong, Qatar, and Zimbabwe.

International Student Experience

In 2024/25, our Go Global exchange and study abroad programmes continue to enable students across our University to enjoy overseas study and cultural opportunities, including work experience, field trips, medical electives and study exchanges, supported by Taith and Turing funding.

In May 2025, we unveiled our new Global Lounge; a vibrant space designed to bring students together, celebrate diversity and create a welcoming community for all. Inspired by the vision of alumnus Mr Andrew Shin from Hong Kong, the Lounge will support future generations of students to build lasting connections and flourish in their new environment.

We have worked alongside our pathway partner, The College Swansea University, to respond flexibly to ever-changing market demand by continuing to diversify our student recruitment pipelines. This has included delivering highly-interactive joint agent training events in key UK cities (London, Birmingham and Manchester), targeted recruitment visits to the Middle East to support government-sponsored Foundation year students, and exploratory market development work in Central Asia (including Uzbekistan and Kazakhstan) which will inform future University engagement with regional partners. In South Asia, we have strengthened our digital presence through joint webinars for prospective students, and we continue to evolve our academic portfolio through initiatives such as the development of a new Foundation in Nursing and Healthcare.

Together we have welcomed students to study in Swansea from 90 countries including India, China, Nigeria, Saudi, Kuwait, Canada, Qatar, Turkey and Iran. We continue to offer flexibility, with multiple entry points across the year to attract qualified students from a range of academic and professional backgrounds. The launch of our new BSc Global Business Management Top-Up degree has been extremely successful, especially in China, and we expect to enrole 50-60 new students in next year's cycle. We have also positioned Swansea to increase market share through the opening of physical offices in Malaysia and the UAE.

Transformative Global Partnerships

Providing students with opportunities to access a Swansea University education across the world is increasingly important given the more restrictive UK visa policy framework for international students who wish to study in the UK.

In 2024/25, we continued to grow our global network, with academic partnerships approved for franchised delivery, collaborative degrees and articulation. These efforts afford students the opportunity to study for a Swansea University degree at locations around the world, while our Transnational Education (TNE) activities widen access on a global scale while contributing positively towards our environmental sustainability. Providing students with opportunities to access a Swansea University education across the world is also increasingly important given the more restrictive UK visa policy framework for international students who wish to study in the UK.

In September 2024, we launched our double degree in Maritime Law with Dalian Maritime University in China with 77 students. The Chinese Ministry of Education also approved our Joint Education Institute with Nanjing Tech University in May 2025, which will offer undergraduate and postgraduate double degrees in Engineering, and Swansea-awarded Postgraduate Research degrees. We will formally launch the Institute in September 2025 with over 200 undergraduate students. We are also increasing the number of undergraduate students studying on our Joint Education Programme with Harbin Engineering University in China by 50%.

Our agreement with Uniciti International Education Hub (UIEH) in Mauritius is taking an ambitious step forward with a proposed Graduate Entry degree in Medicine. This will be the first UK-Africa partnered medical school in Africa aimed at supporting the training of medical professionals across the region – a significant development to the Nursing BSc and CPD courses currently delivered in Mauritius.

Our partnership with Petro Mohyla Black Sea National University in Ukraine is now entering its fourth year. In 2024/25, we continued to offer inbound visits and lectures to students and staff, developed joint research grants and held a joint student seminar series. The partnership continues to grow, with the development of a joint online Global Challenges MSc scheduled for September 2026, scholarships for which will be available thanks to the support of our generous alumni.

In 24/25 we took positive steps towards expanding our presence in Malaysia, including opening our new office in Kuala Lumpur, ensuring we are able to work with local knowledge and networks. We have also joined the UK-Malaysia University Consortium which will assist us in developing our partnerships and collaborations in this region. We are actively pursuing a variety of opportunities in this area, including submitting an application to the Malaysian Bar Council for recognition of our LLB degrees.

Finally, we continue to explore and grow our franchised TNE collaborations. In September 2024, we launched two franchised Postgraduate Teaching degree collaborations in Psychology with Independent Studies of Science and Technology (IST) in Greece. We are capitalising on this developing partnership by expanding our provision to include franchised undergraduate programmes in Psychology and Business Management from September 2025. We will also be launching a franchise of the BSc Global Business Management (top-up) with the ERC Institute in Singapore in September.

OUR ESTATE

Our physical and digital estate is critical to the overall experience of our staff, students and wider community. We are therefore proud to have made progress across a number of key initiatives this year.

Decarbonisation Interventions

In 2020, we set a target to achieve a 100% reduction in scope 1 and 2 carbon emissions by 2035, and a 50% reduction in scope 3 emissions by the same date. We subsequently developed a Decarbonisation Action Plan detailing carbon reduction projects needed to achieve these targets. In 2024, we successfully secured £11.4m funding from Welsh Government's Digarbon programme to support several projects related to decarbonisation and improving the energy efficiency of our buildings.

Space Optimisation

Our Space Optimisation Programme is a comprehensive initiative launched in 2024 to enhance the efficient use and management of space across our University estate. We aim to reduce our overall footprint utilisation by 20%, promoting efficiency and financial sustainability, and improving the user experience for both our staff and our students.

Phase one is being implemented from July 2025 to December 2025, and further space efficiencies will include:

- Timetabling rationalisation;
- Assessing commercial opportunities across our estate which support our University's mission and vision;
- 'Invest to save' initiatives in support of the objectives of the Programme.

Swansea Bay Sports Park (SBSP) Joint Venture

Swansea University and Swansea Council have been working collaboratively for several years to explore the opportunities to develop a future operating model for Swansea Bay Sports Park (SBSP). This builds upon the successful joint venture partnership between the University and Council in place since 1999 to run the Wales National Pool (WNP).

The partners have agreed to move all Swansea Bay Sports Park operations (including the WNP) into a new joint venture model over the next year. This will ensure a more holistic operation for the future and realise a range of benefits for both partners, along with our wider community.

University Network Upgrade

This year, we have completed installation of 12km of fiber-optic cabling within 57 buildings across our Bay and Singleton campuses. This has provided a flexible, more resilient backbone upon which we are implementing a higher-capacity secure network for teaching, learning, and research. In addition, we have replaced all Wi-Fi access points with the latest technology and upgraded Wi-Fi services in both Bay and Singleton Park Libraries to boost coverage and performance.

Data Centre Cloud Migration:

We have completed a migration of 700 servers from our data center into the cloud. The project has provided a foundation for modernising our IT infrastructure through cloud-enabled techniques, particularly in data/artificial intelligence (AI) and application modernisation, and is a step towards a cloud-focused 24/7 service. This migration has also improved our data security and resilience.

Cyber and Information Security:

The cyber threat landscape continues to be extremely challenging, in part given the current geopolitical climate. We proactively monitor any potential cyber issues, and we continue to work with JISC (the UK sector digital services partner) to improve our cyber security, including the implementation of a new Security Operations Centre.

Teaching Space AV Improvements:

We have upgraded ageing audio-visual equipment in 21 key teaching locations (with a combined maximum capacity of 5,000) to improve the teaching and learning experience for both our students and our staff.

Looking Ahead:

We are also actively undertaking three major transformation projects which will benefit our whole University community:

- cloud migration of our CRM;
- reimplementation of our enterprise resource planning (ERP) system in the cloud; the new system, which will streamline our HR, Finance and Payroll functions, is set to launch in April 2026;
- reimplementation of our student records system (SITS); the first phase (for admissions) went live in September 2024, with phase two scheduled for April 2026.

OUR SUSTAINABILITY

We remain committed to shaping a more sustainable future for our community and the world. We are ISO 14001 and Eco Campus Platinum certified and within our Sustainability and Climate Emergency Strategy (2021-2025) we have pledged to:

- no longer invest directly in fossil fuel companies;
- cut supply chain and travel (scope 3) emissions by 50% between 2015 and 2035;
- make Swansea University a Nature Positive University;
- embed sustainability into our research and teaching;
- achieve net zero campuses and vehicles (Scope 1 & 2) by 2035.

This year, we have made good progress towards our goal of reaching net zero carbon emissions by 2035. Since 2015/16, we have reduced campus and vehicle carbon emissions by 39% and cut indirect emissions, including those from travel and our supply chain, by 23%.

Our decarbonisation efforts within our current Sustainability Strategy period (2021 – 2025), include installing over 2,000 solar panels across campus rooftops to generate renewable power and replacing lighting with more than 7,500 smart LED units. We are also enhancing Electric Vehicle (EV) readiness with 20 new EV charging points now available to campus users.

Beyond enhancing our infrastructure, we are fostering a culture of sustainability through carbon literacy. As of 2024/25, over 200 Climate and Carbon Literacy training courses have been completed by staff and students.

Our natural environment

As a founding signatory of the Nature Positive Universities Alliance, we are committed to assessing the environmental impact of our activities and taking meaningful action to leave nature in a better state. We have mapped the diverse habitats across our campuses, and staff and students have created 1.2 hectares of wildflower meadow, enriching biodiversity with over 5,000 wildflower plug plants and seeds.

Our commitment to environmental stewardship is reflected in our Green Flag awards and an expanding programme of nature-positive initiatives. We support student and staff involvement through biodiversity internships, regular beach cleans, conservation work at local sites of special scientific interest, and opportunities for staff and students to grow fruit and vegetables on campus. We also carry out regular wildlife surveys and continue to enhance green infrastructure to support biodiversity.

Beyond our campuses, we work closely with Local Nature Partnerships to align our efforts with regional priorities. These collaborations have helped us secure support from key partners, including Swansea and Neath Port Talbot councils and Natural Resources Wales.

Our working environment

Our ISO 14001 Environmental Management System, LEAF and Sustainable Restaurant Association certifications support us to manage risk and deliver sustainability action plans that minimise environmental impact and support sustainable development.

We proudly retain our status as a zero waste to landfill university, and as of 2024/25, over 65% of our waste is recycled or reused. We have fully implemented the Welsh Government's Workplace Recycling Regulations and reduced waste through initiatives such as the Uni Green laboratory equipment reuse scheme and a partnership with a local company to upcycle and reupholster furniture. Through WARP-IT (our internal reuse marketplace) and campus donation points, hundreds of items, including furniture and clothing, have been repurposed or donated to charities.

We are also tackling food and materials waste while supporting students with the cost-of-living. Our 'Too Good To Go' partnership reduces food waste from catering outlets, and 'Play it Again Sports' gives pre-loved sports equipment a second life.

Our collaboration with the Swansea Community Environment Centre included several Repair Cafes, where items such as laptops and bikes were fixed on campus. And, in partnership with Goleudy, we also hosted campus community fridge events, distributing over 400kg of surplus food to students — reducing waste and helping to ease financial pressures for our staff and students.

Our sustainable travel

At Swansea University, we recognise both the environmental impact of travel and its potential to promote health and wellbeing. We are committed to encouraging low-carbon, active travel for students and staff.

Our popular Bike Hire Scheme continues to grow, and we are proud to be the first university in Wales to earn Cycle Friendly Employer accreditation. Staff participation in the Cycle to Work scheme remains strong, while students benefit from free bike lights and locks, security marking, and free maintenance and cycling sessions in partnership with Bikeability Wales.

To further support sustainable commuting, this year we have continued to offer discounted bus passes and deliver regular Travel Champion training. We are also a founding member and coordinator of the Swansea Bay Health Travel Charter, promoting active, sustainable travel across the region.

Our fleet now includes over 10 electric vehicles and an electric cargo bike and we continue to support regional implementation of low carbon hydrogen fuelled public transport.

As we enter the final year of our current Sustainability and Climate Emergency Strategy, Swansea University remains firmly committed to accelerating our progress. Building on the strong foundations already laid, the next chapter of our journey will focus on embedding net zero pathways, enhancing nature recovery and expanding our impact through research, education, and community engagement. Together, and in partnership with our staff, students, collaborators and wider community, we are shaping a resilient, inclusive, and sustainable future for all.

OUR PROGRESS IN NUMBERS

Our natural environment

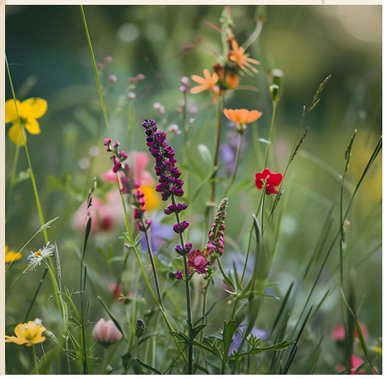
24
Beach Cleans per year
with staff and students since 2023

6 **Bug hotels added to enhance biodiversity**
since 2023

Wildflower meadow
1.2 Hectares
across campuses since 2023

2 **Green Flag Awards**
since 2023

Bird and bat boxes installed
30
since 2023



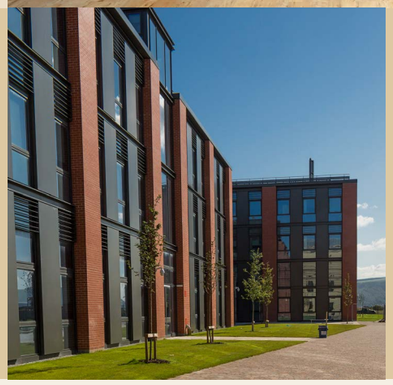
Decarbonisation and Energy Efficiency

Installed
2,000
Solar panels,
significantly boosting on-site renewable energy

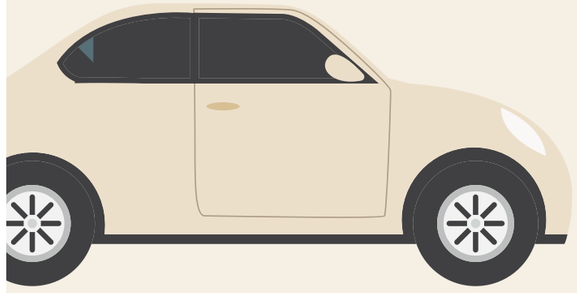
Reduced
Scope 3 emissions by
23%
since 2015

Installed
7,500
smart LED lights,
cutting electricity use

Delivered 3 Net Zero Ready buildings,
advancing energy efficiency



Installed
20 **EV chargers**
to support low-carbon travel



Achieved a 39% reduction in emissions from campuses and vehicle fleet on our Path to Zero by 2035

Sustainable Food and Circular Economy

2★
Rating
from the Sustainable Restaurant Association
since 2023

Reused
50+
tonnes of furniture through Warp-It
since 2023

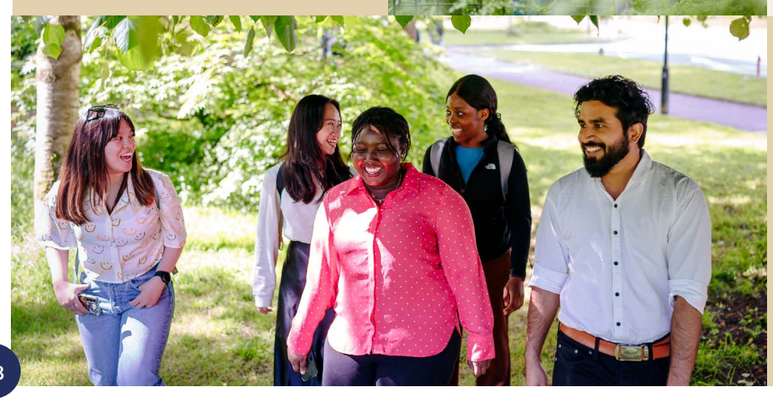
Donated
400kg
of surplus food via Goleudy Community Fridge events
Goleudy
since 2023

Sustainability Education and Engagement

Delivered Climate and Carbon Literacy
training to 200 staff and students
since 2023

Ran
134
sustainability and biodiversity
events across the year
since 2023

Hosted
2,400+
attendees at annual Go Green Weeks
since 2023



14
LEAF certified green labs

Sustainable Transport and Active Travel

Supported
sustainable commuting via active travel initiatives

8 cycle roadshows
across both campuses

500 Bikes
registered on Bike Register scheme

76
Cycle to Work sign-ups

19,450
Next bike hires

FINANCIAL REVIEW

Highlights

	2025	2024		2025	2024
Operating (deficit) / surplus	(£39m)	£83m	Operating (deficit)/ surplus as % of income	(12%)	22%
(Deficit) excluding USS and SUPS pension adjustments	(£40m)	(£15m)	Operating (deficit) / surplus excluding pension adjustments as a % of income	(12%)	(4%)
Total comprehensive income	(£35m)	£80m			
EBITDA	£1m	£28m	EBITDA as % of income	0%	7%
Net cash outflow from operating activities	(£16m)	(£19m)	Net cash outflow from operating activities as % of income	(5%)	(5%)
Cash & cash investments at the year-end	£98m	£121m	Liquidity days	104	121

Scope of Financial Statements

These Financial Statements consolidate Swansea University, its subsidiary undertakings and associated companies and have been prepared in accordance with Financial Reporting Standard 102 (FRS102) as interpreted by the 2019 edition of the Statement of Recommended Practice: Accounting for further and higher education.

Overview

The University's financial strategy continues to focus on generating sufficient cash to provide resilience, create the necessary levels of working capital and to enable essential investment in the estate and infrastructure projects. This is increasingly challenging for the University and the sector as a whole, as recruitment becomes more competitive for both home and overseas students. The University implemented a three-year Financial Sustainability Programme (FSP) in the summer of 2023, which saw ambitious targets for pay and non-pay savings as well as for additional income generation.

Whilst excellent progress has been made in delivering the savings against this programme, the continued changes to UK immigration policy have negatively impacted recruitment from overseas students this year and additional savings were made in year to mitigate the reduced income.

The University had planned for an underlying operating deficit (excluding pension adjustments) this year of £44.1m, however as savings targets were exceeded the actual operating deficit is £4.2m lower than forecast at £39.9m. The University reported a positive EBITDA of £1.5m and maintained a strong year-end cash position of £97.6m, equating to 104 days of liquidity.

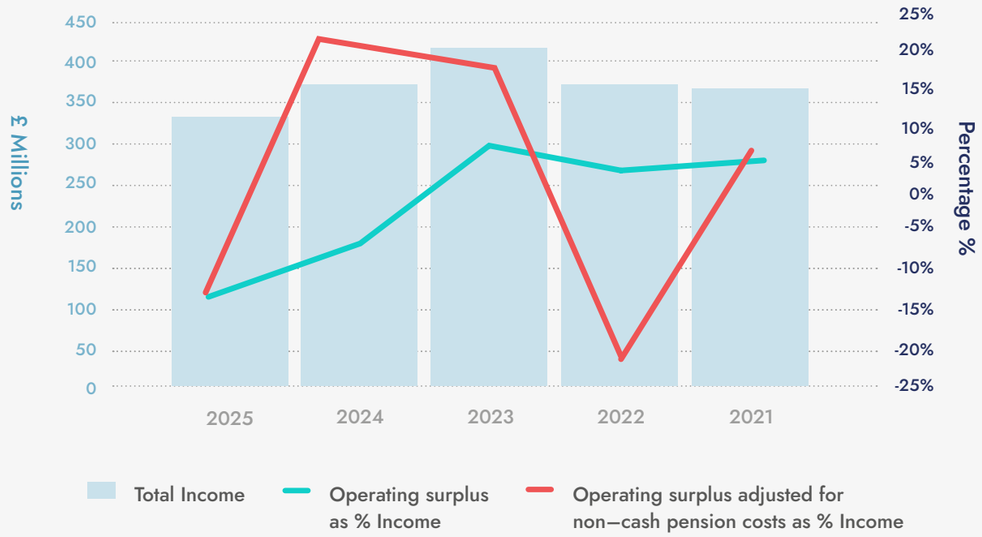
The University also forecast that two of its three banking covenants with the European Investment Bank (EIB) would be breached at 31 July 2025 and successfully negotiated a waiver and amendment letter in November 2024. The University has agreed a further waiver with the EIB in respect of the year to 31 July 2026.

Income – decreased by 13% to £334m

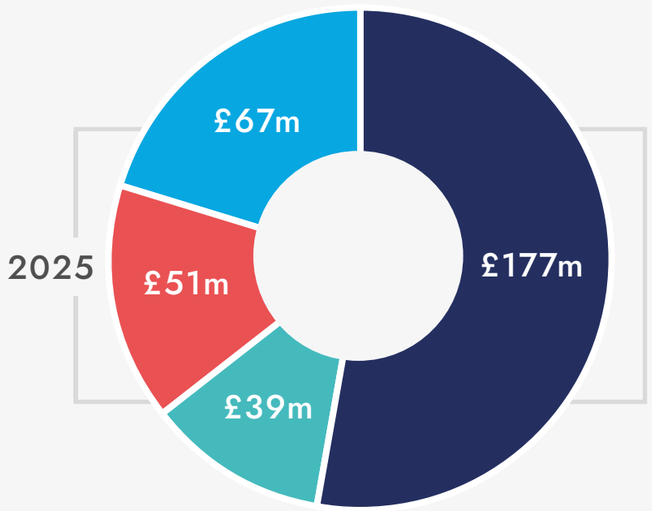
2025 saw a decline in income of £48.1m with income across all categories decreasing. Tuition fees and education contracts suffered the largest decrease with a fall of £36.7m in the year, with research contracts being £5.6m lower than in 2024.

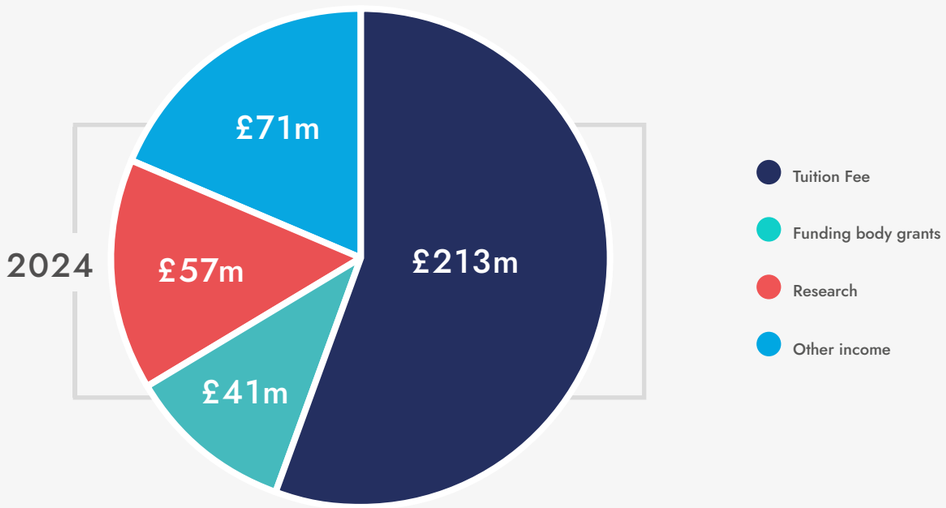
With the USS pension scheme now being fully funded, there are no significant pension adjustments as there have been in prior years.

INCOME AND OPERATING SURPLUS AS A % OF INCOME



INCOME BY CATEGORY





Tuition fee income decreased by 17% to £177m.

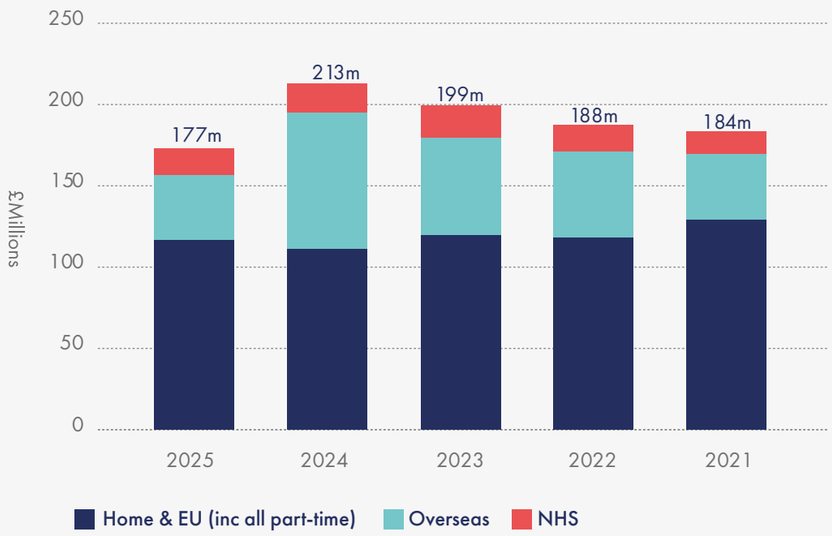
Like many in the higher education sector, recruitment of both home and international students continued to be challenging in 2024/25. Tuition fee income decreased by £36.7m from the prior year, with the most significant decline in numbers being in international students. After several successful years of recruiting overseas students, new international applicants decreased substantially whilst there was a smaller decline in continuing students. There remains ongoing uncertainty in the overseas market in the UK government immigration policies which is being reflected in reduced numbers of students choosing to come to the UK to study.

Funding body grants (excluding capital grant income) decreased by 6% to £34m.

Recurrent grants for teaching and research (excluding capital) remained relatively consistent with the prior year at £30.0m, whilst capital recurrent grants decreased by £2.2m to £1.2m due to the delay in the timing of the receipt of £1.2m of Higher Education Research Capital.

Funding body specific non-recurrent grants to support research and innovation decreased in the year to 31 July 2025 with the completion of a number of research projects, a decrease in funding allocation, and the reclassification of Research Wales Innovation Fund as recurring which totalled £1.6m in the year. A further £4.2m of capital grant receipts were received, an increase of £2.8m from the prior year, reflecting additional grant provided by Welsh Government to support strategic projects including those in support of the University's decarbonisation goals.

TUITION FEE INCOME



Research income, excluding capital grants, decreased by 9% to £51m.

The reduction of 61% in income from Government sponsored grants over the two-year period to 31 July 2025, is a direct result of the cessation of the EU Structural Funds support in December 2023, with 2024/25 being the first year with no EU Structural Funding received. The remaining research portfolio continued to hold up well with a further increase in Research Council funding as the University's primary focus remained on Research Council funded projects.

Other income remained relatively stable, decreasing by 2% to £61m.

Other Income includes income generated across the University not captured under the core headings of tuition fees, funding body grants, research, and investment income. Student accommodation income received in the year reduced to £20.4m from £21.9m in the previous year reflecting a reduction in occupancy on the Bay Campus.

Catering income for the year declined by £0.3m which was attributable to the lower campus footfall and changes in student spending patterns, however, this reduction was partly offset by lower non-pay expenditure. Conference Services reported lower levels of commercial activity during 2024/25, resulting in a £0.5 million fall in income compared with the prior year. £6.1m of NHS income was received to support academic activities in the Faculty of Medicine, Health and Life Sciences during 2025, £1.5m lower than in 2024.

Included within other income is a £9.5m accounting adjustment in respect of the Bay Residences which is treated as a Service Concession Arrangement. This is an annual release of the provision and is not a cash transaction.

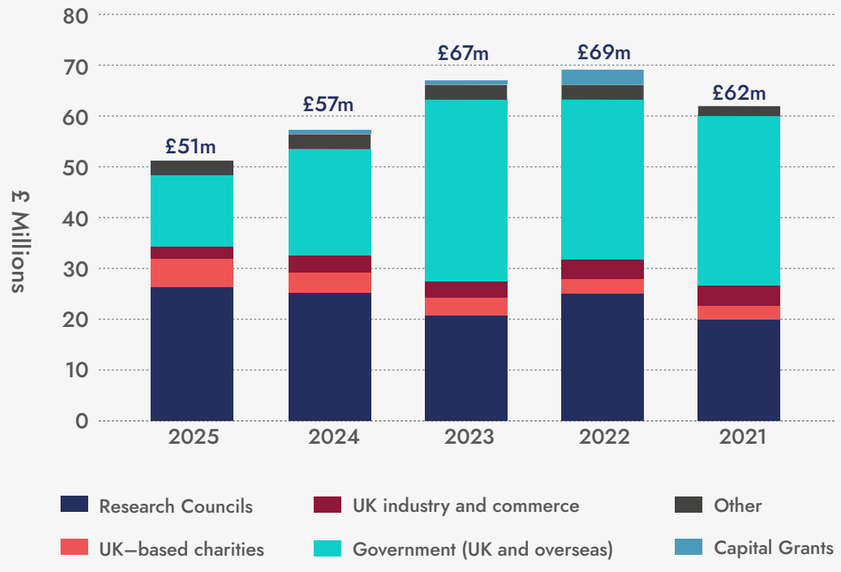
Investment Income decreased by 33% to £5m.

Bank accounts and money funds continued to perform well despite decreases in the income generated, which can be attributed to changes in the wider economy, disinvestments and as a consequence of holding reduced cash reserves.

The short-term money fund held with Royal London Asset Management generated an average net rate of return of 4.69%, a slight decrease from 2024 but still a strong performance. Returns diminished as lower cash reserves were held on average in the fund throughout the year. Interest received from the current account remained comparable to the prior year, with a small increase in the rate of interest across the year.

The permanent endowment investment fund previously held with Barclays Bank was liquidated during the year for ethical and sustainability reasons. This fund took several months to divest due to the nature of a number of investments, which consequently reduced the return on these investments in the year.

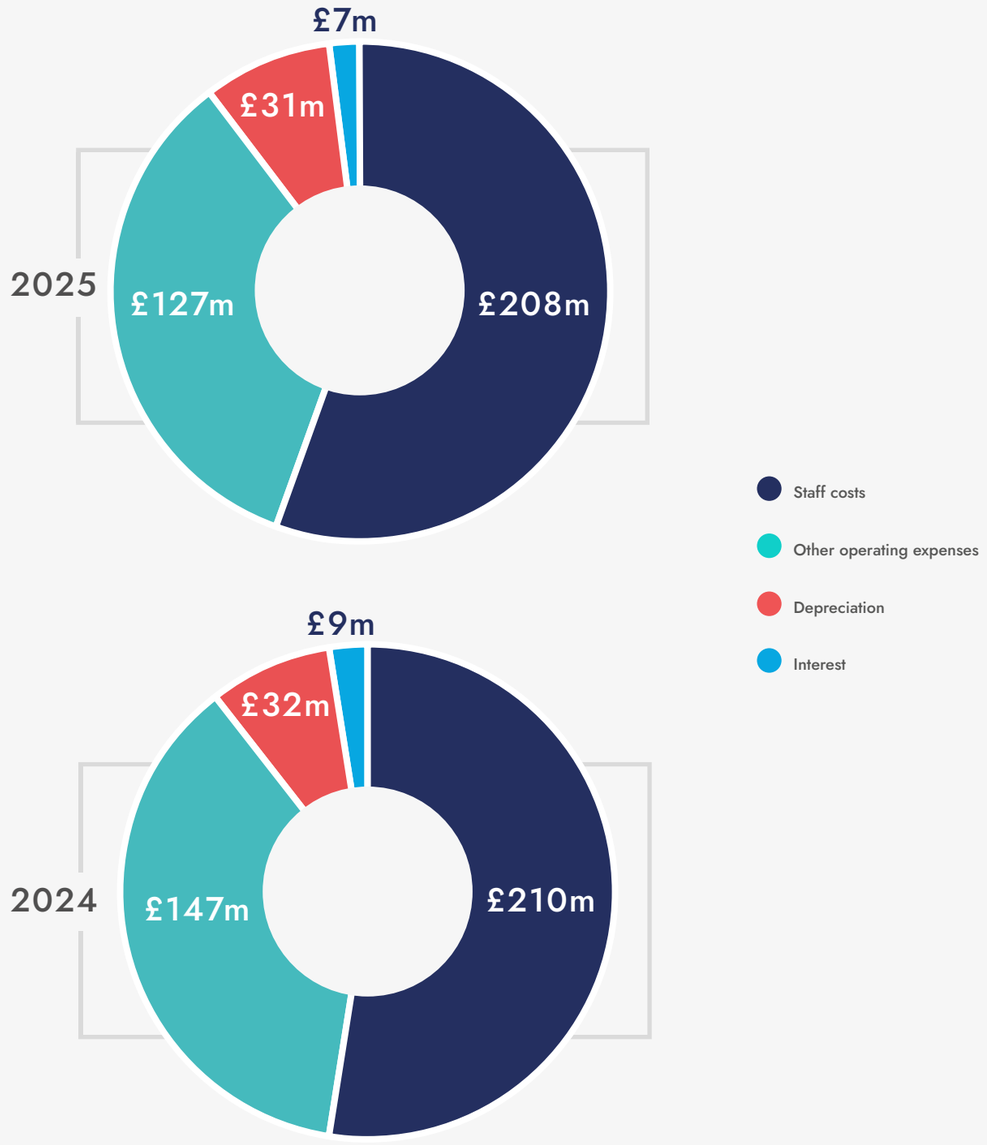
RESEARCH GRANTS



Expenditure – decreased by 6% to £373m

Expenditure in the year (excluding USS valuation adjustments) decreased by £24.5m to £373.0m. Staff costs (excluding USS valuation adjustments and restructuring costs) decreased by 1% to £199.5m, whilst other operating expenditure decreased by 14% to £127.1m.

EXPENDITURE EXCLUDING USS PENSION VALUATION



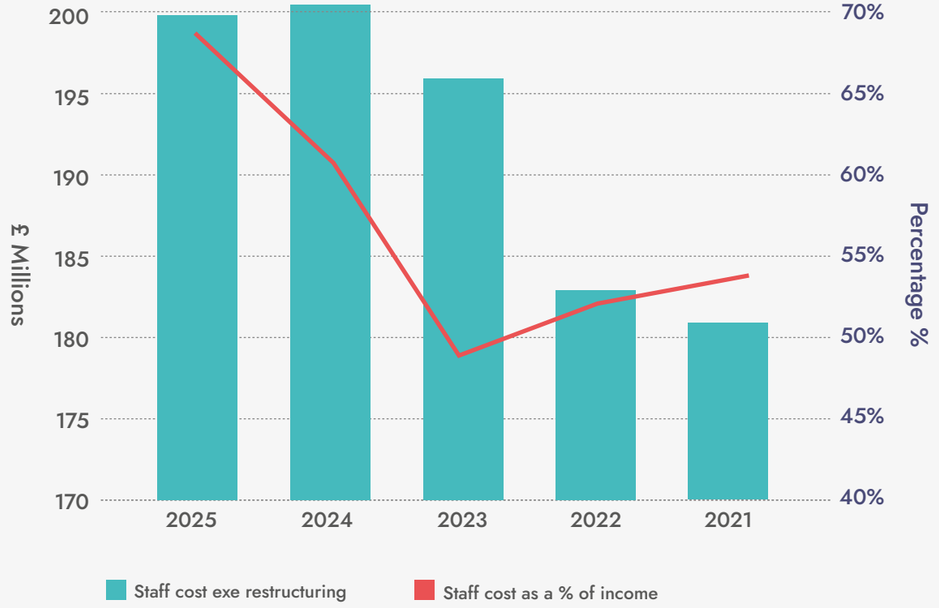
Staff costs (excluding the USS adjustment & restructuring costs) decreased by 1% to £199m.

Staff full time equivalent (FTE) numbers decreased by a further 213 during 2025 following a decrease in the previous year and reflecting the impact of the Financial Sustainability Programme. Decreases in FTE were achieved across all categories of staff with Management and Specialist staff having the largest reduction of 61 FTE (excluding the "other" category).

Enhanced compensation payments made as part of the Voluntary Exit Scheme totalling £8.4m were made or accrued in 2024/25 and will continue into 2025/26.

Staff costs (excluding the USS adjustment and restructuring costs) as a percentage of income (excluding capital grants) increased to 63% from 56% as staff costs decreased by less than 1% but income generated decreased significantly. The average annual salary increased to £47k from £45k reflecting the national pay award, annual increments and the staff profile. The impact of the staff reductions is expected to be reflected in 2025/26 and future years.

STAFF COST AS A % INCOME (EXCLUDING CAPITAL GRANTS)



Non-Pay expenditure decreased by 14% to £127m.

As part of the careful and proactive management of expenditure under the Financial Sustainability Programme, discretionary non-pay expenditure has been significantly reduced in 2024/25.

Rent, rates and leases were the highest non-pay costs for the University during 2025 at £25.0m, comparable to the previous year. These costs, which primarily reflect the student residences rental costs, include £20.7m for the Bay and Singleton Campuses, and further costs in relation to the two city centre residences which were available to students for a second year via nomination agreements with the providers. The cost of occupancy voids accounted for £2.9m of the rental costs.

Consultancy and contracted services of £22.0m also remained consistent year-on-year and included a £1.2m grant to the Student's Union and third-party contracts for both hard and soft facilities management, catering and legal services. Spend on non-capitalised equipment remained unchanged at £12.1m following a significant decrease from 2023 when the Financial Sustainability Programme was initiated. Scholarships, bursaries and prizes decreased by 26% to £15.4m, alongside a reduction of £6.4m in student recruitment costs largely due to the lower levels of international student recruitment. Utility costs fell significantly from £13.6m to £9.3m with a tariff and VAT review which resulted in refunds from suppliers for costs incurred in prior years. Subscriptions and contributions increased by £1.4m to £4.7m, being driven mainly by higher Swansea University Pension Scheme contributions, along with additional expenditure on library and marketing subscriptions and grant payments.

OTHER OPERATING EXPENSES 2025

Balance Sheet

Despite the ongoing financial challenges facing many in the Higher Education sector, the University continues to have a strong balance sheet with net current assets of £42.1m and reserves of £292.9m. However, total assets decreased by £51.0m, contributing towards a £108.3m decrease in total assets over a two-year period and being largely due to the decrease in cash and liquid investments, as well as a an overall reduction in the depreciated value of tangible fixed assets.

Non-current assets decreased by £14.8m, following the necessary reduction in cash spent on capital additions in the year to £19.7m; depreciation remained in line with prior years. The Space Optimisation Programme is seeking to consolidate space and deliver improved overall occupancy levels and changes to the use of a number of buildings has resulted in the impairment of those areas, further decreasing non-current assets in the year.

Current assets decreased by £36.1m impacted by the reduction in cash and current investments of £28.5m. Operating activities contributed £15.6m towards the cash outlay, with a further £13.3m of own funded cash used to acquire equipment and contribute towards building works. Servicing loans cost £9.3m during 2024/25, with service concessions costing £9.5m. Two new Finance Transaction Capital loans (Digarbon), specifically supporting decarbonisation projects and totalling £14.6m, were received in the year, helping to improve the year-end cash balance. The current asset endowment investment was liquidated and held in a cash deposit account over year-end. Trade and other receivables decreased by £7.6m to £33.9m which comprised mainly of timing differences combined with a reduction in prepayments and research debtors.

Current liabilities decreased by £11.2m as accruals and trade creditors were reduced in part due to the Financial Sustainability Programme and due to timing differences. Deposits received in advance decreased by £2.8m to £6.1m driven entirely by the reduction in international students.

Creditors falling due in more than one year increased by £1.3m despite loan repayments being made and the unwinding of the service concession lease liability following the receipt of the two Digarbon loans.

Provisions now solely comprise of the deficit for the Swansea University Pension Scheme fund following the 2023 valuation of the USS pension placing this scheme in surplus. The Swansea University Pension Scheme deficit provision decreased by £6.6m to £12.4m after an actuarial gain in the year of £5.4m and the continued payment of deficit contributions.

Covenants

In order to satisfy the loan conditions, set out by the European Investment Bank (EIB), the University must ensure compliance with the following covenants:

1. The ratio of Net Financial Indebtedness to Adjusted EBITDA shall not exceed 6.5:1
2. The ratio of Net Operating Cashflow or Debt Servicing Costs shall be at least 1.1:1
3. The ratio of Adjusted Financial Indebtedness to Revenues shall not exceed 85%
4. The University shall comply with any other condition which is set in respect of Medr.

The University forecast a breach to two covenants for the year to 31 July 2025 and successfully renegotiated the EIB loan covenants. The EIB agreed a covenant holiday for covenants 1 and 2 above for 2024/25 with the introduction of a new covenant. This resulted in an increase in the borrowing costs of between 24 and 30 basis points across the six tranches of the EIB loans from 1st August 2024.

The temporary EIB covenant, which will be tested quarterly until 31 January 2026 is:

5. The aggregate sum of Cash and Cash Equivalents and Short-Term Investments plus available and unused amounts under a Revolving Credit Facility shall be greater than £50m for each Quarter from 31 July 2024 until 31 January 2026.

Covenants 3 and 4, and the temporary covenant, 5, were all met at the required testing dates and at 31 July 2025.

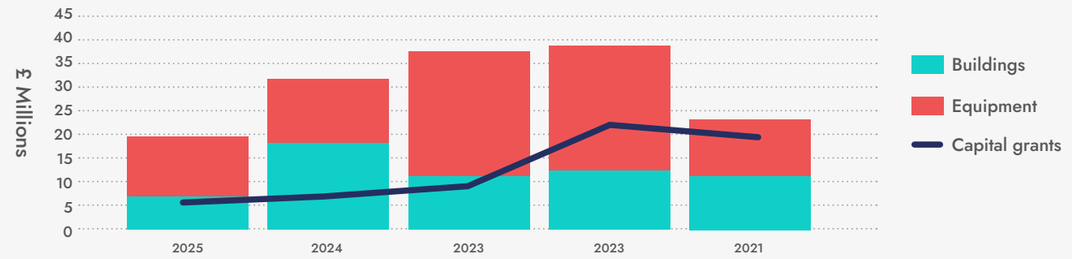
Capital Expenditure and Capital Grant Receipts

Capital expenditure reduced in the year by 39% to £19.7m.

The Campus Master Plan, which built upon the existing Estates Strategy, was finalised in 2024 and formed the basis of an agreed programme of capital expenditure. However, the 2025 infrastructure plan was reduced during 2024 as part of the Financial Sustainability Programme with the decision taken to defer, cancel or reduce in size a number of projects. Under the Campus Master Plan, £1.5m was spent on net zero projects as part of the pathway to decarbonising the campuses by 2035, with a focus on improving the energy performance across the campuses. The purchase of land at the Bay Campus cost £4.8m with smaller projects taking place on Singleton Campus and Sketty Lane.

As part of the Digital Transformation Strategy, the network project entered its final stages with a further £1.0m spend being incurred during 2025.

CAPITAL EXPENDITURE AND GRANT RECEIPTS



Cash and Debt

Cash, including current investments, decreased to £97.5m.

There was a cash outflow from operating activities of £15.6m in the year to 31 July 2025. In addition, £9.3m of cash was used to service the loan arrangements in the year, with £14.6m of cash receipts from the Digarbon scheme, a decarbonisation fund for further and higher education institutions within Wales.

The University funded £13.2m of the capital expenditure from its cash reserves, reduced by 47% from the previous year. Whilst the Digital Transformation Plan has been reduced the digital network project neared completion and a number of strategic and critical projects continued, including net zero projects and the purchase of land at the Bay Campus.

Net indebtedness increased by £24.4m to £118.7m.

Loan repayments of £6.3m were made during the year but two loan drawdowns totalling £14.6m increased the loans outstanding at year-end to £106.6m. The service concession arrangement debt on the student residences decreased to £109.5m for 31 July 2025 following the unwinding of the lease liability with the commitment having already been provided to UPP in 2024 to guarantee 100% of the room allocation until July 2026.

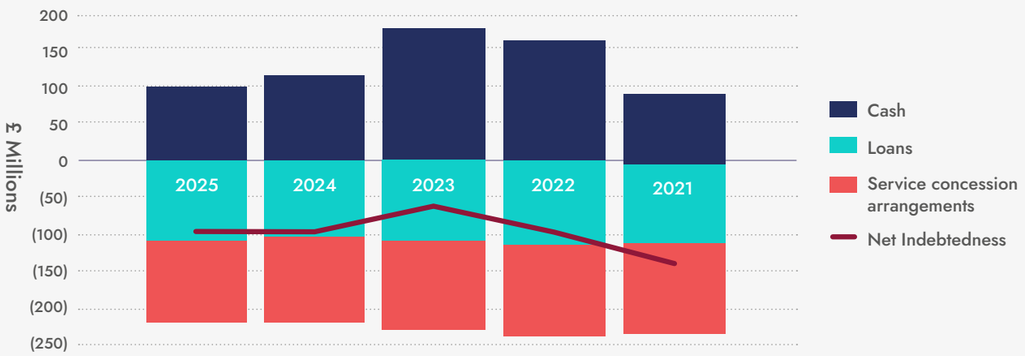
Cash decreased by £22.8m in the year, largely attributable to the loss on operating activities whilst current asset investments decreased by £5.4m as the endowment investment portfolio was liquidated, temporarily boosting cash over the year-end period.

Pension Provisions

The University is a member of the Universities Superannuation Scheme (USS) which provides pensions for academic and professional staff. In the most recent triennial valuation at 31 March 2023 the scheme moved from a deficit position to a surplus of £7.4 billion, resulting in the provision no longer being required.

The University also operates a CARE scheme, Swansea University Pension Scheme (SUPS) for non-academic employees, which is closed to new entrants. During the year the SUPS deficit decreased from £19.0m to £12.4m as a £5.4m actuarial gain in comprehensive income was recognised and deficit contributions made further reduced the liability.

CASH, DEBT AND NET INDEBTEDNESS



FUTURE OUTLOOK AND GOING CONCERN

Future outlook

Major challenges to the finances of the UK higher education sector are set to continue, given the ongoing lack of certainty in respect of the future funding and economic model for universities.

Notwithstanding the inflationary uplift in fees announced by the UK Government, the real-terms value of tuition fee income from UK undergraduates continues to decline relative to costs.

In addition, as a result of UK Government policy decisions over the past two years and wider geopolitical volatility, the number of non-UK-domiciled students enrolling in UK universities has been declining year on year and this trend is expected to continue.

Operating costs continue to rise. Pay costs have risen with the recent increases to employers' national insurance contributions, and other costs such as utilities and software licenses continue to rise above inflation.

Substantial investments of cash are also required to maintain ageing university estates and to deliver the decarbonisation projects necessary if universities are to meet their net zero targets.

Combined, these pressures have resulted in many universities posting deficits over recent years and have created a volatile and competitive student recruitment landscape. While Swansea University saw its highest number of overseas students in 2023/24, in 2024/25 enrolments of overseas postgraduates were 75% lower than in 2023/24, and overseas undergraduates were 40% lower than the previous year.

It is in this context that we established an ambitious Financial Sustainability Programme in 2023/24, through which we will have secured planned savings of £56m across pay and non-pay costs by 2025/26. However, following continued and significant declines in international recruitment, our latest forecast shows another significant deficit for the University in 2025/26 before returning to surplus in 2026/27.

The Vice-Chancellor has been clear with colleagues, our recognised Campus Unions and our governing body that Swansea University will remain a multi-disciplinary, research-intensive institution, but that additional savings are required as we resize and reshape the institution.

The University held £98m of cash and investments at 31 July 2025, down from £121m at 31 July 2024, but an improvement on the original forecast for 2024/25. While this provides some flexibility to allow for the delivery of the proposed further actions the University cannot sustain ongoing net operating cash outflows.

The forecasts for 2025/26 include the assumption that further savings will be necessary, and work is underway to ensure these are delivered by 31 July 2026. In common with a number of other institutions, the University took the difficult decision to deploy the mechanism provided by UCEA to defer the implementation of the nationally negotiated pay award for university staff until July 2026.We are also managing vacancies carefully and will be offering a Voluntary Exit Scheme to both academic and professional services staff in order to deliver the additional £25m pay saving by 2026/27.

Our forecast also reflects a reduction in non-pay costs to £125m in 2025/26, from a high in 2023/24 of £147m, and a further reduction to £115m by 2026/27. While a proportion of this relates to variable operating costs and should be expected given the reduction in student numbers, the University is also implementing a number of strategic projects all of which aim to reduce costs either directly or through improved and more efficient processes.

We are also continuing the work to diversify our income, with a number of new UK and overseas partnerships either agreed or in the pipeline. We have taken a cautious approach to the inclusion of any related income in the forecasts but anticipate these projects delivering healthy surpluses in the medium to longer term.

These savings and income generation initiatives are all being governed through the extended Financial Sustainability Programme with regular reporting to the Senior Leadership Team and to University Council and its relevant sub committees.

Inevitably, there is increasing pressure on the University's operating cashflow which requires continued careful monitoring, along with the robust management of cash reserves.

Investment in day-to-day capital and infrastructure projects, including backlog maintenance, has been reduced to a minimum in order to preserve cash. However, on a positive note, the University has successfully bid for, and received, £14.4m of Welsh Government funds for investment in decarbonisation projects, thereby allowing us to continue to reduce carbon emissions as part of our commitment to environmental sustainability and our journey towards net zero operations.

Going concern

As an institution, we must ensure that we can maintain sufficient cash to meet our day-to-day operational requirements and liabilities for 12 months from the date of approval of these financial statements. To test the University's resilience and ability to do this, we have stress-tested a base forecast for 2025/26 and 2026/27, both of which have been updated to reflect the impact of the 2024/25 year end out turn, latest projections for student enrolments and any other material changes to the original forecasts submitted to Medr for those years.

A number of key risks have been identified and the financial impact of a plausible downside scenario on the Statements of Comprehensive Income, Financial Position, Cash Flows and on the banking covenants for the going concern period has been calculated.

The main risk relates to tuition fee income, which represents the majority of our total income. We have tested a reduction in home and overseas student numbers against the 2025/26 and 2026/27 base forecasts, taking into account actual enrolments to October 2025 and anticipated enrolments in September 2026, based on current applications and market intelligence.

Other risks which were considered included the UK or Welsh Government failing to implement annual inflationary uplifts and the University failing to achieve the required savings targets.

The Welsh Government has announced that it will not follow the UK government in applying a 6% International Levy so no downside has been included for this and pay inflation at 3% is considered to be realistic.

Despite the reductions in total student numbers compared to previous years, occupancy levels in University owned student accommodation have improved. Additionally, the University will have the option to reduce its nomination guarantee with UPP (the University's primary accommodation partner) from 100% to a minimum of 50% with effect from 2026/27. Occupancy risk has therefore not been included in the downside scenario.

The base forecasts reflect the need for further savings of £30m to be achieved by 31 July 2026. We are conscious that the scope for mitigations inevitably becomes increasingly difficult with each round of pay and non-pay savings, and the University leadership team does not underestimate the scale of operational and cultural change that is necessary to provide financial stability, nor the impact on our staff. We continue to work closely with our recognised Campus Unions to discuss options and to listen to and consider feedback, and we host regular staff meetings to share updates on our position.

Accurate cashflow forecasting, based on good quality income end expenditure management information, will be critical for both the base forecasts and the plausible downside scenario.

The pressure on operating cash, particularly at month and quarter ends, would be acute in the downside scenario. The additional actions that would be necessary to mitigate this scenario would likely require further consideration of the level of financial support that is given to some university activities, possible changes to working practices for staff and the acceleration of the Space Optimisation Programme, with consolidation and closure of underutilised spaces across both of our main campuses.

The base forecasts for 2025/26 indicated that a further waiver of two EIB covenants would be necessary at 31 July 2026 and this has been obtained subject to a loan prepayment being made in December 2025.

A number of conditions have been agreed as part of the negotiation for the waiver. A prepayment of £7.3m has been agreed, representing the final year's principal on each of the six tranches of the EIB borrowing, with no prepayment indemnity payable. This reduces the term of each of these loans by one year.

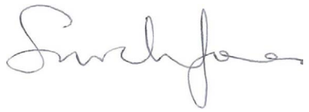
The cash covenant, which was introduced in 2024/25 has been made permanent. The requirement is to hold a minimum of £50m of cash including the RCF until 31 July 2026, dropping to £40m for the years 2026/27 and 2027/28 until returning to £50m from 2028/29. This convenant will be tested on the quarters ending 31 October, 31 January, 30 April and 31 July each year. The cost of borrowing has also been increased by 0.75% on all tranches.

The pressure on these covenants increases under the Plausible Downside Scenario and the mitigations that have been identified are sufficient to ensure that the revised EIB requirements are met.

While the impact on staff and students would likely be significant, the current University leadership has managed to successfully navigate the multiple challenges created by the impacts of Brexit, the pandemic, and various global economic and geopolitical crises over the last five years. We are therefore confident that such a downside scenario would be managed effectively.

As in previous years, the University will continually monitor internal and external conditions, including student application numbers and government policies, formally assessing potential impacts on a quarterly basis, and taking appropriate and swift decisions as necessary.

Members of University Council have considered the underlying assumptions of the downside scenario and the proposed mitigations and their financial impact, particularly in relation to our cash position and the renegotiated loan covenants. While acknowledging the scale of the challenge facing both the sector and our University, the Members of University Council share our confidence that the University can manage the risks and will have sufficient funds to meet the University's liabilities as they fall due over the period of 12 months from the date of approval of the financial statements.



Sarah Jones, Chief Financial Officer

Anne Tutt, Chair of Finance & Strategy Committee

PRINCIPAL RISKS AND UNCERTAINTIES

The University maintains a university-level Risk Register which is formally reviewed quarterly by the Senior Leadership Team, Audit, Assurance and Risk Committee and Council. It is also updated as and when appropriate if it is clear that risks are changing more rapidly.

The distribution of risks continues to reflect the challenges that exist in the external environment including the uncertainty around government funding for higher education generally, increased competition for home and overseas students, and the ongoing impact of inflationary pressures on the University, staff and students.

The table below identifies the highest-ranking risks from the University register according to residual risk score.

Strategic Risk	Main mitigations
Financial sustainability Inability to deliver the forecast income growth and expenditure reductions due to external factors, (increased competition for students, government policies, high inflation on costs), leads to inability to deliver a balanced budget, resulting in failure to create the surpluses required for investment and to deliver the university objectives	· Monthly budget reporting and monitoring and quarterly reforecasting · Increased focus on cashflow management and forecasting · Detailed financial assessment and stress testing of current and future risks · Financial Sustainability Programme overseeing the delivery of required savings · Monitoring of loan and RCF covenants · Ongoing management of vacancies
International student recruitment UK government policy changes, perception of UK as a study destination, challenges with admissions, over-reliance on limited number of price sensitive markets, lack of diversification and increased competition lead to inability to meet forecast international numbers, resulting in reduced financial sustainability	· Implementation of the International Strategy · Development of new Transnational Education opportunities to deliver in-country programmes · Identification of new markets for the development of an enhanced overseas presence · Monitoring and review of performance of existing markets
Student experience – learning and teaching Reduction in financial resource and staff resource leads to poorer student experience, resulting in dissatisfaction, impact on NSS and league table scores, University reputation, recruitment and achievement of the University's growth strategy.	· Education Strategy being implemented · Curriculum Transformation and Timetabling Project intended to address student experience · Student Services Gateway (Hwb) project being implemented · NSS continuous improvement plan with faculties and professional services · Generative AI framework under development for academic year 2025/26
Cyber security Inadequate information management controls and staffing resources leads to reduced ability to protect, process and access information, resulting in increased successful cyber attacks, a loss of reputation, compliance breaches, fines and penalties and increased costs.	· Adopting the HEFESTIS Framework, which is more comprehensive that the JISC assessment · New network implementation to be completed by December 2025 · Cyber business continuity exercises undertaken by senior leadership team and other relevant staff · Cyber hygiene activities prioritised
Staff morale – impact of change Sustained increased workloads, uncertainty re future job security, lack of opportunities and delays arising from financial situation and service redesign lead to reduced staff morale, resulting in increased stress, absence and turnover, reduced wellbeing, engagement and productivity.	· Regular communication to staff via various forums · Recognition of staff efforts · Joint Working Group with campus unions well established · Voluntary Exit Scheme provides an opportunity for some staff · Prioritisation of activities and workload
Home student recruitment Increased competition and increased challenges to undergraduate recruitment lead to inability to meet forecast student recruitment numbers, resulting in reduced financial sustainability	· UK Recruitment Strategy under review · Maintain and develop Clearing Strategy and campaign through Clearing Steering Committee · Engagement with FE Colleges as part of Diversification project · Exploration of external opportunities and partnerships to increase recruitment potential
IT – Core business systems Failure to identify and resources changes to key dependencies in core business systems leads to difficulties in delivering the necessary services required, (e.g. service redesign), resulting in failure to achieve expected benefits / reduced quality of service	· Project Boards established and funding in place · Overall Enterprise view of end-to-end services for Student and Administration systems · Significant work undertaken re. core systems, (ABW, SITS, CRM)
Business intelligence Migration to new IT systems, (e.g. SITS, ABW), reduction in staff and data capture activity leads to failure to capture business intelligence / data, resulting in inconsistent data from past to present, inability to provide comparisons for internal, (business planning, SLT), or external use, (HESA, Medr, etc.), poor quality data analysis	· Verification and mapping of data requirements as part of activity / project specifications · Where data requirements will not/are not being met identification of alternative data sources · Impact assessments of not being able to provide required data · Prioritisation of activities as necessary

PUBLIC BENEFIT STATEMENT

Swansea University has been a registered charity (no.1138342) since October 2010. Our constitutional framework is defined in our Charter and Statutes and Article three of the Supplemental Charter highlights our University's objectives: "to advance learning and knowledge by teaching and research, and to engage in activities to promote and contribute to cultural, social and economic development within Wales and beyond".

In setting and reviewing objectives and activities and in making decisions, the University's Council has had due regard to the Charity Commission's public benefit guidance and supplementary guidance on the advancement of education.

Our Strategic Vision and Purpose (2020) is underpinned by five pillars, each with their own strategies, which are summarised on page 10. Our Strategic Vision and Purpose also recognises that the climate crisis remains society's biggest threat. Consequently, we align our work to the Sustainable Development Goals (SDGs), are mindful of our unique national legislative framework, The Wellbeing of Future Generations (Wales) Act 2015, and have committed to becoming a carbon-zero university by 2035.

Our Civic Mission

We are proud to belong to the City of Swansea, the wider Swansea Bay City Region and to Wales, and we celebrate that heritage. With campuses in three local authority areas, we recognise that our University is the region's university, and that we have a responsibility to work with and for our community and Wales. We seek to deliver local solutions to the global challenges that affect us all.

While our civic mission is rooted in our immediate region it extends to the impact we seek to make in communities worldwide. We attract colleagues and students to Swansea from all over the world and we are committed to ensuring that the education and experiences we provide and the research we pursue are relevant locally and internationally. Above all, we seek to work in genuine, open and equitable partnership, and to learn as much from others as we can.

This year, we are proud to have been awarded University of Sanctuary Status, in part due to initiatives such as our Sanctuary Scholarships scheme and our partnership with Petro Mohyla Black Sea National University in Ukraine, which has enabled 53 Ukrainian students to undertake study visits to Swansea. This recognition reflects the compassion and commitment of our staff, students and alumni in creating a truly welcoming and supportive environment for those who have faced the most challenging circumstances across the world.

We are an anchor institution that plays an active part in the life of the region. We have strong links with other anchor institutions and major employers, including Health Boards, local authorities, and private and third sector organisations, and we have effective partnerships with further education colleges and schools. We have invested significantly in the infrastructure needed to support skills and innovation and are a key partner in the Swansea Bay City Deal.

We contribute to the cultural life of our community through our Taliesin Theatre and Great Hall, the Egypt Centre, our South Wales Miners' Library and Richard Burton Archives, and the International Dylan Thomas Prize.

Our Student Experience

Our students are at the heart of our University. We take their needs and expectations into account in our decision-making and take pride in our consistently strong reputation for the quality of our student experience, the strength of our student support services, and our commitment to student mental health and wellbeing. In partnership with our Students' Union, we work to ensure that every student who makes Swansea their home experiences the best of us. In order to improve that experience, this year we have launched our new one-stop-shop for student support and information, Hwb, which will simplify access to the services which we are proud to offer our student community.

Our students make a significant contribution to local society through volunteering and outreach programmes, and they are part of our international community. Our aim is to produce global citizens who will go out into the world and make a difference. Discovery, our student volunteering charity which will celebrate its 60th anniversary in 2026, plays a vital role in providing opportunities for students to work with people across our community: older people; disabled adults and children; refugees and asylum seekers; exploited women; people experiencing isolation and loneliness, and students with additional needs.

Our Learning and Teaching

The sharing of knowledge to nurture independent, critical thinking is fundamental to our purpose. It enables our students to be resilient in the face of global challenges and to adapt to the changing world of work. We celebrate our Welsh heritage and are proud to be part of a bilingual nation. We respect students' right to study through the medium of Welsh and will expand our range of opportunities for them to do so. We also work to maintain our status as a community that balances research and teaching excellence.

We are committed to widening and deepening access to education, promoting lifelong, inclusive and equitable learning opportunities. Our University is the lead partner in the HEFCW-funded Southwest Wales Reaching Wider Partnership and also funds and delivers the Step Up to Swansea University programme. Both programmes aim to increase participation in higher education by people from underrepresented groups – including care-experienced young people - and communities in Southwest Wales.

Our Swansea Academy of Inclusivity and Learner Success (SAILS) works to provide inclusive academic and pastoral support for our diverse student population. SAILS delivers a range of projects to enable individuals from all backgrounds to enter and transition into Higher Education; to stay at university and complete their studies; to progress from level to level, and to achieve the best degree outcomes they can.

Our Research

Our research has impact because it is directed to meet the needs of our partners in industry, commerce, academia and the public sector. It changes lives, drives innovation and regional growth, and is aligned to the UN Sustainable Development Goals. It impacts on our culture and society as well as on our health and wellbeing, our economy and our planet. We drive policy change nationally and internationally.

We have continued to build on our existing research strengths, taking advantage of emerging opportunities and broadening our base of research funders in order to become more resilient in an increasingly challenging research funding environment.

We are at the leading edge in many areas including: advanced manufacturing and innovation in clean energy and the digital economy; nanohealth and the analysis of large-scale health data; labour market evaluation, terrorist use of the internet, and preserving our industrial heritage. We are exploring new ways to assess and mitigate the risks of the climate crisis and are working to protect the most vulnerable in our society and to enrich all our lives through our understanding of history and the arts.

Our Enterprise

We are an exceptionally collaborative and entrepreneurial university. We were founded by industry, for industry, and we remain true to the ambitions of our founders in that we work with industrial, commercial and public sector partners for the benefit of our region and nation. We value our partnerships with anchor companies and SMEs in Wales, and with the many organisations we collaborate with internationally.

Our entrepreneurial approach adds value to the student experience, providing opportunities for our students to gain practical skills through placements, internships and collaborative research projects, and we support students to launch their own businesses. Swansea University is also among the leading academic institutions in the UK for generating spinout companies. The annual Spotlight on Spinouts report, sponsored by the Royal Academy of Engineering, positions our University in the UK top 10 (and top in Wales) for spinouts. We have also been recognised this year as one of just five UK universities with more than 100 spinout companies registered.

CORPORATE GOVERNANCE STATEMENT AND STATEMENT OF INTERNAL CONTROL

The University conducts its activities in accordance with both the Committee of University Chairs (CUC) Higher Education Code of Governance and the Higher Education Senior Staff Remuneration Code, and in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). The University is committed to the highest standards of openness, probity and accountability, conducts 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 that are in the public interest.

Constitution and Powers

The University is an independent corporation, whose legal status derives from a Royal Charter originally granted in 1920. Its objects, powers and framework of governance are set out in its current Charter ('the Supplemental Charter'), approved by the Privy Council in 2007, and its supporting Statutes the latest amendments to which were approved by the Privy Council in 2021. The University registered as a charity in October 2010 (1138342).

The Charter and Statutes require the University to have three separate bodies (Council, Senate, and Court), each with clearly defined functions and responsibilities, to oversee and manage its activities:

Council

Council, which is established by the University's Charter, 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. Council's membership, powers and duties are set out in Statute 5, which is available on the University's website. Council is responsible for determining the strategic direction of the University, and for the finance, estates, investments, and general business of the University.

Council normally meets at least four times a year and exercises its responsibilities through the executive management and standing committees set out below. Council has also approved a Schedule of Delegation which sets out where decision-making authority in the name of, or on behalf of, Council resides, and where this authority can and has been delegated. During 2024/25, Council held six meetings including two special meetings.

Council comprises independent (described as lay), staff and student members appointed in accordance with the Statutes and Ordinances of the University. The membership of Council shall not exceed 19 and the majority of Council members are non-executive lay members who are not members of staff or registered students of the University. Council is committed to promoting equality and diversity and vacancies for lay members are advertised externally, with expressions of interest particularly welcome from under-represented groups. Applications are considered by the Governance and Nominations Committee and matched against the current skills and experience matrix. None of the lay members receive any payment, apart from the reimbursement of expenses, for the work they do for the University. Lay members of Council serve for a period of four years but may be re-appointed for one further period of four years. The role of the Chair of Council, which can only be undertaken by a lay member, is separate from the role of Vice Chancellor. The staff members of Council are appointed through fair and open election processes.

Council has adopted of a Statement of Independence for Lay Council Members. The statement, which includes the definition of independence developed by the sector in response to the Review of Governance of Universities in Wales by Gillan Camm (CAMM Review), sets out what is meant by independence and those matters which may compromise governor independence. Council members are required to make a declaration of interest on their appointment to Council, to review their declaration at least annually, and to update their declaration whenever there is a change. Declarations are reviewed by the Chair of Council, in accordance with the University's Declaration of Interest Policy and procedure, to ensure there are no potential or perceived conflicts, or, if there are, to ensure they are dealt with appropriately. The Secretary to Council maintains a register of interests for all members of Council, which is reviewed annually by the Governance and Nominations Committee. At the start of Council and Council Committee meetings, all members are asked to identify any specific items on which a declared interests may have a bearing and, if required, members do not take part in the relevant discussion or decision, and/or may leave the meeting at the appropriate point. Any declarations identified and member's participation in specific items is recorded in the minutes of the meeting. Council has also adopted the role description for the Secretary to Council, developed in response to the CAMM Review, which contains a clear statement of the Secretary's accountability for highlighting issues of independence or conflict to the Chair.

As the University is a registered charity, Council also acts as the Board of Trustees and members of Council are also Charity Trustees.

Council Members who served during the year ending 31 July 2025 and up to the Council meeting at which the financial statements were signed are listed below.

Council Member	Category	Attendance*
Mr Goi Ashmore, Pro-Chancellor & Chair of Council (until 31 December 2027)	Lay	6/6
Sir Roderick Evans, Pro-Chancellor (until 31 December 2024)	Lay	3/3
Ms Nan Williams, Co-opted lay member (until 31 December 2024) and Pro Chancellor and Deputy Chair of Council (from 1 January 2025)	Lay	6/6
Ms Anne Tutt, Treasurer (until 31 December 2027)	Lay	5/6
Professor Paul Boyle, Vice-Chancellor (until 31 July 2029)	Staff	6/6
Mr Laurence Carpanini, Co-opted lay member (until 31 December 2026)	Lay	5/6
Professor Edward David, Co-opted lay member (until 3 February 2028)	Lay	6/6
Mr Huw Davies, Co-opted lay member (from 1 August 2024)	Lay	5/6
Professor Kathryn Monk, Co-opted lay member (until 26 January 2026)	Lay	5/6
Mrs Nataliya Manskova-Bains, Co-opted lay member (from 1 August 2024)	Lay	4/6
Mrs Marcia Sinfield, Co-opted lay member (until 30 November 2028)	Lay	4/6
Professor Keshav Singhal, Co-opted lay member (until 30 November 2028)	Lay	3/6
Mr Richard Thomas, Co-opted lay member (until 15 May 2028)	Lay	5/6
Dr Mahaboob Basha, Appointed by Staff (until 30 April 2025)	Staff	5/5

Mr Adam Jones, Appointed by Staff (until 30 June 2027)	Staff	6/6
Professor Michelle Lee, Appointed by Senate (until 30 June 2027)	Staff	5/6
Dr Phatsimo Mabophiwa, Appointed by Senate (until 30 June 2027)	Staff	2/6
Mr Heath Davies, Appointed by Staff (from 3 July 2025)	Staff	1/1
Miss Megan Chagger, President of Students' Union (until 30 June 2025)	Student	4/5
Miss Katie Wilkinson, Appointed by the Students' Union (until 30 June 2026)	Student	6/6
Miss Carys Dukes, President of Students' Union (from 1 July 2025)	Student	1/1

(*Attendance at meetings is expressed as the number of meetings attended out of a total of meetings the member was due to attend)

CUC Higher Education Code of Governance

The University is committed to high standards of corporate governance and to continuously improving its governance in line with best practice within the higher education sector. The University's governance structure has been developed to align with the principles and practices set out in CUC Higher Education Code of Governance. In accordance with this Code, Council commissioned an Independent Effectiveness Review in 2023, which was undertaken by AUA Consulting. This Review recognised the improvements implemented by the University since its last effectiveness review in 2019 and concluded that significant assurance could be placed in the University's governance arrangements, that there were no matters from a governance perspective which required attention, that Council was conducting its activities in accordance with the Code, and that the conduct of this Review had demonstrated the University's commitment to continuous improvement in its governance arrangements in line with best practice as set out in the Code. The Review identified some improvement and enhancement opportunities which Council has considered and has agreed an action plan for implementing several of these. In respect of the year ended 31 July 2025, Council can report that there was no primary element of the Code of Governance with which the University's procedures was not consistent. The next Independent Effectiveness Review will take place during the 2026/27 academic year.

Review of Governance of the Universities in Wales

Council has formally adopted the Governance Charter for Universities in Wales and Commitment to Action published in response to the Review of Governance of the Universities in Wales (Camm Review) and has implemented the Charter's recommendations. Key developments have included reviewing the size and shape of Council, Senate and their committees; reviewing the University Court particularly to take account of the findings of the Stakeholder Engagement Code of Practice for Welsh universities developed in response to the Camm Review; enhancing strategic oversight through the development of a University Annual Plan and Institutional Objectives; updating the University's risk management policy and framework and introducing a risk appetite approach to risk; and updating the University's Whistleblowing (Public Interest Disclosure) policy; defining governance roles and responsibilities for the Statutory Officers; updating and embedding recruitment, appointment and induction processes for members of Council; adopting and embedding the statement on independence, the role descriptor for the Secretary to Council, and the Annual Report and Financial Statements template developed by the sector in response to the CAMM Review; and establishing a People and University Culture Strategy Committee reporting to the Senior Leadership Team which focusses on the collective agreement and delivery of the University People Priorities and provides annual updates on progress to Council.

Senate

Senate, which is established by the University's Charter, is the academic authority of the University. Senate's membership, powers and duties are set out in Ordinance 4, which is available on the University's website. Senate is chaired by the Vice-Chancellor and its membership includes the Provost (vacant), Pro-Vice-Chancellors, Pro-Vice-Chancellor Executive Deans, Deputy Pro-Vice-Chancellors, Deputy Executive Deans, Faculty Associate Deans, Heads of Schools, Directors of Strategic Faculty Operations, Education Services, Student Life and Academi Hywel Teifi, and student members together with 24 elected members drawn from the Professorial and non Professorial academic staff in the Faculties. During 2024/25, Senate held four meetings and considered the University's quality assurance processes and framework and the Annual Governor's Quality Assurance Statement; the University's performance in league tables and rankings including the NSS; Curriculum Transformation; a Framework for Generative Artificial Intelligence; and key policies in particular revised Timetabling, Intellectual Property, and Reasonable Adjustments Policies. Senate also received regular reports from its sub-committees established to assist it in discharging its responsibilities and updates on University-wide projects and major initiatives, student recruitment, and the policy and sector landscape.

Court

The Court, which is established by the University's Charter, is a large, mainly formal body which serves as a forum for the engagement of the wider community with the University. The Court's membership, powers and duties are set out in Ordinance 6, which is available on the University's website. The Court is chaired by the University's Chancellor and most of its members are from outside the University, representing the local community and other designated bodies with an interest in the work of the University, together with Council members, academic and non-academic staff and the student body. The Court ordinarily meets once a year and last met on 6 February 2025 at which it considered the University's Annual Review and Financial Statements for 2023/24 and received an update on the review of the Court's role and remit undertaken by a Task and Finish Group established by Council during 2024. The review which sought to ensure that Court had a clear role and membership and operated efficiently and effectively, also took account of the findings of the Stakeholder Engagement Code of Practice for Welsh universities. One of the Task and Finish Group's recommendations, which was approved by Council in October 2024, was that the Court should have a smaller membership which was more aligned with the University's other stakeholder relationships, which enabled a greater flexibility and adaptability to engage with both longstanding and new stakeholders, and which provided opportunities to improve communication and engagement with its members, and enabled the University to engage with Court and its membership more strategically to assist the University in achieving its strategic ambitions. These changes to the Court membership are currently being implemented ahead of the Court's next meeting in early 2026.

Accountable Officer

The Vice-Chancellor is the chief executive and principal academic and administrative officer of the University and has a general responsibility to Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal financial memorandum between the University and Medr , the Vice-Chancellor is the accountable officer of the University and in that capacity may be required to appear before the Public Accounts and Public Administration Committee of the Senedd Cymru alongside the Chief Executive of Medr.

Senior Leadership Team

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. Members of the Senior Leadership Team and the Directors of Professional Services all contribute in various ways to these aspects of the work, but ultimate authority rests with Council. The membership of the Senior Leadership Team, which is chaired by the Vice-Chancellor, includes the Provost (vacant), Registrar and Chief Operating Officer, Pro-Vice-Chancellors, Pro-Vice-Chancellor Executive Deans, and Chief Financial Officer. It meets weekly and considers strategic and operational matters.

Committees

Council has established four committees, at which much of its detailed work is initially handled: Audit, Assurance and Risk Committee; Finance and Strategy Committee; Governance and Nominations Committee; and Remuneration Committee. All of these committees are chaired by lay members of Council and have a majority of lay members. Senior officers of the University attend meetings as necessary. All Committees report their decisions to Council, and are formally constituted, with their own terms of reference and membership approved by Council on the recommendation of the Governance and Nominations Committee. The role of the Secretary to Council is defined in the University's Ordinances and the Secretary to Council also acts as the Secretary to most of the Committees of Council. Council has also established a Council Joint Engagement Forum at which Campus Union representatives have an opportunity to discuss agenda items for forthcoming Council meetings directly with the Chair of Council and other Council lay members.

Audit, Assurance and Risk Committee

The Audit, Risk and Assurance Committee is responsible for advising and assisting Council in respect of the assurance and control environment of the University. Its key responsibilities are to ensure that the University complies with statutory, University and external regulatory requirements in relation to both its financial and non-financial activities and in respect of the issues within its terms of reference, and the Committee has the authority to make recommendations to the University, its organisational units and its members. The Committee's terms of reference are closely aligned with the CUC's Higher Education Audit Committees Code of Practice.

The Committee is chaired by a lay member of Council. All members of the Committee and its Chair are independent of the University's management and are appointed by Council on the recommendation of the Governance and Nominations Committee. The University's internal and external auditors, Risk Manager, Registrar and Chief Operating Officer and Chief Financial Officer attend meetings and other senior staff attend as necessary. In line with HEFCW's Financial Management Code , there is no cross representation between the Audit, Assurance and Risk and the Finance and Strategy Committees. Committee Members who served during the year ending 31 July 2025 are listed below.

Audit, Assurance and Risk Committee Member	Category	Attendance*
Mrs Marcia Sinfield, Chair of the Committee	Lay	4/4
Professor Kathryn Monk, Co-opted member of Council	Lay	3/4
Mr Richard Thomas, Co-opted member of Council	Lay	4/4

Mrs Nataliya Manskova-Bains, Co-opted member of Council (from 25 November 2024)	Lay	2/2
Mrs Alison Vickers, Co-opted Committee lay member	Lay	4/4
Miss Katie Wilkinson, Student member of Council	Student	4/4

(*Attendance at meetings is expressed as the number of meetings attended out of a total of meetings the member was due to attend)

During 2024/25, the Committee held four meetings and considered the annual Financial Statements including the going concern review, the management representation letter and the Associate Director – Internal Audit's Annual Assurance Report in the presence of the External Auditors; approved the Internal Audit Plan following discussions with the Associate Director – Internal Audit and received reports on its implementation; discussed the nature and scope of the Annual External Audit Plan with the External Auditors; reviewed the University's risk register, key risks and approach in relation to risk appetite with the Risk Manager; discussed internal audit reports and the progress made in implementing recommendations identified in previous internal audit reports with the Associate Director – Internal Audit; approved the Committee's Annual Report to Council; approved the University's Fraud Response Plan; and received regular reports on cyber security, serious incidents, whistleblowing, potential fraud and reputational issues and the University's Financial Sustainability programme.

Finance and Strategy Committee

The Finance and Strategy Committee has oversight of and monitors the financial health of the University on behalf of Council and advises and makes recommendations to Council in respect of all financial matters. Its key responsibilities are to ensure the medium and long-term financial sustainability of the University through regular reviews of the University's financial position, to ensure the University operates a robust system of internal financial control, to monitor financial performance and compliance, and to play a critical role in applying test and challenge to all financial decisions.

The Committee is chaired by the University Treasurer. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. There is no cross representation between the Audit, Assurance and Risk and the Finance and Strategy Committees. Committee Members who served during the year ending 31 July 2025 are listed below.

Finance and Strategy Committee Member	**Category**	**Attendance ***
Ms Anne Tutt, Treasurer & Chair of the Committee	Lay	5/5
Mr Goi Ashmore, Pro-Chancellor and Chair of Council	Lay	5/5
Professor Paul Boyle, Vice-Chancellor	Staff	5/5
Professor Edward David, Co-opted member of Council	Lay	5/5
Mr Steve Smith, Co-opted lay member	Lay	4/5
Mr Laurence Carpanini, Co-opted member of Council	Lay	4/5
Ms Nan Williams, Co-opted member of Council (from 1 January 2024) and Pro-Chancellor and Deputy Chair of Council (from 1 January 2025)	Lay	5/5
Professor Michelle Lee, Staff member of Council	Staff	4/5
Miss Megan Chagger, Student member of Council (until 30 June 2025)	Student	3/5
Miss Carys Dukes, Student member of Council (from 1 July 2025)	Student	0/0

(*Attendance at meetings is expressed as the number of meetings attended out of a total of meetings the member was due to attend)

During 2024/25, the Committee held five meetings and considered and advised Council on, the development of the University's financial forecasts, the annual Financial Statements, and business cases for regional and global partnerships; received reports on the University's Financial Sustainability programme; reviewed capital expenditure, Subsidiaries' financial forecasts, the Students' Union Accounts, and TRAC governance and assurance reports; and received updates on the management of key financial risks, the University's pension scheme arrangements, Schedule of Delegation, and Treasury Management Policy.

Governance and Nominations Committee

The Governance and Nominations Committee keeps under review and advises Council on the University's governance arrangements, ensuring the University pursues good practice, and complies with external governance requirements.

The Committee is chaired by the Chair of Council. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. Committee Members who served during the year ending 31 July 2025 are listed below.

Governance and Nominations Committee Member	**Category**	**Attendance***
Mr Goi Ashmore, Pro-Chancellor & Chair of Council & Chair of the Committee	Lay	4/4
Sir Roderick Evans, Pro-Chancellor (until 31 December 2024)	Lay	2/2
Professor Paul Boyle, Vice-Chancellor	Staff	3/4
Miss Megan Chagger, Student member of Council (from 1 July 2024)	Student	1/4
Miss Carys Dukes, Student member of Council (from 1 July 2025)	Student	0/0
Professor Ryan Murphy, Appointed by Senate	Staff	4/4
Mr Adam Jones, Staff Member of Council	Staff	4/4
Professor Keshav Singhal, Co-opted member of Council	Lay	2/4
Mrs Nan Williams, Co-opted member of Council (from 1 January 2024) and Pro-Chancellor and Deputy Chair of Council (from 1 January 2025)	Lay	2/4

(*Attendance at meetings is expressed as the number of meetings attended out of a total of meetings the member was due to attend)

During 2024/25, the Committee held four meetings and considered and advised Council on the appointment of the University Chancellor, Pro-Chancellor and Deputy Chair of Council, and co-opted lay members of Council; the review of the Court and the processes for populating Court's new membership constituencies; Council Committees terms of reference and membership; amendments to the Regulations for the Conduct of Meetings; and the nomination process for Honorary Awards. The Committee also approved a new three-year cycle of business, and reviewed the Council skills and experience matrix and appointment process for lay members of Council to inform the recruitment of new members; Council Register of Interests; reports on succession planning, Council and Council Committee diversity, and the University's Equality Annual Report; the processes for the Chair of Council, Vice-Chancellor, and Council Committee Chairs' appraisals and Council Committee effectiveness reviews.

Remuneration Committee

The Remuneration Committee is responsible for overseeing and scrutinising the reward strategy of the University including reviewing and determining all aspects of the remuneration, benefits and conditions of employment of the Vice-Chancellor, and the remuneration and other financial benefits of the other members of the Senior Leadership Team taking account of affordability, comparative information on remuneration, benefits and conditions of employment in the University sector and elsewhere as appropriate, and developing an overall reward strategy and policy to cover the remuneration, benefits and conditions of employment of the senior employees of the University on Grade 11 and those who report directly to members of the Senior Leadership Team. The Committee ensures that it complies with the requirements of the CUC Higher Education Senior Staff Remuneration Code and publishes an annual report which is available on the University website, and which is transparent, aligns with the recommendations of the Code, and meets the requirements of good governance.

The Remuneration Committee is chaired by a lay member of Council and comprises independent lay members of Council who possess relevant knowledge and expertise. All Committee members and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University. The Registrar and Chief Operating Officer, the Director of Human Resources and the University Secretary attend all meetings, and other senior officers including the Vice-Chancellor attend meetings as necessary. The Vice-Chancellor is not in attendance for, and does not play a part in, the discussions and decisions of his own remuneration. No members of staff are present when the Committee makes decisions on their reward. The Chair of the Committee regularly updates Council.

Committee Members who served during the year ending 31 July 2025 are listed below.

Remuneration Committee Member	**Category**	**Attendance***
Mr Laurence Carpanini, Co-opted member of Council & Chair of the Committee	Lay	5/5
Mr Goi Ashmore, Pro-Chancellor & Chair of Council	Lay	5/5
Sir Roderick Evans, Pro-Chancellor (until 31 December 2024)	Lay	1/1
Mrs Nan Williams, Pro-Chancellor & Deputy Chair of Council (from 1 January 2025)	Lay	4/4

Professor Edward David, Co-opted member of Council	Lay	5/5
Professor Kathryn Monk, Co-opted member of Council	Lay	1/5

(*Attendance at meetings is expressed as the number of meetings attended out of a total of meetings the member was due to attend)

During 2024/25, the Committee held five meetings and considered the remuneration and benefits of the Vice-Chancellor, Senior Leadership Team and Directors positions, Annual Remuneration Statement 2024, Annual Pay Policy Statement, reward activities and approval routes, reports on the Real Living Wage, Gender Pay, promotions via the Retention of Exceptional Talent procedure, and severance arrangements within the scope of its remit, and high-level updates on the University's Financial Sustainability programme.

Statement of Internal Control

Council is responsible for ensuring there is a sound system of internal control to support the achievement of the University's aims, strategic objectives and policies, while safeguarding the public and the funds and assets for which it is responsible. The system of internal control is risk-based and designed to manage, rather than eliminate the risk of failure to achieve strategic objectives and as such, the system provides reasonable, but not absolute, assurance against material misstatement or loss. Council acts in accordance with the responsibilities assigned to it in the University's Charter and Statutes, and the regulatory framework in which the University operates.

The key elements of the University's system of risk identification and effective risk management include:

- linking the identification and management of risk to the achievement of institutional objectives through an on-going annual planning process;
- all significant risks, including governance, management, quality, reputational and financial are included within the University's Risk Register, which is managed and maintained by the University's Senior Leadership Team through a clearly articulated policy and approach. The Risk Register produces a balanced portfolio of risk exposure which focusses on the key risks;
- evaluating the likelihood and impact of risks becoming a reality as part of that same process and establishing mitigating controls;
- reviewing risk appetite as part of the overall consideration of risk management;
- having review procedures which cover business, operational, compliance and financial risk;
- embedding risk assessment and internal control processes in the on-going operations of all units;
- reporting regularly to the Audit, Assurance and Risk Committee, and then to Council, on internal control, governance and risk;
- operation of a risk assurance map, derived from the institutional risk register, which is based on the three lines of defence;
- evaluating the risk assurance map to inform the risk-based internal audit plan and provide institutional wide assurances;
- the Audit, Assurance and Risk Committee receives regular assurance reports from the In-House Internal Audit Service and the risk-based internal annual audit plan is accepted by the Senior Leadership Team and approved by the Audit, Assurance and Risk Committee;
- reporting annually to Council the principal results of risk identification, evaluation and management review;
- regular monitoring and review of the effectiveness of the internal control system processes and procedures is informed by the University's Internal Audit Service giving rise to monitored action where necessary and appropriate.

The University's Senior Leadership Team has formal processes in place for evaluating and managing significant risks faced by the institution on an on-going basis. This involves identification of the types of risks through a top down and bottom-up approach at both corporate and departmental level, which are prioritised in terms of potential impact and likelihood of occurrence in accordance with an established and risk management policy.

Risks are monitored along with the associated controls and risk mitigation actions on an on-going basis by the Senior Leadership Team. Responsibility to ensure the risk framework is working effectively and that risk is being managed and for advising Council and ensuring appropriate reports and recommendations and the risk register are presented to Council lies with Audit, Assurance and Risk Committee. The Audit, Assurance and Risk Committee receives the risk register and an update on risk at each of its meetings. The Finance and Strategy Committee receives the risk register and updates on relevant risks regularly for information.

The University has a process for dealing with significant control issues, which involves immediate notification to the Chair of Council, Chairs of the Audit, Assurance and Risk Committee and the Finance and Strategy Committee and necessary senior staff, along with notification to Medr[3] and the Charity Commission and any other relevant authority as appropriate depending on the nature of the issue.

[3]Medr took over the responsibilities of the Higher Education Funding Council for Wales (HEFCW) on 1 August 2024. [3]Medr took over the responsibilities of the Higher Education Funding Council for Wales (HEFCW) on 1 August 2024.

[3] Medr took over the responsibilities of the Higher Education Funding Council for Wales (HEFCW) on 1 August 2024.

ANNUAL PAY POLICY STATEMENT - SWANSEA UNIVERSITY

Swansea University upholds a framework for the recognition and reward of all employees to support the University's vision and values and recognises the importance of an equal and transparent pay system which provides value for money.

The purpose of the Annual Pay Policy Statement is to set out the University's policies on a range of issues concerning the pay and remuneration of its workforce. The University's pay and grading policies, procedures, and practices are available to all employees.

In addition to complying with all accounting practices, which require a full annual remuneration report, the University's Pay Policy Statement has been prepared in accordance with the principles detailed in the Welsh Government's 'Transparency of senior remuneration in the devolved Welsh public sector' published in December 2015.

The University also ensures that the principles of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code, November 2021 are applied throughout their processes and practices, and presents a Senior Staff Remuneration report annually to demonstrate this to the Board of Governors.

Senior Staff

This is defined as the Vice-Chancellor and all members of the Senior Leadership team together with senior employees of the University on Grade 11 (including Professional Services Directors and Professors) and those who report directly to members of the Senior Management Team.

Remuneration Committee

The Remuneration Committee is responsible for overseeing and scrutinising the Reward Strategy of the University, for developing an overall reward strategy and policy to cover the remuneration, benefits and conditions of employment of the senior employees of the University on Grade 11 and those who report directly to members of the Senior Leadership Team, and for reviewing and determining all aspects of the remuneration including any annual pay increases, benefits and conditions of employment of the Vice-Chancellor, taking account of the breadth of leadership and financial responsibilities, and delivery against the University's strategic objectives. The Committee also receives reports allowing oversight of pay in all other areas of the University.

The Remuneration Committee is a standing Committee of Council, the governing body of the University, and its membership comprises six lay governors including the University's two Pro-Chancellors, one of whom is the Chair of Council.

Reporting of Senior Pay

The salary of the Vice-Chancellor, together with anonymised data on salaries above £100K is published in the University's Annual Review and Financial Statements.

National Framework Agreement

All employees on Grades 1 – 10 are paid on a nationally agreed pay scale, which is negotiated annually as part of collective pay negotiations between UCEA and the five Higher Education trade unions (UCU, UNISON, Unite, EIS and GMB) on behalf of a number of HE institutions in the UK.

In addition to any increases determined through the collectivSalaries of Clinical Professors are determined under separate arrangements within the NHSe pay negotiations, all colleagues from grades 1-10 receive automatic incremental progression annually until they reach the top of their grade.

Any pay outside of this is determined by benchmarking with similar institutions across the sector and by market conditions.

Benchmarking

The UCEA Senior Staff Remuneration survey and the Brightmine Salary Survey of Higher Education Staff is used for benchmarking salary proposals at recruitment and annual performance reviews.

The annual CUC survey of Vice-Chancellors' pay and conditions is also used when the Remuneration Committee is considering the Vice-Chancellor's remuneration package.

Performance Related Pay

Grades 1 – 10: There are no performance related pay arrangements for colleagues on Grade 1 – 10 on the national pay spine, however as detailed above, the salary structure contains annual incremental progression to a maximum point within each grade.

Grade 10A, Grade 11 and the Senior Leadership Team: Remuneration for colleagues at Grade 10A, Grade 11 and members of the Senior Leadership Team is normally reviewed annually, using a fair and transparent process that reflects the performance of each individual, in the context of the University's performance. The level of awards is decided by the Remuneration Committee, taking into account relevant market data[1].

Vice-Chancellor: The Pro-Chancellor who is the Chair of Council is responsible for the remuneration process for the Vice-Chancellor, including determining performance and recommending a remuneration reward for the Vice-Chancellor to the Remuneration Committee.

The Remuneration Committee ensures that any pay increases for senior staff are implemented within the limit of a pre-defined affordable, budget.

Academic Career Pathways

The University's Academic Career Pathways criteria clearly indicate the activity and achievements required from colleagues at leach level, on each pathway, and are used as the basis for clear and transparent decision-making in academic recruitment, academic PDR, academic promotion, and Professorial remuneration. The University has reviewed its Academic Career Pathways, first introduced in 2015, and the new approach moves away from the use of numerical Key Performance Indicators (KPIs), towards a more holistic approach of evidencing and assessing academic achievement.

The Remuneration Committee receives and considers detailed reports of nominations proposed under the Retention of Exceptional Talent procedure as set out in the University's Academic Promotion policy.

Equality

The University is committed to equality of opportunity relating to pay, salary and career progression for all staff, within a framework which is fair, transparent and consistent, as reflected in its pay and grading structures.

The University is an equal opportunities employer and has been a Real Living Wage employer since 1st April 2019, meaning that the pay of all our colleagues, especially those on the lowest salaries, meets the basic cost of living in the UK and London as defined by the Living Wage Foundation.

The University regularly compares pay of diverse groups and monitors trends in the pay of those groups, which includes the annual reporting of the Gender Pay Gap. The University has reported a reduction in its Gender Pay Gap for seven consecutive years and is committed to continuing to address this through a range of initiatives including the Aurora Leadership programme and the Athena Swan Charter. Annual reports of progress are reviewed by the Remuneration Committee on behalf of the Council of the University.

Staff Rewards and Benefits

In addition to fair pay and career progression, the University offers employees a range of rewards and benefits including flexible working arrangements, a cycle to work scheme, a car benefit scheme, health and wellbeing services, excellent learning and development opportunities, and generous holiday and leave arrangements.

Workforce Management

The University is committed to managing the termination of employment with care and sensitivity, in line with the spirit of Swansea University Values, and in accordance with the principles set out in the University's Redundancy Policy, Termination Policies, and Voluntary Severance Policy which are available to staff. The University aims to work in partnership with its recognised Trades Unions to manage the process for any voluntary severance schemes and recognises that a fair and reasonable severance package needs to be available to eligible employees.

[1]Salaries of Clinical Professors are determined under separate arrangements within the NHS

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF SWANSEA UNIVERSITY

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of Swansea University ("the University") for the year ended 31 July 2025 which comprise the Group and University Statements of Comprehensive Income, Statements of Change in Reserves, Statement of Financial Position, and Group Statement of Cash Flow and related notes, including the 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 2025, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's 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 have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

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 and the University'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").

In our evaluation of the Council's conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and the University's financial resources or ability to continue operations over the going concern period.

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; and
- 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.

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.

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 Council, the Audit, Assurance and Risk Committee and internal audit 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, Assurance and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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 possible pressures to meet loan covenants, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that research income is not recognised in accordance with the relevant grant terms and conditions and the risk that Group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation of the Group-wide fraud risk management controls.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals with unexpected account pairings with cash.
- Verifying research income recognised is appropriate based on the underlying grant agreement and corresponding research expenditure.

Identifying and responding to risks of material misstatement due to non-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 Council and other management (as required by auditing standards) and discussed with Council and other management the policies and procedures regarding compliance with laws and regulations.

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, taxation legislation, pensions legislation, charities legislation and specific disclosures required by higher education legislation and regulation, including the Accounts Direction issued by Medr, 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: compliance with higher education regulatory requirements of Medr, recognising the regulated nature of the Group'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.

Other information

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 all of the information in the Annual Review 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 on pages 54 to 55 (which 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.

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.

Council responsibilities

As explained more fully in its statement set out on page 60, the Council is responsible for: the preparation of the 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 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 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").

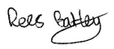
The regulation of the Welsh Higher Education sector was transferred from HEFCW to Medr, the Commission for Tertiary Education and Research on 1 August 2024. The Financial Management Code and Terms and Conditions of Funding 2024/25 issued by HEFCW remain in place at the date of our report. In view of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

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 Statues 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 the 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.



Rees Batley

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

66 Queen Square

Bristol

BS1 4BE

28 November 2025

STATEMENT OF COUNCIL'S RESPONSIBILITIES IN RESPECT OF THE ANNUAL REVIEW AND THE FINANCIAL STATEMENTS

Council is responsible for preparing the Annual Review and the financial statements in accordance with the requirements of the Terms and Conditions of Funding 2024/25 issued by HEFCW, the Accounts Direction to Higher Education Institutions for 2024/25 issued by Medr ("the Accounts Direction"), the Financial Management Code issued by HEFCW under the Higher Education (Wales) Act 2015 ("FMC") and applicable law and regulations.

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 FMC and Terms and Conditions of Funding 2024/25 issued by HEFCW remain in place until superseded by subsequent Medr publications. In view of this transfer, any reference to HEFCW should be read as also referring to Medr.

Council is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements of the Charities Act 2011. The Terms and Conditions of Funding 2024/25 further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education and in accordance with the requirements of the Accounts Direction.

Council is required to prepare financial statements which give a true and fair view of the state of affairs of the Group and parent University and of their income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for that period. In preparing each of the Group and parent University financial statements, Council is required to:

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

Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University. It is responsible for 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, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Council is also responsible for ensuring that:

- 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 FMC;
- 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;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

Council is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Mr Goi Ashmore,
Chair of Council

28 November 2025

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

1 General Information

Swansea University is registered with Medr, the Commission for Tertiary Education and Research.

The address of the registered office is:

Swansea University

Singleton Park

Swansea

SA2 8PP

Charity Number: 1138342

2 Statement of compliance

The Consolidated and University financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition).

They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017, the Royal Charter, the Accounts Direction, and the Terms and conditions of funding for higher education institutions issued by Medr.

The University is registered as a charity. The Financial Statements have been prepared in compliance with the Charities Act 2011.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

3 Basis of preparation

The Consolidated and University financial statements are prepared in accordance with the historic–cost convention (modified by the revaluation of fixed assets and the measurement of certain financial instruments at fair value).

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the operational and financial review, which forms part of the Members of Council's report. This review also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities. The Members of Council have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future.

Judgements made by management in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in accounting policy 23.

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2025. Intra–group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associates are accounted for using the equity method.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £'000.

4 Going Concern

The University continues to monitor and model the financial impact of the difficulties in the overseas student recruitment market and the lack of any significant changes to the longer-term funding of higher education in the UK.

To address the emerging risks the University implemented a three-year Financial Sustainability Programme in August 2023 with a detailed plan for significant pay and non-pay reductions by 2026/27. A major Professional Services Redesign is now largely complete and 2024/25 also saw a reduction in academic staff through the Voluntary Exit Scheme.

The University's latest forecasts are indicating that further cost savings will be required in order to ensure the underlying operating model continues to be affordable with the expected reduction in income in the coming years.

A waiver for two of the loan covenants associated with the University's borrowing from the European Investment Bank (EIB) was obtained for 2024/25.

The University also secured a £25m Revolving Credit Faciility (RCF) with HSBC in 2024 for a period of 5 years to provide additional resilience.

A further waiver has been agreed with EIB for the year ended 31 July 2026 subject to a loan prepayment of £7.3m being made in December 2025. The temporary covenant requiring minimum cash, which was put in place until 31 January 2026, is now a permanent additional condition of the borrowing, with a requirement to hold a minimum of £50m of cash including the RCF until 31 July 2026, dropping to £40m for the years 2026/27 and 2027/28 until returning to £50m from 2028/29.

The University has prepared a plausible downside scenario and has considered the financial impact of this on its Statements of Comprehensive Income, Financial Position, Cash Flows and on its banking covenants for the going concern period, being 12 months from the date of approval of these financial statements.

The downside scenario shows that the University can retain sufficient cash to meet its day to day operating requirements and that there will be no breach of the new covenant conditions.

The main risk that has been tested is the reduction in home and overseas student numbers against the 2025/26 original forecasts, taking into account actual enrolments to October 2025 and potential recruitment in September 2026, based on current applications and market intelligence.

Other risks that have been considered include potential changes to UK government funding policies and a delay in delivering the savings targets that the University has set.

The University Senior Leadership Team is confident that, based on its track record of successfully forecasting, identifying and addressing financial challenges, it will deliver the necessary changes to its' operating model to ensure it can meet the going concern requirements.

Members of Council have considered the underlying assumptions of the plausible downside scenario, the proposed mitigations, and the financial impact of these, particularly in relation to the cash position and the renegotiated loan covenants. Whilst acknowledging the scale of the challenge facing the sector and the University, the Members of Council are confident that the current University leadership can manage the risks and will have sufficient funds to meet the University's liabilities as they fall due over the period of 12 months from the date of approval of the financial statements.

5 Exemptions under FRS102

The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate financial statements.

6 Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with the share of the results of joint ventures and associates for the financial year to 31 July 2025.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra–group transactions are eliminated on consolidation.

Gains or losses on any intra–group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the University and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the Statement of Financial Position date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity; the part relating to the University's share is eliminated.

The consolidated financial statements do not include the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method.

7 Income recognition

Income from the sale of goods or services (exchange transactions) is credited to the Statement of Comprehensive Income when the amount of revenue can be reliably measured, the stage of completion at the end of the reporting period can be reliably measured, it is probable that the economic benefits associated with the transaction will flow to the University and when costs of services delivered or due to be delivered can be measured reliably.

Tuition Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. 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. Education contracts are recognised when the University is entitled to the income, which is the period in which the students are studying, or where relevant, when performance conditions have been met.

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.

Investment income is credited to the statement of income and expenditure on a receivable basis.

Grant funding

Government grants including Funding Council block grant and research grants from Government sources and other grants from non–government sources including research grants from non–government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and performance–related conditions have been met. Income received in advance of performance–related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Commercial research contracts are accounted for in line with the policy for income from the sale of goods or services (exchange transactions) above.

Other grants and donations received from non–government sources including research grants from non–government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and the performance–related conditions have been met. Income received in advance of performance–related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Capital grants

Capital grants are recognised in income when the University is entitled to the funds subject to any performance–related conditions being met. Capital Government grants for land are to be accounted for in line with the performance model as per the policy for Government Grants above.

Donations and endowments

Non–exchange transactions without performance–related conditions are donations and endowments. Donations and endowments with donor–imposed restrictions are recognised within the Statement of Comprehensive Income when the University is entitled to the income. 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.

Investment income and appreciation of endowment investments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

Donations with no restrictions are recorded within the Statement of Comprehensive Income when the University is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

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 can convert the donated sum into income.

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.

Donations of tangible assets are included within income. The income recognised is valued using a reasonable estimate of their gross value or the amount actually realised. Donated tangible assets are valued and accounted for as tangible assets under the appropriate asset category.

8 Accounting for retirement benefits

The three principal schemes for the University's staff are the Universities Superannuation Scheme (USS), the Swansea University Pension Scheme (SUPS), and the National Employment Savings Trust (NEST). SUPS was closed to new members from 1 January 2012 when new staff were invited to join NEST. The University also contributes to the NHS Pension Scheme.

USS is a Career Average Revalued Earnings Scheme. SUPS is a defined–benefit scheme, which is externally funded and contracted out of the State Second Pension. Both funds are valued every three years by professionally qualified independent actuaries. NEST is a defined contribution scheme.

The USS is a multi–employer scheme for which it is not possible to identify the assets and liabilities of each University, due to the mutual nature of the scheme. Therefore, the scheme is accounted for as a defined contribution retirement benefit scheme.

A liability is recorded within provisions where appropriate for any contractual commitment to fund past deficits within the USS or Swansea University Pension schemes. In 2024 the USS scheme was valued as in surplus and the liability within the financial statements removed.

Defined Contribution Plan

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

Multi–employer schemes

Where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the University has entered into an agreement with such a multi-employer scheme that determines how the University will contribute to a deficit recovery plan, the University recognises a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

Defined Benefit Plan

A defined benefit plan is a post–employment benefit plan other than a defined contribution plan. 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 University. The net liability is recognised in the Statement of Financial Position in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

Annually the University engages independent actuaries to calculate the obligation for each scheme. The present value is determined by discounting the estimated future payments at a discount rate based on market yields on high quality corporate bonds denominated in sterling with terms approximating to the estimated period of the future payments.

The fair value of a scheme's assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the University's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements. The net interest cost is calculated by applying the discount rate to the

net liability. This cost is recognised in expenditure as a finance cost.

Further detail is provided on the specific pension schemes in note 31 to the accounts.

9 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 the service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement. Unused annual leave entitlement at 31 July is recognised as a creditor for administrative staff. There is no creditor for unused annual leave for academics as no obligation exists.

Severance payable in future periods under the voluntary exit scheme is recognised in the current year, only where there has been formal agreement and commitment to that severance, on a per-person basis by 31 July.

10 Finance Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses.

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

11 Service Concession Arrangements

Fixed assets held under service concession arrangements are recognised on the Statement of Financial Position at the present value of the minimum lease payments when the assets are brought into use with the corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The Bay Campus residences and Singleton residences are classified as Service Concession Arrangements.

12 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.

13 Foreign Currency

Transactions in foreign currencies are translated to Pound Sterling at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are re–translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non–monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non–monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

14 Property, Plant and Equipment

Property, plant and equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings

Land and buildings are capitalised at cost on initial recognition.

After initial recognition, land and buildings are subsequently measured at costs less accumulated depreciation and accumulated impairment losses.

Land and Buildings in existence upon transition to FRS102 and the new HE SORP 2015, were revalued to fair value on the date of transition. These are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation. 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 on an annual basis.

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

Where parts of the assets have different useful lives, they are componentised and accounted for as separate items of fixed assets.

Freehold 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 to the University, usually between 12 and 75 years.

No depreciation is charged on assets in the course of construction and depreciation is accelerated when there is a known demolition date.

Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years.

Equipment

Equipment costing more than £25k per individual item is capitalised in the year of acquisition. Equipment purchased as part of a package or replacement programme, with the total package costing more than £25k is also capitalised in the year of acquisition. All other equipment is written off in the year of acquisition, unless there is a specific reason to capitalise.

Capitalised equipment is stated at cost and depreciated over its useful expected life. The useful expected life is three to five years except in exceptional circumstances where the useful life is deemed longer or shorter.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of the Statement of Financial Position.

Vessels

Vessels are stated at cost and depreciated over their useful expected lives.

Depreciation methods, useful lives and residual values are reviewed annually at the date of preparation of the Statement of Financial Position.

Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Comprehensive Income in the period in which they are incurred.

Impairment

A review for impairment of property, plant and equipment is carried out annually. Assets are impaired where events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

15 Heritage Assets

Works of art and other valuable artefacts are capitalised and recognised at the cost or value of the acquisition, where a cost or value is reasonably obtainable.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

16 Investments

Non–current investments are held on the Statement of Financial Position at amortised cost less impairment.

Investments in jointly controlled entities, subsidiaries and associates are carried at cost less impairment in the University's accounts.

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income.

17 Stock

Stock is held at the lower of cost and net realisable value.

18 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 2 working days 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.

19 Provisions, contingent liabilities, and contingent assets

Provisions are recognised in the financial statements when:

a) The University has a present obligation (legal or constructive) as a result of a past event.

b) It is probable that an outflow of economic benefits will be required to settle the obligation, and

c) A reliable estimate can be made of the amount of the obligation.

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

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of certain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

20 Accounting for Associates, Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

The University accounts for its share of joint ventures and associates using the equity method.

The University accounts for its share of transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income.

21 Taxation

The University is a charity within the meaning of Para 1 of schedule 6 of the Finance Act 2010 and 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 (CTA 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.

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

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

22 Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanent restricted fund as the University must hold the fund to perpetuity.

Other restricted reserves include restricted donations through which the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

23 Critical accounting estimates and judgements

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

Retirement benefit obligations

The University operates its own scheme, Swansea University Pension Scheme (SUPS), which is a defined–benefit scheme (now closed to new members). Actuarial valuations of the scheme are carried out as determined by the Trustees at intervals of not more than three years.

Pension costs under the HE SORP and FRS102 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 decisions between the actuary and management. The assumptions are documented in note 31.

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 including the 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. The trustees are satisfied that the Universities Superannuation Scheme meets the definition of a multi–employer scheme. To the extent that the Pension scheme is in deficit, the University recognise the discounted fair value of the contractual contributions under the recovery plan in existence. If the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the Statement of Financial Position.

Following the latest USS triennial valuation, the Pension Scheme is no longer in deficit, and therefore no provision is recognised at 31 July. This position will be reassessed after each triennial valuation. Further details are set out in note 31.

CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st July 2025

	NOTE	CONSOLIDATED YEAR ENDED 31 JULY 2025 £000	UNIVERSITY YEAR ENDED 31 JULY 2025 £000	CONSOLIDATED YEAR ENDED 31 JULY 2024 £000	UNIVERSITY YEAR ENDED 31 JULY 2024 £000
INCOME					
Tuition fees and education contracts	1	176,638	176,638	213,306	213,306
Funding body grants	2	39,088	39,088	40,503	40,503
Research grants and contracts	3	51,232	51,232	56,852	56,852
Other income	4	61,415	60,975	62,896	62,481
Investment income	5	4,804	4,804	7,214	7,214
Donations and Endowments	6	468	468	924	924
TOTAL INCOME		333,645	333,205	381,695	381,280
EXPENDITURE					
Staff costs	7	199,491	199,079	201,208	200,818
Change in expected USS contributions	7	-	-	(98,742)	(98,742)
Restructuring costs	7	8,422	8,422	8,461	8,461
Other operating expenses	9	127,122	126,755	147,288	146,811
Depreciation and amortisation	10/11	31,310	31,303	31,784	31,779
Interest and other finance costs	8	6,685	6,664	8,780	8,763
TOTAL EXPENDITURE	9	373,030	372,223	298,779	297,890
(Deficit) / Surplus before other gains / (losses) and share of operating (deficit) / surplus of joint ventures and associates		(39,385)	(39,018)	82,916	83,390
OTHER GAINS AND LOSSES					
Gain on disposal of tangible assets	10	-	-	445	445
(Loss) / gain on investments	14/22	(366)	(1,491)	384	237
Share of operating (deficit) / profit in associate	14	(154)	-	29	-
SURPLUS AND COMPREHNSIVE INCOME					
(DEFICIT) / SURPLUS BEFORE TAXAION		(39,905)	(40,509)	83,774	84,072
Taxation		(27)	-	(33)	-
(DEFICIT) / SURPLUS FOR THE YEAR		(39,932)	(40,509)	83,741	84,072
Other Comprehensive Income					
Actuarial gain / (loss) in respect of pension schemes	31	5,400	5,400	(3,400)	(3,400)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(34,532)	(35,109)	80,341	80,672
REPRESENTED BY:					
Endowment comprehensive income for the year	22	163	163	664	664
Restricted comprehensive income for the year	23	(286)	(286)	648	648
Unrestricted comprehensive income for the year		(32,486)	(33,063)	80,034	80,365
Revaluation reserve comprehensive income for the year		(1,923)	(1,923)	(1,005)	(1,005)
		(34,532)	(35,109)	80,341	80,672

All items of income and expenditure relate to continuing activities. The accompanying notes and policies on pages 74 to 99 from part of these financial statements.

CONSOLIDATED AND INSTITUTION STATEMENT OF CHANGE IN RESERVES

Year ended 31st July 2025

	INCOME AND EXPENDITURE RESERVE ENDOWMENT £000	RESTRICTED £000	UNRESTRICTED £000	REVALUATION RESERVE £000	TOTAL £000
CONSOLIDATED					
AT 1 AUGUST 2023	7,308	187	198,437	41,083	**247,015**
Surplus from the income and expenditure statement	695	648	82,398	-	**83,741**
Other comprehensive income	-	-	(3,400)	-	**(3,400)**
Transfers between revaluation and income and expenditure reserve	-	-	1,005	(1,005)	-
Release of endowment and restricted funds spent in the year	(31)	-	31	-	-
AT 31 JULY 2024	7,972	835	278,471	40,078	**327,356**
AT 1 AUGUST 2024	7,972	835	278,471	40,078	**327,356**
Surplus / (deficit) from the income and expenditure statement	186	(286)	(39,832)	-	**(39,932)**
Other comprehensive income	-	-	5,400	-	**5,400**
Transfers between revaluation and income and expenditure reserve	-	-	1,923	(1,923)	-
Release of endowment and restricted funds spent in the year	(23)	-	23	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	163	(286)	(32,486)	(1,923)	**(34,532)**
AT 31 JULY 2025	8,135	549	245,985	38,155	**292,824**
UNIVERSITY					
AT 1 AUGUST 2023	7,308	187	198,220	41,083	**246,798**
Surplus from the income and expenditure statement	695	648	82,729	-	**84,072**
Other comprehensive income	-	-	(3,400)	-	**(3,400)**
Transfers between revaluation and income and expenditure reserve	-	-	1,005	(1,005)	-
Release of endowment and restricted funds spent in the year	(31)	-	31	-	-
AT 31 JULY 2024	7,972	835	278,585	40,078	**327,470**
AT 1 AUGUST 2024	7,972	835	278,585	40,078	**327,470**
Surplus / (deficit) from the income and expenditure statement	186	(286)	(40,409)	-	**(40,509)**
Other comprehensive income	-	-	5,400	-	**5,400**
Transfers between revaluation and income and expenditure reserve	-	-	1,923	(1,923)	-
Release of endowment and restricted funds spent in the year	(23)	-	23	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	163	(286)	(33,063)	(1,923)	**(35,109)**
AT 31 JULY 2025	8,135	549	245,522	38,155	**292,361**

CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

Year ended 31st July 2025

	NOTE	CONSOLIDATED 31ST JULY 2025 £000	UNIVERSITY 31ST JULY 2025 £000	CONSOLIDATED 31ST JULY 2024 £000	UNIVERSITY 31ST JULY 2024 £000
NON-CURRENT ASSETS					
Intangible assets	11	242	242	444	444
Tangible assets	10	466,174	466,107	480,323	480,249
Heritage assets	12	1,040	1,040	1,040	1,040
Investments	14	165	-	555	-
Investments in subsidiaries	14	-	-	-	700
Investments in associates	14	-	-	154	-
		467,621	467,389	482,516	482,433
CURRENT ASSETS					
Stocks	15	65	-	93	-
Trade and other receivables	17	33,858	33,779	41,452	41,421
Investments	16	-	-	5,364	5,364
Cash and cash equivalents		97,600	97,259	120,756	120,580
		131,523	131,038	167,665	167,365
CURRENT LIABILITIES					
Less creditors falling due within one year	18	(89,381)	(89,127)	(100,621)	(100,124)
NET CURRENT ASSETS		42,142	41,911	67,044	67,241
TOTAL ASSETS LESS CURRENT LIABILITIES		509,763	509,300	549,560	549,674
Creditors: amounts falling due after more than one year	19	(204,539)	(204,539)	(203,204)	(203,204)
PROVISIONS					
Pension provision	21	(12,400)	(12,400)	(19,000)	(19,000)
TOTAL NET ASSETS		292,824	292,361	327,356	327,470
RESTRICTED RESERVES					
Income and expenditure reserve – endowment reserve	22	8,135	8,135	7,972	7,972
Income and expenditure reserve – restricted reserve	23	549	549	835	835
UNRESTRICTED RESERVES					
Income and expenditure reserve – unrestricted		245,985	245,522	278,471	278,585
Revaluation reserve		38,155	38,155	40,078	40,078
TOTAL RESERVES		292,824	292,361	327,356	327,470

The financial statements were approved by Council on 28 November 2025 and were signed on its behalf on that date by:

Professor Paul Boyle (Vice-Chancellor)

Mr Goi Ashmore (Chair of Council)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31st July 2025

	NOTE	31ST JULY 2025 £000	31ST JULY 2024 £000
CASH FLOW FROM OPERATING ACTIVITIES			
(Deficit) / Surplus for the year before taxation		(39,905)	83,774
ADJUSTMENT FOR NON-CASH ITEMS			
Depreciation	10	31,177	31,663
Amortisation of intangibles	11	133	121
Impairment	14	2,737	-
Gain / (loss) on Investments		366	(384)
Decrease in stock		28	36
Decrease in debtors		7,594	9,004
(Decrease) in creditors		(12,254)	(34,180)
(Decrease) in pension provisions		(1,200)	(101,241)
Share of operating deficit / (surplus) in associate		154	(29)
ADJUSTMENT FOR INVESTING OR FINANCING ACTIVITIES			
Investment income		(4,804)	(7,214)
Capital grant income		(5,406)	(5,327)
Interest payable		5,785	5,701
Endowment Income		(8)	(85)
(Gain) on the sale of tangible assets		-	(445)
CASH FLOWS FROM OPERATING ACTIVITIES		(15,603)	(18,606)
Taxation		(27)	(33)
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES		(15,630)	(18,639)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital grant receipts		6,470	7,115
Proceeds from sales of tangible assets		-	445
Payments made to acquire tangible assets		(19,732)	(32,044)
Payments made to acquire intangible assets		37	(249)
Disposal of current investments		5,388	-
Decrease in deposits		-	50,000
Investment income		4,804	8,732
		(3,033)	33,999
CASH FLOWS FROM FINANCING ACTIVITES			
Interest paid		(2,998)	(2,820)
Interest element of finance lease and service concession arrangements		(2,787)	(2,881)
Capital element of finance lease and service concession arrangements		(6,679)	(6,584)
New endowments		8	85
New unsecured loans		14,611	-
Repayment of amounts borrowed		(6,340)	(6,077)
		(4,185)	(18,277)
DECREASE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(22,848)	(2,917)
Cash and cash equivalents at beginning of the year		120,358	123,275
Cash and cash equivalents at end of the year		97,510	120,358

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st July 2025

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
1. TUITION FEES AND EDUCATION CONTRACTS				
Full-time home and EU students	**118,192**	**118,192**	112,721	112,721
Full-time international students	**38,624**	**38,624**	82,580	82,580
Part-time students	**3,441**	**3,441**	3,536	3,536
Educational contracts with the NHS and HEIW	**16,328**	**16,328**	14,389	14,389
Non-accredited course fees	**53**	**53**	80	80
	176,638	**176,638**	213,306	213,306

To generate the full - time home and EU tuition fee the University has spent £3,727k (2024: £4,016k) in relation to bursaries in accordance with the fee plan.

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
2. FUNDING BODY GRANTS				
RECURRENT GRANTS				
Medr Teaching grants	**11,310**	**11,310**	10,222	10,222
Medr Research grants	**18,685**	**18,685**	18,376	18,376
HERC Capital grant	**1,163**	**1,163**	3,371	3,371
	31,158	**31,158**	31,969	31,969
SPECIFIC GRANTS RECEIVED IN YEAR				
Student Wellbeing & Health	**887**	**887**	1,204	1,204
Research & Innovation	**503**	**503**	2,631	2,631
Welsh Language	**1,469**	**1,469**	1,516	1,516
Other	**828**	**828**	1,709	1,709
Capital	**4,243**	**4,243**	1,474	1,474
	7,930	**7,930**	8,534	8,534
	39,088	**39,088**	40,503	40,503

Income from capital grants relates to £1,871k in respect of buildings (2024: £3,296k) and £3,535k in respect of equipment (2024: £1,549k).

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
3. RESEARCH GRANTS AND CONTRACTS				
Research Councils	**27,377**	**27,377**	25,656	25,656
UK-based charities	**4,942**	**4,942**	4,023	4,023
UK industry and commerce	**2,384**	**2,384**	3,022	3,022
Government (UK and overseas)	**14,149**	**14,149**	20,358	20,358
Other	**2,380**	**2,380**	3,793	3,793
	51,232	**51,232**	56,852	56,852

During the year there were no receipts of capital grants included with research income (2024: £482k).

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
4. OTHER INCOME				
Residences, catering and conferences	**22,974**	**22,974**	25,192	25,192
Other services rendered	**2,650**	**2,650**	2,095	2,095
Income from service concession agreements	**9,466**	**9,466**	9,466	9,466
Other income	**16,276**	**15,836**	16,377	15,962
NHS income in respect of the College of Medicine	**8,203**	**8,203**	7,632	7,632
Research Council full-time Doctoral/Collaborative Training Award	**1,846**	**1,846**	2,134	2,134
	61,415	**60,975**	62,896	62,481

Included within other income is income from collaborations of £4,565k (2024: £5,559k), estates income of £1,609k (2024: £2,050k), and £1,207k sports centre income (2024: £1,096k).

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
5. INVESTMENT INCOME				
Investment income on endowments	**180**	**180**	224	224
Other Investment Income	**4,624**	**4,624**	6,990	6,990
	4,804	**4,804**	7,214	7,214

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
6. DONATIONS AND ENDOWMENTS				
New endowments	**8**	**8**	85	85
Donations with restrictions	**290**	**290**	728	728
Unrestricted donations	**170**	**170**	111	111
	468	**468**	924	924

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
7. STAFF COSTS				
The staff costs for the financial year were:				
Salaries	**161,231**	**160,819**	163,271	162,881
Social security costs	**18,125**	**18,125**	16,700	16,700
Other pension costs	**20,135**	**20,135**	21,237	21,237
TOTAL STAFF COSTS	**199,491**	**199,079**	201,208	200,818
CHANGE IN EXPECTED USS CONTRIBUTIONS	**-**	**-**	(98,742)	(98,742)
RESTRUCTURING COSTS	**8,422**	**8,422**	8,461	8,461

During the year 2024/25, the University continued its Voluntary Exit Scheme (VES) available to all staff, where enhanced compensation payments were made to employees wishing to leave the University voluntarily. The cost of £8,422k (2024: £8,461k) include all staff accepted on the VES scheme at 31st July 2025 and approved by the Registrar & Chief Operating Officer, Chief Financial Officer, Executive Deans, Director of HR and Head of Legal Services.

A further breakdown of pension costs has been included in Note 31, Pensions Schemes.

	2025 £000	2024 £000
TOTAL REMUNERATION OF THE VICE-CHANCELLOR		
Basic salary	**336**	335
Accommodation allowance	**18**	18
Employer pension contributions	**-**	9
Other taxable payments	**-**	14
	354	376

Other taxable payments relates to legal costs.

The Remuneration Committee is responsible for overseeing and scrutinising the reward strategy of the University including reviewing and determining all aspects of the remuneration, benefits and conditions of employment of the Vice-Chancellor, the remuneration and other financial benefits of the other members of the Senior Leadership Team, and developing an overall reward strategy and policy to cover the remuneration, benefits and conditions of employment of the senior employees of the University on Grade 11 and those who report directly to members of the Senior Leadership Team.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits and conditions of employment in the University sector, and wider where appropriate. In determining the remuneration awarded, the Remuneration Committee considers the University's approach taken to recognising performance and refers to sector benchmarking information provided from the UCEA Senior Salary Survey. The Remuneration Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code.

In light of the proposed cost savings to improve the financial sustainability of the University the Remuneration Committee approved a recommendation from the Senior Leadership Team that the Remuneration cycle for 2024 for Grade 10A colleagues, Grade 11 colleagues, Senior Leadership Team and the Vice Chancellor would not take place.

In previous years, however, the Committee has approved an approach for remuneration for members of the Senior Leadership Team (including the Vice-Chancellor), which took account of the following:

i. University Professorial Performance Curves;

ii. Detailed performance and remuneration recommendations.

Factors considered as part of previous performance reward proposals have included:

a) performance in support of the institution's strategic objectives in areas such as Research; Teaching; Innovation and Engagement; Leadership and Management; Partnerships and external relations internationally, nationally and locally; and Major initiatives and projects;

b) the size and complexity of the institution;

c) the nature of the HE markets and issues of recruitment and retention;

d) the institution's objectives in relation to the diversity of the workforce; and

Data to support these indicators was drawn from:

a) the Universities and Colleges Employer Association's Senior Staff Remuneration Survey;

b) analysis of salary distributions.

Recognising the University's vision as a principled, purposeful and resilient University that balances excellent teaching with world-leading research and innovation in an environment which enables our students and colleagues to excel, alongside being valued globally as a trusted partner who is deeply committed to our region and proud to be a University for Wales, it is essential that the University offers a competitive remuneration package for its Vice-Chancellor role. This also recognises the number of University staff and students, and the diverse and complex nature of the organisation.

The Remuneration Committee is responsible for reviewing and determining all aspects of the remuneration, benefits and conditions of employment of the Vice-Chancellor, taking account of the breadth of leadership and financial responsibilities, and delivery against the University's strategic objectives. The Vice-Chancellor is not in attendance for, and does not play a part in, the discussions and decisions of his own remuneration.

In considering the Vice-Chancellor's remuneration package, the Remuneration Committee considers the organisational context, alongside the Vice-Chancellor's performance, general pay movement for all University staff, retention and any relevant market considerations, and is informed by internal benchmark data and salary benchmarking information with comparator universities.

Further information can be obtained from the Remuneration Statement 2025 https://www.swansea.ac.uk/about-us/university-governance/the-council/council-committees/remuneration-committee/

The Vice-Chancellor is enrolled in the enhanced opt out arrangement within the Universities' Superannuation Scheme (the USS).

The head of the provider's basic salary is 8.6 times the median pay of staff (2024: 9.4 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The head of the provider's total remuneration is 8.9 times the median total remuneration of staff (2024: 9.9 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University to its staff.

The median calculations include salaries part funded by the NHS.

HIGHER PAID STAFF

The number of staff with a basic salary over £100k per annum has been included below.
Remuneration of higher paid staff (excluding the Vice Chancellor), excludes employer's pension contributions but including payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contracts of employment and which are reimbursed to the University by the NHS, was:

In 2025 there were 69 higher paid members of staff (2024: 65)

	CONSOLIDATED 2025 NUMBER	UNIVERSITY 2025 NUMBER	CONSOLIDATED 2024 NUMBER	UNIVERSITY 2024 NUMBER
£100,000 – £104,999	**10**	**10**	8	8
£105,000 – £109,999	**10**	**10**	9	9
£110,000 – £114,999	**5**	**5**	3	3
£115,000 – £119,999	**7**	**7**	10	10
£120,000 – £124,999	**8**	**8**	5	5
£125,000 – £129,999	**5**	**5**	4	4
£130,000 – £134,999	**5**	**5**	4	4
£135,000 – £139,999	**2**	**2**	5	5
£140,000 – £144,999	**3**	**3**	3	3
£145,000 – £149,999	**1**	**1**	1	1
£150,000 – £154,999	**1**	**1**	-	-
£155,000 – £159,999	**-**	**-**	2	2
£160,000 – £164,999	**3**	**3**	2	2
£165,000 – £169,999	**-**	**-**	1	1
£170,000 – £174,999	**-**	**-**	1	1
£175,000 – £179,999	**3**	**3**	2	2
£180,000 – £184,999	**2**	**2**	1	1
£185,000 – £189,999	**-**	**-**	-	-
£190,000 – £194,999	**-**	**-**	1	1
£195,000 – £199,999	**-**	**-**	-	-
£200,000 – £204,999	**1**	**1**	-	-
£205,000 – £209,999	**-**	**-**	1	1
£210,000 – £214,999	**1**	**1**	-	-
£215,000 – £219,999	**-**	**-**	-	-
£220,000 – £224,999	**-**	**-**	-	-
£225,000 – £229,999	**-**	**-**	1	1
£230,000 – £234,999	**1**	**1**	1	1
£235,000 - £239,999	**-**	**-**	-	-
£240,000 - £244,999	**-**	**-**	-	-
£245,000 - £249,999	**-**	**-**	-	-
£250,000 - £254,999	**-**	**-**	-	-
£255,000 - £259,999	**-**	**-**	-	-
£260,000 - £264,999	**-**	**-**	-	-
£265,000 - £269,999	**1**	**1**	-	-

	2025 £000	2024 £000
COMPENSATION FOR LOSS OF OFFICE PAYABLE TO HIGHER PAID STAFF:		
Compensation and severence paid to University higher paid staff	**330**	172
Number of University higherpaid staff who received compensation or severence	**4**	1

AVERAGE NUMBER OF STAFF (INCLUDING SENIOR POST HOLDERS) EMPLOYED BY THE UNIVERSITY

The average number of staff employed by the University during the year expressed as FTE (full-time equivalents):

	2025 Number (FTE)	2024 Number (FTE)
Academic	1,181	1,197
Research	357	398
Management and specialist	988	1,049
Technical	170	191
Other	752	826
	3,448	3,661

KEY MANAGEMENT PERSONNEL

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the institution. Key management consists of the senior executive officers including the Vice-Chancellor, Registrar & Chief Operating Officer, three Pro-Vice-Chancellors, three Exectuive Deans and the Chief Financial Officer.

	2025 £000	2024 £000
Key Management Personnel	1,643	1,717

During the year the number of Key Management Personnel in post remained at 9 (2024: 9).

8. INTEREST AND OTHER FINANCE COSTS

	NOTE	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
Loan interest		2,998	2,977	2,820	2,803
Finance leases including service concession arrangements		2,787	2,787	2,881	2,881
Unwinding of USS discount factor		-	-	2,279	2,279
Net pension interest cost	31	900	900	800	800
		6,685	6,664	8,780	8,763

9. ANALYSIS OF EXPENDITURE BY ACTIVITY

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
Academic departments	132,882	132,882	142,133	142,133
Academic services	34,427	34,427	38,097	38,097
Research grants and contracts	48,549	48,549	49,919	49,919
Residences, catering and conferences	27,956	27,956	28,369	28,369
Premises	43,291	43,290	48,674	48,674
Professional services	59,565	59,566	68,208	68,208
USS fund adjustments	-	-	(99,641)	(99,642)
Other	26,360	25,553	23,022	22,132
TOTAL EXPENDITURE	373,030	372,223	298,781	297,890

	2025 £000	2024 £000
OTHER EXPENDITURE ABOVE INCLUDES:		
Service concession arrangments	9,850	9,944
Restructuring costs	8,422	8,461

During the year the University incurred restructuring costs of £8,422k (2024: £8,461k) due to the continuation of the Voluntary Exit Scheme (VES) available to all staff, where enhanced compensation payments were made to employees wishing to leave the University voluntarily.

OTHER OPERATING EXPENSES AS PER THE STATEMENT OF COMPREHENSIVE INCOME

	CONSOLIDATED 2025 £000	CONSOLIDATED 2024 £000
Non-capitalised equipment	12,142	12,241
Consumables	4,620	5,127
Rent, Rates and leases	24,979	24,604
Repairs, refurbishment, maintenance and building costs	10,263	10,548
Heat, light, power and water	9,308	13,595
Scholarships, bursaries, prizes and fee contributions	15,273	20,702
Books, publications, periodicals & library services	3,997	3,962
Student Recruitment and advertising	6,084	12,438
Consultancy, Professional Services & agency	22,089	22,306
Travel and conference costs	5,907	6,815
Employee related expenditure	3,123	3,647
Subscriptions and contributions	4,661	3,242
Office expenses	941	1,271
Catering	1,308	1,520
Other expenses	2,427	5,270
	127,122	147,288

EXTERNAL AUDITORS REMUNERATION

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
Audit of the University and its subsidiaries	195	156	170	137
Audit related assurance services	10	10	21	21
Taxation compliance services	17	-	14	-
Taxation advisory services	210	210	168	168
TOTAL NON-AUDIT SERVICES	237	220	203	189

During the year, the University engaged KPMG to undertake significant global mobility and transnational education taxation work.

10. NON-CURRENT ASSETS – FIXED ASSETS – CONSOLIDATED

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1 August 2024	447,073	171,322	62,271	1,566	17,402	1,040	700,674
Additions	6,915	-	6,173	-	6,644	-	19,732
Transfers	690	-	2,156	-	(2,814)	-	32
Impairment	(2,737)	-	-	-	-	-	(2,737)
Disposals	-	-	(3,558)	-	-	-	(3,558)
At 31 July 2025	451,941	171,322	67,042	1,566	21,232	1,040	714,143
CONSISTING OF VALUATION AS AT:							
31st July 2014	38,155	-	-	-	-	-	38,155
Cost	413,786	171,322	67,042	1,566	21,232	1,040	675,988
	451,941	171,322	67,042	1,566	21,232	1,040	714,143
ACCUMULATED DEPRECIATION							
At 1 August 2024	103,200	66,974	48,813	324	-	-	219,311
Charge for year	14,474	7,062	9,577	63	-	-	31,176
Disposals	-	-	(3,558)	-	-	-	(3,558)
At 31 July 2025	117,674	74,036	54,832	387	-	-	246,929
CARRYING AMOUNT							
At 31 July 2025	334,267	97,286	12,210	1,179	21,232	1,040	467,214
At 1 August 2024	343,873	104,348	13,458	1,242	17,402	1,040	481,363

NON-CURRENT ASSETS – FIXED ASSETS – UNIVERSITY

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1 August 2024	447,073	171,322	61,033	1,566	17,402	1,040	699,436
Additions	6,915	-	6,173	-	6,644	-	19,732
Transfers	690		2,156		(2,814)		32
Impairment	(2,737)	-	-	-	-	-	(2,737)
Disposals	-	-	(3,558)				(3,558)
At 31 July 2025	451,941	171,322	65,804	1,566	21,232	1,040	712,905
CONSISTING OF VALUATION AS AT:							
31st July 2014	38,155	-	-	-	-	-	38,155
Cost	413,786	171,322	65,804	1,566	21,232	1,040	674,750
	451,941	171,322	65,804	1,566	21,232	1,040	712,905
ACCUMULATED DEPRECIATION							
At 1 August 2024	103,200	66,974	47,649	324	-	-	218,147
Charge for year	14,474	7,062	9,570	63	-	-	31,169
Disposals	-	-	(3,558)	-	-	-	(3,558)
At 31 July 2025	117,674	74,036	53,661	387	-	-	245,758
CARRYING AMOUNT							
At 31 July 2025	334,267	97,286	12,143	1,179	21,232	1,040	467,147
At 1 August 2024	343,873	104,348	13,384	1,242	17,402	1,040	481,289

A full valuation of the University's land and property was carried out on 31st July 2014 by qualified chartered surveyors in accordance with the RICS valuation - Professional Standards 2014 (the Red Book). Under FRS 102 paragraph 35.10, the University has elected to measure land and property at fair value at the transition date of 31 July 2014 and use the fair value as the deemed cost on that date. The properties are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to the Income and expenditure reserve. Analysis of the land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption.

At 31st July 2025, freehold land and buildings included £21.3 million (2024: £16.5 million) in respect of freehold land which is not depreciated.

Following a review of tangible assets, several areas on both the Singleton and Bay campus were impaired to the value of £2,737k (2024: £0)

11. INTANGIBLE ASSETS

Consolidated and University

	SOFTWARE	ASSETS UNDER DEVELOPMENT	TOTAL
COST	£000	£000	£000
As at 1 August 2024	364	281	645
Additions	(37)	-	(37)
Transfers	93	(125)	(32)
As at 31 July 2025	**420**	**156**	**576**
AMORTISATION			
As at 1 August 2024	201	-	201
Charge for the year	133	-	133
As at 31 July 2025	**334**	**-**	**334**
NET BOOK VALUE			
As at 31 July 2025	**86**	**156**	**242**
As at 31 July 2024	163	281	444

12. NON-CURRENT ASSETS – HERITAGE ASSETS

Heritage assets included on the Statement of Financial Position refer largely to the University's Art Collection. There are also other heritage assets which due to their nature we are unable to value and therefore have not been included.

The Egypt Centre holds the Wellcome Collection which includes Egyptian antiques and artefacts. These assets are unique and not replaceable. The Egypt Centre is a recognised museum, accredited by the Arts Council and a recognised ACCES partner. It aims to collect, interpret and care for Egyptian archaeological material and documents and preservation is critical to their work. All policies in place are reviewed by the Arts Council. The Wellcome Collection is available to view by all University staff and students, local schools as well as the wider general public.

The picture and art collection is recognised on the Statement of Financial Position under Heritage Assets was valued in 2008 by an independent valuer and has been taken as deemed cost on transition. The majority of this art collection can be viewed around the University.

The University also holds a silver collection which includes but is not limited to competition cups, bowls and vases dating between the 1950s and 1980s. No price can be attributed to this collection, hence they are not held on the Statement of Financial Position. The collection is stored securely but can be available for inspection upon request.

The University also holds Dylan Thomas manuscripts which were purchased out of University funds.

13. SERVICE CONCESSION ARRANGEMENTS

The University has six Service Concession Arrangements in the Statement of Financial Position.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT ASSETS

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2025 is £97,286k (1 August 2024 £104,348k).

The reduction of £7,062k is as a result of depreciation charged in the year.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT LIABILITIES

The total liabilities relating to service concession arrangements included in the Statement of Financial Position as at 31 July 2025 were £109,546k (1 August 2024 £116,225k). Liabilities decreased by a total of £6,679k during the year, being the value of the annual write off of the lease.

FUTURE COMMITMENTS

The following table analyses the University's future commitments in relation to the service concession arrangements.

£'000	PAYABLE IN 1 YEAR	PAYABLE IN 2-5 YEARS	PAYABLE IN >5 YEARS	TOTAL
Liability repayments	6,777	14,482	88,287	109,546
Finance charge	2,782	9,686	30,484	42,952
	9,559	**24,168**	**118,771**	**152,498**

Prior to conversion of the Financial Statements to reflect FRS102, the University had entered into the following leases which were previously held off the Statement of Financial Position. These leases have now been brought onto the Statement of Financial Position as Service Concession Arrangements.The notes below give more information on these arrangements:

GWALIA RESIDENCES

Gwalia Phase 1 - A 30-year lease was entered into in 2004 to build three new blocks of accommodation with 272 units. The occupancy guarantee is 100%.

Gwalia Phase 2 - A 30-year lease was entered into in 2010 comprising of 351 units with the lower floors shelled for University activities. The occupancy guarantee is 100%.

BAY RESIDENCES – PHASE 1A

In September 2015, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1a of the student accommodation on the Bay Campus, providing 899 rooms for 923 students. In February 2018, the third - party , with the University' s consent, entered into a transaction to transfer the contract to another third- party. Under the terms of the new agreement, the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,485K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1B

In January 2016, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1b of the student accommodation on the Bay Campus, providing 545 single rooms. In February 2018, the contract was transferred to another third party and the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £823K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1C

On 15th December 2015, the University entered into a 45-year contract with a third-party provider for the provision and maintenance of phase 1c of the student accommodation on the Bay Campus, providing 538 single rooms.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,056K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University further has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of 45-year contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

THE COLLEGE ACADEMIC BUILDING

On 8th September 2017, the University entered into a 20 year contract with a third-party provider for the provision and maintenance of an Academic Building.

The University has guaranteed 35% of the building amounting to committed gross annual payments of £357K.

The University has exclusive rights over the allocated 35% of the building and controls the use within this area.

14. NON-CURRENT INVESTMENTS

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
Investment in associates	-	-	154	-
Investment in subsidiaries	-	-	-	700
Other investments	165	-	555	-
	165	-	709	700

INVESTMENT IN ASSOCIATE

The Institution holds the following 50% investments in both Swan Global Education LLP (2024: 50%) and Wales National Pool Swansea (2024: 50%). The investments are accounted for at cost less impairment in the Institution financial statements and using the equity method in the consolidated financial statements.

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
At 1 August 2024	154	-	125	-
Share (profit) / loss retained by associate	(154)	-	29	-
AT 31 JULY 2025	-	-	154	-

INVESTMENT IN SUBSIDIARY

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
At 1 August 2024	-	700	-	700
Additions	-	815	-	186
Impairment	-	(1,515)	-	(186)
AT 31 JULY 2025	-	-	-	700

The £815k investment relates to the 100% owned subsidiaries Swansea Materials Research & Testing Ltd (£800k) and SU Pathway College Ltd (£15k). The impairment of £1,515k relates to the wholly owened subsidiaries Swansea Materials Research & Testing Ltd (£800k), SU Pathway College Ltd (£15k), and Swansea Innovations Ltd (£700k)

OTHER INVESTMENTS

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
At 1 August 2024	555	-	594	-
Impairment/Reversals	(149)	-	(44)	-
Revaluations	(241)	-	5	-
AT 31 JULY 2025	165	-	555	-
Other investments consist of:				
At fair value:				
Market securities	32	-	102	-
At cost less impairment:				
Group investments in spin outs	133	-	453	-
	165	-	555	-

Details of investments in which the consolidated group and University hold 20% or more of the nominal value of any class of shares are as follows:

COMPANY	REGISTERED OFFICE	PRINCIPAL ACTIVITY	HOLDING	STATUS
Gower Innovations Ltd	Swansea University, SA1 8EN	Dormant	Ordinary shares	20%
3D-BGS (UK) Ltd	Swansea University, SA2 8PP	Manufacture of medical and dental instruments and supplies	Ordinary shares	20%
ProGnomics Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Bay Campus Developments LLP	Swansea University, SA2 8PP	Dormant	Partner	50%
WNPS	Wales National Pool SA2 8QG	Operation of sports facilities	Guarantee	50%
Swan Global Education	The Lambourn Wyndyke Furlong Abingdon Oxfordshire OX14 1UJ	Educational	Partner	50%
Swansea Materials Research and Testing	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	100%
Swansea Innovations	Swansea University, SA2 8PP	Management consultancy activities other than financial management	Ordinary shares	100%
SU Developments	Swansea University, SA2 8PP	Dormant	Ordinary shares	100%
SU Pathway College Ltd	Swansea University, SA2 8PP	Combined facilities support activities	Ordinary shares	100%

Investments in subsidiary companies are measured at transaction price (including transaction costs) and considered annually for impairment.

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
15. STOCK				
General consumables	**37**	-	32	-
Work in progress	**28**	-	61	-
	65	-	93	-

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
16. CURRENT INVESTMENTS				
Short-term investments in shares	-	-	1,925	1,925
Short-term bonds	-	-	3,183	3,183
Other short-term investments	-	-	203	203
Short-term deposits	-	-	53	53
	-	-	5,364	5,364

In August 2024 the endowment funds held as an investment portfolio with Barclays were liquidated, with the liquidation of all investments completing in October 2024. On 31st July 2025 the endowment funds are held as cash in a ring-fenced deposit account with Lloyds, pending future investment in an ethical fund. Following the conversion of the endowment portfolio from investment to cash, current investments reduced to nil with a corresponding increase in cash.

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATE 2024 £000	UNIVERSITY 2024 £000
17. TRADE AND OTHER RECEIVABLES				
Amounts falling due within one year:				
Net trade debtors	**8,816**	**8,758**	8,829	8,727
Research grant claims receivable	**1,455**	**1,455**	3,239	3,239
Accrued income – Research grants	**11,795**	**11,795**	12,534	12,534
Prepayments and accrued income	**11,792**	**11,749**	16,850	16,911
Amounts due from group undertakings	-	**22**	-	10
	33,858	**33,779**	41,452	41,421

Within research grant claims receivable there are no retention values (2024: £211k)

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank overdraft	**90**	-	398	-
Unsecured loans	**6,454**	**6,454**	6,340	6,340
Service concession arrangements	**6,777**	**6,777**	6,679	6,679
Trade payables	**3,317**	**3,317**	7,166	7,166
Social security and other taxation payable	**5,073**	**5,064**	4,790	4,783
Accruals and deferred income	**67,670**	**67,515**	75,248	74,997
Amounts due to group undertakings	-	-	-	159
	89,381	**89,127**	100,621	100,124

ACCRUALS AND DEFERRED INCOME

Included with accruals and deferred income are the following items which have been deferred:

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
Research grants received in advance	**22,725**	**22,725**	23,743	23,743
Funding Council grants received in advance	**725**	**725**	1,578	1,578
Capital grants received in advance	**1,064**	**1,064**	-	-
Other accruals and deferred income	**43,156**	**43,001**	49,927	49,676
	67,670	**67,515**	75,248	74,997

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				
Service concession arrangements	**102,769**	**102,769**	109,546	109,546
Income in advance	**1,591**	**1,591**	1,635	1,635
Unsecured loans	**100,179**	**100,179**	92,023	92,023
CREDITORS DUE AFTER MORE THAN ONE YEAR	**204,539**	**204,539**	203,204	203,204

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
20. ANALYSIS OF UNSECURED LOANS				
Due within one year or on demand	**6,454**	**6,454**	6,340	6,340
Due within one and two years	**6,893**	**6,893**	6,454	6,454
Due within two and five years	**22,418**	**22,418**	20,089	20,089
Due in five years or more	**70,868**	**70,868**	65,480	65,480
TOTAL UNSECURED LOANS REPAYABLE BY 2048	**106,633**	**106,633**	98,363	98,363

Included in the loans are the following:

LENDER	AMOUNT £000	INTEREST RATE	TERM	BORROWER
European Investment Bank	**6,667**	Fixed 2.876%	**June 2033**	**University**
European Investment Bank	**7,500**	Fixed 2.723%	**January 2034**	**University**
European Investment Bank	**6,353**	Fixed 4.143%	**August 2034**	**University**
European Investment Bank	**6,377**	Fixed 4.264%	**January 2035**	**University**
European Investment Bank	**6,924**	Fixed 4.432%	**August 2035**	**University**
European Investment Bank	**51,810**	Fixed 2.938%	**April 2044**	**University**
Sure Loan	**4,426**	Fixed 0.550%	**March 2031**	**University**
Salix	**1,967**	Fixed 0%	**April 2031**	**University**
Digarbon	**11,477**	Fixed 2.050%	**February 2048**	**University**
Salix 2	**3,132**	Fixed 2.050%	**February 2035**	**University**
TOTAL	**106,633**			

In August 2024, the European Investment Bank granted a waiver in respect of two loan covenants for the years ending 31 July 2024 and 31 July 2025, whilst introducing a temporary covenant based on minimum cash. All applicable covenants are met in the current year.

	SUPS PENSION SCHEME PROVISION	TOTAL PENSION PROVISIONS
	£000	£000
21. PROVISIONS FOR LIABILITIES		
CONSOLIDATED AND UNIVERSITY		
AT 1 AUGUST 2024	19,000	19,000
Utilised in year	(1,200)	(1,200)
(Reductions)	(5,400)	(5,400)
AT 31 JULY 2025	**12,400**	**12,400**

No USS deficit recovery plan was required under the 2023 valuation becuase 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.

See note 31 for further information on the SUPS and USS pension scheme.

	RESTRICTED PERMANENT ENDOWMENTS	UNRESTRICTED PERMANENT ENDOWMENTS	EXPENDABLE ENDOWMENTS	2025 TOTAL	2024 TOTAL
	£000	£000	£000	£000	£000
22. ENDOWMENT FUNDS					
Restricted net assets relating to endowments are as follows:					
BALANCES					
AT 1 AUGUST 2024					
Capital	4,411	1,791	691	**6,893**	6,385
Accumulated income	949	62	68	**1,079**	923
	5,360	1,853	759	**7,972**	7,308
New donations and endowments	8	-	-	**8**	85
Investment income	127	-	27	**154**	187
Expenditure	(12)	-	(11)	**(23)**	(31)
Increase in market value of investments	15	9		**24**	423
AT 31 JULY 2025	5,498	1,862	775	**8,135**	7,972
Represented by:					
Capital	4,434	1,800	691	**6,925**	6,893
Accumulated income	1,064	62	84	**1,210**	1,079
	5,498	1,862	775	**8,135**	7,972
ANALYSIS BY TYPE OF PURPOSE					
Lectureships				**25**	24
Scholarships and bursaries				**3,543**	3,453
Research support				**345**	331
Prize funds				**977**	951
General				**3,245**	3,213
				8,135	**7,972**
ANALYSIS BY ASSET					
Current asset investments				-	5,364
Bank Balance – University				**8,135**	2,608
				8,135	**7,972**

The University holds over 175 endowments, comprising of permanent and expendable funds. Each endowment has its own specific restriction with spend being controlled by the allocated Budget Managers. The University has one significant endowment worth over £1.0m, being the general endowment fund. This is a permanent endowment holding £1.3m of endowered funds, currently valued at £2.1m within the portfolio. Being a general endowment, any income earned is released back to the University for non-specific purposes. All other endowments are not significant but have specific purposes attached to them.

During the year the permanent endowment investment fund was liquidated on ethical grounds. At year-end the permanent endowments are held in a ring-fenced deposit account, awaiting appropriate investment.

	DONATIONS	2025 TOTAL	2024 TOTAL
	£000	£000	£000
23. RESTRICTED RESERVES			
Reserves with restrictions are as follows:			
CONSOLIDATED AND INSTITUTION			
BALANCES			
AT 1 AUGUST 2024	835	835	187
New restricted donations	290	290	728
Expenditure	(576)	(576)	(80)
AT 31 JULY 2025	**549**	**549**	**835**
ANALYSIS OF OTHER RESTRICTED FUNDS / DONATIONS BY TYPE OF PURPOSE:			
Scholarships		**250**	202
Hardship		**142**	90
Campus and sports facilities		**3**	2
Prize funds		**14**	-
General		**140**	541
		549	835

	AT 1 AUGUST 2024	CASH FLOWS	AT 31 JULY 2025
	£000	£000	£000
24. CASH AND CASH EQUIVALENTS			
CONSOLIDATED			
Cash and Cash equivalents	121,154	(23,464)	**97,690**
Bank overdraft	(398)	308	**(90)**
	120,756	(23,156)	**97,600**

25. CONSOLIDATED RECONCILIATION OF NET DEBT

	2025 £000
NET DEBT 1 AUGUST 2024	**93,832**
Movement in cash and cash equivalents	**(23,464)**
Other non-cash changes	**48,211**
NET DEBT 31 JULY 2025	**118,579**
CHANGE IN NET DEBT	**24,747**

ANALYSIS OF NET DEBT:	2025 £000	2024 £000
CASH AND CASH EQUIVALENTS	**97,690**	121,154
BORROWINGS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Unsecured loans	**6,454**	6,340
Bank overdraft	**90**	398
Service concession arrangements	**6,777**	6,679
	13,321	13,417
BORROWINGS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Service concession liabilities due after one year	**102,769**	109,546
Unsecured loans	**100,179**	92,023
	202,948	201,569
NET DEBT	**118,579**	93,832

26. FINANCIAL INSTRUMENTS

	NOTE	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
FINANCIAL ASSETS					
Financial assets at fair value through Statement of Comprehensive Income		**32**	**-**	102	-
Financial assets that are equity instruments measured at cost less impairment					
Other investments		**133**	**-**	453	-
	14	**165**	**-**	555	-
Financial assets that are debt instruments measured at amortised cost					
Cash and cash equivalents		**97,600**	**97,259**	120,756	120,580
Other investments	16	**-**	**-**	5,364	5,364
Trade receivables	17	**12,947**	**12,889**	13,616	13,514
Other receivables	17	**1,455**	**1,455**	3,239	3,239
		112,002	**111,603**	142,975	142,697
FINANCIAL LIABILITIES					
Financial liabilities measured at amortised cost					
Bank overdrafts	18	**90**	**-**	398	-
Loans	20	**106,633**	**106,633**	98,363	98,363
Service concessions	17/18	**109,546**	**109,546**	116,225	116,225
Trade Creditors	18	**3,317**	**3,317**	7,166	7,166
		219,586	**219,496**	222,152	221,754

27. CAPITAL AND OTHER COMMITMENTS

A provision has not been made for the following capital commitments at 31 July 2025:

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
Capital commitments	**1,082**	**1,082**	4,144	4,144
	1,082	**1,082**	4,144	4,144

The decrease in capital commitments follows the successful implementation of the financial sustainability programme.

Commitments relating to the Digital Foundations project decreased to £800k (2024: £2,704k) as the project concludes, whilst building project commitments are minimised to essential spend or externally funded projects in the year reducing commitments to just £282k (2024: £1,440k).

28. CONTINGENT LIABILITIES

	CONSOLIDATED 2025 £000	UNIVERSITY 2025 £000	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000
Guarantees				
To Lloyds for SMaRT Ltd	**-**	**500**	-	500
	-	**500**	-	500

The University is acting as guarantor for Swansea Materials Research and Testing Limited in relation to the £500K overdraft facility only. The University believe there is only a limited possibility of the guarantee being paid as Swansea Materials Research & Testing Limited is a wholly-owned subsidiary controlled by senior University staff members. The extent of the guarantee being required will depend on the current overdraft in the subsidiary. If paid, there is unlikely to be any reimbursement for this contingent liability.

The University is a member of UMAL, a company limited by guarantee, formed to provide a mutual association for covers. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro-rated share. The potential for a shortfall and the value of a shortfall in any given year is unknown. There is not likely to be any possibility of reimbursement if this guarantee is called upon.

The Institution gives written undertakings annually to support the subsidiary companies for a period of twelve months from the date of approval of their financial statements.

29. LEASE OBLIGATIONS

Total rentals payable under operating leases:

	2025 LAND AND BUILDINGS £000	2024 LAND AND BUILDINGS £000
PAYABLE DURING THE YEAR	**1,011**	974
Future minimum lease payments due:		
Not later than 1 year	**938**	984
Later than 1 year and not later than 5 years	**2,319**	2,588
Later than 5 years	**4,020**	4,095
TOTAL LEASE PAYMENTS DUE	**7,277**	7,667

During the year, the University was tenant on four significant leases. The signficant leases include The College, a University joint venture company, Bay Studios Car Park, a unit within Baglan Engery Park and space within Parc Dewi Sant in Carmarthenshire. The lease with The College, which is within a building on the Bay Campus, runs until 2038 with Parc Dewi Sant running until 2032. The leases on the Bay Studios Car Park & Baglan Energy Park are due to expire in 2026 and 2027 respectively.

No new leases were negotiated during the year with several minor leases terminating before July 2025.

Total rentals receivable under operating leases:

The University leases out small areas of space on both Singleton and Bay Campus. Leases include a dental surgery, a doctors surgery, retail units for the Students Union, laboratory space to Swansea Materials Research and Testing Ltd, a wholly owned subsidiary company, and lab space for Natural Resources Wales. The University also leases out small areas and offices to companies working alongside the University. The terms and break periods differ for each lease with leases for small spaces frequently being renewed. The University does not hold any investment properties as part of its portfolio as rental areas are minor areas within larger buildings.

CONSOLIDATED AND INSTITUTION	2025 Land and Buildings	2024 Land and Buildings
Future minimum lease payments due:	£000	£000
Not later than 1 year	**441**	**362**
Later than 1 year and not later than 5 years	**906**	**943**
Later than 5 years	**890**	**995**
TOTAL LEASE PAYMENTS DUE	**2,237**	**2,300**

There were no contingent rents receivable during 2024/25 (2023/24: £0).

30. EVENTS AFTER THE REPORTING PERIOD

On 22nd September, SU Developments Limited, a wholly owned dormant subsidiary of the University terminated their appointment as a member of Bay Campus Development LLP (also a dormant company).

31. PENSION SCHEMES

Different categories of staff were eligible to join one of the following schemes:

Universities' Superannuation Scheme (USS)
Swansea University Pension Scheme (SUPS) – Closed to new members 31 December 2011
National Employment Savings Trust (NEST) – from 1st January 2012

The University also contributes to the NHS Pension Scheme for a number of its employees.

USS and SUPS are both defined-benefits schemes. The assets of both schemes held in separate trustee-administered funds. NEST is a defined-contribution scheme.

	CONSOLIDATED 2025	UNIVERSITY 2025	CONSOLIDATED 2024	UNIVERSITY 2024
	£000	£000	£000	£000
STATEMENT OF COMPREHENSIVE INCOME – NET PENSION COST				
USS	**17,715**	**17,715**	20,603	20,603
Change in expected USS contributions	**-**	**-**	(98,742)	(98,742)
SUPS	**526**	**526**	752	752
Other	**1,555**	**1,555**	1,485	1,485
	19,796	**19,796**	(75,902)	(75,902)
OTHER COMPREHENSIVE INCOME – ACTUARIAL GAIN IN RESPECT OF PENSION SCHEMES				
SUPS	**5,400**	**5,400**	(3,400)	(3,400)
	5,400	**5,400**	(3,400)	(3,400)
STATEMENT OF FINANCIAL POSITION – PENSION SCHEME LIABILITY (NOTE 21)				
SUPS	**12,400**	**12,400**	19,000	19,000
	12,400	**12,400**	19,000	19,000

On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans, however the impact is still currently being assessed and there is no further information available at this stage.

(I) THE UNIVERSITIES' SUPERANNUATION SCHEME

The University participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. 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 £17,715k (2024: £21,503k) including PensionChoice, but excluding the impact of the change in the deficit recovery plan, as shown in note 7.

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. 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%.

Surpluses or deficits which arise at future valuations may impact on the University's future contribution commitments. A deficit may require additional funding in the form of higher contribution requirements, whereas a surplus could, perhaps, be used to similarly reduce contribution requirements

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles. (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles)._x0002_

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%)	**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 od 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:

	2023 Valuation
Mortality base table	**101% of S2PMA "light" for males and 95% of S3PFA for females.**
Future improvements to mortality	**CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% pa, 10% w2020 and w2021 paramenters, 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:	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**

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%. No deficit recovery plan was required under the 2023 valuation becuase 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 in the prior year.

(II) NHS PENSION SCHEME

The Institution also participates in the NHSPS which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the Government.

The NHS Pension 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 contribution rate payable by the Institutions during the year ended 31 July 2018 salaries, was equal to 14.3% of the total pensionable in accordance with the conclusion of the Government Actuary's report on the scheme.

(III) SWANSEA UNIVERSITY PENSION SCHEME

(RETIREMENT BENEFITS) DISCLOSURE FOR THE ACCOUNTING PERIOD ENDING 31 JULY 2025

The University operates a final-salary defined-benefit pension scheme that non-academic employees of the University can participate in, called the Swansea University Pension Scheme (SUPS). The scheme is externally funded and is contracted out of the State Second Pension (S2P) of pension provision.

The last formal triennial actuarial valuation of the scheme was performed as at 1 August 2022 by a professionally-qualified actuary. The following are based on the results of the 1 August 2022 triennial valution projected forward with allowance for benefit accrual, expected investment return and actual cashflows and have been adjusted for FRS102 assumptions detailed below.

During the accounting period, the University paid contributions to the pension scheme at the rate of 10.08% of pensionable salaries in respect of the future accrual of benefits. The University also paid an additional £2.51m to the scheme during the year to 31 July 2025 in respect of deficit reduction contributions. A further £0.7m was paid by the University in respect of death in service premiums and expenses.

ASSUMPTIONS

The financial assumptions used to calculate scheme liabilities under FRS102 are:	AT 31 JULY 2025	AT 1 AUGUST 2024
Price Inflation (RPI)	3.2%	3.3%
Price Inflation (CPI)	2.8%	2.9%
Rate of increase in salaries	3.1%	3.2%
Rate of increase of pensions in payment for SUPS members	3.2%	3.3%
Increases to deferred pensions before retirement	2.8%	2.9%
Discount rate	5.4%	4.8%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65 and non pensioners who are currently aged 45.

	AT 31 JULY 2025	AT 1 AUGUST 2024
Pensioner – male	19.9	19.6
Pensioner – female	22.1	22.0
Non-pensioner (curently aged 45) – male	20.8	20.5
Non-pensioner (curently aged 45) – female	23.2	23.1

Scheme assets and expected rate of return for SUPS

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward-looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

	FAIR VALUE AS AT 31 JULY 2025	2024	2023
ASSETS IN THE SCHEME			
	£M	£M	£M
Equities	18.5	41.0	37.4
Liability Driven Investment	54.0	25.1	21.1
Hedge funds	16.2	10.5	9.7
Cash/Liquidity	1.8	11.8	5.9
Other	8.7	13.7	22.4
Total	99.2	102.1	96.5

The tables below include the disclosures for the Swansea University Pension Scheme.

	YEAR ENDED 31 JULY 2025	YEAR ENDED 31 JULY 2024
ANALYSIS OF THE AMOUNT SHOWN IN THE BALANCE SHEET FOR SUPS	£000	£000
Scheme assets	99,200	102,100
Scheme liabilities	(111,600)	(121,100)
DEFICIT IN THE SCHEME – NET PENSION LIABILITY RECORDED WITHIN OTHER COMPREHENSIVE INCOME	(12,400)	(19,000)
Current service cost	(1,000)	(1,000)
TOTAL OPERATING CHARGE	(1,000)	(1,000)

	YEAR ENDED 31 JULY 2025	YEAR ENDED 31 JULY 2024
ANALYSIS OF THE AMOUNT CHARGED TO INTEREST PAYABLE/CREDITED TO OTHER FINANCE INCOME FOR SUPS	£000	£000
Interest cost	(5,700)	(5,700)
Expected return on assets	4,800	4,900
NET CHARGE TO OTHER FINANCE INCOME	(900)	(800)

	YEAR ENDED 31 JULY 2025	YEAR ENDED 31 JULY 2024
ANALYSIS OF OTHER COMPREHENSIVE INCOME FOR SUPS	£000	£000
(Loss) / Gain on assets	(4,300)	3,500
Gain / (Loss) on liabilities	9,700	(6,900)
TOTAL OTHER COMPREHENSIVE INCOME BEFORE DEDUCTION FOR TAX	5,400	(3,400)

	YEAR TO 31 JULY 2025	31 JULY 2024	31 JULY 2023	31 JULY 2022
HISTORY OF EXPERIENCE GAINS AND LOSSES – SUPS				
DIFFERENCE BETWEEN ACTUAL AND EXPECTED RETURN ON SCHEME ASSETS:				
Amount (£000)	(4,300)	3,500	(13,900)	(14,400)
% of assets at end of year	-4.3%	3.4%	-14.4%	-13.3%
EXPERIENCE LOSSES/(GAINS) ON SCHEME LIABILITIES:				
Amount (£000)	(9,700)	6,900	(32,500)	(38,100)
% of liabilities at end of year	8.7%	5.7%	-28.6%	-26.3%

	31 JULY 2025	31 JULY 2024
	£000	£000
CUMULATIVE ACTUARIAL LOSS RECOGNISED AS OTHER COMPREHENSIVE INCOME FOR SUPS		
Cumulative actuarial losses recognised at the start of the year	**1,500**	**4,900**
Cumulative actuarial losses recognised at the end of the year	**6,900**	**1,500**
ANALYSIS OF MOVEMENT IN (DEFICIT) FOR SUPS		
DEFICIT AT BEGINNING OF YEAR	**(19,000)**	**(17,200)**
Contributions or benefits paid by the University	**4,100**	**4,200**
Admin costs	**(1,000)**	**(800)**
Other finance charge	**(900)**	**(800)**
Gain / (Loss) recognised in other comprehensive income	**5,400**	**(3,400)**
DEFICIT AT END OF YEAR	**(12,400)**	**(19,000)**
ANALYSIS OF MOVEMENT IN THE PRESENT VALUE OF SUPS		
PRESENT VALUE OF SUPS AT THE START OF THE YEAR	**121,100**	**113,700**
Current service cost (net of member contributions)	**1,000**	**1,000**
Interest cost	**5,700**	**5,700**
Actuarial (gain)/loss	**(9,700)**	**6,900**
Actual benefit payments	**(6,500)**	**(6,200)**
PRESENT VALUE OF SUPS LIABILITIES AT THE END OF THE YEAR	**111,600**	**121,100**
ANALYSIS OF MOVEMENT IN THE FAIR VALUE OF SCHEME ASSETS		
FAIR VALUE OF ASSETS AT THE START OF THE YEAR	**102,100**	**96,500**
Expected return on assets	**4,800**	**4,900**
Actuarial (loss)/gain on assets	**(4,300)**	**3,500**
Actual contributions paid by University	**4,100**	**4,200**
Non Investment expenses	**(1,000)**	**(800)**
Actual benefit payments	**(6,500)**	**(6,200)**
FAIR VALUE OF SCHEME ASSETS AT THE END OF THE YEAR	**99,200**	**102,100**

SUPS assets do not include any of the University's own financial instruments, or any property occupied by the University.

ACTUAL RETURN ON SCHEME ASSETS		
Expected return on scheme assets	**4,800**	**4,900**
Asset (loss)/gain	**(4,300)**	**3,500**
	500	**8,400**

Estimated contributions for SUPS in the Financial Year 2025–26 is £504k (2024-25 £568k) assuming the contribution rate of 10.08% plus £3,289k PA fixed contribution (2024-25: 10.08%, plus £3,210k PA).

A number of potential issues associated with the Swansea University Pension Scheme have been identified. These relate to the documenting and implementing of decisions that have been made in respect of the Scheme and they have the potential to result in an increased liability for the Scheme. It is not possible to estimate the timing and financial impact of any outflow as it depends on how these issues are resolved and this is the subject of an ongoing legal case.

32. RELATED PARTY TRANSACTIONS

Due to the nature of the Institution's operations and the composition of its Council (being drawn from local public and private sector organisations) and Senior Leadership Team, it is inevitable that transactions will take place with organisations in which a member of Council or the Senior Leadership Team may have an interest. All such transactions are conducted at arm's length and in accordance with the Institution's financial regulations and normal procurement procedures. The Institution has taken advantage of the exemption within FRS 102 Section 33 'Related Party Disclosures' and has not disclosed transactions with other wholly owned group entities.

	INCOME FROM RELATED PARTY	EXPENDITURE TO RELATED PARTY	BALANCE DUE FROM RELATED PARTY
	£000	£000	£000
Wales National Pool Swansea	**830**	**678**	**87**
Swan Global Education LLP	**554**	**1,301**	**812**
	1,384	**1,979**	**899**

Throughout the year and at the Balance Sheet date the University held 50% investments in the associated companies Wales National Pool Swansea (2024: 50%) and Swan Global Education LLP (2024: 50%). The relationship with both companies are accounted for using the equity method such that 50% of the companies gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 50% the net income is reported in the University's consolidated income and expenditure account.

The Students Union is not controlled or owned by the University and is a separate legal entity, however the University provides grant funding to the Union to support the students. During the year the University provided the Students Union with the main block grant of £1,192k (2024: £1,167k)

COUNCIL MEMBERS

The Institution's Council members are the trustees for charitable law purposes. Due to the nature of the Institution's operations and the composition of the Council, many of whom are being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those below, are conducted at arm's length and in accordance with the Institution's Financial Regulations and usual procurement procedures. The University has a robust Declarations of Outside Interests Policy and each member of Council is required to declare all interests openly, which are reviewed in line with the Institutions procedures.

Third party transactions identified during the 2024/25 financial year in which trustees have declared an interest are: Natural Resources Wales, £3,279 for professional services; Compass Group plc £1,650,581 for catering services; Swansea University Student Union, £1,671,431 for various transactions; Welsh Government £77,351 for insurance and property related services; Hilton Worldwide group £16,987 for accomodation; RGM Security £280,902 for temporary staff and security services; Swansea Bay Business Club £5,000 for subscriptions; Just Eat Food £40 for catering services; Global Education Matter £8,684 for student fee activity; Bevan & Buckland LLP £2,520 for student placement programmes; Learned Society of Wales £30,205 for subscriptions; JISC, £2,005,006 for software/books and various other activity; Age Cymru £2,520 for student placement programmes; Zoom video communications £1,915 for software/licences; Sainsbury UK £320 for groceries; Grange Primary School £170 for temporary staff; Wales Millennium Centre £50 for catering; Welsh National Opera, £5,897 for production services.

No Council Member has received any remuneration or waived payments during the year (2024 - £0).

During the year £5.8k of expenses were reimbursed to Members of Council (2024: £4.5k), and £4.3k of payments were made on Council members behalf (travel/accommodation, and training costs) (2024: £8.3K)

33. US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

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

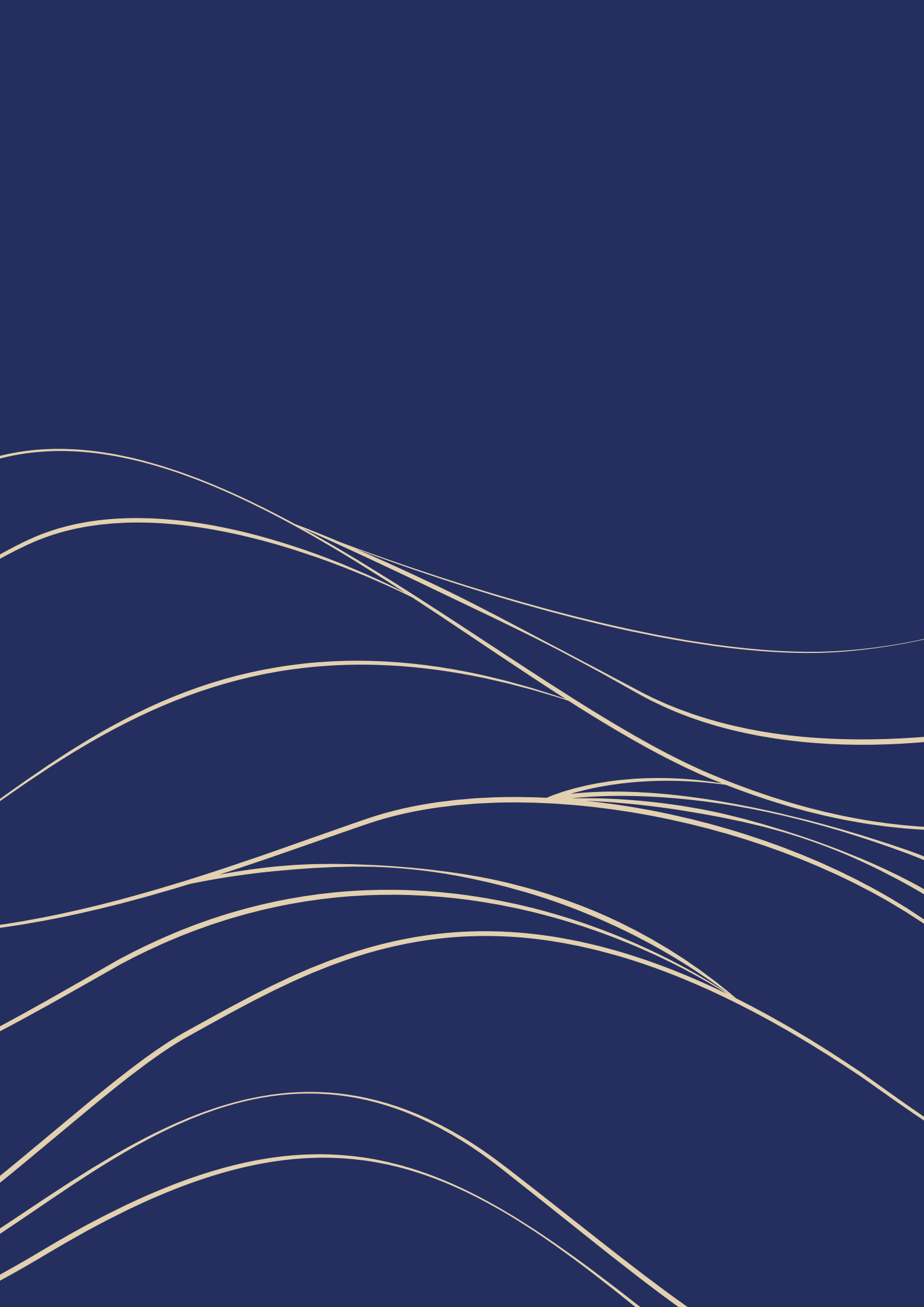
The amounts presented within the schedules have been:

- prepared under the historical cost convention
- 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. As set out above, 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.

		CONSOLIDATED 2025 £000	CONSOLIDATED 2025 £000	CONSOLIDATED 2024 £000
Primary Reserve Ratio				
Line item / disclosure				
	Expendable net assets			
	Net assets without donor restriction	**284,140**		318,549
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	-	245,985	-
Statement of Financial Position	Revaluation Reserve	-	38,155	-
	Net assets with donor restriction	**8,684**		8,807
Statement of Financial Position	Endowment Reserve	-	8,135	-
Statement of Financial Position	Restricted Reserve	-	549	-
Note 10, excluding Service Concession Arrangement	Property, Plant & Equipment			
	Property, Plant & Equipment, pre-implementation	**262,942**		(275,603)
	Property, Plant & Equipment without outstanding debt for original purchase	**(85,753)**		(84,010)
	Property, Plant & Equipment – construction in progress	**(21,232)**		(17,402)
Note 10 – Service Concession Arrangement	Lease right of use asset – pre-implementation	**(97,286)**		(104,348)
Statement of Financial Position	Intangible Assets	**(242)**		(444)
Statement of Financial Position	Post employment and pension liabilities	**12,400**		19,000
	Long term debt for long term purposes	-		-
Note 19 & 20	Long term debt for long term purposes pre-implementation	**85,631**		90,944
Note 19 & 20	Long term debt for long term purposes post implementation	**21,002**		7,419
Note 13	Lease right of use asset liability	-		-
	Lease right of use asset liability pre implementation	**109,546**		116,225
	Lease right of use asset liability post implementation	-		-
Statement of Financial Position	Term endowments with donor restrictions	**(8,135)**		(7,972)
	Total Operating Expenses without Donor Restrictions			
Statement of Comprehensive Income excluding change in expected USS contributions	Total operating expenses without donor restrictions taken from CSCI	**373,030**		397,521
	Non-operating and Net Investment Loss	**(5,400)**		(95,342)
	Net investment losses	-		-
	Pension related charges other than periodic costs	**5,400**		95,342
Statement of Comprehensive Income	Change in expected USS contribuutions	-	-	-
Statement of Comprehensive Income	Actuarial gain in respect of pension schemes	-	5,400	-

		CONSOLIDATED 2025 £000	CONSOLIDATED 2025 £000	CONSOLIDATED 2024 £000
Equity Ratio				
Line item / disclosure				
	Modified Net Assets			
	Net Assets without Donor Restriction	**284,140**		318,549
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	-	245,985	-
Statement of Financial Position	Revaluation Reserve	-	38,155	-
	Net Assets with Donor Restrictions	**8,684**		8,807
Statement of Financial Position	Endowment Reserve	-	8,135	-
Statement of Financial Position	Restricted Reserve	-	549	-
Statement of Financial Position	Intangible assets	**242**		444
	Modified Assets			
	Total Assets	**599,144**		650,181
Statement of Financial Position	Non-current Assets	-	467,621	-
Statement of Financial Position	Current Assets	-	131,523	-
Note 10 – Service Concession Arrangement	Lease right of use asset pre implementation	**97,286**		104,348
Note 13	Pre implementation right of lease	**109,546**		116,225
Statement of Financial Position	Intangible assets	**242**		444
Net Income Ratio				
Line item / disclosure				
	Change in Net Assets Without Donor Restrictions			
Statement of Comprehensive Income	Total comprehensive income in the year	**(34,532)**		80,341
Statement of Comprehensive Income	Restricted comprehensive income in the year	**123**		(1,312)
Total Revenue and Gains				
	Total revenue and Gains without donor restrictions			
	Total operating revenue and other additions	**333,355**		380,967
Statement of Comprehensive Income	Total Income	-	333,645	-
Note 6 – restricted income	Restricted donations	-	(290)	-
Statement of Comprehensive Income	Non-operating Revenue and Other gains	-		445



SWANSEA UNIVERSITY

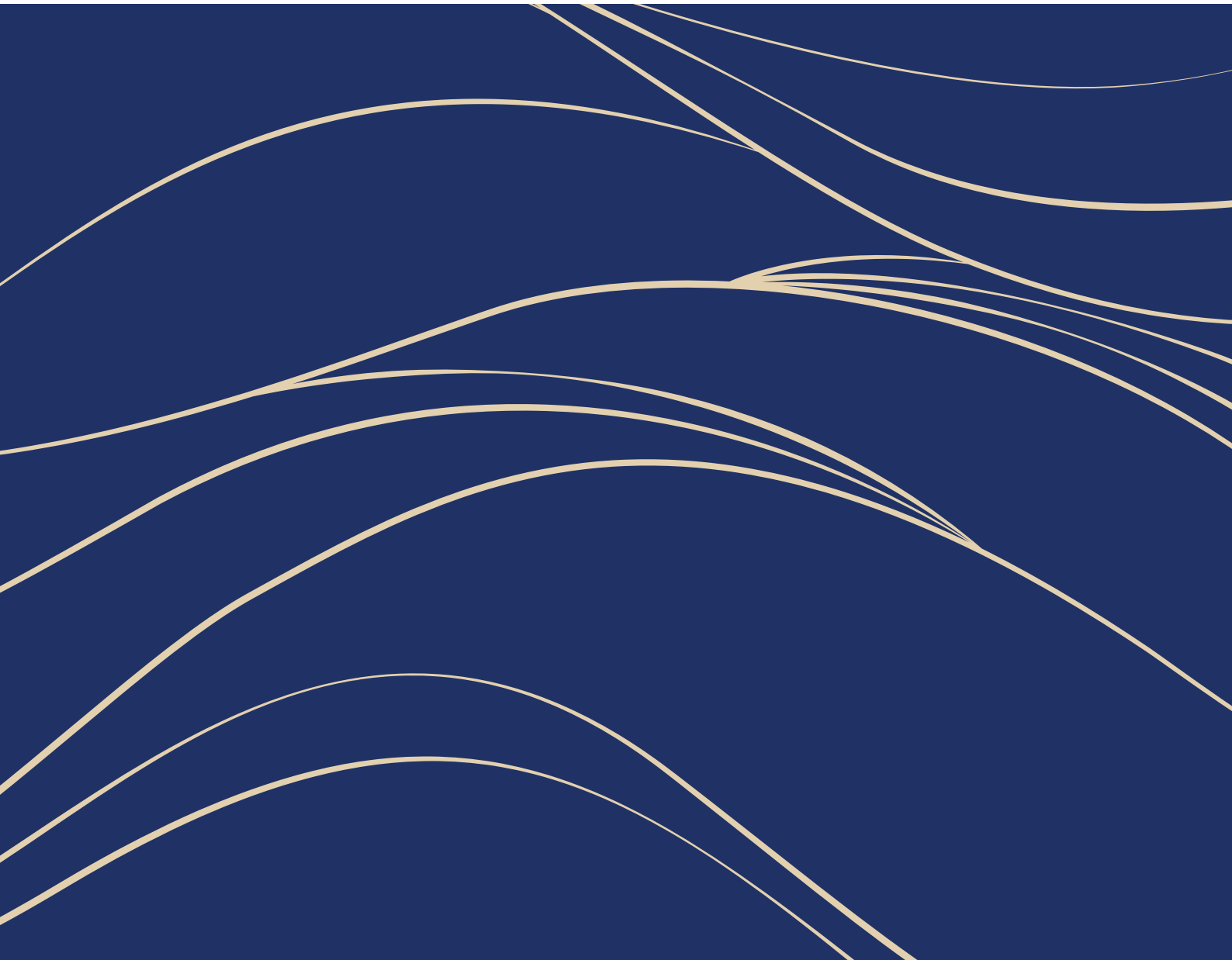
England & Wales - Charity number 1138342

Accounts

ANNUAL REVIEW

Swansea University
Prifysgol Abertawe

2024



Designed by IconCreativeDesign.com

CONTENTS

02 – CHAIR'S INTRODUCTION

04 – VICE–CHANCELLOR'S INTRODUCTION

06 – FACTS AND FIGURES

10 – OUR STRATEGIC VISION

12 – OUR VALUES

14 – OUR STAFF COMMUNITY

18 – OUR LEARNING AND TEACHING

22 – OUR STUDENT EXPERIENCE

26 – OUR RESEARCH AND ENTERPRISE

30 – OUR INTERNATIONAL UNIVERSITY

34 – OUR DIGITAL ESTATE

36 – OUR PHYSICAL ESTATE

38 – OUR SUSTAINABILITY

46 – FINANCIAL REVIEW

58 – PRINCIPAL RISKS AND UNCERTAINTIES

60 – PUBLIC BENEFIT STATEMENT

62 – CORPORATE GOVERNANCE STATEMENT AND STATEMENT OF INTERNAL CONTROL

70 – ANNUAL PAY POLICY REPORT

72 – INDEPENDENT AUDITOR'S REPORT

76 – STATEMENT OF COUNCIL'S RESPONSIBILITIES

78 – STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

84 – CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME

85– CONSOLIDATED AND INSTITUTION STATEMENT OF CHANGE IN RESERVES

86 – CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

87 – CONSOLIDATED STATEMENT OF CASH FLOWS

88 – NOTES TO THE FINANCIAL STATEMENTS

CHAIR'S INTRODUCTION

As the new Pro-Chancellor and Chair of the University Council, it is an honour to have the opportunity to introduce the University's Annual Review. On behalf of the Council, I would like to begin by thanking Bleddyn Phillips for his outstanding leadership of Council over the past four years. During this time good governance both at Council and across all elements of our University has been embraced, improved, and enhanced whilst also embedding a culture of openness and transparency. These improvements were recognised recently in our independent governance review which found that significant assurance could be placed in the University's governance arrangements. Whilst welcoming this outcome, Council, as part of its commitment to continuous improvement, has agreed further enhancements to its governance arrangements particularly in relation to academic governance, operational effectiveness and the induction and development of Council members. Having also implemented the majority of the recommendations identified by the CAMM Review we have recently undertaken a review of the University Court and will present this to Court in February 2025.

As the governing body of the University, part of Council's role is to ensure appropriate scrutiny and governance of the University's strategy and finances to ensure we maintain our standing as a University that prides itself on its outstanding research and the highest quality teaching. Council recognises this has been a difficult year in relation to the financial challenges facing the sector and the University. While good progress has and is being made, there is still a lot to do. On behalf of the Council, I would like to take this opportunity to thank the Vice-Chancellor, the Senior Leadership Team, and all our University staff for their continued commitment and hard work which has enabled the University to respond to these challenges, which undoubtably places the University in a strong position to address the tougher financial climate which lies ahead.

Delivering an excellent student experience remains central to the University's strategic goals and critical to this is the close relationship between the University and the Students' Union to ensure that student voices are genuinely heard and are listened to at Swansea. We welcome the work undertaken by the Students' Union, as part of its governance review, to ensure that the student voice is heard and students are represented across the University boards, committees and working groups. We look forward to continuing to support the Students' Union as they continue to implement their new governance arrangements alongside ensuring that our students have the best possible support.

On a personal level, it will be an honour to chair Council and play my part in guiding the University's progress over the next few years. Key highlights of my first year have included attending the University degree ceremonies where I was privileged to celebrate the achievements of our graduates and to present Excellence in Learning and Teaching Awards to members of our academic staff in recognition of their outstanding contribution to our students' academic work.

As we all continue to work together, I have every confidence that we will succeed and continue to thrive thanks to the dedication and talent of our staff, students and all our stakeholders acting always in the best interests of our University.

Finally, I would like to take this opportunity to thank all members of the University Council and its committees, who voluntarily give their time and expertise to support the University, for their continued commitment and contribution to the University.

Mr Goi Ashmore,
Chair of Council
25 November 2024

VICE–CHANCELLOR'S INTRODUCTION

As the higher education sector in the UK continues to face significant pressures, I remain incredibly proud of the resilience and dedication of our entire university community. This bedrock has enabled us to retain focus on our University's core purpose; our Learning and Teaching, our Student Experience, our Research, our Enterprise and our Civic Mission.

This year, I am especially grateful to our staff for their continued efforts to maintain the highest standards of academic quality. Throughout our history, we have sought to provide the high-quality teaching, informed by our world-leading research, which ensures that every Swansea student is well-prepared to succeed in an increasingly competitive world. Our efforts have been reflected this year in improved scores in seven of eight themes in the National Student Survey 2024, alongside an overall satisfaction rate of 81%. We were also delighted to be ranked 29th in the Guardian University Guide 2025 and to be named The Times and Sunday Times University of the Year 2025.

At the heart of our University's mission is a commitment to providing transformative learning experiences, both in terms of the quality of our teaching and the support and opportunities afforded our students during their time with us. This year, we were delighted to open the doors of our new Simulation and Immersive Learning Centre (SUSIM), which hosts Europe's largest immersive wall technology installation and provides students, particularly in healthcare, the opportunity to practise skills in simulated real-life scenarios. We also launched our new Employability and Skills Strategy, which integrates key employability attributes directly within our curricula. Through work-based learning and employer engagement, we are working to increase opportunities for our students to gain real-world experience during their studies, with the aim of supporting every Swansea graduate to make a smooth transition into the workplace.

Mindful of the varied and complex challenges which our students navigate alongside their studies, this year we have sought to provide the support, resources and guidance which are vital to them achieving academic success. In addition to our traditional health and wellbeing support, we provided a new online self-help resource, Hapus, which supports students in managing stress, anxiety, and depression. Conscious of the continued cost of living crisis, we were also pleased to be able to expand our bursary offerings and hardship funds to ensure access for those who need it most.

As an institution, we are proud to deliver teaching excellence alongside world-class research and innovation activity, and some of our individual research success stories are showcased on page 28. Our research strength has long been rooted in effective collaboration to deliver real-world impact, both for our planet and its people. Our enduring focus on impact was encapsulated by our second consecutive Queen's Anniversary Prize for Higher Education, which was formally awarded to the SAIL Databank in February 2024. This prestigious national honour recognises the Databank's world-leading work in harnessing population data to inform policies that affect public health and wellbeing. It highlights the significant public benefit of our research and underscores our commitment to impactful, evidence-based innovation that make a real difference in people's lives.

The strength of our research impact forms part of our growing international profile, as reflected in our continued ascent within the QS World Rankings. This year (2025), we climbed to 298th place, representing our highest ever position, and we are proud to have been named in the top 100 European institutions. We have also continued to expand our Swansea University offering across the world through the provision of new programmes and learning activity, including our pioneering double undergraduate degree in Maritime Law, in collaboration with Dalian Maritime University (DMU) in China, which welcomes its first student cohort in September 2024. In addition, our global footprint will soon extend further with the opening of new offices in Malaysia and in the United Arab Emirates. And this year, it has been an honour to host a number of extremely high-profile events here in the Swansea region, including a wonderful visit from Secretary Clinton and President Clinton in November 2023, and the European University Association Annual Conference, which welcomed over 250 vice-chancellors and rectors from across Europe, in April 2024.

While our international outlook is vital, we also remain deeply rooted within the local community which we were founded to serve. Alongside our ongoing partnerships with local authorities, health boards and Further Education Colleges, this year we launched the National Network for Innovation in Sport and Health (NNISH), an ambitious partnership across academia, industry and the NHS, based in Swansea. Through this collaboration, supported in part by the Swansea Bay City Deal, we will drive innovation in healthcare, medicine and sport technology, for the benefit both of our region and the wider population.

In reflecting on the achievements of the past year it is evident that there is so much of which our University community can be proud. It is also important, however, to acknowledge the financial challenges within higher education, and that the impact of these pressures has been felt, and will continue to be felt, both within our own institution and across the sector more widely. In common with our peers, we have implemented a range of measures this year to address these challenges, under our Financial Sustainability Programme (see page 47), which we know will also impact future years.

I am therefore immensely proud that throughout this period, we have retained our sense of purpose, our mission and our institutional identity – our 'Swanseaness' – and have no doubt that this is an excellent foundation upon which we will continue to build in the years ahead.

Professor Paul Boyle,
Vice–Chancellor
25 November 2024

FACTS AND FIGURES

THE TIMES
THE SUNDAY TIMES
GOOD UNIVERSITY GUIDE 2025

WELSH UNIVERSITY OF THE YEAR

STUDENT NUMBERS

17,144
UNDERGRADUATES

4,718
POSTGRADUATES

18,576
HOME STUDENTS

3,282
OVERSEAS STUDENTS

STUDENT OUTCOMES

81% OF STUDENTS ARE SATISFIED

NSS National Student Survey

(NSS 2024)

82.5% ACHIEVED A FIRST OR 2:1 DEGREE (22-23)

THE TIMES THE SUNDAY TIMES GOOD UNIVERSITY GUIDE 2025

(Times Good University Guide 2025)

81% HAD A POSITIVE GRADUATE OUTCOME

THE TIMES THE SUNDAY TIMES GOOD UNIVERSITY GUIDE 2025

(Times Good University Guide 2025)

SUSTAINABILITY RANKINGS

65TH Times Higher Education Impact Rankings

(THE Impact Rankings 2024)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION — SUSTAINABLE DEVELOPMENT GOALS

9TH WORLDWIDE

(THE Impact Rankings 2024)

15 LIFE ON LAND — SUSTAINABLE DEVELOPMENT GOALS

19TH WORLDWIDE

(THE Impact Rankings 2024)

16 PEACE, JUSTICE AND STRONG INSTITUTIONS — SUSTAINABLE DEVELOPMENT GOALS

26TH WORLDWIDE

(THE Impact Rankings 2024)

QS WORLD UNIVERSITY RANKINGS **80TH**

SUSTAINABILITY RANKINGS

(QS Sustainability Rankings 2025)

people & planet UNIVERSITY LEAGUE **8TH IN THE UK**

(People and Planet University League 2023/24)

FINANCE

£347m TOTAL INCOME

£327m TOTAL RESERVES

£19m EBITDA

5% EBITDA AS A % OF INCOME

WORLD RANKINGS

QS WORLD UNIVERSITY RANKINGS

RANKED 298 GLOBALLY

(QS World University Rankings 2025)

THE World University Rankings 2024

251-300TH

(THE World University Rankings 2024)

UK RANKINGS

37TH THE TIMES THE SUNDAY TIMES GOOD UNIVERSITY GUIDE 2025

(Times Good University Guide 2025)

29TH The Guardian

(Guardian University Guide 2025)

37TH Complete University Guide

(Complete University Guide 2025)

RESEARCH EXCELLENCE

86% REF2021 Research Excellence Framework

WORLD LEADING AND INTERNATIONALLY EXCELLENT RESEARCH

OUR STRATEGIC VISION

OUR VISION

Our University's Strategic Vision and Purpose document (published in 2020) states that we are, and will remain, a principled, purposeful and resilient institution that balances excellent teaching with world-leading research and innovation in an open environment which enables our students and colleagues to excel.

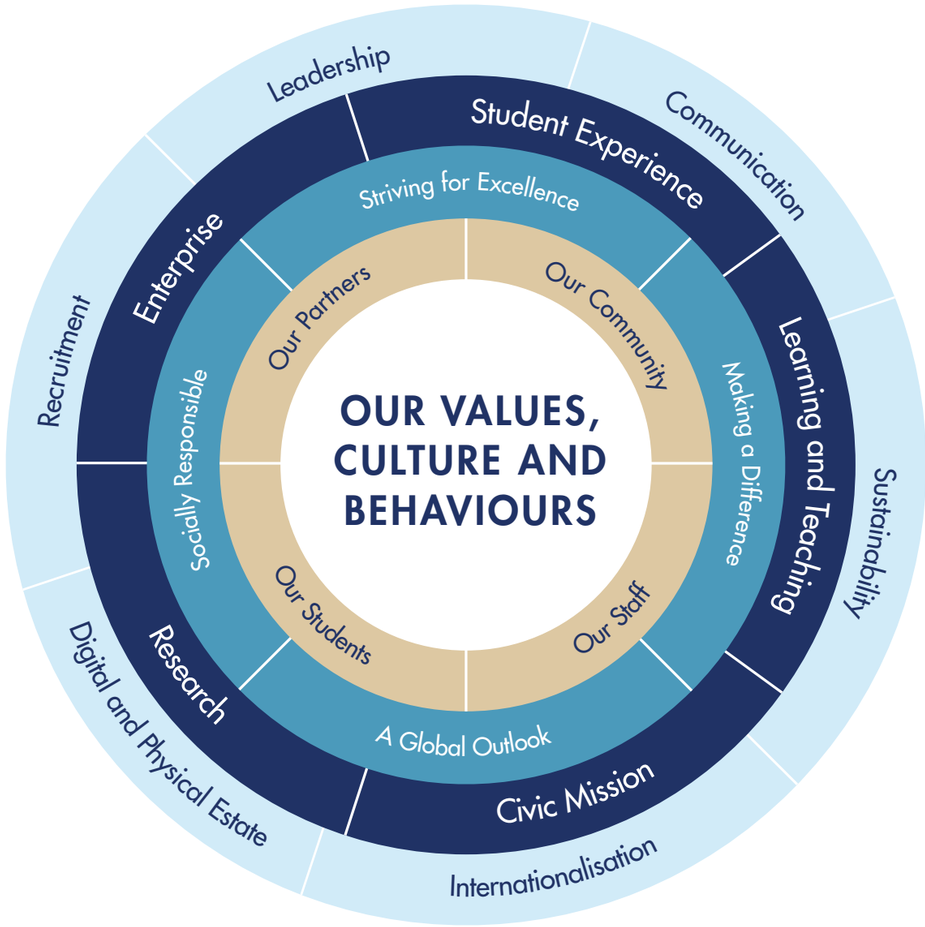
While we are valued globally as a trusted partner, we are also deeply committed to our region and are proud to be a university for Wales.

Our Strategy

Our Strategy reflects this vision. Our community of colleagues, students, partners and stakeholders is characterised by the distinct values, culture and behaviours that lie at our core.

The commitment of our community underpins the five key strategic pillars of our University; our civic mission, student experience, learning and teaching, research and enterprise. Each of these is marked by our commitment to making a difference, to being socially responsible, to striving for excellence, and to maintaining a global outlook that enables us to be a community University with international reach and reputation.

Our work is enabled by strong leadership and robust governance, effective communication and a commitment to financial and environmental sustainability. It is built upon our digital and physical infrastructure, our internationalisation strategy and our approach to recruiting talented and enthusiastic colleagues.



OUR VALUES

Our people are our most important asset and they define our University. We understand that our daily behaviours matter and we therefore believe in each other, support one another, celebrate each other's achievements, and hold each other to account.

We respect our colleagues, treating others as we expect to be treated, and we work as one university, recognising that every colleague and each student contributes to our success.

We believe in the value of flexibility, collegiality and creating time to think in pursuit of intellectual stimulation, originality, and impact. We work together in a professional and caring environment that enables us to exceed expectations for the benefit of all. We are committed to providing an environment where our colleagues can fulfil their potential and we strive to give underrepresented groups a platform to voice their experiences with the community.

Finally, we recognise that we are a cultural and economic anchor institution within our community, with a distinct role to play in driving regional development and promoting health and wellbeing, and we are proud to be a beacon for Welsh heritage, language, and culture.

KEY PILLARS

Our Civic Mission

We are proud to belong to the City of Swansea and the wider Swansea Bay City Region, and we celebrate that heritage. With campuses in three local authority areas, we recognise that our University is the region's university, and that we have a responsibility to work with and for our community and Wales.

Our Student Experience

Our students are the lifeblood of our University. We take their needs and expectations into account in our decision-making and take pride in our consistently strong reputation for the quality of our student experience, the strength of our student support services and our commitment to student mental health and wellbeing. In partnership with our Students' Union, we work to ensure that every student who makes Swansea their home experiences the best of us.

Our Learning and Teaching

The sharing of knowledge to nurture independent, critical thinking is fundamental to our purpose. It enables our students to be resilient in the face of global challenges and to adapt to the changing world of work. We celebrate our Welsh heritage and are proud to be part of a bilingual nation. We also work to maintain our status as a community that balances research and teaching excellence.

Our Research

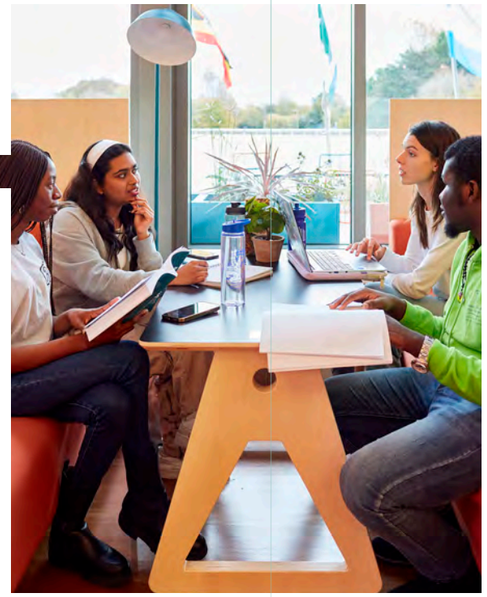
Our research changes lives, drives innovation and regional growth, and is aligned to the UN Sustainable Development Goals. It impacts our culture and society as well as our health and wellbeing, our economy and our planet. We drive policy change nationally and internationally. We are exploring new ways to assess and mitigate the risks of the climate crisis and are working to protect the most vulnerable in our society and to enrich all our lives through our understanding of history and the arts.

Our Enterprise

We are an exceptionally collaborative and entrepreneurial university. We were founded by industry, for industry, and we remain true to the ambitions of our founders in that we work with industrial, commercial and public sector partners for the benefit of our region and nation. We value our partnerships with anchor companies and SMEs in Wales and with the many organisations we collaborate with internationally.

OUR STAFF COMMUNITY

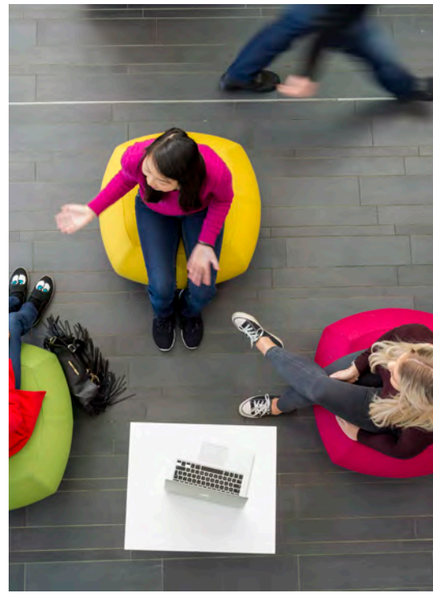
Our staff are our greatest asset, defining our identity and our success. We prioritise fostering a supportive and celebratory environment, in which respect and mutual accountability are central and we work collaboratively as one institution, recognising the unique contributions of every colleague and student.



Our Strategic Vision and Purpose document sets out a range of priorities relating to our People, Values, Culture and Behaviour, including:

- Championing a sector-leading approach to equality, diversity and inclusion, closing the gender pay gap and increasing the proportion of female professors;
- Implementing a health and wellbeing strategy to ensure that we enable our colleagues to thrive and to flourish;
- Speaking up against, and confronting the causes of, discrimination, ensuring that the voices of under-represented groups are heard.

Over the past year, our People and University Culture Committee which is co-chaired by our Vice-Chancellor and our Chief Operating Officer and Registrar, has worked to develop an overarching People and University Culture Strategy to help us realise these priorities.



Equality, Diversity, Inclusion and Belonging

This year, many of our initiatives focused on empowering all members of our community, and particularly those from underrepresented groups, by providing platforms for staff to voice their experiences and by encouraging open dialogue on all protected characteristics.

We strengthened our commitment to this strategic priority through the appointment, in March 2024, of our first Deputy-Pro-Vice-Chancellor for Equality, Diversity, Inclusion and Belonging, Professor Camilla Knight.

We are also particularly proud of a number of achievements, milestones and activities within this important space this year:

- We revised our institutional Strategic Equality Plan (2024-28), extending beyond the protected characteristics detailed in the Equality Act 2010 and incorporating considerations such as socio-economic and caring statuses;
- Alongside our continued efforts to increase female representation at senior level and to close the gender pay gap, we were delighted in November 2024 that our Athena Swan Institutional Silver Award was renewed, making us one of only 37 UK universities (and the first in Wales) to hold it;
- Each of our eligible academic departments also holds an Athena Swan award, with three Silver and seven Bronze awards held across our institution;
- In January 2024, we achieved our highest ever ranking in the Stonewall Workplace Equality Index, having been ranked 5th in the UK's Top 100 employers, and one of the highest placed education institutions;
- We developed a new institutional Neurodiversity Policy, which is designed to support and empower neurodivergent colleagues in the workplace and which will be implemented in 2025.

Confronting discrimination

Across the academic year, we continued to engage in the Medr-funded Race Access and Success collaborative enhancement programme to progress race equality within Higher Education in Wales. We established a Race Equality Charter Self-Assessment Team and remain committed to making an application for the Race Equality Charter Bronze award in 2025. We also renewed our Victim Support Hate Crime Charter and were awarded a Hate Crime Charter Trustmark.

As in previous years, we were proud to celebrate a range of events and national campaigns across the academic year, including Holocaust Memorial Day, LGBT+ History Month, International Women's Day, and Black History Month. We also introduced successful sessions for staff that included raising awareness of Islamophobia and Antisemitism.

Supporting our community and developing our leaders

This year, we have been conscious of the need to support our community to engage with our Financial Sustainability Programme and have therefore focused our efforts on providing wellbeing support and equipping our leaders to navigate this critical period.

We continued to promote and support the physical, mental and social wellbeing of our staff through a range of initiatives, including our Occupational Health service, our counselling service and our digital mental health platform, Togetherall. In addition to mental health support, we also endeavoured to support our colleagues' physical wellbeing through a holistic approach, by offering services such as health assessments, free osteopathy sessions and eyesight referrals.

Effective leadership at all levels supports our ability to deliver as an institution, and we have therefore committed to investing in leadership development across the organisation.

This year, our leadership development programmes have offered a blend of individual coaching, action learning and in-person group sessions, focusing on navigating the ongoing redesign of our Professional Services and enhancing team wellbeing. One of our most impactful initiatives this year has been our new 'Leading Through Uncertainty' course; a half-day session designed for all leaders and managers to support them in guiding their teams through ambiguity.

Reward and recognition

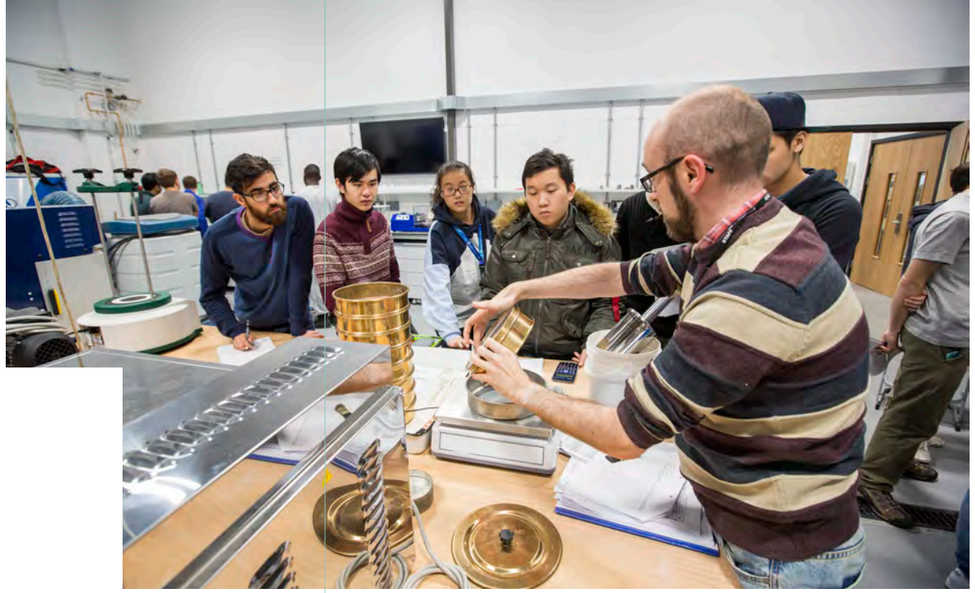
In 2023/24, we reaffirmed our commitment to paying the Real Living Wage, ensuring that the remuneration for all of our colleagues, and particularly those on the lowest salaries, reflects the true cost of living rather than merely meeting the legal minimum level.

While we took the difficult decision not to run an Academic Promotion round for 2023/24, we have utilised the pause this year to develop a new Academic Career Pathway framework. In line with our commitment to the principles enshrined within the Declaration on Research Assessment (DORA), and our membership of the Coalition for Advancing Research Assessment, our new ACP framework aims to use metrics responsibly, and to better reflect the diverse ways in which our academic colleagues add value throughout different stages of their careers.

The new pathways, which have been shaped by engagement with our academic community, will be embedded into our key decision-making processes during the 2024/25 academic year.

OUR LEARNING AND TEACHING

Our students and their diverse experiences, needs and ambitions, shape the environment that we seek to foster at Swansea University. We are committed to providing outstanding learning and teaching and we are proud to take students' needs and expectations into account in our decision-making, by working in partnership with our students and our Students' Union.



Over the past academic year, we have embarked upon several initiatives to enhance our provision and support student retention, progression and achievement across our University.

Student feedback and the National Student Survey (NSS)

We are committed to continually improving the experience which we provide to our student community, and therefore value highly their feedback.

As a direct result of our 2023 National Student Survey outcomes, we transformed how we respond to challenging student feedback to ensure that we continue to improve the student experience. In 2023/24, we adopted a targeted, action-planning approach across our Faculties and student-facing Professional Services areas, implementing a programme of targeted interventions across a number of disciplines and subject areas with declining or below-sector-average outcomes.

In August of this year, we received the results from the most recent (2024) National Student Survey. Initial data from the July 2024 NSS suggests that these targeted interventions have been effective in improving scores across a number of programmes and subjects in scope. We intend to continue this targeted approach in the upcoming year to sustain and build on this progress.

At an institutional level, we were proud to see improvements in in our scores across seven of the eight NSS 2024 themes, with our Overall Satisfaction score rising to 81% (up from 76% in 2023) and our Academic Support score increasing to 86% (up from 81%). These improvements reflect positive developments across various subject areas, with 36 of our 58 subjects showing score increases year on year.

While an important source of information, the NSS is just one route through which we can seek student feedback. From this year, our Student Advisory Forum will facilitate stronger engagement between students and staff. Operating through our relaunched *Unitu* platform, a safe online space for students to share their feedback in real time, this initiative will enable our University Education Committee to not only address student experience feedback but also to report back to our current students on how we are seeking to do so.

Using learning analytics

While we have historically maintained strong student retention rates, in the post-Covid era we have sadly observed a notable increase in student attrition, reflecting a broader sectoral trend. In response, and supported by the Medr Learning Analytics initiative, we have conducted an extensive data-driven analysis to understand the factors contributing to higher rates of student in-year withdrawals.

As a result of this analysis, we have implemented a more holistic engagement monitoring model using the enhanced *MyEngagement* dashboard. This tool captures both pastoral and academic interactions, providing staff with a comprehensive view of a student's engagement with our University and facilitating timely and tailored support interventions that meet a broad spectrum of student challenges. The system also enables targeted interventions for specific groups, ensuring a proactive and personalised support service.

As we continue to integrate Learner Analytics through the extensive use of MyEngagement and student support engagement processes, early data for 2023/24 indicates a promising reversal of the previous trend, with student attrition rates returning to levels more consistent with the pre-Covid environment. By identifying student needs earlier and creating effective interventions and support matrices, we aim to improve students' engagement with their learning, their wellbeing and, ultimately, their ability to progress and succeed.

Academic misconduct

We remain committed to providing comprehensive support for each and every one of our students, ensuring an inclusive and nurturing environment that fosters academic success and personal wellbeing. However, another recent trend across the Higher Education sector is a rise in the incidence of academic misconduct. To try to understand its possible causes, in 2023/24 we undertook a thorough review of our own processes, procedures, and responsibilities as they relate to academic integrity.

Our focus has been on prevention and we have therefore sought to equip staff with the necessary resources to help students understand and maintain high standards of scholarly integrity. As part of our staff development efforts, we have created a resource pack and guide designed for academic staff and assessment teams. This comprehensive guide addresses the design, implementation and administration of online assessments, ensuring that academic integrity remains central. It also considers the evolving landscape of AI technologies, reflecting our institutional desire to provide a supportive learner experience while maintaining purposeful and effective assessment practices.

We also recognise that an academic misconduct allegation and investigation can affect a student's wellbeing and so we have streamlined the process for addressing cases of misconduct in an effort to reduce student wait times for case outcomes.

Finally, in 2023/24, the Centre for Academic Success launched a new initiative through which students acted as Academic Integrity Ambassadors (AIAs). The AIAs are an enthusiastic group of student-volunteers who aim to promote a culture of Academic Integrity throughout our University. To help bridge the gap between staff and students when communicating information about Academic Integrity, they attend and create events to facilitate discussions surrounding the topic in a way that resonates with their peers.

Supporting the learners of the future

This year, we have also launched a series of significant transformational programmes, including the development of a new University Education Strategy, a whole-University review of our curriculum and a review of how we timetable our teaching. We expect these initiatives to begin to realise positive benefits for both our students and our staff over the coming years.

We are also actively engaged in modelling new teaching programmes, new entry points and new delivery formats, including reviewing online learning, to ensure that we continue to meet the needs of the learners of tomorrow.

OUR STUDENT EXPERIENCE

We are committed not only to providing our students with high-quality learning and teaching, but also to offering them the support, services and opportunities which enhance and enrich their time with us and beyond. We take pride in our commitment to student mental health and wellbeing and the strength of our student support services.

Employability and skills

In 2023/24, we reaffirmed our commitment to enhancing the employability and overall success of our graduates. Our newly launched Employability and Skills Strategy aims to integrate key employability and skills attributes within our curriculum, ensuring that our graduates are equipped with the competencies demanded by the employment market of today. We are dedicated to increasing industry exposure and engagement through work-based learning and active employer participation in our curriculum.

Our graduate outcomes data (both our graduate employment rate and graduates entering highly-skilled employment) remains steady relative to the sector as a whole, which reflects the quality of education and rigorous training provided by our dedicated Faculty members. It also highlights the strategic importance of our ongoing collaborations with leading employers, which help us to ensure that our students are well-prepared to meet contemporary job market demands.

Our focus on experiential learning, including internships, placements, and industry projects, has proven instrumental in enhancing our graduates' professional readiness. Employer feedback has been overwhelmingly positive, particularly regarding our graduates' technical proficiency, problem-solving abilities and adaptability.

Wellbeing and mental health support

We are proud to provide a robust and inclusive Student Support Service that offered some 13,724 appointments, with a completion rate of 88%, during 2023/24. This year, 51% of students requesting support were assessed as in need of a priority appointment and received a first appointment within six working days.

This provision is bolstered by 24/7 support through the Togetherall digital mental health platform, through which we have recorded 3,243 registrations to date. 59% of all engagement with this platform takes place outside of normal working hours, demonstrating the value of having multiple support formats available at the point of need. Additional support is also available from digital self-help services, our Welfare team, and the Students' Union Advice and Support Centre. We also seek to offer innovative initiatives to further enhance students' mental health support, which this year have included wellbeing workshops and pet therapy sessions.

Finally, Hapus, our online self-help resource developed in collaboration with Togetherall, equips students with practical tools to manage stress, anxiety, and depression. This course, which was also extended to parents, was showcased as an example of best practice at the National Association of Managers of Student Services in Higher Education (AMOSSHE) conference in June 2024.

Disability support

Our dedicated staff work closely with the 16% of our student body who identify as disabled or as living with a mental health condition. We are proud to support students on the entirety of their academic journey, from enquiry to enrolment and beyond, ensuring a smooth transition into university life.

We offer a range of adapted accommodation options, and our transcription centre, inclusive library services and adaptive equipment enable all students to thrive academically and personally. In the 2023/24 academic year, 3,239 active adjustment proformas were implemented, with 53% of these supporting new students which reflects a growing demand. Looking ahead, we will continue to enhance awareness of our obligations under the Equality Act 2010 across our broader University community.

Financial support

We are proud to continue to offer a range of support which ensures that our students can focus on their studies, realise their full potential and make the most of their time with us. Our Student Hardship Fund and Money Advice services provide essential support to students facing financial challenges for a wide range of individual reasons.

During the 2023/24 academic year, we received 1,745 applications to access hardship funds and bursaries, representing a 10% increase on the previous year. The average award amount rose by 6% from 2022/23, reflecting a 35% increase in average award amounts since 2020. This year, need relating to general living expenses accounted for nearly half of all hardship funds awarded to students. These funds are available to both home and overseas students, and we have worked with our Students' Union and our Equality, Diversity and Inclusion leads to ensure consistency in award-granting and parity of support where possible.

Alongside our existing bursaries for care-experienced, estranged students and those with caring responsibilities, this year we have expanded our bursary offerings to include Post-Graduate Support and Bereavement Support awards in response to emerging needs.

Redesigning our services

As part of our redesign of Professional Services teams across our University, in 2023/24 we began to review and reshape some of our student-facing functional services. Within our Student Life team, this initiative has sought to place the student voice and experience at the heart of our approach, with all improvement, from our policies and processes to our infrastructure, designed with student satisfaction in mind.

We hope to implement these changes, from introducing new platforms to ensuring the effective utilisation of data and information to tailor our services appropriately, over the coming academic years.

OUR RESEARCH AND ENTERPRISE

Our curiosity-driven and sustainability-focused research and innovation activity is helping to address the net zero challenge, tackle climate change, build a connected and inclusive society, enhance health and wellbeing, and embrace the richness of place and culture.

The strength of our research pedigree was underscored this year by our second Queen's Anniversary Prize for Higher Education win in consecutive rounds (2021 and 2023), for the work of our SAIL Databank.

Research funding

This year has marked a significant pivot point for research and enterprise activity at Swansea University and, indeed, across the Higher Education sector in the UK, due to the December 2023 deadline for European Structural and Investment Fund (ESIF) expenditure.

Investment from this and previous ESIF programme periods in Wales has left our University well-positioned for future Research and Development growth, with key capital assets including our Computational Foundry, IMPACT Building and two Institute of Life Science (ILS) buildings. These represent not only cutting-edge research infrastructure but also facilities which underpin our connections with funders and research users in industry, public and third sector organisations.

While the cessation of access to this funding has presented significant challenges, this year we have continued to build upon our existing research strengths by utilising externally funded research income and Medr-sourced Quality Related (QR) funding. We have sought to take advantage of emerging opportunities and have continued to broaden our base of research funders to build resilience and diminish reliance on any single source of funding.

We remain extremely active across the breadth of our academic community in respect of submitting competitive bids for external research funding, with examples of particular funding success as follows:

Professor Matt Jones of the Computational Foundry (Faculty of Science and Engineering) was awarded a prestigious personal five-year Fellowship by the Engineering and Physical Sciences Research Council (EPSRC) to pursue an adventurous and ambitious AI research agenda. Professor Jones' Fellowship seeks to design inclusive and empowering interactive AI systems for everyone, employing an approach called EVE: Everyone Virtuoso Everyday, which focuses on developing AI technology for meaningful and skilful interactions, looking to provide tools that can be used in people's daily lives.

Dr Hayley Young of the School of Psychology (Faculty of Medicine, Health and Life Sciences) is leading a pioneering study on the impact of omega-3 supplements on children's behaviour, mood, and mental wellbeing. With most children in the UK consuming less than half the recommended intake of omega-3 fats, Dr Young has secured an £81,000 grant to explore whether supplementation can help. The study, funded by The Waterloo Foundation, is in collaboration with Food and Behaviour (FAB) Research, a UK-based charity dedicated to advancing scientific research into the links between nutrition and human behaviour.

© Sue Martin

Dr Alexander Langlands (Faculty of Humanities and Social Sciences) is the award recipient of an Arts and Humanities Research Council (AHRC) funded project titled: Heritage at Risk: Creative Communities for Sustainable Powerful Places in De-industrialised south Wales. Swansea is one of just five UK universities to be awarded a Community Innovation Practitioner (CIP) Pilot by the AHRC's Creative Communities programme. The project aims to explore ways to regenerate heritage sites in our region that will benefit local communities both now and in the future. Dr Langlands will use the award to build on the work of our Centre for Heritage and Research Training (CHART), which champions research, training and engagement activities with students, scholars and a wide variety of public and voluntary sector organisations.

European collaboration

Our academic community has a long and successful history of collaboration with partners across Europe; a tradition which we have sought to continue in the wake of the UK's departure from the European Union.

Within the 2023/24 academic year, the UK and EU reached a long-awaited agreement on the UK's formal association with Horizon Europe, the EU's flagship research and innovation programme. After years of uncertainty, since the agreement came into effect in early 2024 we have already observed an increase in interest in EU funding from researchers across our academic community.

As just one example of the major opportunities afforded our University by Horizon Europe, Professor Shareen Doak and colleagues in the Medical School have secured €480,000 as part of a multi-site grant to help implement the next generation of hazard and risk assessment of chemicals and novel materials, minimising the need for animal testing while protecting human health.

Research culture

This year, Professor Ian Mabbett succeeded Professor Biagio Lucini as our University's Deputy Pro-Vice-Chancellor for Research Culture. Through this appointment we aim to champion a positive culture of research integrity, open collaboration and scholarship, leadership on Swansea Open Scholarship and the creation of a space in which our People, Culture and Environment can all continually develop alongside each other. We will also continue to embed our commitments to responsible research assessment and metrics across our University, and advocate for research practices that leverage Open Scholarship.

Finally, as a founding fellow of the Morgan Advance Studies Institute, Wales' first Advanced Studies Institute focused on transformative interdisciplinary and transdisciplinary research, we are delighted that Professor Mabbett will become its new Director this summer.

Research leadership

In 2024, four of our researchers were selected for the prestigious Welsh Crucible programme, which fosters leadership and professional development among future research leaders in Wales. Dr Naeem Anwar, Dr Mark Kingston, Dr Julie Peconi, and Dr Owen Pickrell were selected among 30 outstanding researchers based in Wales to engage in immersive residential workshops, known as skills labs. These workshops provide a platform for interdisciplinary collaboration, enhance research impact and support the development of international research careers.

Similarly, in 2023/24 four of our academics were among the new entrants to the Learned Society of Wales Fellowship, joining over 680 distinguished Fellows representing excellence across various disciplines and fields. The new Fellows from Swansea are:

- Professor Angharad Davies, Clinical Professor and Honorary Consultant Medical Microbiologist;
- Professor Antonio Gil, Head of the School of Aerospace, Civil, Electrical and Mechanical Engineering;
- Dr Amira Guirguis, Associate Professor (Pharmacy), MPharm Programme Director and Head of Pharmacy Practice; and
- Professor Yvonne McDermott Rees, Professor of Law.

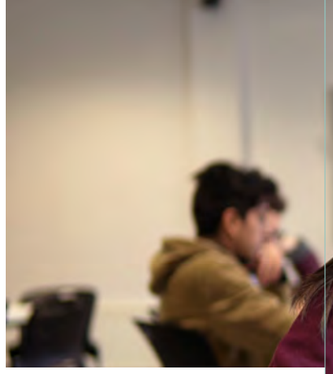
Student enterprise

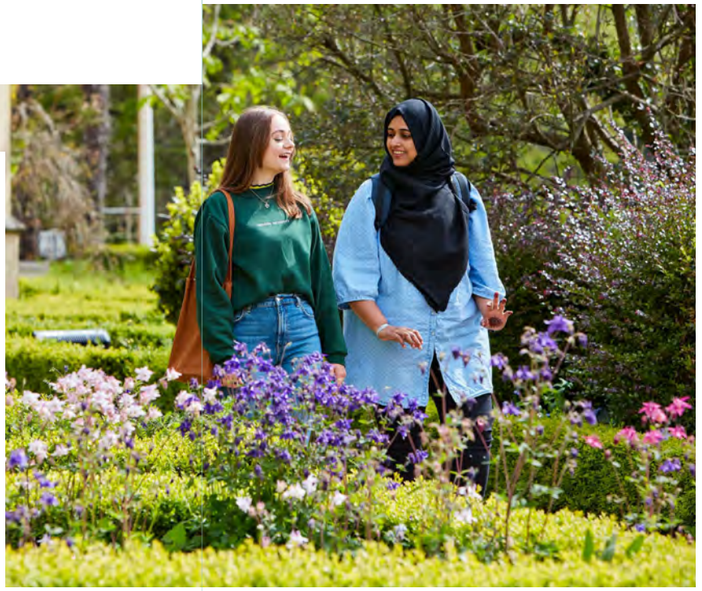
We are proud of the breadth and success of our efforts to support student enterprise and entrepreneurship this year. We foster an entrepreneurial spirit in our students through targeted initiatives such as our enterprise hubs and various mentoring schemes, which provide budding entrepreneurs with the resources and guidance necessary to succeed. Some particular highlights from this year include:

- The Big Pitch Competition, held for the second time in 2023/24, which provided a platform for student entrepreneurs to advance their business ideas. Funded through our partnership with Santander Universities UK, the competition featured 25 finalists pitching for funding, mentorship and entrepreneurial support, with ideas ranging from a bookkeeping app to microfibre towels.
- Our ongoing partnership with Anne Boden MBE, University alumna, founder of Starling Bank and Chair of the UK Government's Women-Led High-Growth Enterprise Taskforce, which culminated in a *Founders of the Future* initiative this year. With the support of Starling Bank, we were delighted to support the work of the Taskforce by creating a series of enlightening case studies, which spotlight trailblazing women and offer invaluable lessons for our students and the broader community.

OUR INTERNATIONAL UNIVERSITY

Our International Strategy 2020-2025 crystalises our commitment to ensuring that Swansea University is a global university for everyone, where international students are valued members of our community, all students have an international experience, whether at home or overseas, and that Swansea University is a partner of choice for education and research collaboration.





In 2023/24, we were delighted to extend our global reach and impact with considerable success across each of our three strategic pillars:

- Global graduates;
- Global partnerships; and
- Global profile.

Global graduates

Our work in nurturing global graduates is focused on four areas:

1. providing opportunities for study or work abroad
2. strengthening pipelines for international recruitment
3. creating culturally diverse campuses where students thrive; and
4. providing employability opportunities for international graduates.

We believe that providing international experiences that grow the confidence and resilience of our students enables them to thrive in the global workplace and empowers them to take advantage of opportunities worldwide. In 2023/24, our Go Global initiative supported 514 Swansea University students to undertake an overseas mobility opportunity, including for work experience, field trips, medical electives and study exchanges supported by Taith and Turing funding.

As a result of proactive management of on-campus recruitment, our international student body grew by 18% on the previous year to represent 24% of our total student body in 2023/24, enriching both our campuses and local community. Navigating a challenging policy environment, we have worked alongside our pathway partner, The College Swansea University, to respond flexibly to market demand while continuing to diversify our student recruitment pipelines. As a result, we secured our combined highest ever intake of students from India this year, in addition to significant increases in new students from Brazil, Gambia, Ghana, Iran, Japan and Nepal. A new strategy for recruitment in China has also contributed to continued recovery within this market, with new student enrolments increasing by 21% on the previous year.

The student experience is paramount to all that we do, and we have therefore invested in additional capacity and sought to enhance our academic and wellbeing support offering. Crucially, in 2023/24 we worked with Tribal i-graduate to survey our international students, with 85% of respondents reporting being satisfied or very satisfied with all aspects of their experience at Swansea University. Several areas of good practice across our community were highlighted and these valuable insights from our international student community will also help us to shape our focus for future improvement.

We know that good graduate job prospects and employability support are increasingly important factors in international study destination decision-making. In 2023/24, we therefore established a suite of bespoke support for our international students. UKCISA funding has enabled us to develop a tailored support package which is provided to applicants at offer stage. For our enrolled international students, we also provide access to platforms which support skills development and assist them in navigating the UK job market.

Global partnerships

In 2023/24, we continued to grow our global network of education partners with partnerships approved for franchised delivery, joint degrees and articulation. These efforts afford students the opportunity to study for a Swansea University degree at locations around the world, while our Transnational Education (TNE) activities widen access on a global scale and contribute towards environmental sustainability.

In May 2024, we received Chinese Ministry of Education (MoE) approval for the delivery of a double degree in Maritime Law with Dalian Maritime University in China, with the first intake of 70 students due to begin in September 2024. This was one of only three joint initiatives involving a UK university which were approved by the MoE in China this year.

In June 2024, we signed an agreement with Uniciti International Education Hub (UIEH) to deliver a one-year BSc Nursing (Top-up) programme for students in Mauritius. This partnership will support the training of health professionals in an area of the world where there is demand for highly skilled nurses.

Finally, we have worked to proactively identify new partnerships with institutions that align with our values and continue to work closely with trusted sector experts to identify further opportunities.

Global profile

In the QS World University Rankings 2025, we secured our highest ever position, rising to 298th in the world. This rise places Swansea University in the top 300 for the first time and reflects advancements in the academic reputation and international research network metrics, alongside our significant progress in the sustainability metric.

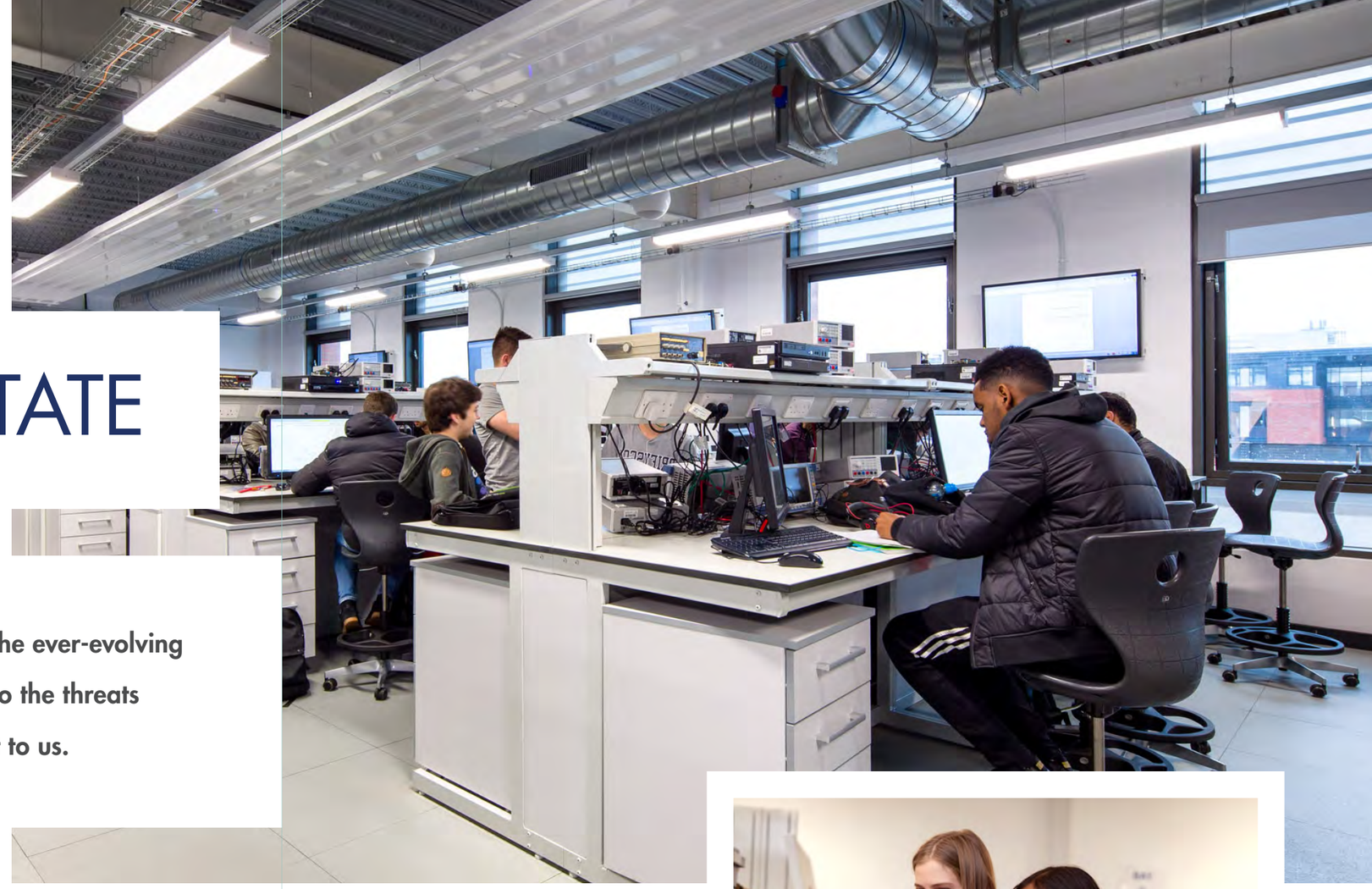
Our efforts towards sustainability were also recognised in the 2024 Times Higher Education (THE) University Impact Rankings, in which we were ranked joint 65th in the world for contributions to the UN's Sustainable Development Goals. Our joint venture partner, Navitas, also awarded us an Impact Award this year, for innovation and dedication to creating a better environmental impact.

Our profile on the global stage was further boosted by a number of high-profile visits and events, including by former US Secretary of State Hillary Rodham Clinton and her husband, former US President Bill Clinton in November 2023. In partnership with the Malaysia High Commission, we also coordinated the Malaysia-United Kingdom Higher Education Collaboration Enrichment Programme, which included senior leaders from universities across Malaysia visiting Wales.

Finally, we continued to engage meaningfully with our ever-growing community of inspiring and impactful international alumni. Following the launch of our Nigeria alumni chapters in the previous year, we welcomed Oluwaseun Ayodeji Osowobi back to Swansea to meet with some of our current students. Ms Osowobi is the founder of the Stand to End Rape (STER) charity and has been recognised as an Obama Foundation Emerging Leader.

Despite our success in 2023/24, as we look to the future, we know that international recruitment will continue to be challenging, given recent UK visa policy changes and the perception of the UK as a study destination. We have, however, already laid the foundations to respond to these challenges in an agile manner, with much to look forward to as we look to increase market share through the opening of offices in Malaysia and the UAE, expand our global network of education partners and continue to make a positive impact in the world.

OUR DIGITAL ESTATE



It is critical that we are able to respond not only to the ever-evolving digital needs of our University community, but also to the threats and opportunities that new technologies can present to us.

In 2023/24, we brought together colleagues from across our University community into a newly established Digital Services Team. This strategic consolidation aims to deliver consistent, university-wide support for all digital services, enhance our responsiveness to the evolving needs of our University community, and centralise the procurement of core software and hardware. Our newly implemented ISS service desk is also operating well, with a first-time fix rate of 76%.

Throughout the year, our architectural team has continued to explore the possible application of new technologies, particularly within the field of artificial intelligence, and to assess their potential benefits for our operations. We have now launched several pilot projects including Seren, an AI-based chatbot offering 24/7 support for a range of issues and requests.

As part of our ongoing commitment to digital improvement, we have also upgraded our network core, with attendant improvements in reliability and capacity expected in the coming months. New Wi-Fi services will be rolled out across all campuses between September 2024 and March 2025, and work is also underway to improve our network infrastructure to achieve better cyber security and compliance.

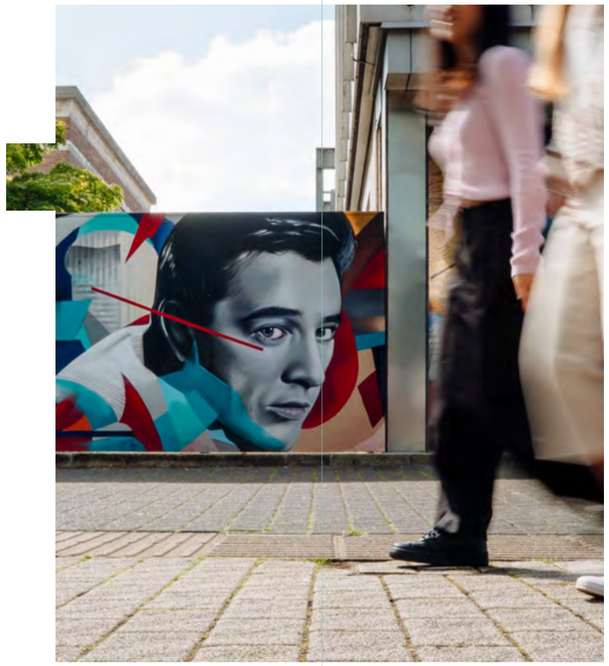
The cyber security landscape remains characterised by its complexity, with ever evolving and increasingly more sophisticated threat factors. This year we have strengthened our cyber risk management processes to better understand and mitigate risks related to hardware, software, digital services and vendors. These enhancements have led to substantial improvements in our cyber security incident response this year, which we have supported by holding exercises for senior staff and through the introduction of Signal; an independent communications channel for use during system outages. We have also updated and published our University's Cyber and Information Security policies to enhance understanding of cyber security expectations across our staff and student body.

Looking ahead, we are also actively undertaking three major transformation projects which will benefit our whole University community:

- cloud migration of our CRM
- reimplementation of our enterprise resource planning (ERP) system in the cloud; the new system, which will streamline our HR, Finance and Payroll functions, is set to launch in August 2025
- reimplementation of our student records system (currently SITS); the first phase (for admissions) is due to go live in September 2024, with phase two scheduled for 2025.

OUR PHYSICAL ESTATE

The completion of our Master Plan in 2023/24 represents a major milestone in the management of our estate. It provides a framework that will enable us to grow and adapt to changing demand, both in the short term and for the future ahead.



Crucially, our Master Plan builds upon our existing Estates Strategy to present a range of development and placemaking options for our estate, from our student residences to our land ownership, which are designed to align with the evolving needs of our University and the broader Higher Education landscape.

While the wider financial context has necessitated a delay to some of our planned major capital programmes this year (including the redevelopment of our iconic Fulton House building), we have made progress with important improvements across our estate this year.

Cove campus nightclub

Cove is our newest student-focused facility on campus. Having officially opened in February 2024, Cove is the result of a collaborative project with the Swansea University Students' Union to refurbish our former campus nightclub facility into a fresh new multi-purpose events and activity space for students on our Singleton Park Campus.

Swansea Bay Sports Park (SBSP)

We continue to develop our infrastructure planning in respect of Swansea Bay Sports Park, as part of the Swansea Bay City Deal Campuses Project. This project includes the development of a new facility dedicated to advancing research and innovation in medical, health, wellbeing and sports technologies. A preferred design concept has been approved this year, and construction is scheduled to commence in early 2025.

We have also commenced a wider feasibility study, funded by UK Shared Prosperity Funding, to evaluate the various development options for SBSP. This study will assess the viability of future projects and will enable us and our partners (Swansea Council) to understand the associated opportunities, risks and investment needs of these facilities.

The feasibility report, due to be published in early 2025, will explore and propose options for the mix of future facilities that will improve their quality and capacity, in support of our strategic ambition to enhance community, University, and performance sports provision.

Investing in our outdoor environment

This year, we have introduced new digital signage to our outside spaces on both campuses and we have integrated murals and graffiti art across both campuses, to enrich our campus environment.

We are also undertaking a refurbishment of the lodge at the entrance to our Singleton Park Campus. The lodge will be overclad and updated to improve the overall aesthetic, create a more welcoming entrance experience to visitors and improve the working environment for our Security colleagues.

Work has also commenced to replace the perimeter fencing around our Singleton Park Campus. The new hand-forged steel fencing has been designed to match the size and detailing of the existing structure, preserving the campus's historic character while enhancing its security and appearance.

Maintaining and Developing our Heritage Assets

While we continue to invest in a campus for the future, we remain committed to protecting the history and heritage of our existing estate. Activity during the past 12 months has focused on building fabric improvements, window and stone repairs and the restoration of many of the original building features of Singleton Abbey, the Wallace Building and our 1937 Library.

OUR SUSTAINABILITY

We remain committed to shaping a more sustainable future for our community and the world, and within our Sustainability and Climate Emergency Strategy (2021-2025) we have pledged:

- to no longer invest directly in fossil fuel companies;
- to cut supply chain and travel (scope 3) emissions by 50% between 2015 and 2035;
- to make Swansea University a Nature Positive University;
- to achieve net zero campuses and vehicles (Scope 1 & 2) by 2035.

Through our quarterly Strategic Sustainability Committee, we monitor performance and progress against our key strategic commitments, with our headline achievements this year as follows:

navitas impact Awards 2024 **INAUGURAL WINNER**

(Navitas Impact Award Winner 2023)

65TH Times Higher Education **Impact Rankings**

(THE Impact Rankings 2024)

QS WORLD UNIVERSITY RANKINGS **80TH SUSTAINABILITY RANKINGS**

(QS Sustainability Rankings 2024)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION — SUSTAINABLE DEVELOPMENT GOALS **9TH WORLDWIDE**

(THE Impact Rankings 2024)

people & planet UNIVERSITY LEAGUE **8TH IN THE UK**

(People and Planet University League 2023/24)

15 LIFE ON LAND — SUSTAINABLE DEVELOPMENT GOALS **19TH WORLDWIDE**

(THE Impact Rankings 2024)

The Climate Emergency and our journey to Net Zero

This year, we have continued to make considerable progress towards our commitment to achieving net zero carbon emissions by 2035. Since 2015/16, we have successfully reduced our Scope 1 and 2 CO_2 emissions by 31% and have achieved a 7% reduction in scope 3 emissions.

Our recent decarbonisation interventions have included the installation of over 2,000 solar panels across our campus roofs and the redevelopment of our Haldane building on Singleton Campus from an "E" energy performance rating to an "A" rated, net zero ready building.

We have installed air source heat pumps and upgraded to smart LED lighting within teaching rooms and lecture theatres across our campus, and our Building Management System (BMS) has been upgraded to support plans for smart, efficient and zero carbon buildings. We are also taking steps to become Electric Vehicle (EV) friendly across both campuses and as a result, we have cut our fleet emissions by 70% since 2015/16.

Looking ahead, we will prioritise decarbonising the Singleton Park Campus Domestic Heat Network (DHN) and improving our building fabric to reduce energy consumption and demand. In addition to these technical advancements, we are dedicated to promoting carbon literacy among our students and staff and, as of 2023/24, over 124 Carbon Literacy training courses have been completed.

Our natural environment

As a founding signatory of the Nature Positive Universities Alliance, we are committed to assessing the impact of our activities and taking action to ensure that we leave nature in a better place overall. We have mapped and assessed the many habitats present on our campus and have created 1.2 hectares of wildflower meadow, enhancing existing flora with over 5,000 wildflower plug plants and wildflower seeds.

We installed a further 30 bird and bat boxes and five hedgehog homes in 2023/24 and take pride in being the first university in Wales to achieve Bee Friendly status, as well as holding a Hedgehog Friendly gold award. Our two Green Flag awards further underscore our dedication to environmental stewardship.

Beyond fostering biodiversity on our campuses, we actively collaborate with Local Nature Partnerships to ensure that our efforts align with broader regional initiatives. These collaborations have enabled us to secure additional support from key partners, including Swansea and Neath Port Talbot councils, BugLife and Natural Resource Wales.

Our working environment

In 2023/24 we renewed our ISO 14001 standard Environmental Management System (EMS), completing the recertification audit with zero non-conformances. In applying the EMS, we ensure management of risk and implement sustainability action plans to minimise impacts and realise opportunities for sustainable development.

We proudly maintain our status as a zero waste to landfill university, with over 62% of our waste being recycled or reused. Through initiatives such as our WARP-IT (a re-use marketplace) and campus donation points, hundreds of unwanted items including furniture and clothing have been repurposed or donated to charities, further supporting our sustainability goals.

Our ongoing collaboration with the Swansea Community Environment Centre has been particularly fruitful in 2023/24. We hosted several successful Repair Cafes on campus where more than 50 broken or damaged student possessions like laptops and bikes were repaired, supporting the circular economy. Furthermore, this year we facilitated a number of campus community fridge events through our partnership with Goleudy, distributing 400kg of surplus food to students. This initiative not only helped alleviate cost-of-living pressures but also played a significant role in reducing food waste.

Our sustainable travel

In recognition of the impact of travel on our carbon footprint, but also of the opportunity it presents for activity and exercise, we are committed to promoting low-carbon, active travel options for both students and staff. Our highly successful Bike Hire Scheme remains popular, and we are proud to be the first university in Wales to be awarded the Cycle Friendly Employer accreditation.

Participation in our staff Cycle to Work scheme remains strong and, to further encourage cycling among our student population, we provide free lights and locks, offer complimentary security marking and partner with Bikeability Wales to provide free bike maintenance and cycling proficiency sessions. To reflect our commitment to sustainable commuting, we also offer discounted staff and student annual and term-time bus passes and run regular Travel Champion training. Finally, our University fleet now includes 10 electric or hydrogen vehicles and this year we have trialled a hydrogen bus.

Collectively, these efforts ensure we remain on track to achieve our ambitious goals of reaching net zero by 2035 and position us as a leading institution for environmental sustainability, both regionally and globally.

A YEAR IN NUMBERS

Our natural environment

x17
beach cleans
Plastics collected and transformed into new products

Wildflower meadow

1.2 Hectares
across campuses

2 Green Flag Awards

Bird and bat boxes installed
30

Our journey to Net Zero

3 Net Zero ready buildings

2,000 solar panels on campus roofs

7,500 LED lights installed on campus

Carbon emissions

campus solar power avoids **95 tonnes** CO_2

31% decrease in Scope 1 & 2
Since 2015/16

4
air and ground source heat pumps on campus

70% vehicle emissions reduction
Since 2015/16

Our working environment

400 KG surplus food given away

Goleudy
Community Fridge events

62%
waste is recycled or reused

LEAF Awards

14 laboratory environmental awards

31 tonnes CO_2 AVOIDED

£19,000 saved
by students in halls

48,317kg CO_2 AVOIDED

£85,951 saved
WARP-IT furniture reuse portal

Our sustainable travel

1,000 students
engaged in sustainable travel training sessions

400 bikes security marked

76 Cycle to Work scheme sign-ups

4 Cycle Roadshows

800 lights and locks given to students

500 bikes safety-checked

FINANCIAL REVIEW

Highlights

	2024	2023		2024	2023
Operating surplus	**£83m**	£64m	Operating surplus as % income	**22%**	16%
Surplus / (deficit) excluding pension adjustments	**(£15m)**	£33m	Operating surplus / (deficit) excluding pension adjustments as % of income	**(4%)**	8%
Total comprehensive income	**£80m**	£83m			
EBITDA	**£28m**	£41m	EBITDA as % of income	**7%**	10%
Net cash flow from operating activities	**(£19m)**	£50m	Net cash flow from operating activities as % of income	**(5%)**	12%
Cash & cash investments at the year-end	**£121m**	£173m	Liquidity days	**121**	130

Scope of Financial Statements

These financial Statements consolidate Swansea University, its subsidiary undertakings and associated companies and have been prepared in accordance with Financial Reporting Standard 102 (FRS102) as interpreted by the 2019 edition of the Statement of Recommended Practice: Accounting for further and higher education.

Overview

The University's financial strategy is to generate sufficient cash to provide resilience, create the necessary levels of working capital and to enable investment in the estate and infrastructure projects. This is becoming increasingly challenging for the sector, and the University made the decision to implement a three-year Financial Sustainability Programme (FSP) in the summer of 2023, introducing ambitious targets for pay and non-pay savings as well as for additional income.

Despite changes to the dependants' visa in January 2024, and uncertainty about whether the Graduate Immigration Route would continue, student recruitment in 2023/24 was largely in line with forecast. Good progress has been made in the implementation of the first year of the FSP with costs being carefully managed and target savings being exceeded with both pay and non-pay costs being below forecast.

This has resulted in a planned underlying operating deficit excluding pension adjustments of £15.0m, EBITDA of £28m and a year-end cash position of £121m, equating to 121 days of liquidity.

The statutory reported performance for the year – Total Comprehensive Income – is £80.3m but this reflects the elimination of the deficit in the Universities Superannuation Scheme (USS) and the reversal of the pension provision of £98.7m.

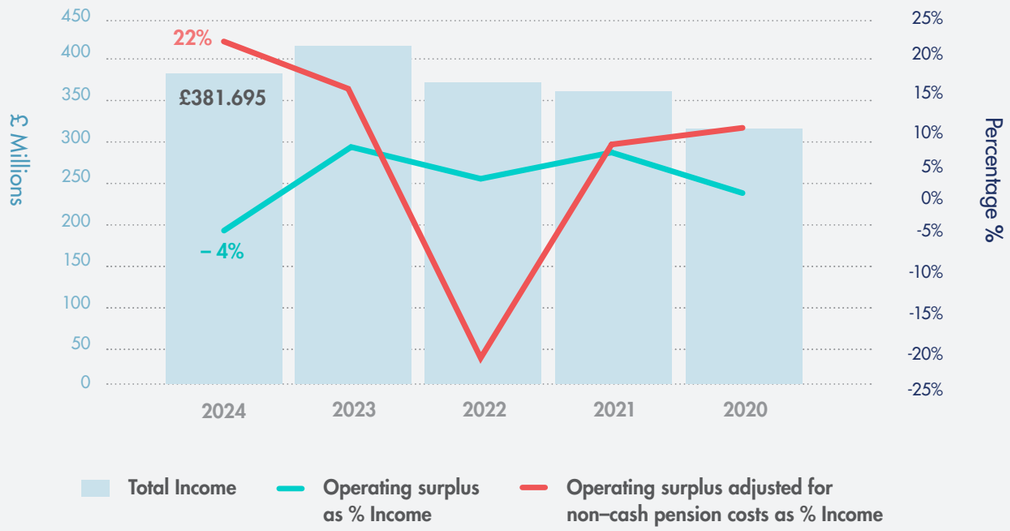
The University had forecast that two of its three banking covenants with the European Investment Bank (EIB) would be breached at 31 July 2024 and successfully negotiated a waiver and amendment letter which was in place by the year end.

However, the financial headwinds continue to place additional strain on the University and the successful delivery of the FSP is critical to both the immediate pressures and the longer-term sustainability of the institution.

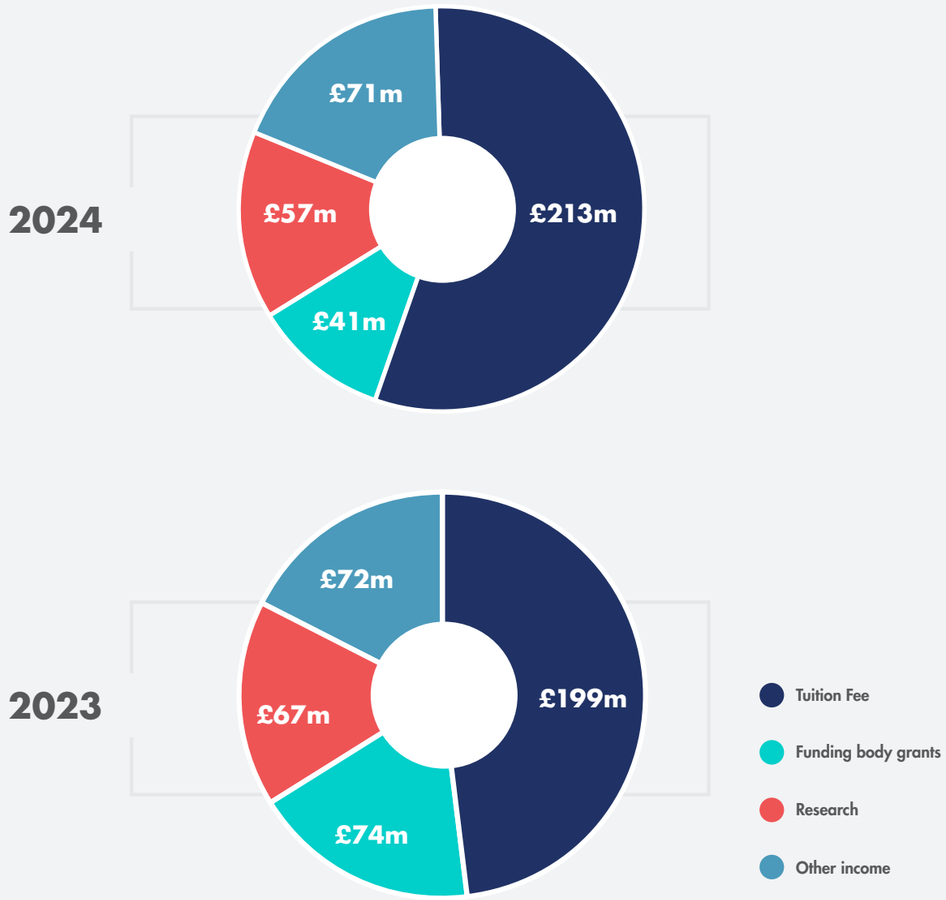
Income – decreased by 7% to £382m

2024 saw a decline in income of £30.9m despite an increase in overseas tuition fees. A reduction in research income in the year combined with a fall in home students and the recognition of only limited capital grants from funding bodies contributed to the decrease in total income.

INCOME AND OPERATING SURPLUS AS A % OF INCOME



INCOME BY CATEGORY



Tuition fee income increased by 7% to £213m.

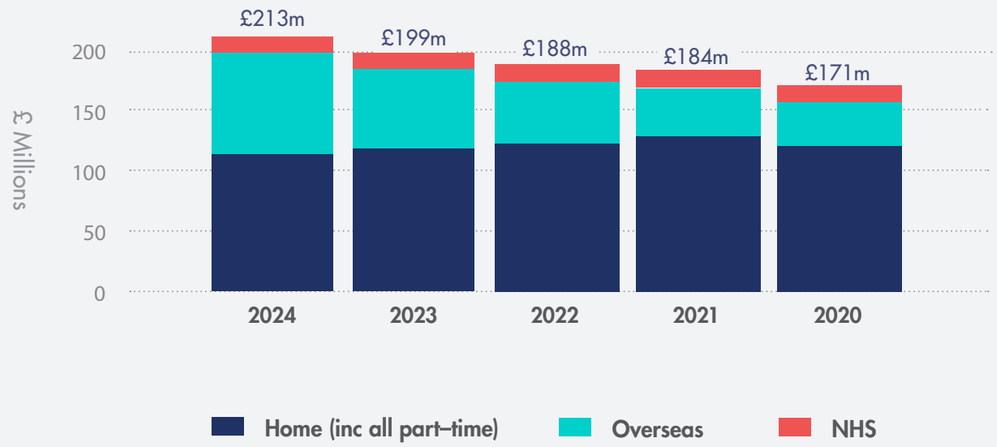
Tuition fee income from full time overseas students increased by a further £23.3m for the year, following the increase in overseas fees in 2022/23. Income from full time home students continued to decline with a decrease of £7.6m. After several successful years of recruiting overseas students, 2024 continued to see further growth, the number of enrolments increasing by 19%. This increase was largely driven by an increase in overseas postgraduate taught students, with overseas undergraduate enrolments increasing by 30%. Like many in the higher education sector, the University saw a further fall in the number of home undergraduate students after the lower numbers of students progressing from one year of study to the next in the previous year, and a reduction in the number of home students choosing to go on to postgraduate study.

Funding body grants (excluding capital grant income) decreased by 7% to £36m.

The Recurrent grants for teaching and research (excluding capital) remained consistent with the prior year at £28.6m, whilst capital recurrent grants increased by £1.4m to £3.4m.

During the year to 31 July 2024, £7.1m of non-capital specific grants were received to support projects such as student wellbeing and health, research and innovation, and the Welsh Language £2.3m lower than the previous year. £1.5m of capital funding was recognised as income in the year, with no significant grant funded capital builds completing in the year down from £33.9m in 2023.

TUITION FEE INCOME



Research income, excluding capital grants, decreased by 15% to £56m.

The University research grant capture decreased in 2024 after several successful years of research growth. A decrease of 44% in Government funded research grants (excluding capital) contributed to the decline in reported research income, reflecting the cessation of the EU Structural Funds programme. Income from Research Councils increased in the year by 24% to £25.7m, a similar level to 2022, as the University focus shifted from the EU Structural Funded projects to Research Council projects.

Other income decreased by 5% to £63m.

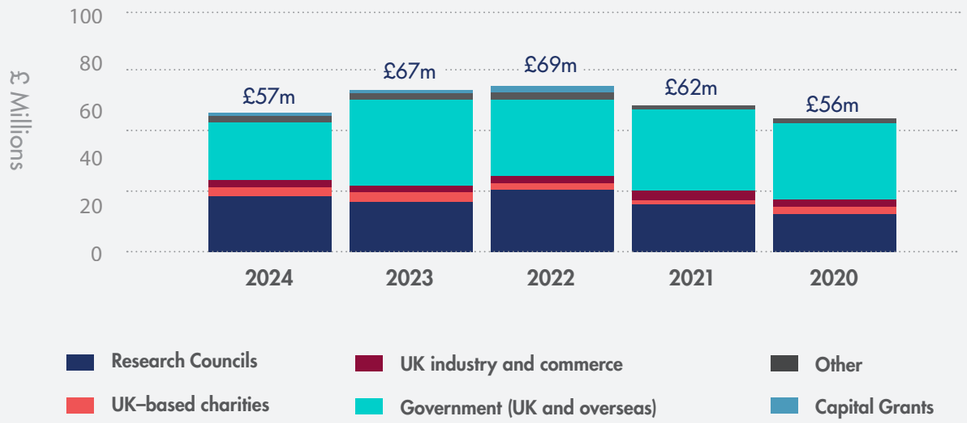
Other Income includes income generated across the University not captured under the core headings of tuition fees, funding body grants, research, and investment income. Student accommodation income received in the year reduced to £21.9m from £22.8m in the previous year due to a reduction in occupancy on The Bay Campus, and catering income for the year decreased by 11% to £2.4m. Income generated by the academic faculties through collaboration, grant funding, events and other activities such as conferences decreased by 27% to £8.6m, with a decrease in corresponding expenditure. Consultancy work undertaken in the University also fell by 23% in the year to £2.1m. £7.6m of NHS income was received to support academic activities in the Faculty of Medicine, Health and Life Sciences during 2024.

Included within other income is a £9.5m accounting adjustment in respect of the Bay Residences which is treated as a Service Concession Arrangement. This is an annual release of the provision and is not a cash transaction.

Investment Income increased by 18% to £7m.

The performance of the cash deposits and related funds exceeded expectations due to the recovery of the wider economy. The short-term money fund held with Royal London Asset Management performed exceptionally well in comparison to prior years with income up 49% from the prior year at £6.0m. The two £25m fixed rate deposits invested until 31 December 2023 saw a return at an average rate of 4.6%, and income from the current accounts more than doubled at £0.3m.

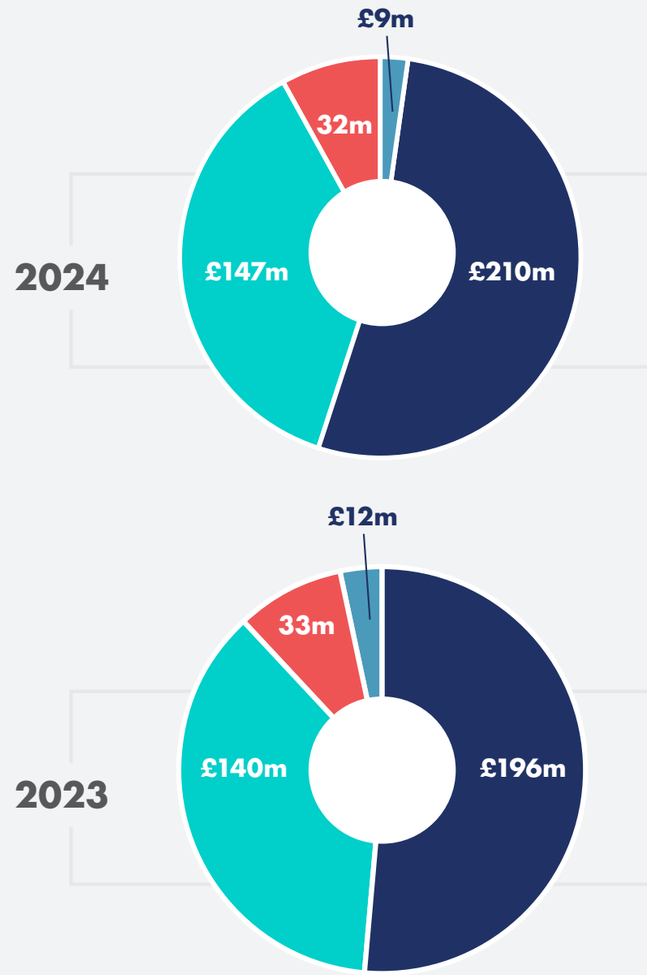
RESEARCH GRANTS



Expenditure – increased by 5% to £398m

Expenditure in the year (excluding USS valuation adjustments) increased by £17.1m to £397.5m. Staff costs (excluding USS valuation adjustments and restructuring costs) increased by 3% to £201.2m, whilst other operating expenditure increased by 5% to £147.3m.

EXPENDITURE EXCLUDING PENSION ADJUSTMENTS



Staff costs (excluding the USS adjustment & restructuring costs) increased by 3% to £201m.

Staff full time equivalent (FTE) numbers decreased by 53 during 2024 following an increase in the previous year. Academic staff FTE continued to grow with 62 additional FTE, whilst research, administrative and other staff declined. Research staff saw the largest decrease of 83 FTE posts following the end of the EU Structural Funds programme.

Staff costs (excluding the USS adjustment and restructuring costs) as a percentage of income (excluding capital grants) increased to 53% from 47% as staff costs increased but income generated decreased. The average annual salary increased to £45k from £42k reflecting the national pay award, annual increments and the staff profile.

During the year a Voluntary Exit Scheme (VES) was introduced as part of the University's Financial Sustainability Programme. Enhanced compensation payments totalling £8.5m were made or accrued to 219 employees who requested to leave the University voluntarily. The VES will continue in 2024/25.

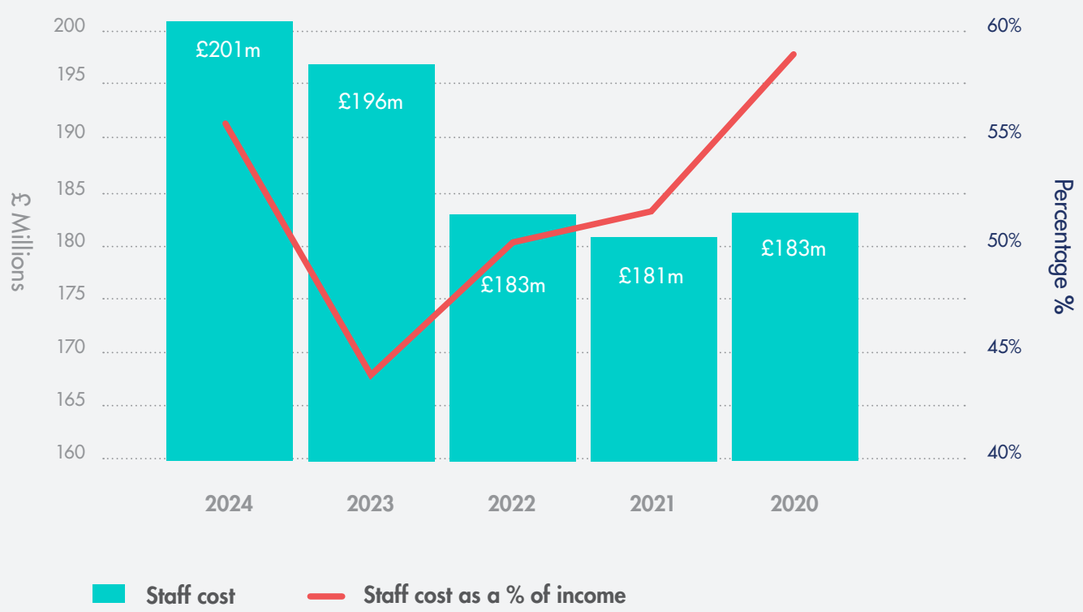
The Universities Superannuation Scheme (USS) pension

charge or credit is calculated annually to reflect the estimated change in expected future contributions and is based on the latest valuation and discount rates on 31 July each year. This is an accounting adjustment and not a cash transaction.

During the year, the 2023 valuation was finalised indicating a pension scheme surplus of £7.4 billion, having assets of £73.1 billion and liabilities of £65.7 billion. With the USS in surplus, no deficit recovery plan is required, and therefore no deficit contributions (previous rate 6.2%) are required. Following the triennial valuation, the employer contributions decreased from 21.6%, which included the deficit contribution to 14.5% with employee contributions decreasing from 9.8% to 6.1%.

The credit (reduction to expenditure) in the Statement of Comprehensive Income in the year of £98.7m reflects the elimination of the USS deficit and the reversal of the pension provision.

STAFF COST AS A % INCOME (EXCLUDING CAPITAL GRANTS)



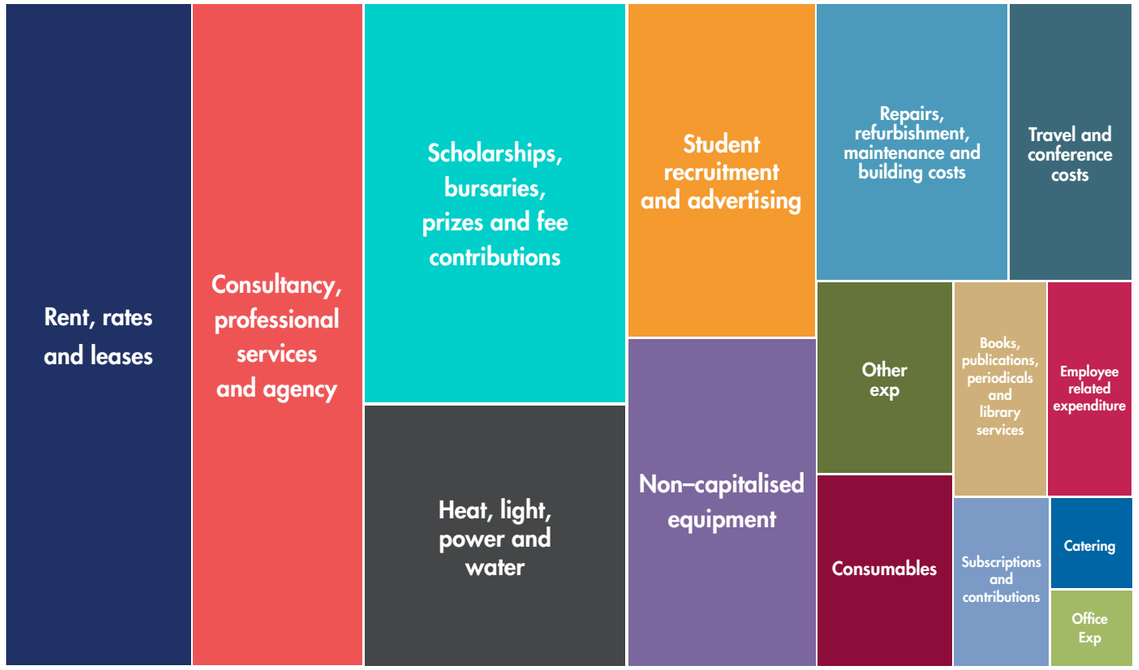
Non-Pay expenditure increased by 7% to £147m.

Rent, rates and leases where the highest non pay costs for the University during 2024 at £24.6m following a 14% increase in the previous year. Consultancy and contracted services were also a significant cost at £22.3m, although this was 3% lower than the previous year.

Rent, rates and leases include the rental costs on the student residences of which corresponding rental income is recognised. £19.4m relates to the residences on the Bay and Singleton Campuses. Two new city centre residences were available to students during the year via nominations agreements with the providers. The cost of occupancy voids accounted for £2.5m of the rental costs. There was a £0.6m saving generated on the Hendrefoilan site following the completion of its phased closure and a further £0.5m of savings following the temporary closure of the Bay Campus car park.

Within consultancy and contracted services, is the £1.2m grant to the Students Union, £4.3m for the soft facilities management contract, £1.5m on Graduate Entry Medicine GP Placements, and £1.9m on research projects. Spend on non-capitalised equipment decreased by 18% during the year to £12.2m as the Financial Sustainability Programme was initiated. Scholarships, bursaries and prizes increased by 5% to £20.7m, with spend on student recruitment and advertising increasing by 31% to £12.4m, following the continuing changes to the global market. Utilities continued to significantly increase in cost with a 34% increase from the prior year to £13.6m, a 76% increase since 2022.

OTHER OPERATING EXPENSES 2024



Balance Sheet

The University has a strong balance sheet with reserves increasing during 2024 to £327.4m. Total assets decreased by £57.2m, largely due to a decrease in cash and liquid investments, whilst liabilities and provisions decreased by £137.6m following the reduction in the pension provision following the removal of the USS deficit.

Non-current assets increased by £7.3m, with £32.3m cash spent on capital additions in the year, offset by depreciation charged.

Current assets decreased by £64.6m following the reduction in cash and current investments of £52.2m. Capital additions were purchased but with limited grant receipts, whilst a loss in the year of £15.0m (after excluding the USS & SUPS adjustment) further contributed to the cash outlay. A change in the research funder profile reduced the accrued income on research grants, increasing the reduction in current assets.

Current liabilities decreased by £33.5m as accruals and trade creditors were reduced in part due to the Financial Sustainability Programme and due to timing differences. Research accruals, being money received in advance, were lower at year-end following a change in profile of the research funders.

Creditors falling due in more than one year decreased by £6.2m after loan repayments of £6.1m. The service concession lease arrangement remained relatively constant due to accounting adjustments for a further two-year commitment.

Provisions decreased by £97.8m to just £19.0m with the elimination of the USS deficit, the balance being the Swansea University Pension Scheme deficit.

Covenants

In order to satisfy the loan conditions, set out by the European Investment Bank (EIB), the University must ensure compliance with the following covenants:

1. The ratio of Net Financial Indebtedness to Adjusted EBITDA shall not exceed 6.5:1
2. The ratio of Net Operating Cashflow or Debt Servicing Costs shall be at least 1.1:1
3. The ratio of Adjusted Financial Indebtedness to Revenues shall not exceed 85%
4. The University shall comply with any other condition which is set in respect of Medr.

The Financial Sustainability Programme assumptions identified that at least one of the covenants would be breached at 31 July 2024 and 31 July 2025. The University successfully renegotiated the EIB loan covenants, agreeing a covenant holiday for covenants 1 and 2 above for 2023/24 and 2024/25 and the introduction of a new covenant. This resulted in an increase in the borrowing costs of between 24 and 30 basis points across the six tranches of the EIB loans from 1st August 2024.

The temporary EIB covenant, which will be tested quarterly until 31 January 2026 is:

5. The aggregate sum of Cash and Cash Equivalents and Short-Term Investments plus available and unused amounts under a Revolving Credit Facility shall be greater than £50m for each Quarter from 31 July 2024 until 31 January 2026.

Capital Expenditure and Capital Grant Receipts

Capital expenditure reduced in the year to £32.3m.

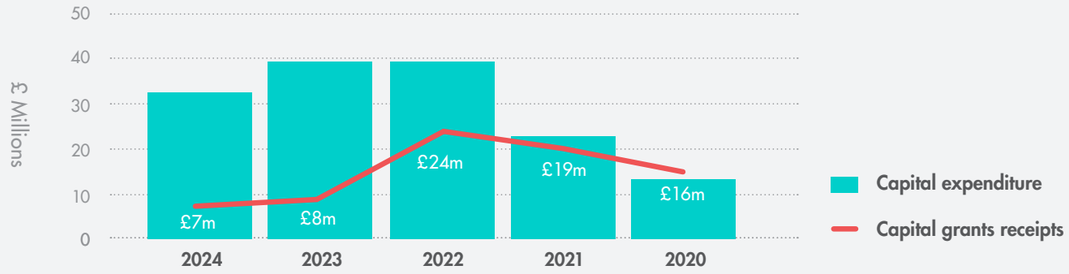
The Campus Master Plan, which built upon the existing Estates Strategy, was finalised in 2024 and will form the basis of an agreed programme of capital expenditure in due course. However, the 2024 capital plan was reduced during the year as part of the Financial Sustainability Programme with the decision taken not to continue with the Fulton House project and smaller projects deferred or reduced in scale.

£3.1m was spent on net zero projects as part of the pathway to decarbonising the campuses by 2035, with a focus on improving the energy performance across the campuses. This included the installation of solar panels, heat pumps and LED lighting.

The Cove Nightclub opened during the year following a £1.7m investment in 2024, creating a multi-purpose events and activity space for students and £2.2m was spent developing infrastructure in the Swansea Bay Sports Park ahead of the larger City Deal project.

As part of the Digital Transformation Strategy, £13.0m was spent during 2024 on the network improving the infrastructure, with smaller amounts being incurred on system and AV transformation projects.

CAPITAL EXPENDITURE AND GRANT RECEIPTS



Cash and Debt

Cash, including current investments, decreased to £126.1m.

There was a cash outflow from operating activities of £18.6m in the year to 31 July 2024. £8.9m of cash was used to service the loan arrangements in the year, with £8.7m of cash receipts from investment income.

The University funded £24.9m of the capital expenditure from its' cash reserves, reduced from previous year. As part of the Financial Sustainability Programme, one significant project did not proceed beyond feasibility, and a number of smaller projects were modified, deferred or cancelled.

Net indebtedness decreased by £2.9m to £94.2m, with current investments decreasing by £49.6m.

Loan repayments of £6.1m were made during the year reducing the loans outstanding to £98.4m. The service concession arrangement debt on the student residences increased to £116.2m at 31 July 2024 despite the unwinding of the lease liability due to a two year commitment being provided to UPP to guarantee 100% of the room allocation until July 2026.

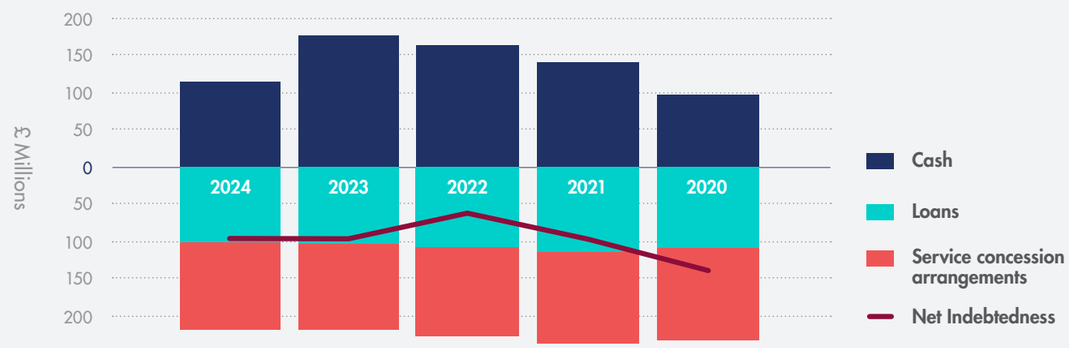
Cash appeared to decrease by just £2.9m in the year, the large cash outflow being eliminated with the return of the £50.0m cash deposit which had been invested for 12 months. Current investments, which includes cash held on deposit, decreased by £49.6m as a result.

Pension Provisions

The University is a member of the Universities Superannuation Scheme (USS) which provides pensions for academic and professional staff. In the most recent triennial valuation in March 2023 the scheme moved from a deficit position to a surplus of £7.4 billion. Deficit contributions of £3.2m were paid at a rate of 6.2% until 31 December 2023 when the scheme was deemed to be in surplus. The USS provision recognised by the University of £98.7m was released to the Statement of Comprehensive Income at the same date. No provision is recognised in the financial statements in respect of the USS Pension on 31 July 2024. From 1 January 2024 the employer contributions decreased from 21.6%, which included the deficit contribution to 14.5% with employee contributions decreasing from 9.8% to 6.1%.

The University also operates a CARE scheme, Swansea University Pension Scheme (SUPS) for non-academic employees, which is closed to new entrants. During the year the SUPS deficit increased from £17.2m to £19.0m as a £3.4m actuarial loss in comprehensive income was recognised and deficit contributions paid reduced the potential increase in the deficit.

CASH, DEBT AND NET INDEBTEDNESS



Future outlook and going concern

Future outlook

The primary objective of the University's Financial Strategy remains the generation of sufficient cash resources to deliver its' strategic objectives and ensure long term financial sustainability. This has proved increasingly challenging as the University, and the sector, try to navigate the uncertainty that exists in the external environment, mainly in relation to government policies and increased competition for both home and overseas students.

The Key Financial Indicators and associated targets that are used to measure performance are:

- Operating surplus of 3% of income in the medium term and 5% in the longer term
- EBITDA in excess of £30m
- Net Operating Cashflow (NOC) in excess of 5% of total income
- Liquidity days in excess of 70

In developing the five-year forecasts for HEFCW in 2023 it became clear that delivering these targets during the forecast period would be challenging.

To address this the University implemented a three-year Financial Sustainability Programme (FSP) in August 2023 with a detailed plan for a total overall improvement in EBITDA of £40m by 2026/27. This included targets for additional net income and non-pay savings. The main focus of the plan, however, was a fundamental review and redesign of Professional Services, including the introduction of single lines of accountability, upgrading and implementing improved IT systems and improving the efficiency and effectiveness of all our core processes. To further support this transformation, the University has also considered its risk appetite with the aim of having internal controls that are proportionate.

A generous Voluntary Exit Scheme (VES) has been designed to encourage and support the required reduction in staff numbers. Good progress against this plan has been made during 2023/24 with VES savings totalling £8.5m for 2024/25 being approved.

Despite changes to the dependants' visa in January 2024, and uncertainty about whether the Graduate Immigration Route would continue, student recruitment in 2023/24 was largely in line with forecast. The University's original forecast student numbers for 2024/25 reflected little, if any growth. However, the overseas markets have continued to be affected by the uncertainty around government policy in relation to immigration and the University has seen a significant reduction in the number of overseas postgraduate and undergraduate enrolments for 2024/25, when compared to 2023/24.

As a result, the University has extended its FSP for a further year and increased the target level of expenditure savings by £30m, across both professional services and academic areas. The Vice-Chancellor has been clear with staff that the University will remain a multi-disciplinary, research-intensive institution but that these additional savings will necessitate a transformation of the way the University delivers its' core operations. Whilst the University has no plans to remove individual programmes a comprehensive review of the curriculum is underway including looking at the number of modules, and also at assessment and feedback.

Like others in the sector, the University is also looking at ways to diversify its income with a number of new UK and overseas partnerships in the pipeline as well as the introduction of new modes of delivery, specifically on-line.

Going concern

The University must ensure that it can maintain sufficient cash to meet its day-to-day operational requirements and liabilities for 12 months from the date of approval of these financial statements. To test the University's resilience and ability to do this, we have stress tested the current forecasts by identifying a number of key risks and calculating the financial impact of a plausible downside scenario on its Statements of Comprehensive Income, Financial Position, Cash Flows and on its banking covenants for the going concern period.

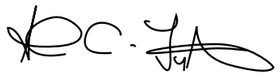
The main risk that has been tested is the reduction in home and overseas student numbers against the 2024/25 and 2025/26 original forecasts, taking into account actual enrolments to October 2024 and anticipated enrolments in January 2025 and September 2025, based on current applications and market intelligence.

Other risks that have been considered include reductions in student related income from catering and sports facilities, the potential for ongoing student accommodation voids and additional inflationary pressure on costs. The successful delivery of the FSP is critical to the future financial sustainability of the University and consequently, the risk of not achieving the required savings has also been tested.

The scope for mitigations is clearly becoming increasingly difficult but the relatively strong liquidity of the University continues to provide a level of resilience and, importantly, time for the University to deliver the necessary transformational operational and cultural change that is necessary. We do not underestimate the scale of that change but the current university leadership has managed to successfully navigate the multiple challenges created by the pandemic, global economic and geopolitical crises and is therefore confident that the University could manage this downside scenario.

Members of Council have considered the underlying assumptions of the downside scenario, the proposed mitigations, and the financial impact of these, particularly in relation to the cash position and the renegotiated loan covenants. Whilst acknowledging the scale of the challenge facing the sector and the University, the Members of Council are confident that the University can manage the risks and will have sufficient funds to meet the University's liabilities as they fall due over the period of 12 months from the date of approval of the financial statements.

Sarah Jones,
Chief Financial Officer



Anne Tutt,
University Treasurer

PRINCIPAL RISKS AND UNCERTAINTIES

The University maintains a university-level Risk Register which is formally reviewed quarterly by the Senior Leadership Team, Audit, Assurance and Risk Committee and Council. It is also updated as and when appropriate if it is clear that risks are changing more rapidly.

During 2023/24 the University approved a Risk Appetite Statement which has required a review of the risk management system to incorporate risk appetite into the risk registers.

The distribution of risks continues to reflect the uncertainties that exist in the external environment including the increased competition for home and overseas students, geo-political issues and the ongoing impact of inflationary pressures on the University, staff and students.

The table below identifies the highest-ranking risks from the University register according to residual risk score.

Strategic Risk	Main mitigations	
Financial sustainability Inability to deliver the forecast income growth and expenditure reductions due to external factors, (high inflation on costs, high pay award expectations, fixed tuition fee, financial sustainability of HE sector), leads to inability to deliver a balanced budget, resulting in failure to create the surpluses required for investment and to deliver the university objectives	• Monthly budget reporting and monitoring and quarterly reforecasting • Detailed financial assessment and stress testing of inherent risks • Financial Sustainability Programme being implemented	• Monitoring of covenants • Management of vacancies • Revolving Credit Facility obtained
International student recruitment UK government policy changes, challenges with admissions, over-reliance on limited number of price sensitive markets, lack of diversification and increased competition lead to inability to meet forecast international numbers, resulting in reduced financial sustainability	• Implementation of the International Strategy • Diversification of future revenue stream, including in modes of delivery e.g. on-line delivery • Exploration of new Transnational Education opportunities to deliver in-country programmes	• Identification of new markets for the development of an enhanced overseas presence • Monitoring and review of performance of existing markets
Cyber security Inadequate information management controls leads to reduced ability to protect, process and access information, resulting in increased successful cyber-attacks, a loss of reputation, compliance breaches, fines and penalties and increased costs.	• JISC Cyber Security Threat Monitor service implemented • Migration to new JISC managed SOC pilot planned • Cyber hygiene activities to be prioritised • Digital Services redesign implemented allowing greater degree of centralised management • Adopting the Cyber Risk Framework created by Scottish Government for HE in Scotland	
Staff morale – impact of change Sustained increased workloads, uncertainty re future job security, opportunities arising from financial situation and service redesign lead to reduced staff morale, resulting in increased stress, absence and turnover, reduced wellbeing, engagement and productivity	• Regular communication to staff via various forums • Recognition of staff efforts • Implementation of a Leadership Development programme to support leadership capacity and capability • Joint Working Group with campus unions established • Voluntary Exit Scheme provides an opportunity for some staff	
Student retention Poor assessment and feedback, student engagement and support, financial hardship, etc. lead to increased student withdrawal rates resulting in poor student outcomes, loss of income, damage to reputation, (NSS, etc.), impact on future recruitment	• Review processes for assessment, re-sits, academic misconduct • Move from Academic Mentor to Personal Tutor; more focus on support and wellbeing • Increase student engagement and training to manage expectations and improve resilience • Retention Working Group established to identify and implement longer-term actions along with Learner Analytics Project work focused on enhancing retention	
Student experience – learning and teaching Poor teaching quality, student: staff ratios, learning environment, support and Graduate Outcomes services lead to a poor student experience and learning outcomes, resulting in dissatisfaction, impact on NSS and league table scores, the wider reputation of the University, recruitment and the achievement of the University's growth strategy.	• Learning and Teaching Strategy being implemented • Curriculum review underway • NSS Recovery Plan being led by the PVC Education • Gateway to Student Services project under development • Graduate Outcomes project established	
Home student recruitment Increased competition and increased challenges to undergraduate recruitment lead to inability to meet forecast student recruitment numbers, resulting in reduced financial sustainability.	• Review by the UK Recruitment Strategy Board • Maintain and develop Clearing Strategy and campaign through Clearing Steering Committee • Engagement with FE Colleges as part of Diversification project • Exploration of external opportunities and partnerships to increase recruitment potential	
IT – Core business systems Lack of a coherent and end-to-end service approach for core business systems leads to difficulties in delivering the necessary services required by students and staff resulting in negative impacts on student experience and staff workloads	• Analysis of core business systems and their interfaces; integration platform being implemented for interfaces • Business case with costed options to be produced for each platform • Project Boards established and funding in place	• Overall Enterprise view of end-to-end services for Student and Administration systems • Develop and agree Core Business systems roadmap with clear priorities • Significant work undertaken re. core systems, (ABW, SITS, CRM)
University student accommodation Reduced student demand for university owned / contracted accommodation leads to increased number of vacant rooms, resulting in reduction in income and ongoing contractual costs	• Ongoing monitoring of vacant rooms, location, pricing • Modelling of financial impact and identification of mitigating actions • Review of student accommodation strategy • Promotion of university accommodation to January entry students	

PUBLIC BENEFIT STATEMENT

Swansea University has been a registered charity (no.1138342) since October 2010. Our constitutional framework is defined in our Charter and Statutes and Article three of the Supplemental Charter highlights our University's objectives: "to advance learning and knowledge by teaching and research, and to engage in activities to promote and contribute to cultural, social and economic development within Wales and beyond".

In setting and reviewing objectives and activities and in making decisions, the University's Council has had due regard to the Charity Commission's public benefit guidance and supplementary guidance on the advancement of education.

Our Strategic Vision and Purpose (2020) is underpinned by five pillars, each with their own strategies, which are summarised below. Our Strategic Vision and Purpose also recognises that the climate crisis remains society's biggest threat. Consequently, we align our work to the Sustainable Development Goals (SDGs) and have committed to being a carbon-zero university by 2035.

Our Civic Mission

We are proud to belong to the City of Swansea, the wider Swansea Bay City Region and to Wales, and we celebrate that heritage. With campuses in three local authority areas, we recognise that our University is the region's university, and that we have a responsibility to work with and for our community and Wales. We seek to deliver local solutions to the global challenges that affect us all.

While our civic mission is rooted in our immediate region it extends to the impact we seek to make in communities worldwide. We attract colleagues and students to Swansea from all over the world and we are committed to ensuring that the education and experiences we provide and the research we pursue are relevant locally and internationally. Above all, we seek to work in genuine, open and equitable partnership, and to learn as much from others as we can.

We are an anchor institution that plays an active part in the life of the region. We have strong links with other anchor institutions and major employers, including Health Boards, local authorities, and private and third sector organisations, and we have effective partnerships with further education colleges and schools. We have invested significantly in the infrastructure needed to support skills and innovation and are a key partner in the Swansea Bay City Deal.

We contribute to the cultural life of our community through our Taliesin Theatre and Great Hall, the Egypt Centre, our South Wales Miners' Library and Richard Burton Archives, and the International Dylan Thomas Prize, and have signed the Armed Forces Covenant in recognition of the value that serving personnel, veterans and military families contribute to our University and our nation.

Our Student Experience

Our students are at the heart of our University. We take their needs and expectations into account in our decision-making and take pride in our consistently strong reputation for the quality of our student experience, the strength of our student support services, and our commitment to student mental health and wellbeing. In partnership with our Students' Union, we work to ensure that every student who makes Swansea their home experiences the best of us.

Our students make a significant contribution to local society through volunteering and outreach programmes, and they are part of our international community. Our aim is to produce global citizens who will go out into the world and make a difference. During the year, our student volunteering charity, Discovery, supported 190 volunteering sessions for more than 600 student volunteers who worked with people across our community: older people; disabled adults and children; refugees and asylum seekers; exploited women; people experiencing isolation and loneliness, and students with additional needs.

Our Learning and Teaching

The sharing of knowledge to nurture independent, critical thinking is fundamental to our purpose. It enables our students to be resilient in the face of global challenges and to adapt to the changing world of work. We celebrate our Welsh heritage and are proud to be part of a bilingual nation. We respect students' right to study through the medium of Welsh and will expand our range of opportunities for them to do so. We also work to maintain our status as a community that balances research and teaching excellence.

We are committed to widening and deepening access to education, promoting lifelong, inclusive and equitable learning opportunities. Our University is the lead partner in the Medr-funded South West Wales Reaching Wider Partnership and also funds and delivers the Step Up to Swansea University programme. Both programmes aim to increase participation in Higher Education by people from underrepresented groups – including care-experienced young people – and communities in Southwest Wales.

Our Swansea Academy of Inclusivity and Learner Success (SAILS) works to provide inclusive academic and pastoral support for our diverse student population. SAILS delivers a range of projects to enable individuals from all backgrounds to enter and transition into Higher Education; to stay at university and complete their studies; to progress from level to level, and to achieve the best degree outcomes they can.

Our Research

Our research has impact because it is directed to meet the needs of our partners in industry, commerce, academia and the public sector. It changes lives, drives innovation and regional growth, and is aligned to the UN Sustainable Development Goals. It impacts on our culture and society as well as on our health and wellbeing, our economy and our planet. We drive policy change nationally and internationally.

We have continued to build on our existing research strengths, taking advantage of emerging opportunities and broadening our base of research funders in order to become more resilient in an increasingly challenging research funding environment.

We are at the leading edge in many areas including: advanced manufacturing and innovation in clean energy and the digital economy; nanohealth and the analysis of large-scale health data which received the Queen's Anniversary Prize for Higher Education this year; labour market evaluation, terrorist use of the internet, and preserving our industrial heritage. We are exploring new ways to assess and mitigate the risks of the climate crisis and are working to protect the most vulnerable in our society and to enrich all our lives through our understanding of history and the arts.

Our Enterprise

We are an exceptionally collaborative and entrepreneurial university. We were founded by industry, for industry, and we remain true to the ambitions of our founders in that we work with industrial, commercial and public sector partners for the benefit of our region and nation. We value our partnerships with anchor companies and SMEs in Wales, and with the many organisations we collaborate with internationally.

Our entrepreneurial approach adds value to the student experience, providing opportunities for our students to gain practical skills through placements, internships and collaborative research projects, and we support students to launch their own businesses. Swansea University is also among the leading academic institutions in the UK for generating spinout companies. The annual Spotlight on Spinouts report, sponsored by the Royal Academy of Engineering, positions our University in the UK top 10 (and top in Wales) for spinouts.

CORPORATE GOVERNANCE STATEMENT AND STATEMENT OF INTERNAL CONTROL

The University conducts its activities in accordance with both the Committee of University Chairs (CUC) Higher Education Code of Governance and the Higher Education Senior Staff Remuneration Code, and in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). The University is committed to the highest standards of openness, probity and accountability, conducts 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 that are in the public interest.

Constitution and Powers

The University is an independent corporation, whose legal status derives from a Royal Charter originally granted in 1920. Its objects, powers and framework of governance are set out in its current Charter ('the Supplemental Charter'), approved by the Privy Council in 2007, and its supporting Statutes the latest amendments to which were approved by the Privy Council in 2021. The University registered as a charity in October 2010 (1138342).

The Charter and Statutes require the University to have three separate bodies (Council, Senate, and Court), each with clearly defined functions and responsibilities, to oversee and manage its activities:

Council

The Council, which is established by the University's Charter, 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's membership, powers and duties are set out in Statute 5, which is available on the University's website. The Council is responsible for determining the strategic direction of the University, and for the finance, estates, investments, and general business of the University.

The Council normally meets at least four times a year and exercises its responsibilities through the executive management and standing committees set out below. Special meetings may be called at the request of the Chair if required. During 2023/24, the Council held eight meetings, including four special meetings. Three of the meetings were held in person, four were held as hybrid meetings, and one was held remotely.

The Council comprises independent (described as lay), staff and student members appointed in accordance with the Statutes and Ordinances of the University. The membership of the Council shall not exceed 19 and the majority of Council members are non-executive lay members who are not members of staff or registered students of the University. The Council is committed to promoting equality and diversity and vacancies for lay members are advertised externally, with expressions of interest particularly welcome from under-represented groups. Applications are considered by the Governance and Nominations Committee and matched against the current skills and experience matrix.

None of the lay members receive any payment, apart from the reimbursement of expenses, for the work they do for the University. Lay members of Council serve for a period of four years but may be re-appointed for one further period of four years. The role of the Chair of Council, which can only be undertaken by a lay member, is separate from the role of the University's Chief Executive, the Vice-Chancellor. The staff members of Council are appointed through a fair and open election process.

Council members are required to make a declaration of interest on their appointment to Council, to review their declaration at least annually, and to update their declaration whenever there is a change. Declarations are reviewed by the Chair of Council, in accordance with the University's Declaration of Interest Policy and procedure, to ensure there are no potential or perceived conflicts, or, if there are, to ensure they are dealt with appropriately. The Secretary to Council maintains a register of interests for all members of Council, which is reviewed annually by the Governance and Nominations Committee. At the start of Council and Council Committee meetings, all members are asked to identify any specific items on which a declared interest may have a bearing and, if required, members do not take part in the relevant discussion or decision, and/or may leave the meeting at the appropriate point. Any declarations identified and member's participation in specific items is recorded in the minutes of the meeting. The Council has adopted the role description for the Secretary to Council, developed in response to the Review of Governance of Universities in Wales by Gillian Camm (CAMM Review), which contains a clear statement of the Secretary's accountability for highlighting issues of independence or conflict to the Chair.

As the University is a registered charity, Council also acts as the Board of Trustees and members of Council are also Charity Trustees.

Members of the University Council who served during the year ending 31 July 2024 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Council meetings during the year ending 31 July 2024 (*expressed as the number of Council meetings attended out of a total of meetings the member was due to attend) is provided below.

Council Member	Category	Attendance
Mr Bleddyn Phillips, Pro-Chancellor & Chair of Council (until 31 December 2023)	Lay	4/4
Mr Goi Ashmore, Treasurer (until 31 December 2023) & Pro-Chancellor & Chair of Council (from 1 January 2024)	Lay	7/8
Sir Roderick Evans, Pro-Chancellor (until 31 March 2025)	Lay	7/8
Ms Anne Tutt, Co-opted lay member (until 31 December 2023) & Treasurer (from 1 January 2024)	Lay	6/8
Professor Paul Boyle, Vice-Chancellor (until 31 July 2029)	Staff	8/8
Dr Kerry Beynon, Co-opted lay member (until 3 February 2024)	Lay	3/4
Mr Laurence Carpanini, Co-opted lay member (until 31 December 2026)	Lay	7/8
Professor Edward David, Co-opted lay member (until 3 February 2028)	Lay	8/8
Mr Huw Davies, Co-opted lay member (from 1 August 2024)	Lay	0/0
Professor Kathryn Monk, Co-opted lay member (until 26 January 2026)	Lay	6/8
Ms Nataliya Manskova, Co-opted lay member (from 1 August 2024)	Lay	0/0
Mr Phillip Morgan, Co-opted lay member (from 4 February to 19 June 2024)	Lay	0/2
Dr Angus Muirhead, Co-opted lay member (until 31 July 2024)	Lay	7/8
Ms Elin Rhys, Co-opted lay member (until 3 February 2024)	Lay	4/4
Mrs Marcia Sinfield, Co-opted lay member (until 30 November 2024)	Lay	7/8
Professor Keshav Singhal, Co-opted lay member (until 30 November 2024)	Lay	6/8
Mr Richard Thomas, Co-opted lay member (from 16 May 2024)	Lay	1/3
Ms Nan Williams, Co-opted lay member (from 1 January 2024)	Lay	4/4
Dr Mahaboob Basha, Appointed by Staff (until 30 June 2027)	Staff	6/8
Mr Adam Jones, Appointed by Staff (until 30 June 2027)	Staff	8/8
Professor Michelle Lee, Appointed by Senate (until 30 June 2027)	Staff	8/8
Dr Phatsimo Mabophiwa, Appointed by Senate (until 30 June 2027)	Staff	7/8
Miss Megan Chagger, President of Students' Union (from 1 July 2024)	Student	2/2
Miss Abigail Egwuatu, Appointed by the Students' Union (until 30 June 2024)	Student	6/6
Mr Pablo Josiah, President of Students' Union (until 30 June 2024)	Student	6/6
Miss Katie Wilkinson, Appointed by the Students' Union (from 1 July 2024)	Student	2/2

CUC Higher Education Code of Governance

The University is committed to high standards of corporate governance and to continuously improving its governance in line with best practice within the higher education sector. The University's governance structure has been developed to align with the principles and practices set out in CUC Higher Education Code of Governance. In accordance with this Code, Council commissioned an Independent Effectiveness Review in 2023, which was undertaken by AUA Consulting. This Review recognised the improvements implemented by the University since its last effectiveness review in 2019 and concluded that significant assurance could be placed in the University's governance arrangements, that there were no matters from a governance perspective which required attention, that the Council was conducting its activities in accordance with the Code, and that the conduct of this Review had demonstrated the University's commitment to continuous improvement in its governance arrangements in line with best practice as set out in the Code. The Review identified some improvement and enhancement opportunities which Council has considered and has agreed an action plan for implementing several of these. In respect of the year ended 31 July 2024, the Council can report that there was no primary element of the Code of Governance with which the University's procedures was not consistent.

Review of governance of the universities in Wales

The Council has formally adopted the Governance Charter for Universities in Wales and Commitment to Action published in response to the CAMM Review and continues to implement the recommendations identified to ensure compliance with the Commitment to Action. Building on the good progress made in previous years, key developments in 2023/24 include:

- the adoption of a Statement of Independence for Lay Council Members which sets out what is meant by independence and those matters which may compromise governor independence together with an updated Council Code of Conduct setting out the required behaviours and standards of Council members to support governing bodies in delivering the highest standards of governance;
- the implementation of the new Council Joint Engagement Forum at which Campus Union representatives can raise issues directly with lay members of Council ahead of Council meetings;
- undertaking a review of the University Court to ensure it provides an effective forum for stakeholder engagement with the wider community;
- reviewing the induction programme for new Council members which currently includes briefing sessions with the Chair of Council, University Secretary, and members of the Executive and external Medr/Advance HE events; and
- recruiting through clear and transparent appointment processes a new Pro-Chancellor and Chair of Council, a new University Treasurer, and five new lay members of Council informed by the Council skills and Experience Matrix to ensure that Council continues to have the necessary skills and experience to discharge its responsibilities.

Senate

The Senate, which is established by the University's Charter, is the academic authority of the University. The Senate's membership, powers and duties are set out in Ordinance 4, which is available on the University's website. Senate is chaired by the Vice-Chancellor and its membership includes the Provost, Pro-Vice-Chancellors and Pro-Vice-Chancellors Executive Deans, Deputy Pro-Vice-Chancellors, Deputy Executive Deans, Faculty Associate Deans, Heads of Schools, Directors of Strategic Faculty Operations, Education Services, Student Life and Academi Hywel Teifi, and student members together with 24 elected members drawn from the Professorial and non Professorial academic staff in the Faculties.

The Senate normally meets four times each year, however, special meetings may be called at the request of the Chair if required. During 2023/24, the Senate held five meetings, including one special meeting. Four meetings were held in person and one as a hybrid meeting. Senate's business focused on reviewing University strategies (including Enterprise, Sports, Welsh Language, Heritage and Culture, and Education); reviewing the University's quality assurance processes and framework and the Annual Governors Quality Assurance Statement; and reviewing the University's performance in league tables and rankings including the National Student Survey. Senate also received updates on University-wide projects and major initiatives, student recruitment and the policy and sector landscape together with regular reports from its sub-committees established to assist it in discharging its responsibilities.

Court

The Court, which is established by the University's Charter, is a large, mainly formal body which serves as a forum for the engagement of the wider community with the University. The Court's membership, powers and duties are set out in Ordinance 6, which is available on the University's website. The Court is chaired by the University's Chancellor and most of its members are from outside the University, representing the local community and other designated bodies with an interest in the work of the University. The membership also includes members of Council, representatives of the staff of the University (both academic and non-academic) and the student body. The Court ordinarily meets once a year, and last met in person on 1 February 2024 to consider the University's Annual Review and Financial Statements for 2022/23.

Accountable Officer

The Vice-Chancellor is the chief executive and principal academic and administrative officer of the University and has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal financial memorandum between the University and Medr, the Vice-Chancellor is the accountable officer of the University and in that capacity may be required to appear before the Public Accounts and Public Administration Committee of the Senedd Cymru alongside the Chief Executive of HEFCW (subsequently Medr).

Senior Leadership Team

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. Members of the Senior Leadership Team and the Directors of Professional Services all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council. The membership of the Senior Leadership Team, which is chaired by the Vice-Chancellor, includes the Provost, the Registrar and Chief Operating Officer, the Pro-Vice-Chancellors, Pro-Vice-Chancellors Executive Deans, and the Chief Financial Officer. The Senior Leadership Team meets weekly and considers strategic and operational matters.

Committees

The Council has established four committees, at which much of its detailed work is initially handled: Audit, Assurance and Risk Committee; Finance and Strategy Committee; Governance and Nominations Committee; and Remuneration Committee. All of these committees are chaired by lay members of Council and have a majority of lay members. Senior officers of the University attend meetings as necessary. All Committees report their decisions to Council, and are formally constituted, with their own terms of reference and membership approved by the Council on the recommendation of the Governance and Nominations Committee. The role of the Secretary to Council is defined in the University's Ordinances and the Secretary to Council also acts as the Secretary to most of the Committees of Council.

Audit, Assurance and Risk Committee

The Audit, Risk and Assurance Committee is responsible for advising and assisting Council in respect of the assurance and control environment of the University. Its key responsibilities are to ensure that the University complies with statutory, University and external regulatory requirements in relation to both its financial and non-financial activities and in respect of the issues within its terms of reference, and the Committee has the authority to make recommendations to the University, its organisational units and its members.

The Committee is chaired by a lay member of Council. All members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University's management, although senior executives attend meetings as necessary, and, in line with Medr's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk and the Finance and Strategy Committees. Committee Members who served during the year ending 31 July 2024 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings during the year ending 31 July 2024 (*expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Audit, Assurance and Risk Committee Member	Category	Attendance at meetings*
Dr Kerry Beynon, Chair of the Committee (until 3 February 2024)	Lay	2/2
Mrs Marcia Sinfield, Chair of the Committee (from 4 February 2024)	Lay	4/4
Miss Abigail Egwuatu, Student member of Council (from 17 November 2024 to 30 June 2024)	Student	3/3
Professor Kathryn Monk, Co-opted member of Council	Lay	4/4
Mr Phillip Morgan, Co-opted member of Council (from 4 February to 19 June 2024)	Lay	1/1
Mr Richard Thomas, Co-opted member of Council (from 16 May 2024)	Lay	1/1
Ms Anne Tutt, Co-opted member of Council (until 31 December 2023)	Lay	2/2
Mrs Alison Vickers, Co-opted Committee lay member	Lay	3/4
Miss Katie Wilkinson, Student member of Council (from 1 July 2024)	Student	0/0

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2023/24, the Committee held four meetings, two of which were held as hybrid meetings and two were held remotely. The Committee's business focused on discussing the nature and scope of the Annual Audit Plan with the External Auditors and receiving progress reports on its implementation; approving the Internal Audit Plan following discussions with the Associate Director - Internal Audit and receiving reports on its implementation; recommending to Council the proposed approach and arrangements in relation to the University's risk appetite; approving its Annual Report to Council; overseeing the University's policies related to ethical and other behaviours and receiving reports on any actions taken under these policies; and receiving update reports on standing risk items (cyber security, health and safety, loan covenants, reputation, and whistleblowing). The Committee has received regular updates on the University's Financial Sustainability programme and has also reviewed its terms of reference and effectiveness; the Assurance Map; internal audit reports and monitored the implementation of agreed audit based recommendations; the risk management arrangements, the risk register and key risks; the effectiveness of the external and internal audit arrangements; Medr's Institutional Risk Letter; the External Auditors' management letter; the Internal Auditors' annual report; and met regularly with the External Auditors, the Associate Director - Internal Audit, the Registrar and Chief Operating Officer, and the Chief Financial Officer providing an opportunity for them to discuss any private matters.

Finance and Strategy Committee

The Finance and Strategy Committee has oversight of and monitors the financial health of the University on behalf of the Council. Its key responsibilities are (i) to ensure the medium and long-term financial sustainability of the University through regular reviews of the University's financial position, (ii) to ensure the University operates a robust system of internal financial control, (iii) to monitor financial performance and compliance, (iv) to have financial oversight of all relevant strategies and (v) to play a critical role in applying test and challenge to all financial decisions. The Committee advises and makes recommendations to Council in respect of all financial matters.

The Committee is chaired by the University Treasurer. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. In line with Medr's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee. Committee Members who served during the year ending 31 July 2024 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings during the year ending 31 July 2024 (*expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Finance and Strategy Committee Member	Category	Attendance at meetings*
Mr Goi Ashmore, Treasurer & Chair of the Committee (to 31 December 2023) & Pro-Chancellor and Chair of Council (from 1 January 2024)	Lay	6/6
Ms Anne Tutt, Treasurer & Chair of the Committee (from 1 January 2024)	Lay	3/3
Professor Paul Boyle, Vice-Chancellor	Staff	4/6
Miss Megan Chagger, Student member of Council (from 1 July 2024)	Student	0/0
Professor Edward David, Co-opted member of Council	Lay	6/6
Dr Angus Muirhead, Co-opted member of Council (until 20 March 2024)	Lay	3/4
Mr Bleddyn Phillips, Pro-Chancellor & Chair of Council (to 31 December 2023)	Lay	3/3
Mr Steve Smith, Co-opted lay member	Lay	5/6
Mr Laurence Carpanini, Co-opted member of Council (from 10 July 2023)	Lay	4/6
Mr Pablo Josiah, Student member of Council (from 9 October 2023 to 30 June 2024)	Student	5/6
Ms Nan Williams, Co-opted member of Council (from 21 March 2024)	Lay	2/2
Professor Michelle Lee, Staff member of Council (from 9 October 2023)	Staff	5/5

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2023/24, the Committee held six meetings, including two special meetings. Two meetings were held in person, three as hybrid meetings, and one was held remotely. The Committee's business focussed on reviewing and recommending to Council the University's financial forecasts and the Financial Sustainability Programme established in response to the financial challenges facing the University and HE sector more widely due to increased costs and inflation, the continued devaluation of the undergraduate home fee, competitor behaviour in relation to home students, and retention and progression issues. The Committee considered and received regular updates on the implementation of the Programme, including Service Redesign, income generation, pay and non-pay savings, a Voluntary Exit Scheme, and a review of future capital expenditure. In addition, the Committee reviewed the management of key financial risks, business planning processes, the University's pension scheme arrangements, financial forecasts of University subsidiaries, the Students' Union Accounts, and TRAC processes and reports. business cases for regional and global partnerships, a revised Scheme of Delegation, a draft Treasury Management Policy, and reviewing the Committee's terms of reference.

Governance and Nominations Committee

The Governance and Nominations Committee reviews and advises Council on the University's governance arrangements, ensuring that the University pursues good practice and complies with external governance requirements. Its key responsibilities are (i) to ensure compliance with external governance requirements, (ii) to review the membership of Council and its Committees ensuring it has the necessary balance of skills and experience to enable it to fulfil its responsibilities, (iii) to review and make recommendations on changes to the University's governing documents, (iv) to review, advise and make recommendations on the recruitment and appointment of lay members of Council and its Committees, (v) to review, advise and make recommendations on succession planning, (vi) to oversee the induction, development and appraisal of Council members, (vii) to review Council's Register of Interests and ensure a robust process is in place to identify any potential conflicts of interest and (viii) to review the diversity of Council and its Committees.

The Committee is chaired by the Chair of Council. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. Committee Members who served during the year ending 31 July 2024 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings during the year ending 31 July 2024 (*expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Governance and Nominations Committee Member	Category	Attendance at meetings*
Mr Bleddyn Phillips, Pro-Chancellor & Chair of Council & Chair of the Committee (until 31 December 2023)	Lay	3/3
Mr Goi Ashmore, Pro-Chancellor & Chair of Council & Chair of the Committee (from 1 January 2024)	Lay	2/2
Professor Paul Boyle, Vice-Chancellor	Staff	5/5
Miss Megan Chagger, Student member of Council (from 1 July 2024)	Student	0/0
Sir Roderick Evans, Pro-Chancellor	Lay	5/5
Professor Ryan Murphy, Appointed by Senate	Staff	4/5
Mr Adam Jones, Staff Member of Council (from 9 October 2023)	Staff	2/3
Mr Pablo Josiah, President of Students' Union (until 30 June 2024)	Student	5/5
Ms Elin Rhys, Co-opted member of Council (until 3 February 2024)	Lay	3/3
Professor Keshav Singhal, Co-opted member of Council	Lay	4/5
Ms Anne Tutt, Co-opted member of Council (until 31 December 2023)	Lay	3/3
Ms Nan Williams, Co-opted member of Council (from 1 January 2024)	Lay	2/2

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2023/24, the Committee held five meetings, including one special meeting. Four of the meetings were held remotely and one as a hybrid meeting. The Committee's business focussed on recommending to Council the appointment of a new University Treasurer and new lay members of Council; reviewing the Independent Review of Governance Effectiveness Report and recommending an action plan for implementing some improvement and enhancement opportunities to Council; reviewing and recommending to Council changes to the terms of reference and membership of Council Committees and reviewing the effectiveness of these committees; recommending to Council the adoption of a Statement of Independence for Lay Council Members, an updated Council Code of Conduct, and proposals for the review of Court. The Committee also received the University's Equality Annual Report and reports on the diversity of Council and Council Committees, the register of declarations of interest, and the appraisal process for the Chair of Council and the Vice-Chancellor.

Remuneration Committee

The Remuneration Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code and publishes an annual report which is available on the University website. The Committee is responsible for (i) overseeing and scrutinising the reward strategy of the University, (ii) developing an overall reward strategy and policy to cover the remuneration, benefits and conditions of employment of the senior employees of the University on Grade 11 and those who report directly to members of the Senior Leadership Team; (iii) reviewing and determining all aspects of the remuneration, benefits and conditions of employment of the Vice-Chancellor, and the remuneration and other financial benefits of the other members of the Senior Leadership Team taking account of affordability, comparative information on remuneration, benefits and conditions of employment in the University sector and elsewhere as appropriate, (iii) to provide an annual report on progress for Council which is transparent, aligned with the recommendations of the Higher Education Senior Staff Remuneration Code, and meets the requirements of good governance.

The Remuneration Committee is chaired by a lay member of Council and comprises independent lay members of Council who possess relevant knowledge and expertise. All Committee members and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University. The Registrar and Chief Operating Officer, the Director of Human Resources and the University Secretary attend all meetings and other senior executives attend meetings as necessary. The Vice Chancellor is not in attendance for, and does not play a part in, the discussions and decisions of his own remuneration. No members of staff are present when the Committee makes decisions on their reward. The Chair of the Committee regularly updates Council.

Committee Members who served during the year ending 31 July 2024 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings during the year ending 31 July 2024 (*expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Remuneration Committee Member	Category	Attendance at meetings*
Dr Angus Muirhead, Co-opted member of Council & Chair of the Committee	Lay	4/4
Goi Ashmore, Pro-Chancellor & Chair of Council (from 1 January 2024)	Lay	3/3
Laurence Carpanini, Co-opted member of Council	Lay	3/3
Professor Edward David, Co-opted member of Council	Lay	4/4
Sir Roderick Evans, Pro-Chancellor	Lay	4/4
Professor Kathryn Monk, Co-opted member of Council	Lay	4/4
Mr Bleddyn Phillips, Pro-Chancellor & Chair of Council (until 31 December 2023)	Lay	1/1
Ms Elin Rhys, Co-opted member of Council	Lay	1/1

During 2023/24, the Committee held four meetings, all of which were hybrid meetings. The Committee's business focused on reviewing and determining the remuneration, benefits and conditions of employment of new members of the Senior Leadership Team and Director positions; considering and making decisions on the Remuneration process for 2023 and 2024; approving the cost-of-living award for the Vice-Chancellor and noting the award for all other colleagues in accordance with the salary increases applied following 2023/24 pay negotiations conducted by UCEA on behalf of HEIs; reviewing the Remuneration Committee's terms of reference and committee effectiveness in line with sector practice; approving a new Annual Pay Policy Statement setting out the University's policies on a range of issues concerning the pay and remuneration of its workforce; approving a Remuneration Statement which is transparent, aligned with the recommendations of the CUC Higher Education Senior Staff Remuneration Code and meets the requirements of good governance; receiving high-level updates on the University's Financial Position and Voluntary Exit Scheme (VES), the University's reward activities and approval route, the implementation of the Real Living Wage, and Gender Pay; noting Promotions via the Retention of Exceptional Talent procedure; and actively involved in, and responsible for, the decision process for any severance arrangements for grade 11 employees and for payments greater than £60,000.

Statement of Internal Control

The Council is responsible for ensuring there is a sound system of internal control to support the achievement of the University's aims, strategic objectives and policies, while safeguarding the public and the funds and assets for which it is responsible. The system of internal control is risk-based and designed to manage, rather than eliminate the risk of failure to achieve strategic objectives and as such, the system provides reasonable, but not absolute, assurance against material misstatement or loss. Council acts in accordance with the responsibilities assigned to it in the University's Charter and Statutes, and the regulatory framework in which the University operates.

The key elements of the University's system of risk identification and effective risk management include:

- linking the identification and management of risk to the achievement of institutional objectives through an on-going annual planning process;
- all significant risks, including governance, management, quality, reputational and financial are included within the University's Risk Register, which is managed and maintained by the University's Senior Leadership Team through a clearly articulated policy and approach. The Risk Register produces a balanced portfolio of risk exposure which focusses on the key risks;
- evaluating the likelihood and impact of risks becoming a reality as part of that same process and establishing mitigating controls;
- reviewing risk appetite as part of the overall consideration of risk management;
- having review procedures which cover business, operational, compliance and financial risk;
- embedding risk assessment and internal control processes in the ongoing operations of all units;
- reporting regularly to the Audit, Assurance and Risk Committee, and then to Council, on internal control, governance and risk;
- operation of a risk assurance map, derived from the institutional risk register, which is based on the three lines of defence;
- evaluating the risk assurance map to inform the risk-based internal audit plan and provide institutional wide assurances;
- the Audit, Assurance and Risk Committee receives regular assurance reports from the In-House Internal Audit Service and the risk-based internal annual audit plan is accepted by the Senior Leadership Team and approved by the Audit, Assurance and Risk Committee;
- reporting annually to Council the principal results of risk identification, evaluation and management review;
- regular monitoring and review of the effectiveness of the internal control system processes and procedures is informed by the University's Internal Audit Service giving rise to monitored action where necessary and appropriate.

The University's Senior Leadership Team has formal processes in place for evaluating and managing significant risks faced by the institution on an on-going basis. This involves identification of the types of risks through a top down and bottom-up approach at both corporate and departmental level, which are prioritised in terms of potential impact and likelihood of occurrence in accordance with an established and risk management policy.

Risks are monitored along with the associated controls and risk mitigation actions on an on-going basis by the Senior Leadership Team. Responsibility to ensure the risk framework is working effectively and that risk is being managed and for advising Council and ensuring appropriate reports and recommendations and the risk register are presented to the Council lies with Audit, Assurance and Risk Committee. The Audit, Assurance and Risk Committee receives the risk register and an update on risk at each of its meetings. The Finance and Strategy Committee receives the risk register and updates on relevant risks regularly for information.

The University has a process for dealing with significant control issues, which involves immediate notification to the Chair of Council, Chairs of the Audit, Assurance and Risk Committee and the Finance and Strategy Committee and necessary senior staff, along with notification to HEFCW (subsequently Medr) and the Charity Commission and any other relevant authority as appropriate depending on the nature of the issue.

ANNUAL PAY POLICY REPORT

Swansea University upholds a framework for the recognition and reward of all employees to support the University's vision and values and recognises the importance of an equal and transparent pay system which provides value for money.

The purpose of the Annual Pay Policy Statement is to set out the University's policies on a range of issues concerning the pay and remuneration of its workforce. The University's pay and grading policies, procedures, and practices are available to all employees.

In addition to complying with all accounting practices, which require a full annual remuneration report, the University's Pay Policy Statement has been prepared in accordance with the principles detailed in the Welsh Government's 'Transparency of senior remuneration in the devolved Welsh public sector' published in December 2015.

The University also ensures that the principles of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code, November 2021 are applied throughout their processes and practices and presents a Senior Staff Remuneration report annually to demonstrate this to the Board of Governors.

Senior Staff

This is defined as the Vice-Chancellor and all members of the Senior Leadership team together with Grade 10A and Grade 11 (including Professional Services Directors and Professors) and those who report directly to members of the Senior Management Team.

Remuneration Committee

The Remuneration Committee is responsible for overseeing and scrutinising the Reward Strategy of the University, for developing an overall reward strategy and policy to cover the remuneration, benefits and conditions of employment of the senior employees of the University on Grade 11 and those who report directly to members of the Senior Leadership Team, and for reviewing and determining all aspects of the remuneration including any annual pay increases, benefits and conditions of employment of the Vice-Chancellor, taking account of the breadth of leadership and financial responsibilities, and delivery against the University's strategic objectives. The Committee also receives reports allowing oversight of pay in all other areas of the University.

The Remuneration Committee is a standing Committee of Council, the governing body of the University, and its membership comprises six lay governors including the University's two Pro-Chancellors one of whom is the Chair of Council.

Reporting of Senior Pay

The salary of the Vice-Chancellor, together with anonymised data on salaries above £100K is published in the University's Annual Review and Financial Statements.

National Framework Agreement

All employees on Grades 1-10 are paid on a nationally agreed pay scale, which is negotiated annually as part of collective pay negotiations between UCEA and the five Higher Education trade unions (UCU, UNISON, Unite, EIS and GMB) on behalf of a number of HE institutions in the UK.

In addition to any increases determined through the collective pay negotiations, all colleagues from grades 1-10 receive automatic incremental progression annually until they reach the top of their grade.

Any pay outside of this is determined by benchmarking with similar institutions across the sector and by market conditions.

Benchmarking

The UCEA Senior Staff Remuneration survey and the XpertHR Salary Survey for Higher Education Staff is used for benchmarking salary proposals at recruitment and annual performance reviews.

The annual CUC survey of Vice-Chancellors' pay and conditions is also used when the Remuneration Committee is considering the Vice-Chancellor's remuneration package.

Performance Related Pay

Grades 1 – 10: There are no performance related pay arrangements for colleagues on Grade 1-10 on the national pay spine, however as detailed above, the salary structure contains annual incremental progression to a maximum point within each grade.

Grade 10A, Grade 11 and the Senior Leadership Team: Remuneration for colleagues at Grade 10A, Grade 11 and members of the Senior Leadership Team is reviewed annually, using a fair and transparent process that reflects the performance of each individual, in the context of the University's performance. The level of awards is decided by the Remuneration Committee, taking into account relevant market data.

Vice-Chancellor: The Pro-Chancellor who is the Chair of Council is responsible for the remuneration process for the Vice-Chancellor, including determining performance and recommending a remuneration reward for the Vice-Chancellor to the Remuneration Committee.

The Remuneration Committee ensures that any pay increases for senior staff are implemented within the limit of a pre-defined affordable, budget.

Academic Career Pathways

The University's Academic Career Pathways criteria clearly indicate the activity and achievements required from colleagues at each level, on each pathway, and are used as the basis for clear and transparent decision-making in academic recruitment, academic PDR, academic promotion, and Professorial remuneration. The University has reviewed its Academic Career Pathways, first introduced in 2015, and the new approach moves away from the use of numerical Key Performance Indicators (KPIs), towards a more holistic approach of evidencing and assessing academic achievement.

The Remuneration Committee receives and considers detailed reports of nominations proposed under the Retention of Exceptional Talent procedure as set out in the University's Academic Promotion policy.

Equality

The University is committed to equality of opportunity relating to pay, salary and career progression for all staff, within a framework which is fair, transparent and consistent, as reflected in its pay and grading structures.

The University is an equal opportunities employer and has been a Real Living Wage employer since 1st April 2019, meaning that the pay of all our colleagues, especially those on the lowest salaries, meets the basic cost of living in the UK and London as defined by the Living Wage Foundation.

The University regularly compares pay of diverse groups and monitors trends in the pay of those groups, which includes the annual reporting of the Gender Pay Gap. The University has reported a reduction in its Gender Pay Gap for six consecutive years and is committed to continuing to address this through a range of initiatives including the Aurora Leadership programme and the Athena Swan Charter. Annual reports of progress are reviewed by the Remuneration Committee on behalf of the Council of the University.

Workforce Management

The University is committed to managing the termination of employment with care and sensitivity, in line with the spirit of Swansea University Values, and in accordance with the principles set out in the University's Redundancy Policy, Termination Policies, and Voluntary Severance Policy which are available to staff. The University aims to work in partnership with its recognised Trades Unions to manage the process for any voluntary severance schemes and recognises that a fair and reasonable severance package needs to be available to eligible employees.

INDEPENDENT AUDITOR'S REPORT

to the Council of Swansea University Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Swansea University ("the University") for the year ended 31 July 2024 which comprise the Group and Institution Statements of Comprehensive Income, Statements of Change in Reserves, Statement of Financial Position, and Group Statement of Cash Flow and related notes, including the 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 2024, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's 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 have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

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 and the University'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").

In our evaluation of the Council's conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and the University's financial resources or ability to continue operations over the going concern period.

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; and
- 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.

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

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 Council, the Audit, Assurance and Risk Committee and internal audit 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, Assurance and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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 possible pressures to meet loan covenants, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that research income is not recognised in accordance with the relevant grant terms and conditions and the risk that Group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation of the Group-wide fraud risk management controls.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals with unexpected account pairings with cash.
- Verifying research income recognised is appropriate based on the underlying grant agreement and corresponding research expenditure.

Identifying and responding to risks of material misstatement due to non-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 Council and other management (as required by auditing standards) and discussed with Council and other management the policies and procedures regarding compliance with laws and regulations.

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, taxation legislation, pensions legislation, charities legislation and specific disclosures required by higher education legislation and regulation, including the Accounts Direction issued by Medr, 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: compliance with higher education regulatory requirements of Medr, recognising the regulated nature of the Group'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.

Other information

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 all of the information in the Annual Review 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 on pages 2 to 71 (which 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.

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.

Council responsibilities

As explained more fully in its statement set out on pages 76 to 77, the Council is responsible for: the preparation of the 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 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 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 Medr ("the Accounts Direction").

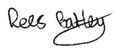
The regulation of the Welsh Higher Education sector was transferred from HEFCW to Medr, the Commission for Tertiary Education and Research on 1 August 2024. The Accounts Direction, Financial Management Code and Terms and Conditions of Funding 2023/24 issued by HEFCW remain in place at the date of our 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 University 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 University in accordance with paragraph 145 of Medr'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 Medr; and
- the requirements of Medr's Accounts Direction have been met.

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 Statues of the University and in accordance with the 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 the 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.



Rees Batley
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

66 Queen Square
Bristol, BS1 4BE

26 November 2024

STATEMENT OF COUNCIL'S RESPONSIBILITIES

in Respect of the Annual Review and the Financial Statements

The Council is responsible for preparing the Annual Review and the financial statements in accordance with the requirements of the Terms and Conditions of Funding, and the Accounts Direction to Higher Education Institutions both issued by Medr, the Financial Management Code issued under the Higher Education (Wales) Act 2015 and applicable law and regulations.

It is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the requirements of the Charities Act 2011. The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education and in accordance with the requirements of Medr's Accounts Direction to Higher Education Institutions.

The Council is required to prepare financial statements which give a true and fair view of the state of affairs of the Group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the Group and parent University financial statements, Council is required to:

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

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University. Council is responsible for 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, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In preparing these Financial Statements, Council has taken reasonable steps to ensure that:

- 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 Medr's Financial Management Code;
- 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;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Mr Goi Ashmore,
Chair of Council
25 November 2024

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

1. General Information

Swansea University was registered with the Higher Education Funding Council in Wales (HEFCW) until 31 July 2024, when HEFCW ceased operating. From 1 August 2024 the University is registered with Medr, the Commission for Tertiary Education and Research. Both HEFCW and Medr are referred to as appropriate throughout this document.

The address of the registered office is:

Swansea University
Singleton Park
Swansea, SA2 8PP

Charity Number: 1138342

2. Statement of compliance

The Consolidated and University financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition).

They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by Medr and the Terms and conditions of funding for higher education institutions issued by Medr.

The University is registered as a charity. The Financial Statements have been prepared in compliance with the Charities Act 2011.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards

3. Basis of preparation

The Consolidated and University financial statements are prepared in accordance with the historic–cost convention (modified by the revaluation of fixed assets and the measurement of certain financial instruments at fair value).

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the operational and financial review, which forms part of the Members of Council's report. This review also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities. The Members of Council have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future.

Judgements made by management in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in accounting policy 23.

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2024. Intra–group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associates are accounted for using the equity method.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £'000.

4. Going Concern

In common with much of the sector, the University is having to address the financial impacts of the continuing uncertainty in the external environment, mainly in relation to government policies, increased competition for both home and overseas students and the ongoing pressure on costs.

To address this risk the University implemented a three-year Financial Sustainability Programme in August 2023 with a detailed plan for a total overall improvement in EBITDA of £40m by 2026/27. This included targets for additional net income and non pay savings. The main focus of the plan, however, was the redesign of Professional Services with Directors taking responsibility for all staff in the identified functional areas. A generous Voluntary Exit Scheme (VES) has been designed to encourage and support the required reduction in staff numbers.

Good progress against this plan has been made during 2023/24 with VES savings totalling £8.5m in 2024/25 being approved.

The changes made to the immigration rules in January 2024 and the challenging economic conditions in Nigeria have affected our assumptions for the 2024/25 recruitment cycle. As a result, the University has implemented a second phase to the Financial Sustainability Programme with additional savings of £30m being required by 2027/28.

The Financial Sustainability Programme that the University started to implement in August 2023 forecast that at least one of the loan covenants associated with its borrowing from the European Investment Bank (EIB) would be breached at 31 July 2024 and at 31 July 2025.

The University has successfully renegotiated the loan covenants with EIB for a period covering year ending 31 July 2024 and year ending 31 July 2025. A temporary covenant requiring minimum cash will be tested quarterly until 31 January 2026.

The University has also secured a £25m Revolving Credit Facility (RCF) with HSBC for a period of 5 years to provide additional resilience, although the forecasts and downside scenarios indicate that this will not be required.

The University has prepared a number of downside scenarios and considered the financial impact of these on its Statements of Comprehensive Income, Financial Position, Cash Flows and on its banking covenants for the going concern period, being 12 months from the date of approval of these financial statements.

The main risk that has been tested is the reduction in home and overseas student numbers against the 2024/25 original forecasts, taking into account actual enrolments to October 2024 and anticipated enrolments in January 2025 and September 2025, based on current applications and market intelligence.

Other risks that have been considered include reductions in student related income from catering and sports facilities, the potential for student accommodation voids, failure to deliver the required savings in the timeframe and further inflationary pressures on costs.

Members of Council have considered the underlying assumptions of the downside scenarios, the proposed mitigations, and the financial impact of these, particularly in relation to the cash position and the renegotiated loan covenants. Whilst acknowledging the scale of the challenge facing the sector and the University, the Members of Council are confident that the current University leadership can manage the risks and will have sufficient funds to meet the University's liabilities as they fall due over the period of 12 months from the date of approval of the financial statements.

5. Exemptions under FRS102

The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate financial statements.

6. Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with the share of the results of joint ventures and associates for the financial year to 31 July 2024.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra–group transactions are eliminated on consolidation.

Gains or losses on any intra–group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the University and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the Statement of Financial Position date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity; the part relating to the University's share is eliminated.

The consolidated financial statements do not include the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method.

7. Income recognition

Income from the sale of goods or services (exchange transactions) is credited to the Statement of Comprehensive Income when the amount of revenue can be reliably measured, the stage of completion at the end of the reporting period can be reliably measured, it is probable that the economic benefits associated with the transaction will flow to the University and when costs of services delivered or due to be delivered can be measured reliably.

Tuition Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. 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. Education contracts are recognised when the University is entitled to the income, which is the period in which the students are studying, or where relevant, when performance conditions have been met.

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.

Investment income is credited to the statement of income and expenditure on a receivable basis.

Grant funding

Government grants including Funding Council block grant and research grants from Government sources and other grants from non–government sources including research grants from non–government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and performance–related conditions have been met. Income received in advance of performance–related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Commercial research contracts are accounted for in line with the policy for income from the sale of goods or services (exchange transactions) above.

Other grants and donations received from non–government sources including research grants from non–government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and the performance–related conditions have been met. Income received in advance of performance–related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Capital grants

Capital grants are recognised in income when the University is entitled to the funds subject to any performance–related conditions being met. Capital Government grants for land are to be accounted for in line with the performance model as per the policy for Government Grants above.

Donations and endowments

Non–exchange transactions without performance–related conditions are donations and endowments. Donations and endowments with donor–imposed restrictions are recognised within the Statement of Comprehensive Income when the University is entitled to the income. 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.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

Donations with no restrictions are recorded within the Statement of Comprehensive Income when the University is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

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 can convert the donated sum into income.

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.

Donations of tangible assets are included within income. The income recognised is valued using a reasonable estimate of their gross value or the amount actually realised. Donated tangible assets are valued and accounted for as tangible assets under the appropriate asset category.

8. Accounting for retirement benefits

The three principal schemes for the University's staff are the Universities Superannuation Scheme (USS), the Swansea University Pension Scheme (SUPS), and the National Employment Savings Trust (NEST). SUPS was closed to new members from 1 January 2012 when new staff were invited to join NEST. The University also contributes to the NHS Pension Scheme.

USS is a Career Average Revalued Earnings Scheme. SUPS is a defined–benefit scheme, which is externally funded and contracted out of the State Second Pension. Both funds are valued every three years by professionally qualified independent actuaries. NEST is a defined contribution scheme.

The USS is a multi–employer scheme for which it is not possible to identify the assets and liabilities of each University, due to the mutual nature of the scheme. Therefore, the scheme is accounted for as a defined contribution retirement benefit scheme.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme. In 2024 the scheme was valued as in surplus and the liability within the financial statements removed.

Defined Contribution Plan

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

Multi–employer schemes

Where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the University has entered into an agreement with such a multi-employer scheme that determines how the University will contribute to a deficit recovery plan, the University recognises a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

Defined Benefit Plan

A defined benefit plan is a post–employment benefit plan other than a defined contribution plan. 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 University. The net liability is recognised in the Statement of Financial Position in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

Annually the University engages independent actuaries to calculate the obligation for each scheme. The present value is determined by discounting the estimated future payments at a discount rate based on market yields on high quality corporate bonds denominated in sterling with terms approximating to the estimated period of the future payments.

The fair value of a scheme's assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the University's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements. The net interest cost is calculated by applying the discount rate to the net liability. This cost is recognised in expenditure as a finance cost.

Further detail is provided on the specific pension schemes in note 31 to the accounts.

9. 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 the service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement. Unused annual leave entitlement at 31 July is recognised as a creditor for administrative staff. There is no creditor for unused annual leave for academics as no obligation exists.

Severance payable in future periods under the voluntary exit scheme is recognised in the current year, only where there has been formal agreement and commitment to that severance, on a per-person basis by 31 July.

10. Finance Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses.

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

11. Service Concession Arrangements

Fixed assets held under service concession arrangements are recognised on the Statement of Financial Position at the present value of the minimum lease payments when the assets are brought into use with the corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The Bay Campus residences and Singleton residences are classified as Service Concession Arrangements.

12. 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.

13. Foreign Currency

Transactions in foreign currencies are translated to Pound Sterling at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are re–translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non–monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non–monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

14. Property, Plant and Equipment

Property, plant and equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings

Land and buildings are capitalised at cost on initial recognition.

After initial recognition, land and buildings are subsequently measured at costs less accumulated depreciation and accumulated impairment losses.

Land and Buildings in existence upon transition to FRS102 and the new HE SORP 2015, were revalued to fair value on the date of transition. These are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation. 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 on an annual basis.

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

Where parts of the assets have different useful lives, they are componentised and accounted for as separate items of fixed assets.

Freehold 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 to the University, usually between 12 and 75 years.

No depreciation is charged on assets in the course of construction and depreciation is accelerated when there is a known demolition date.

Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years.

Equipment

Equipment costing more than £25k per individual item is capitalised in the year of acquisition. Equipment purchased as part of a package or replacement programme, with the total package costing more than £25k is also capitalised in the year of acquisition. All other equipment is written off in the year of acquisition, unless there is a specific reason to capitalise.

Capitalised equipment is stated at cost and depreciated over its useful expected life. The useful expected life is three to five years except in exceptional circumstances where the useful life is deemed longer or shorter.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of the Statement of Financial Position.

Vessels

Vessels are stated at cost and depreciated over their useful expected lives.

Depreciation methods, useful lives and residual values are reviewed annually at the date of preparation of the Statement of Financial Position.

Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Comprehensive Income in the period in which they are incurred.

Impairment

A review for impairment of property, plant and equipment is carried out annually. Assets are impaired where events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

15. Heritage Assets

Works of art and other valuable artefacts are capitalised and recognised at the cost or value of the acquisition, where a cost or value is reasonably obtainable.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

16. Investments

Non–current investments are held on the Statement of Financial Position at amortised cost less impairment.

Investments in jointly controlled entities, subsidiaries and associates are carried at cost less impairment in the University's accounts.

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income.

17. Stock

Stock is held at the lower of cost and net realisable value.

18. 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 two working days 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.

19. Provisions, contingent liabilities, and contingent assets

Provisions are recognised in the financial statements when:

a) The University has a present obligation (legal or constructive) as a result of a past event.

b) It is probable that an outflow of economic benefits will be required to settle the obligation, and

c) A reliable estimate can be made of the amount of the obligation.

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

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of certain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

20. Accounting for Associates, Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

The University accounts for its share of joint ventures and associates using the equity method.

The University accounts for its share of transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income.

21. Taxation

The University is a charity within the meaning of Para 1 of schedule 6 of the Finance Act 2010 and 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 (CTA 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.

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

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

22. Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanent restricted fund as the University must hold the fund to perpetuity.

Other restricted reserves include restricted donations through which the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

23. Critical accounting estimates and judgements

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

Retirement benefit obligations

The University operates its own scheme, Swansea University Pension Scheme (SUPS), which is a defined–benefit scheme (now closed to new members). Actuarial valuations of the scheme are carried out as determined by the Trustees at intervals of not more than three years.

Pension costs under the HE SORP and FRS102 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 decisions between the actuary and management. The assumptions are documented in note 31.

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 including the 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. The directors are satisfied that the Universities Superannuation Scheme meets the definition of a multi–employer scheme. To the extent that the Pension scheme is in deficit, the University recognises the discounted fair value of the contractual contributions under the recovery plan in existence. If the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the Statement of Financial Position.

Following the latest USS triennial valuation, the Pension Scheme is no longer in deficit, and therefore no provision is recognised at 31 July. This position will be reassessed after each triennial valuation. Further details are set out in note 31.

CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 July 2024

	NOTE	CONSOLIDATED YEAR ENDED 31 JULY 2024 £000	UNIVERSITY YEAR ENDED 31 JULY 2024 £000	CONSOLIDATED YEAR ENDED 31 JULY 2023 £000	UNIVERSITY YEAR ENDED 31 JULY 2023 £000
INCOME					
Tuition fees and education contracts	1	**213,306**	**213,306**	198,881	198,881
Funding body grants	2	**40,503**	**40,503**	74,176	74,176
Research grants and contracts	3	**56,852**	**56,852**	67,098	67,098
Other income	4	**62,896**	**62,481**	66,067	65,742
Investment income	5	**7,214**	**7,214**	6,124	6,124
Donations and Endowments	6	**924**	**924**	291	291
TOTAL INCOME		**381,695**	**381,280**	412,637	412,312
EXPENDITURE					
Staff costs	7	**201,208**	**200,818**	195,864	195,518
Change in expected USS contributions	7	**(98,742)**	**(98,742)**	(31,704)	(31,704)
Restructuring costs	7	**8,461**	**8,461**	108	108
Other operating expenses	9	**147,288**	**146,811**	140,183	139,831
Depreciation and amortisation	10/11	**31,784**	**31,779**	32,636	32,629
Interest and other finance costs	8	**8,780**	**8,763**	11,604	11,605
TOTAL EXPENDITURE	9	**298,779**	**297,890**	348,691	347,987
Surplus before other gains/(losses) and share of operating surplus/(deficit) of joint ventures and associates		**82,916**	**83,390**	63,946	64,325
OTHER GAINS AND LOSSES					
Gain on disposal of tangible assets	10	**445**	**445**	226	226
Gain / (Loss) on investments	14/22	**384**	**237**	269	(1,351)
Share of operating profit / (deficit) in associate	14	**29**	-	77	(48)
SURPLUS AND COMPREHNSIVE INCOME					
SURPLUS BEFORE TAXATION		**83,774**	**84,072**	64,518	63,152
Taxation		**(33)**	-	(20)	-
SURPLUS FOR THE YEAR		**83,741**	**84,072**	64,498	63,152
Other Comprehensive Income					
Actuarial (loss)/gain in respect of pension schemes	31	**(3,400)**	**(3,400)**	18,600	18,600
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**80,341**	**80,672**	83,098	81,752
REPRESENTED BY:					
Endowment comprehensive income for the year	22	**664**	**664**	1	1
Restricted comprehensive income for the year	23	**648**	**648**	135	135
Unrestricted comprehensive income for the year		**80,034**	**80,365**	84,501	83,155
Revaluation reserve comprehensive income for the year		**(1,005)**	**(1,005)**	(1,539)	(1,539)
		80,341	**80,672**	83,098	81,752

All items of income and expenditure relate to continuing activities. The accompanying notes and policies on pages 88 to 113 from part of these financial statements.

CONSOLIDATED AND INSTITUTION STATEMENT OF CHANGE IN RESERVES

Year ended 31 July 2024

	INCOME AND EXPENDITURE RESERVE			REVALUATION RESERVE	TOTAL
	ENDOWMENT £000	RESTRICTED £000	UNRESTRICTED £000	£000	£000
CONSOLIDATED					
AT 1 AUGUST 2022	7,307	52	113,936	42,622	**163,917**
Surplus from the income and expenditure statement	40	135	64,323	–	**64,498**
Other comprehensive income	–	–	18,600	–	**18,600**
Transfers between revaluation and income and expenditure reserve	–	–	1,539	(1,539)	**–**
Release of endowment and restricted funds spent in the year	(39)	–	39	–	**–**
AT 31 JULY 2023	7,308	187	198,437	41,083	**247,015**
AT 1 AUGUST 2023	7,308	187	198,437	41,083	**247,015**
Surplus from the income and expenditure statement	695	648	82,398	–	**83,741**
Other comprehensive income	–	–	(3,400)	–	**(3,400)**
Transfers between revaluation and income and expenditure reserve	–	–	1,005	(1,005)	**–**
Release of endowment and restricted funds spent in the year	(31)	–	31	–	**–**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	664	648	80,034	(1,005)	**80,341**
AT 31 JULY 2024	7,972	835	278,471	40,078	**327,356**
UNIVERSITY					
AT 1 AUGUST 2022	7,307	52	115,065	42,622	**165,046**
Surplus from the income and expenditure statement	40	135	62,977	–	**63,152**
Other comprehensive income	–	–	18,600	–	**18,600**
Transfers between revaluation and income and expenditure reserve	–	–	1,539	(1,539)	**–**
Release of endowment and restricted funds spent in the year	(39)	–	39	–	**–**
AT 31 JULY 2023	7,308	187	198,220	41,083	**246,798**
AT 1 AUGUST 2023	**7,308**	**187**	**198,220**	**41,083**	**246,798**
Surplus from the income and expenditure statement	695	648	82,729	–	**84,072**
Other comprehensive income	–	–	(3,400)	–	**(3,400)**
Transfers between revaluation and income and expenditure reserve	–	–	1,005	(1,005)	**–**
Release of endowment and restricted funds spent in the year	(31)	–	31	–	**–**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**664**	**648**	**80,365**	**(1,005)**	**80,672**
AT 31 JULY 2024	**7,972**	**835**	**278,585**	**40,078**	**327,470**

CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

Year ended 31 July 2024

	NOTE	CONSOLIDATED 31 JULY 2024 £000	UNIVERSITY 31 JULY 2024 £000	CONSOLIDATED 31 JULY 2023 £000	UNIVERSITY 31 JULY 2023 £000
NON-CURRENT ASSETS					
Intangible assets	11	**444**	**444**	316	316
Tangible assets	10	**480,323**	**480,249**	473,112	473,029
Heritage assets	12	**1,040**	**1,040**	1,025	1,025
Investments	14	**555**	**–**	594	–
Investments in subsidiaries	14	**–**	**700**	–	700
Investments in associates	14	**154**	**–**	125	–
		482,516	**482,433**	475,172	475,070
CURRENT ASSETS					
Stocks	15	**93**	**–**	129	16
Trade and other receivables	17	**41,452**	**41,421**	53,763	53,920
Investments	16	**5,364**	**5,364**	54,941	54,941
Cash and cash equivalents		**120,756**	**120,580**	123,403	123,187
		167,665	**167,365**	232,236	232,064
CURRENT LIABILITIES					
Less creditors falling due within one year	18	**(100,621)**	**(100,124)**	(134,132)	(134,075)
NET CURRENT ASSETS		**67,044**	**67,241**	98,104	97,989
TOTAL ASSETS LESS CURRENT LIABILITIES		**549,560**	**549,674**	573,276	573,059
Creditors: amounts falling due after more than one year	19	**(203,204)**	**(203,204)**	(209,420)	(209,420)
PROVISIONS					
Pension provision	21	**(19,000)**	**(19,000)**	(116,841)	(116,841)
TOTAL NET ASSETS		**327,356**	**327,470**	247,015	246,798
RESTRICTED RESERVES					
Income and expenditure reserve – endowment reserve	22	**7,972**	**7,972**	7,308	7,308
Income and expenditure reserve – restricted reserve	23	**835**	**835**	187	187
UNRESTRICTED RESERVES					
Income and expenditure reserve – unrestricted		**278,471**	**278,585**	198,437	198,220
Revaluation reserve		**40,078**	**40,078**	41,083	41,083
TOTAL RESERVES		**327,356**	**327,470**	247,015	246,798

The accompanying notes and policies form part of these financial statements. The financial statements were approved by Council on 25 November 2024 and were signed on its behalf on that date by:

Professor P Boyle (Vice-Chancellor)

Mr Goi Ashmore (Chair of Council)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 July 2024

	NOTE	31 JULY 2024 £000	31 JULY 2023 £000
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year before taxation		**83,774**	64,518
ADJUSTMENT FOR NON-CASH ITEMS			
Depreciation	10	**31,663**	32,556
Amortisation of intangibles	11	**121**	80
(Loss) on Investments		**(384)**	(269)
Decrease/(increase) in stock		**36**	(24)
Decrease in debtors		**9,004**	1,705
(Decrease)/increase in creditors		**(34,180)**	22,914
(Decrease) in pension provisions		**(101,241)**	(35,423)
Share of operating deficit in associate		**(29)**	(77)
ADJUSTMENT FOR INVESTING OR FINANCING ACTIVITIES			
Investment income		**(7,214)**	(6,124)
Capital grant income		**(5,327)**	(35,942)
Interest payable		**5,701**	5,933
Endowment Income		**(85)**	(9)
Gain on the sale of tangible assets		**(445)**	(226)
CASH FLOWS FROM OPERATING ACTIVITIES		**(18,606)**	49,612
Taxation		**(33)**	(20)
NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITES		**(18,639)**	49,592
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital grant receipts		**7,115**	8,122
Proceeds from sales of tangible assets		**445**	901
Payments made to acquire tangible assets		**(32,044)**	(38,309)
Payments made to acquire intangible assets		**(249)**	(396)
Decrease / (increase) in deposits		**50,000**	(50,000)
Investment income		**8,732**	4,606
		33,999	(75,076)
CASH FLOWS FROM FINANCING ACTIVITES			
Interest paid		**(2,820)**	(2,961)
Interest element of finance lease and service concession arrangements		**(2,881)**	(2,972)
Capital element of finance lease and service concession arrangements		**(6,584)**	(6,495)
New endowments		**85**	9
New unsecured loans		**–**	2,300
Repayment of amounts borrowed		**(6,077)**	(5,817)
		(18,277)	(15,936)
DECREASE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**(2,917)**	(41,420)
Cash and cash equivalents at beginning of the year		**123,275**	164,695
Cash and cash equivalents at end of the year		**120,358**	123,275

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
1. TUITION FEES AND EDUCATION CONTRACTS				
Full-time home and EU students	**112,721**	**112,721**	120,329	120,329
Full-time international students	**82,580**	**82,580**	59,280	59,280
Part-time students	**3,536**	**3,536**	4,582	4,582
Educational contracts with the NHS and HEIW	**14,389**	**14,389**	14,602	14,602
Non-accredited course fees	**80**	**80**	88	88
	213,306	**213,306**	198,881	198,881

To generate the full-time home and EU tuition fee the University has spent £4,016k (2023: £4,000k) in relation to bursaries in accordance with the fee plan.

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
2. FUNDING BODY GRANTS				
RECURRENT GRANTS				
HEFCW Teaching grants	**10,222**	**10,222**	9,563	9,563
HEFCW Research grants	**18,376**	**18,376**	19,328	19,328
HERC Capital grant	**3,371**	**3,371**	2,021	2,021
	31,969	**31,969**	30,912	30,912
SPECIFIC GRANTS RECEIVED IN YEAR				
Student Wellbeing & Health	**1,204**	**1,204**	1,250	1,250
Research & Innovation	**2,631**	**2,631**	5,929	5,929
Welsh Language	**1,516**	**1,516**	1,423	1,423
Other	**1,709**	**1,709**	741	741
Capital	**1,474**	**1,474**	33,921	33,921
	8,534	**8,534**	43,264	43,264
	40,503	**40,503**	74,176	74,176

Income from capital grants relates to £3,296k in respect of buildings (2023: £35,076k) and £1,549k in respect of equipment (2023: £866k).

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
3. RESEARCH GRANTS AND CONTRACTS				
Research Councils	**25,656**	**25,656**	20,713	20,713
UK-based charities	**4,023**	**4,023**	3,563	3,563
UK industry and commerce	**3,022**	**3,022**	3,060	3,060
Government (UK and overseas)	**20,358**	**20,358**	36,625	36,625
Other	**3,793**	**3,793**	3,137	3,137
	56,852	**56,852**	67,098	67,098

Included within Government (UK and overseas) above is £482k, being the receipt of capital grants in the year (2023: £400k).

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
4. OTHER INCOME				
Residences, catering and conferences	**25,192**	**25,192**	26,252	26,252
Other services rendered	**2,095**	**2,095**	2,709	2,709
Income from service concession agreements	**9,466**	**9,466**	9,466	9,466
Other income	**16,377**	**15,962**	20,554	20,229
NHS income in respect of the College of Medicine	**7,632**	**7,632**	5,055	5,055
Research Council full-time Doctoral/Collaborative Training Award	**2,134**	**2,134**	2,031	2,031
	62,896	**62,481**	66,067	65,742

Included within other income is income from collaborations of £5,559k (2023: £6,900k), estates income of £2,050k (2023: £1,300k), and £1,096k sports centre income (2023: £900k).

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
5. INVESTMENT INCOME				
Investment income on endowments	**224**	**224**	145	145
Other Investment Income	**6,990**	**6,990**	5,979	5,979
	7,214	**7,214**	6,124	6,124

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
6. DONATIONS AND ENDOWMENTS				
New endowments	**85**	**85**	9	9
Donations with restrictions	**728**	**728**	196	196
Unrestricted donations	**111**	**111**	86	86
	924	**924**	291	291

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
7. STAFF COSTS				
The staff costs for the financial year were:				
Salaries	**163,271**	**162,881**	157,678	157,332
Social security costs	**16,700**	**16,700**	15,852	15,852
Other pension costs	**21,237**	**21,237**	22,334	22,334
TOTAL STAFF COSTS	**201,208**	**200,818**	195,864	195,518
CHANGE IN EXPECTED USS CONTRIBUTIONS	**(98,742)**	**(98,742)**	(31,704)	(31,704)
RESTRUCTURING COSTS	**8,461**	**8,461**	108	108

During the year 2023/24, the University launched a new Voluntary Exit Scheme (VES) available to all staff, where enhanced compensation payments were made to employees wishing to leave the University voluntarily. The cost of £8,461k (2023: £108k) include all staff accepted on the VES scheme at 31 July 2024 and approved by the Registrar & Chief Operating Officer, Chief Financial Officer, Executive Deans, Director of Human Resources and Head of Legal Services.

A further breakdown of pension costs has been included in Note 31, Pensions Schemes.

	2024 £000	2023 £000
TOTAL REMUNERATION OF THE VICE-CHANCELLOR		
Basic salary	**335**	323
Accommodation allowance	**18**	16
Employer pension contributions	**9**	20
Other taxable payments	**14**	–
	376	359

Other taxable payments relates to legal costs.

The Remuneration Committee is responsible for determining the Reward Strategy of the University and for setting the remuneration and the terms and conditions for the Vice-Chancellor and other senior members of staff.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits and conditions of employment in the University sector, and wider where appropriate. In determining the remuneration awarded, the Remuneration Committee considers the University's approach taken to recognising performance and refers to sector benchmarking information provided from the UCEA Senior Salary Survey. The Remuneration Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code.

In light of the proposed cost savings to improve the financial sustainability of the University the Remuneration Committee approved a recommendation from the Senior Leadership Team that the Remuneration cycle for 2023 for Grade 10A colleagues, Grade 11 colleagues, Senior Leadership Team and the Vice Chancellor would not take place.

In previous years, however, the Committee has approved an approach for remuneration for members of the Senior Leadership Team (including the Vice-Chancellor), which took account of the following:

i. University Professorial Performance Curves;

ii. Detailed performance and remuneration recommendations.

Factors considered as part of previous performance reward proposals have included:

a) performance in support of the institution's strategic objectives in areas such as Research; Teaching; Innovation and Engagement; Leadership and Management; Partnerships and external relations internationally, nationally and locally; and Major initiatives and projects;

b) the size and complexity of the institution;

c) the nature of the HE markets and issues of recruitment and retention;

d) the institution's objectives in relation to the diversity of the workforce; and

Data to support these indicators was drawn from:
a) the Universities and Colleges Employer Association's Senior Staff Remuneration Survey;

b) analysis of salary distributions.

Recognising the University's vision as a principled, purposeful and resilient University that balances excellent teaching with world-leading research and innovation in an environment which enables our students and colleagues to excel, alongside being valued globally as a trusted partner who is deeply committed to our region and proud to be a University for Wales, it is essential that the University offers a competitive remuneration package for its Vice-Chancellor role. This also recognises the number of University staff and students, and the diverse and complex nature of the organisation.

The Remuneration Committee is responsible for reviewing and determining all aspects of the remuneration, benefits and conditions of employment of the Vice-Chancellor, taking account of the breadth of leadership and financial responsibilities, and delivery against the University's strategic objectives. The Vice-Chancellor is not in attendance for, and does not play a part in, the discussions and decisions of his own remuneration.

In considering the Vice-Chancellor's remuneration package, the Remuneration Committee considers the organisational context, alongside the Vice-Chancellor's performance, general pay movement for all University staff, retention and any relevant market considerations, and is informed by internal benchmark data and salary benchmarking information with comparator universities.

Further information can be obtained from the Remuneration Statement 2024.
www.swansea.ac.uk/about-us/university-governance/corporate-information/remuneration-at-swansea-university

The Vice-Chancellor is enrolled in the enhanced opt out arrangement within the Universities' Superannuation Scheme (the USS).

The head of the provider's basic salary is 9.4 times the median pay of staff (2023: 9.2 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The head of the provider's total remuneration is 9.9 times the median total remuneration of staff (2023: 9.9 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University to its staff.

The median calculations include salaries part funded by the NHS.

HIGHER PAID STAFF

The number of staff with a basic salary over £100k per annum has been included below.
Remuneration of higher paid staff (excluding the Vice Chancellor), excludes employer's pension contributions but including payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contracts of employment and which are reimbursed to the University by the NHS, was:

In 2024 there were 65 higher paid members of staff (2023: 60)

	CONSOLIDATED 2024 NUMBER	UNIVERSITY 2024 NUMBER	CONSOLIDATED 2023 NUMBER	UNIVERSITY 2023 NUMBER
£100,000 – £104,999	**8**	**8**	8	8
£105,000 – £109,999	**9**	**9**	5	5
£110,000 – £114,999	**3**	**3**	7	7
£115,000 – £119,999	**10**	**10**	6	6
£120,000 – £124,999	**5**	**5**	8	8
£125,000 – £129,999	**4**	**4**	5	5
£130,000 – £134,999	**4**	**4**	5	5
£135,000 – £139,999	**5**	**5**	1	1
£140,000 – £144,999	**3**	**3**	1	1
£145,000 – £149,999	**1**	**1**	–	–
£150,000 – £154,999	**–**	**–**	–	–
£155,000 – £159,999	**2**	**2**	3	3
£160,000 – £164,999	**2**	**2**	–	–
£165,000 – £169,999	**1**	**1**	1	1
£170,000 – £174,999	**1**	**1**	3	3
£175,000 – £179,999	**2**	**2**	2	2
£180,000 – £184,999	**1**	**1**	–	–
£185,000 – £189,999	**–**	**–**	1	1
£190,000 – £194,999	**1**	**1**	2	2
£195,000 – £199,999	**–**	**–**	1	1
£200,000 – £204,999	**–**	**–**	–	–
£205,000 – £209,999	**1**	**1**	–	–
£210,000 – £214,999	**–**	**–**	–	–
£215,000 – £219,999	**–**	**–**	–	–
£220,000 – £224,999	**–**	**–**	–	–
£225,000 – £229,999	**1**	**1**	1	1
£230,000 – £234,999	**1**	**1**	–	–

	2024 £000	2023 £000
COMPENSATION FOR LOSS OF OFFICE PAYABLE TO HIGHER PAID STAFF:		
Compensation and severence paid to University higher paid staff	**172**	86
Number of University higherpaid staff who received compensation or severence	**1**	1

AVERAGE NUMBER OF STAFF (INCLUDING SENIOR POST HOLDERS) EMPLOYED BY THE UNIVERSITY

The average number of staff employed by the University during the year expressed as FTE (full-time equivalents):

	2024 Number (FTE)	2023 Number (FTE)
Academic	**1,197**	1,135
Research	**398**	481
Management and specialist	**1,049**	1,071
Technical	**191**	184
Other	**826**	843
	3,661	3,714

KEY MANAGEMENT PERSONNEL

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the institution. Key management consists of the senior executive officers including the Vice-Chancellor, Registrar & Chief Operating Officer, three Pro-Vice-Chancellors, three Exectuive Deans and the Chief Financial Officer.

	2024 £000	2023 £000
Key Management Personnel	**1,717**	2,046

During January 2024 Professor Ryan Murphy was appointed permanent Pro-Vice Chancellor / Executive Dean for the Faculty of Humanities and Social Sciences after acting as interim since May 2023. During the year the number of Key Management Personnel increased from 8 to 9.

	NOTE	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
8. INTEREST AND OTHER FINANCE COSTS					
Loan interest		**2,820**	**2,803**	2,961	2,962
Finance leases including service concession arrangements		**2,881**	**2,881**	2,972	2,972
Unwinding of USS discount factor		**2,279**	**2,279**	4,471	4,471
Net pension interest cost	31	**800**	**800**	1,200	1,200
		8,780	**8,763**	11,604	11,605

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
9. ANALYSIS OF EXPENDITURE BY ACTIVITY				
Academic departments	**142,133**	**142,133**	140,631	140,630
Academic services	**38,097**	**38,097**	35,088	35,087
Research grants and contracts	**49,919**	**49,919**	60,369	60,368
Residences, catering and conferences	**28,369**	**28,369**	25,093	25,094
Premises	**48,674**	**48,674**	40,920	40,920
Professional services	**68,208**	**68,208**	64,068	64,068
USS fund adjustments	**(99,641)**	**(99,642)**	(34,622)	(34,622)
Other	**23,022**	**22,132**	17,145	16,442
TOTAL EXPENDITURE	**298,781**	**297,890**	348,691	347,987

	2024 £000	2023 £000
OTHER EXPENDITURE ABOVE INCLUDES:		
Service concession arrangments	**9,944**	10,034
Restructuring costs	**8,461**	108

During the year the University incurred restructuring costs of £8,461k (2023: £108k) due to the launch of a new Voluntary Exit Scheme (VES) available to all staff, where enhanced compensation payments were made to employees wishing to leave the University voluntarily.

	CONSOLIDATED 2024 £000	CONSOLIDATED 2023 £000
OTHER OPERATING EXPENSES AS PER THE STATEMENT OF COMPREHENSIVE INCOME		
Non-capitalised equipment	**12,241**	14,913
Consumables	**5,127**	6,960
Rent, Rates and leases	**24,604**	21,523
Repairs, refurbishment, maintenance and building costs	**10,548**	9,693
Heat, light, power and water	**13,595**	10,115
Scholarships, bursaries, prizes and fee contributions	**20,702**	19,772
Books, publications, periodicals & library services	**3,962**	4,357
Student Recruitment and advertising	**12,438**	9,496
Consultancy, Professional Services & agency	**22,306**	22,938
Travel and conference costs	**6,815**	7,296
Employee related expenditure	**3,647**	4,441
Subscriptions and contributions	**3,242**	2,442
Office expenses	**1,271**	1,543
Catering	**1,520**	1,343
Other expenses	**5,270**	3,351
	147,288	140,183

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
EXTERNAL AUDITORS REMUNERATION				
Audit of the University and its subsidiaries	**170**	**137**	158	126
Audit related assurance services	**21**	**21**	15	15
Taxation compliance services	**14**	**–**	15	–
Taxation advisory services	**168**	**168**	21	21
NON-AUDIT SERVICES	**203**	**189**	51	36

10. NON-CURRENT ASSETS – FIXED ASSETS – CONSOLIDATED

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1 August 2023	425,579	164,474	79,301	1,566	11,103	1,025	683,048
Additions	4,011	6,848	2,607	–	25,411	15	38,892
Transfers	17,483	–	1,629	–	(19,112)	–	–
Impairment	–	–	(2)	–	–	–	(2)
Disposals	–	–	(21,264)	–	–	–	(21,264)
At 31 July 2024	447,073	171,322	62,271	1,566	17,402	1,040	700,674
CONSISTING OF VALUATION AS AT:							
31 July 2014	40,078	–	–	–	–	–	40,078
Cost	406,995	171,322	62,271	1,566	17,402	1,040	660,596
	447,073	171,322	62,271	1,566	17,402	1,040	700,674
ACCUMULATED DEPRECIATION							
At 1 August 2023	88,844	59,911	59,895	261	–	–	208,911
Charge for year	14,356	7,063	10,182	63	–	–	31,664
Disposals	–	–	(21,264)	–	–	–	(21,264)
At 31 July 2024	103,200	66,974	48,813	324	–	–	219,311
CARRYING AMOUNT							
At 31 July 2024	343,873	104,348	13,458	1,242	17,402	1,040	481,363
At 1 August 2023	336,735	104,563	19,406	1,305	11,103	1,025	474,137

NON-CURRENT ASSETS – FIXED ASSETS – UNIVERSITY

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1 August 2023	425,579	164,474	78,061	1,566	11,103	1,025	681,808
Additions	4,011	6,848	2,607	–	25,411	15	38,892
Transfers	17,483	–	1,629	–	(19,112)	–	–
Disposals	–	–	(21,264)	–		–	(21,264)
At 31 July 2024	447,073	171,322	61,033	1,566	17,402	1,040	699,436
CONSISTING OF VALUATION AS AT:							
31 July 2014	40,078	–	–	–	–	–	40,078
Cost	406,995	171,322	61,033	1,566	17,402	1,040	659,358
	447,073	171,322	61,033	1,566	17,402	1,040	699,436
ACCUMULATED DEPRECIATION							
At 1 August 2023	88,844	59,911	58,738	261	–	–	207,754
Charge for year	14,356	7,063	10,175	63	–	–	31,657
Disposals	–	–	(21,264)	–	–	–	(21,264)
At 31 July 2024	103,200	66,974	47,649	324	–	–	218,147
CARRYING AMOUNT							
At 31 July 2024	343,873	104,348	13,384	1,242	17,402	1,040	481,289
At 1 August 2023	336,735	104,563	19,323	1,305	11,103	1,025	474,054

A full valuation of the University's land and property was carried out on 31 July 2014 by qualified chartered surveyors in accordance with the RICS valuation – Professional Standards 2014 (the Red Book). Under FRS 102 paragraph 35.10, the University has elected to measure land and property at fair value at the transition date of 31 July 2014 and use the fair value as the deemed cost on that date. The properties are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to the Income and expenditure reserve. Analysis of the land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption.

At 31 July 2024, freehold land and buildings included £16.5 million (2023: £16.5 million) in respect of freehold land which is not depreciated.

Following review of tangible assets, no impairment was considered necessary in 2024 (2023: £0).

11. INTANGIBLE ASSETS

Consolidated and University

	SOFTWARE	ASSETS UNDER DEVELOPMENT	TOTAL
COST	£000	£000	£000
As at 1 August 2023	240	156	396
Additions	124	125	249
As at 31 July 2024	**364**	**281**	**645**
AMORTISATION			
As at 1 August 2023	80	–	80
Charge for the year	121	–	121
As at 31 July 2024	**201**	**–**	**201**
NET BOOK VALUE			–
As at 31 July 2024	**163**	**281**	**444**
As at 31 July 2023	160	156	316

The software additions in the year relate to the University's "Service Now" Platform. Software is amortised on a straight line basis over its useful economic life. The assets under development additions relate to the design and implementation of a software platform to support network developments. Assets under development are not amortised.

12. NON-CURRENT ASSETS – HERITAGE ASSETS

Heritage assets included on the Statement of Financial Position refer largely to the University's Art Collection. There are also other heritage assets which due to their nature we are unable to value and therefore have not been included.

The Egypt Centre holds the Wellcome Collection which includes Egyptian antiques and artefacts. These assets are unique and not replaceable. The Egypt Centre is a recognised museum, accredited by the Arts Council and a recognised ACCES partner. It aims to collect, interpret and care for Egyptian archaeological material and documents and preservation is critical to their work. All policies in place are reviewed by the Arts Council. The Wellcome Collection is available to view by all University staff and students, local schools as well as the wider general public.

The picture and art collection is recognised on the Statement of Financial Position under Heritage Assets, was valued in 2008 by an independent valuer and has been taken as deemed cost on transition. The majority of this art collection can be viewed around the University.

The University also holds a silver collection which includes but is not limited to competition cups, bowls and vases dating between the 1950s and 1980s. No price can be attributed to this collection, hence they are not held on the Statement of Financial Position. The collection is stored securely but can be available for inspection upon request.

The University also holds Dylan Thomas manuscripts which were purchased out of University funds.

13. SERVICE CONCESSION ARRANGEMENTS

The University has six Service Concession Arrangements in the Statement of Financial Position.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT ASSETS

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2024 is £104,348k (1 August 2023 £104,563k).

The reduction of £215k is as a result of £7,063K of depreciation charged in the year, less the addition of £6,848K (note 10). The addition in 2023/24 is higher than in previous years (2023: £3,424k). Under the Bay Campus Residential contracts, the University is required to nominate the rooms in full should it provide other accommodation within the local area, for the duration of the additional residential contracts. These contracts cover two academic years to 2025/26, requiring a two year additional guarantee.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT LIABILITIES

The total liabilities relating to service concession arrangements included in the Statement of Financial Position as at 31 July 2024 were £116,225k (1 August 2023 £115,961k). Liabilities increased by a total of £264k during the year. The annual write off of the lease reduced the liability by £6,584k with the two-year occupancy guarantee addition increasing the liability by £6,848K,

FUTURE COMMITMENTS

The following table analyses the University's future commitments in relation to the service concession arrangements.

£'000	PAYABLE IN 1 YEAR	PAYABLE IN 2-5 YEARS	PAYABLE IN >5 YEARS	TOTAL
Liability repayments	6,679	17,468	92,078	116,225
Finance charge	2,787	10,123	32,736	45,646
	9,466	**27,591**	**124,814**	**161,871**

Prior to conversion of the Financial Statements to reflect FRS102, the University had entered into the following leases which were previously held off the Statement of Financial Position. These leases have now been brought onto the Statement of Financial Position as Service Concession Arrangements. The notes below give more information on these arrangements:

GWALIA RESIDENCES

Gwalia Phase 1 – A 30-year lease was entered into in 2004 to build three new blocks of accommodation with 272 units. The occupancy guarantee is 100%.

Gwalia Phase 2 – A 30-year lease was entered into in 2010 comprising of 351 units with the lower floors shelled for University activities. The occupancy guarantee is 100%.

BAY RESIDENCES – PHASE 1A

In September 2015, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1a of the student accommodation on the Bay Campus, providing 899 rooms for 923 students. In February 2018, the third-party, with the University' s consent, entered into a transaction to transfer the contract to another third-party. Under the terms of the new agreement, the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,485K recorded within Other Comprehensive Income. The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term.

The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third-party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1B

In January 2016, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1b of the student accommodation on the Bay Campus, providing 545 single rooms. In February 2018, the contract was transferred to another third-party and the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £823K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third-party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1C

On 15th December 2015, the University entered into a 45-year contract with a third-party provider for the provision and maintenance of phase 1c of the student accommodation on the Bay Campus, providing 538 single rooms.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,056K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University further has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third-party). At the end of 45-year contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

THE COLLEGE ACADEMIC BUILDING

On 8th September 2017, the University entered into a 20 year contract with a third-party provider for the provision and maintenance of an Academic Building.

The University has guaranteed 35% of the building amounting to committed gross annual payments of £357K.

The University has exclusive rights over the allocated 35% of the building and controls the use within this area.

14. NON-CURRENT INVESTMENTS

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
Investment in associates	**154**	**–**	125	–
Investment in subsidiaries	**–**	**700**	–	700
Other investments	**555**	**–**	594	–
	709	**700**	719	700

INVESTMENT IN ASSOCIATE

The Institution holds the following 50% investments in both Swan Global Education LLP (2023: 50%) and Wales National Pool Swansea (2023: 50%). The investments are accounted for at cost less impairment in the Institution financial statements and using the equity method in the consolidated financial statements.

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
At 1 August 2023	**125**	**–**	48	48
Share loss / (profit) retained by associate	**29**	**–**	77	(48)
AT 31 JULY 2024	**154**	**–**	125	–

INVESTMENT IN SUBSIDIARY	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
At 1 August 2023	**–**	**700**	–	1,929
Additions	**–**	**186**	**–**	35
Impairment	**–**	**(186)**	**–**	(1,264)
AT 31 JULY 2024	**–**	**700**	**–**	700

The £186k investment and impairment relates to the 100% owned subsidiary entity Swansea Materials Research & Testing Ltd.

OTHER INVESTMENTS	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
At 1 August 2023	**594**	**–**	238	–
Impairment/Reversals	**(44)**	**–**	54	–
Revaluations	**5**	**–**	302	–
AT 31 JULY 2024	**555**	**–**	594	–

OTHER INVESTMENTS CONSIST OF:

At fair value:				
Market securities	**102**	**–**	207	–
At cost less impairment:				
Group investments in spin outs	**453**	**–**	387	–
	555	**–**	594	–

Details of investments in which the consolidated group and University hold 20% or more of the nominal value of any class of shares are as follows:

COMPANY	REGISTERED OFFICE	PRINCIPAL ACTIVITY	HOLDING	STATUS
Gower Innovations Ltd	Swansea University, SA1 8EN	Other manufacturing not elsewhere classified	Ordinary shares	20%
Trameto Ltd	Villa House 7 Herbert Terrace Penarth CF64 2AH	Manufacture of electronic components	Ordinary shares	23%
ProGnomics Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Semitechnologies Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Bay Campus Developments LLP	Swansea University, SA2 8PP	Dormant	Partner	50%
WNPS	Wales National Pool SA2 8QG	Operation of sports facilities	Guarantee	50%
Swan Global Education	The Lambourn Wyndyke Furlong Abingdon Oxfordshire OX14 1UJ	Educational	Partner	50%
Swansea Materials Research and Testing	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	100%
Swansea Innovations	Swansea University, SA2 8PP	Management consultancy activities other than financial management	Ordinary shares	100%
SU Developments	Swansea University, SA2 8PP	Dormant	Ordinary shares	100%
SU Pathway College Ltd	Swansea University, SA2 8PP	Combined facilities support activities	Ordinary shares	100%

Investments in subsidiary companies are measured at transaction price (including transaction costs) and considered annually for impairment.

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
15. STOCK				
General consumables	**32**	**–**	37	16
Work in progress	**61**	**–**	92	–
	93	**–**	129	16

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
16. CURRENT INVESTMENTS				
Short-term investments in shares	**1,925**	**1,925**	1,822	1,822
Short-term bonds	**3,183**	**3,183**	2,659	2,659
Other short-term investments	**203**	**203**	223	223
Short-term deposits	**53**	**53**	50,237	50,237
	5,364	**5,364**	54,941	54,941

The decrease in fair value of short-term deposits in the year was £49,578k (2023: increase of £49,912k). This decrease is due to the release of two large deposits held with Lloyds (£25,000k) and Barclays (£25,000k).

Deposits are held with banks and building societies 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 2024, the weighted average interest rate of these fixed deposits was 1.6% (2023: 1.5%). The fair value of these deposits was not materially different from their book value.

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATE 2023 £000	UNIVERSITY 2023 £000
17. TRADE AND OTHER RECEIVABLES				
Amounts falling due within one year:				
Net trade debtors	**8,829**	**8,727**	9,795	9,766
Research grant claims receivable	**3,239**	**3,239**	7,666	7,666
Accrued income – Research grants	**12,534**	**12,534**	19,107	19,107
Prepayments and accrued income	**16,850**	**16,911**	17,195	17,362
Amounts due from group undertakings	**–**	**10**	–	19
	41,452	**41,421**	53,763	53,920

Included within research grant claims receivable is £211k (2023: £2,828k) of retentions which are receivable between 1st August 2024 and 31 July 2025.

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank overdraft	**398**	**–**	128	–
Unsecured loans	**6,340**	**6,340**	6,077	6,077
Service concession arrangements	**6,679**	**6,679**	6,584	6,584
Trade payables	**7,166**	**7,166**	19,554	19,590
Social security and other taxation payable	**4,790**	**4,783**	5,008	5,001
Accruals and deferred income	**75,248**	**74,997**	96,781	96,666
Amounts due to group undertakings	**–**	**159**	–	157
	100,621	**100,124**	134,132	134,075

ACCRUALS AND DEFERRED INCOME

Included with accruals and deferred income are the following items which have been deferred:

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
Research grants received in advance	**23,743**	**23,743**	29,001	29,001
Funding Council grants received in advance	**1,578**	**1,578**	3,121	3,121
Other accruals and deferred income	**49,927**	**49,676**	64,659	64,544
	75,248	**74,997**	96,781	96,666

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				
Service concession arrangements	**109,546**	**109,546**	109,377	109,377
Income in advance	**1,635**	**1,635**	1,679	1,679
Unsecured loans	**92,023**	**92,023**	98,364	98,364
CREDITORS DUE AFTER MORE THAN ONE YEAR	**203,204**	**203,204**	209,420	209,420

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
20. ANALYSIS OF UNSECURED LOANS				
Due within one year or on demand	**6,340**	**6,340**	6,077	6,077
Due within one and two years	**6,454**	**6,454**	6,340	6,340
Due within two and five years	**20,089**	**20,089**	19,723	19,723
Due in five years or more	**65,480**	**65,480**	72,301	72,301
TOTAL UNSECURED LOANS REPAYABLE BY 2044	**98,363**	**98,363**	104,441	104,441

Included in the loans are the following:

LENDER	AMOUNT £000	INTEREST RATE	TERM	BORROWER
European Investment Bank	**7,500**	Fixed 2.576%	June 2033	University
European Investment Bank	**8,333**	Fixed 2.423%	January 2034	University
European Investment Bank	**6,869**	Fixed 3.843%	August 2034	University
European Investment Bank	**6,893**	Fixed 3.964%	January 2035	University
European Investment Bank	**7,417**	Fixed 4.132%	August 2035	University
European Investment Bank	**53,932**	Fixed 2.698%	April 2044	University
Sure Loan	**5,150**	Fixed 0.550%	March 2031	University
Salix	**2,269**	Fixed 0%	April 2031	University
TOTAL	**98,363**			

The University renegotiated the EIB covenants in July 2024 following a forecast breach to the covenants. As part of the renegotiation of the covenants, the interest rate on the first five loan tranches increased by 0.3%, with the sixth tranche increasing by 0.24%.

21. PROVISIONS FOR LIABILITIES

	OBLIGATION TO FUND DEFICIT ON USS £000	SUPS PENSION SCHEME PROVISION £000	TOTAL PENSION PROVISIONS £000
CONSOLIDATED AND UNIVERSITY			
AT 1 AUGUST 2023	99,641	17,200	116,841
Utilised in year	(3,179)	(1,600)	(4,779)
Additions / (reductions)	(96,462)	3,400	(93,062)
AT 31 JULY 2024	**–**	**19,000**	**19,000**

No USS deficit recovery plan was required under the 2023 valuation becuase 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.

See note 31 for further information on the SUPS and USS pension scheme.

22. ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	Expendable endowments £000	2024 Total £000	2023 Total £000
BALANCES					
AT 1 AUGUST 2023					
Capital	4,063	1,637	685	**6,385**	6,463
Accumulated income	805	62	56	**923**	844
	4,868	1,699	741	**7,308**	7,307
New donations and endowments	85	–	–	**85**	9
Investment income	154	–	33	**187**	118
Expenditure	(10)	–	(21)	**(31)**	(39)
Increase/(decrease) in market value of investments	263	154	6	**423**	(87)
AT 31 JULY 2024	5,360	1,853	759	**7,972**	7,308
Represented by:					
Capital	4,411	1,791	691	**6,893**	6,385
Accumulated income	949	62	68	**1,079**	923
	5,360	1,853	759	**7,972**	7,308
ANALYSIS BY TYPE OF PURPOSE					
Lectureships				**24**	21
Scholarships and bursaries				**3,453**	3,095
Research support				**331**	299
Prize funds				**951**	875
General				**3,213**	3,018
				7,972	7,308
ANALYSIS BY ASSET					
Current asset investments				**5,364**	4,941
Bank Balance – University				**2,608**	2,367
				7,972	7,308

The institution has the following individually material endowments:

The University holds over 175 endowments, comprising of permanent and expendable funds. Each endowment has its own specific restriction with spend being controlled by the allocated Budget Managers. The University has one significant endowment worth over £1.0m, being the general endowment fund. This is a permanent endowment holding £1.3m of endowered funds, currently valued at £2.1m within the portfolio. Being a general endowment, any income earned is released back to the University for non-specific purposes. All other endowments are not significant but have specific purposes attached to them.

23. RESTRICTED RESERVES

Reserves with restrictions are as follows:

	Donations £000	2024 Total £000	2023 Total £000
CONSOLIDATED AND INSTITUTION			
BALANCES			
AT 1 AUGUST 2023	187	187	52
New restricted donations	728	**728**	196
Expenditure	(80)	**(80)**	(62)
AT 31 JULY 2024	835	**835**	187
ANALYSIS OF OTHER RESTRICTED FUNDS / DONATIONS BY TYPE OF PURPOSE:			
Scholarships		**202**	60
Hardship		**90**	59
Campus and sports facilities		**2**	1
General		**541**	67
		835	187

24. CASH AND CASH EQUIVALENTS

	At 1 August 2023 £000	Cash Flows £000	At 31 July 2024 £000
CONSOLIDATED			
Cash and Cash equivalents	123,531	(2,377)	**121,154**
Bank overdraft	(128)	(270)	**(398)**
	123,403	(2,647)	**120,756**

25. CONSOLIDATED RECONCILIATION OF NET DEBT

	2024 £000
NET DEBT 1 AUGUST 2023	**96,999**
Movement in cash and cash equivalents	(2,377)
Other non-cash changes	(790)
NET DEBT 31 JULY 2024	**93,832**
CHANGE IN NET DEBT	**(3,167)**

ANALYSIS OF NET DEBT:	2024 £000	2023 £000
CASH AND CASH EQUIVALENTS	**121,154**	123,531
BORROWINGS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Unsecured loans	**6,340**	6,077
Bank overdraft	**398**	128
Service concession arrangements	**6,679**	6,584
	13,417	12,789
BORROWINGS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Service concession liabilities due after one year	**109,546**	109,377
Unsecured loans	**92,023**	98,364
	201,569	207,741
NET DEBT	**93,832**	96,999

26. FINANCIAL INSTRUMENTS

	NOTE	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
FINANCIAL ASSETS					
Financial assets at fair value through Statement of Comprehensive Income		**102**	**–**	207	–
Financial assets that are equity instruments measured at cost less impairment					
Other investments		**453**	**–**	387	–
	14	**555**	**–**	594	–
Financial assets that are debt instruments measured at amortised cost					
Cash and cash equivalents		**120,756**	**120,580**	123,403	123,187
Other investments	16	**5,364**	**5,364**	54,941	54,941
Trade receivables	17	**13,616**	**13,514**	12,330	12,301
Other receivables	17	**3,239**	**3,239**	7,666	7,666
		142,975	**142,697**	198,340	198,095
FINANCIAL LIABILITIES					
Financial liabilities measured at amortised cost					
Bank overdrafts	18	**398**	**–**	128	–
Loans	20	**98,363**	**98,363**	104,441	104,441
Service concessions	17/18	**116,225**	**116,225**	115,961	115,961
Trade Creditors	18	**7,166**	**7,166**	19,554	19,590
		222,152	**221,754**	240,084	239,992

27. CAPITAL AND OTHER COMMITMENTS

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
A provision has not been made for the following capital commitments at 31 July 2024:				
Capital commitments	**4,144**	**4,144**	16,985	16,985
	4,144	**4,144**	16,985	16,985

The significant decrease in capital commitments has resulted from the work completed on the digital foundations project which commenced during 2023 £2,704k (2023: £13,463k).

Commitments relating to buildings decreased to £1,440k (2023: £3,522k), with the only significant buildings capital commitment totalling £464k for works on the City Deal Project at Sketty Lane.

28. CONTINGENT LIABILITIES

	£000	£000	£000	£000
Guarantees				
To Lloyds for SMaRT Ltd	**–**	**500**	–	500
	–	**500**	–	500

The University is acting as guarantor for Swansea Materials Research and Testing Limited in relation to the £500K overdraft facility only. The University believe there is only a limited possibility of the guarantee being paid as Swansea Materials Research & Testing Limited is a wholly-owned subsidiary controlled by senior University staff members. The extent of the guarantee being required will depend on the current overdraft in the subsidiary. If paid, there is unlikely to be any reimbursement for this contingent liability.

The University is a member of UMAL, a company limited by guarantee, formed to provide a mutual association for covers. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro-rated share. The potential for a shortfall and the value of a shortfall in any given year is unknown. There is not likely to be any possibility of reimbursement if this guarantee is called upon.

The Institution has given written undertakings to support the subsidiary companies for a period of twelve months from the date of approval of these financial statements.

29. LEASE OBLIGATIONS

Total rentals payable under operating leases:

	2024 Land and Buildings £000	2023 Land and Buildings £000
PAYABLE DURING THE YEAR	**974**	1,282
Future minimum lease payments due:		
Not later than 1 year	**984**	920
Later than 1 year and not later than 5 years	**2,588**	2,629
Later than 5 years	**4,095**	5,195
TOTAL LEASE PAYMENTS DUE	**7,667**	8,744

New leases were negotiated during the year including car parking at Bay Studios for the Bay Campus and renegotiated leases for the Health Science facilities in St Davids Park. Leases were surrendered or expired in the year, including the lease for Oriel Science and a research space in Baglan Bay.

During the year, the University was tenant on three significant leases. The signficant leases include The College, a University joint venture company, Bay Studios Car Park and a unit within Baglan Energy Park. The lease with The College, which is within a building on the Bay Campus, runs until 2038 with the Baglan unit lease continuing until 2027. The lease on the Bay Studios Car Park is a short term lease expiring in 2026.

Total rentals receivable under operating leases:

The University leases out small areas of space on both Singleton and Bay Campus. Leases include a dental surgery, a doctors surgery, retail units for the Students Union, laboratory space to Swansea Materials Research and Testing Ltd, a wholly owned subsidiary company, and lab space for Natural Resources Wales. The University also leases out small areas and offices to companies working alongside the University. The terms and break periods differ for each lease with leases for small spaces frequently being renewed. The University does not hold any investment properties as part of its portfolio as rental areas are minor areas within larger buildings.

CONSOLIDATED AND INSTITUTION	2024 Land and Buildings	2023 Land and Buildings
Future minimum lease payments due:	£000	£000
Not later than 1 year	**362**	345
Later than 1 year and not later than 5 years	**943**	988
Later than 5 years	**995**	1,196
TOTAL LEASE PAYMENTS DUE	**2,300**	2,529

There were no contingent rents receivable during 2023/24 (2022/23: £0).

30. EVENTS AFTER THE REPORTING PERIOD

There are no events to report which have occurred after 31 July 2024.

31. PENSION SCHEMES

Different categories of staff were eligible to join one of the following schemes:

Universities' Superannuation Scheme (USS)
Swansea University Pension Scheme (SUPS) – Closed to new members 31 December 2011
National Employment Savings Trust (NEST) – from 1st January 2012

The University also contributes to the NHS Pension Scheme for a number of its employees.

USS and SUPS are both defined-benefits schemes. The assets of both schemes held in separate trustee-administered funds. NEST is a defined-contribution scheme.

	CONSOLIDATED 2024 £000	UNIVERSITY 2024 £000	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000
STATEMENT OF COMPREHENSIVE INCOME – NET PENSION COST				
USS	**20,603**	**20,603**	25,733	25,733
Change in expected USS contributions	**(98,742)**	**(98,742)**	(31,704)	(31,704)
SUPS	**752**	**752**	1,268	1,268
Other	**1,485**	**1,485**	1,383	1,383
	(75,902)	**(75,902)**	(3,320)	(3,320)
OTHER COMPREHENSIVE INCOME – ACTUARIAL GAIN IN RESPECT OF PENSION SCHEMES				
SUPS	**(3,400)**	**(3,400)**	18,600	18,600
	(3,400)	**(3,400)**	18,600	18,600
STATEMENT OF FINANCIAL POSITION – PENSION SCHEME LIABILITY (NOTE 21)				
USS	**–**	**–**	99,641	99,641
SUPS	**19,000**	**19,000**	17,200	17,200
	19,000	**19,000**	116,841	116,841

On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans, however the impact is still currently being assessed and there is no further information available at this stage.

(I) THE UNIVERSITIES' SUPERANNUATION SCHEME

The University participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. 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 £21,503k (2023: £25,733k) including PensionChoice, but excluding the impact of the change in the deficit recovery plan, as shown in note 7.

Deficit recovery contributions paid within the year for the institution are £3,179k (2023: £7,389k)
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. 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 key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles. (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: 1.0% p.a. to 2030, reducing linearly by 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 od 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:

	2023 Valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females.
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% pa, 10% w2020 and w2021 paramenters, 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:	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

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%. No deficit recovery plan was required under the 2023 valuation becuase 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.

(II) NHS PENSION SCHEME

The Institution also participates in the NHSPS which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the Government.

The NHS Pension 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 contribution rate payable by the Institutions during the year ended 31 July 2018 salaries, was equal to 14.3% of the total pensionable in accordance with the conclusion of the Government Actuary's report on the scheme.

(III) SWANSEA UNIVERSITY PENSION SCHEME

(RETIREMENT BENEFITS) DISCLOSURE FOR THE ACCOUNTING PERIOD ENDING 31 JULY 2024

The University operates a final-salary defined-benefit pension scheme that non-academic employees of the University can participate in, called the Swansea University Pension Scheme (SUPS). The scheme is externally funded and is contracted out of the State Second Pension (S2P) of pension provision.

The last formal triennial actuarial valuation of the scheme was performed as at 1 August 2022 by a professionally-qualified actuary. The following are based on the results of the 1 August 2022 triennial valution projected forward with allowance for benefit accrual, expected investment return and actual cashflows and have been adjusted for FRS102 assumptions detailed below.

During the accounting period, the University paid contributions to the pension scheme at the rate of 23.2% (1 August 2023 – 31 October 2023) and 10.08% (1 November 2023 – 31 July 2024) of pensionable salaries in respect of the future accrual of benefits. The University also paid an additional £2.4m to the scheme during the year to 31 July 2024 in respect of deficit reduction contributions. A further £0.6m was paid by the University in respect of death in service premiums and expenses.

ASSUMPTIONS

The financial assumptions used to calculate scheme liabilities under FRS102 are:	AT 31 JULY 2024	AT 1 AUGUST 2023
Price Inflation (RPI)	**3.3%**	3.4%
Price Inflation (CPI)	**2.9%**	3.0%
Rate of increase in salaries	**3.2%**	3.3%
Rate of increase of pensions in payment for SUPS members	**3.3%**	3.4%
Increases to deferred pensions before retirement	**2.9%**	3.0%
Discount rate	**4.8%**	5.1%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65 and non pensioners who are currently aged 45.

	AT 31 JULY 2024	AT 1 AUGUST 2023
Pensioner – male	**19.6**	19.6
Pensioner – female	**22.0**	22.0
Non-pensioner (curently aged 45) – male	**20.5**	20.5
Non-pensioner (curently aged 45) – female	**23.1**	23.1

Scheme assets and expected rate of return for SUPS

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward-looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

	FAIR VALUE AS AT 31 JULY 2024	2023	2022
ASSETS IN THE SCHEME			
	£M	**£M**	**£M**
Equities	**41.0**	37.4	53.9
Corporate bonds	**12.0**	7.8	7.9
Property	**0.8**	1.5	2.0
GARS Fund	**–**	12.2	13.5
Other	**48.3**	37.6	31.2
Total	**102.1**	96.5	108.5

The tables below include the disclosures for the Swansea University Pension Scheme.

	YEAR ENDED 31 JULY 2024	YEAR ENDED 31 JULY 2023
	£000	£000
ANALYSIS OF THE AMOUNT SHOWN IN THE BALANCE SHEET FOR SUPS		
Scheme assets	**102,100**	96,500
Scheme liabilities	**(121,100)**	(113,700)
DEFICIT IN THE SCHEME – NET PENSION LIABILITY RECORDED WITHIN OTHER COMPREHENSIVE INCOME	**(19,000)**	(17,200)
Current service cost	**(1,000)**	(1,600)
TOTAL OPERATING CHARGE	**(1,000)**	(1,600)

	YEAR ENDED 31 JULY 2024	YEAR ENDED 31 JULY 2023
	£000	£000
ANALYSIS OF THE AMOUNT CHARGED TO INTEREST PAYABLE/CREDITED TO OTHER FINANCE INCOME FOR SUPS		
Interest cost	**(5,700)**	(4,900)
Expected return on assets	**4,900**	3,700
NET CHARGE TO OTHER FINANCE INCOME	**(800)**	(1,200)

	YEAR ENDED 31 JULY 2024	YEAR ENDED 31 JULY 2023
	£000	£000
ANALYSIS OF OTHER COMPREHENSIVE INCOME FOR SUPS		
Gain / (Loss) on assets	**3,500**	(13,900)
(Loss) / Gain on liabilities	**(6,900)**	32,500
TOTAL OTHER COMPREHENSIVE INCOME BEFORE DEDUCTION FOR TAX	**(3,400)**	18,600

	YEAR TO 31 JULY 2024	31 JULY 2023	31 JULY 2021	31 JULY 2020
HISTORY OF EXPERIENCE GAINS AND LOSSES – SUPS				
DIFFERENCE BETWEEN ACTUAL AND EXPECTED RETURN ON SCHEME ASSETS:				
Amount (£000)	**3,500**	(13,900)	(14,400)	14,100
% of assets at end of year	**3.4%**	-14.4%	-13.3%	11.6%
EXPERIENCE LOSSES/(GAINS) ON SCHEME LIABILITIES:				
Amount (£000)	**6,900**	(32,500)	(38,100)	1,500
% of liabilities at end of year	**5.7%**	-28.6%	-26.3%	0.8%

	31 JULY 2024	31 JULY 2023
	£000	£000
CUMULATIVE ACTUARIAL LOSS RECOGNISED AS OTHER COMPREHENSIVE INCOME FOR SUPS		
Cumulative actuarial losses recognised at the start of the year	**4,900**	(13,700)
Cumulative actuarial losses recognised at the end of the year	**1,500**	4,900
ANALYSIS OF MOVEMENT IN (DEFICIT) FOR SUPS		
DEFICIT AT BEGINNING OF YEAR	**(17,200)**	(36,600)
Contributions or benefits paid by the University	**4,200**	4,500
Current service cost	**(1,000)**	(1,600)
Admin costs	**(800)**	(900)
Other finance charge	**(800)**	(1,200)
Loss / Gain recognised in other comprehensive income	**(3,400)**	18,600
DEFICIT AT END OF YEAR	**(19,000)**	(17,200)
ANALYSIS OF MOVEMENT IN THE PRESENT VALUE OF SUPS		
PRESENT VALUE OF SUPS AT THE START OF THE YEAR	**113,700**	145,100
Current service cost (net of member contributions)	**1,000**	1,600
Interest cost	**5,700**	4,900
Actuarial loss/(gain)	**6,900**	(32,500)
Actual benefit payments	**(6,200)**	(5,400)
PRESENT VALUE OF SUPS LIABILITIES AT THE END OF THE YEAR	**121,100**	113,700
ANALYSIS OF MOVEMENT IN THE FAIR VALUE OF SCHEME ASSETS		
FAIR VALUE OF ASSETS AT THE START OF THE YEAR	**96,500**	108,500
Expected return on assets	**4,900**	3,700
Actuarial gain on assets	**3,500**	(13,900)
Actual contributions paid by University	**4,200**	4,500
Non Investment expenses	**(800)**	(900)
Actual benefit payments	**(6,200)**	(5,400)
FAIR VALUE OF SCHEME ASSETS AT THE END OF THE YEAR	**102,100**	96,500

SUPS assets do not include any of the University's own financial instruments, or any property occupied by the University.

ACTUAL RETURN ON SCHEME ASSETS		
Expected return on scheme assets	**4,900**	3,700
Asset gain/(loss)	**3,500**	(13,900)
	8,400	(10,200)

Estimated contributions for SUPS in the Financial Year 2024–25 is £568k (2023-24 £1,300k) assuming the contribution rate of 11% plus £3,213k PA fixed contribution (2023-24: 23% Aug 23 – Oct 23; 10% Nov 23 – Jul 24, plus £3,000k PA).

A number of potential issues associated with the Swansea University Pension Scheme have been identified. These relate to the documenting and implementing of decisions that have been made in respect of the Scheme and they have the potential to result in an increased liability for the Scheme. It is not possible to estimate the timing and financial impact of any outflow as it depends on how these issues are resolved and this is the subject of an ongoing legal case.

32. RELATED PARTY TRANSACTIONS

Due to the nature of the Institution's operations and the composition of its Council (being drawn from local public and private sector organisations) and Senior Leadership Team, it is inevitable that transactions will take place with organisations in which a member of Council or the Senior Leadership Team may have an interest. All such transactions are conducted at arm's length and in accordance with the Institution's financial regulations and normal procurement procedures. The Institution has taken advantage of the exemption within FRS 102 Section 33 'Related Party Disclosures' and has not disclosed transactions with other wholly owned group entities.

	INCOME FROM RELATED PARTY	EXPENDITURE TO RELATED PARTY	BALANCE DUE FROM RELATED PARTY
	£000	£000	£000
Wales National Pool Swansea	**989**	**732**	150
Swan Global Education LLP	**123**	**2,119**	242
	1,112	**2,851**	392

Throughout the year and at the Balance Sheet date the University held 50% investments in the associated companies Wales National Pool Swansea (2023: 50%) and Swan Global Education LLP (2023: 50%). The relationship with both companies are accounted for using the equity method such that 50% of the companies gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 50% the net income is reported in the University's consolidated income and expenditure account.

The Students Union is not controlled or owned by the University and is a separate legal entity, however the University provides grant funding to the Union to support the students. During the year the University provided the Students Union with the main block grant of £1,157k and a further £10k contribution towards a fan engagement project.

COUNCIL MEMBERS

The Institution's Council members are the trustees for charitable law purposes. Due to the nature of the Institution's operations and the composition of the Council, many of whom are being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those below, are conducted at arm's length and in accordance with the Institution's Financial Regulations and usual procurement procedures. The University has a robust Declarations of Outside Interests Policy and each member of Council is required to declare all interests openly, which are reviewed in line with the Institutions procedures.

Third-party transactions identified during the 2023/24 financial year in which trustees have declared an interest are: Scarlets Regional Ltd, £30,850 for advertising/conferences and a trustee is a former Director of the Board; Natural Resources Wales, £3,557 for professional services, and a trustee is a former employee; Compass Group plc £1,592,702 for catering services and a trustee has a shareholding in Compass; Golwg cyf, £5,339 for advertising services and a trustee is one of the Directors of the Board; Swansea University Student Union, £1,597,254 for various transactions, with the two student members of Council being trustees of SUSU; Just Eat Food £151 for catering services and a close family member/associate of a trustee has a shareholding in Just Eat; Global Education Matter £13,823 for student fee activity and a close family member/associate of a trustee has a consultancy arrangement with Global Education Matter; Learned Society of Wales £30,348 for subscriptions and a trustee is a Fellow of the Society; JISC, £1,538,487 for training/software/books and various other activity, and a trustee is Chair of JISC; Welsh National Opera, £3,778 for production services, and a trustee is a Director of the Welsh National Opera; Royal Geographical Society, £411 for sports services, and a trustee is a fellow of the Society; Institution of Engineering & Technology, £3,540 for professional services, and a trustee is a member of the Institute.

No Council Member has received any remuneration or waived payments during the year (2023 – £0).

During the year £4.5k of expenses were reimbursed to Members of Council (2023: £3.2k), and £8.3k of payments were made on Council members behalf (travel and training costs) (2023: £6.3K)

33. US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

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

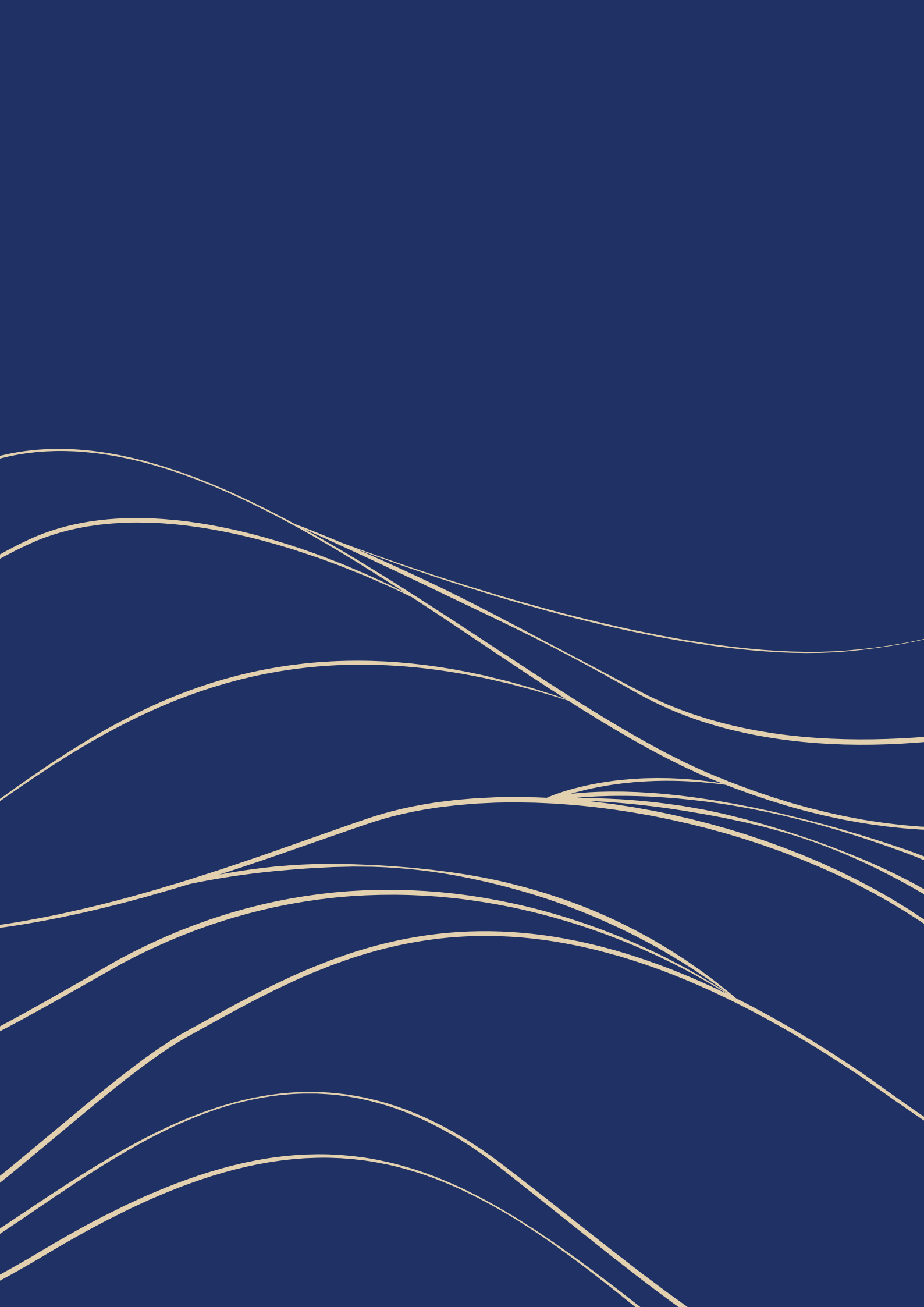
The amounts presented within the schedules have been:

- prepared under the historical cost convention
- 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. As set out above, 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.

		CONSOLIDATED 2024 £000	CONSOLIDATED 2024 £000	CONSOLIDATED 2023 £000
Primary Reserve Ratio				
Line item / disclosure				
	Expendable net assets			
	Net assets without donor restriction	**318,549**		239,520
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	**–**	278,471	**–**
Statement of Financial Position	Revaluation Reserve	**–**	40,078	**–**
	Net assets with donor restriction	**8,807**		7,495
Statement of Financial Position	Endowment Reserve	**–**	7,972	**–**
Statement of Financial Position	Restricted Reserve	**–**	835	**–**
Note 10, excluding Service Concession Arrangement	Property, Plant & Equipment	**–**		**–**
	Property, Plant & Equipment, pre-implementation	**(275,603)**		(287,160)
	Property, Plant & Equipment without outstanding debt for original purchase	**(84,010)**		(71,311)
	Property, Plant & Equipment – construction in progress	**(17,402)**		(11,103)
Note 10 – Service Concession Arrangement	Lease right of use asset – pre-implementation	**(104,348)**		(104,563)
Statement of Financial Position	Intangible Assets	**(444)**		(316)
Statement of Financial Position	Post employment and pension liabilities	**19,000**		116,841
	Long term debt for long term purposes	**–**		**–**
Note 19 & 20	Long term debt for long term purposes pre-implementation	**90,944**		96,151
Note 19 & 20	Long term debt for long term purposes post implementation	**7,419**		8,290
Note 13	Lease right of use asset liability	**–**		**–**
	Lease right of use asset liability pre implementation	**116,225**		115,961
	Lease right of use asset liability post implementation	**–**		**–**
Statement of Financial Position	Term endowments with donor restrictions	**(7,972)**		(7,308)
	Total Operating Expenses without Donor Restrictions			
Statement of Comprehensive Income excluding change in expected USS contributions	Total operating expenses without donor restrictions taken from CSCI	**397,521**		380,395
	Non-operating and Net Investment Loss	**(95,342)**		(50,304)
	Net investment losses	**–**		**–**
	Pension related charges other than periodic costs	**95,342**		50,304
Statement of Comprehensive Income	Change in expected USS contribuutions	**–**	98,742	**–**
Statement of Comprehensive Income	Actuarial gain in respect of pension schemes	**–**	(3,400)	**–**

		CONSOLIDATED 2024 £000	CONSOLIDATED 2024 £000	CONSOLIDATED 2023 £000
Equity Ratio				
Line item / disclosure				
	Modified Net Assets			
	Net Assets without Donor Restriction	**318,549**		239,520
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	**–**	278,471	**–**
Statement of Financial Position	Revaluation Reserve	**–**	40,078	**–**
	Net Assets with Donor Restrictions	**8,807**		7,495
Statement of Financial Position	Endowment Reserve	**–**	7,972	**–**
Statement of Financial Position	Restricted Reserve	**–**	835	**–**
Statement of Financial Position	Intangible assets	**444**		316
	Modified Assets			
	Total Assets	**650,181**		707,408
Statement of Financial Position	Non-current Assets	**–**	482,516	**–**
Statement of Financial Position	Current Assets	**–**	167,665	**–**
Note 10 – Service Concession Arrangement	Lease right of use asset pre implementation	**104,348**		104,563
Note 13	Pre implementation right of lease	**116,225**		115,961
Statement of Financial Position	Intangible assets	**444**		316
Net Income Ratio				
Line item / disclosure				
	Change in Net Assets Without Donor Restrictions			
Statement of Comprehensive Income	Total comprehensive income in the year	**80,341**		83,098
Statement of Comprehensive Income	Restricted comprehensive income in the year	**(1,312)**		(136)
Total Revenue and Gains				
	Total revenue and Gains without donor restrictions			
	Total operating revenue and other additions	**380,967**		412,441
Statement of Comprehensive Income	Total Income	**–**	381,695	**–**
Note 6 – restricted income	Restricted donations	**–**	(728)	**–**
Statement of Comprehensive Income	Non-operating Revenue and Other gains	**445**		226



SWANSEA UNIVERSITY

England & Wales - Charity number 1138342

Accounts

2023

Swansea University
Prifysgol Abertawe

ANNUAL REVIEW

CONTENTS

02 – CHAIR'S INTRODUCTION

04 – VICE–CHANCELLOR'S INTRODUCTION

06 – FACTS AND FIGURES

08 – OUR STRATEGIC VISION AND PURPOSE

10 – OUR STAFF COMMUNITY

12 – OUR LEARNING, TEACHING AND STUDENT EXPERIENCE

16 – OUR RESEARCH AND ENTERPRISE

20 – OUR INTERNATIONAL UNIVERSITY

22 – OUR DIGITAL INFRASTRUCTURE

24 – OUR ESTATE

26 – OUR SUSTAINABILITY

28 – FINANCIAL REVIEW

36 – PRINCIPAL RISKS AND UNCERTAINTIES

40 – PUBLIC BENEFIT STATEMENT

42 – CORPORATE GOVERNANCE STATEMENT AND STATEMENT OF INTERNAL CONTROL

52 – ANNUAL PAY POLICY REPORT

54 – INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF SWANSEA UNIVERSITY REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

57 – STATEMENT OF COUNCIL'S RESPONSIBILITIES IN RESPECT OF THE ANNUAL REVIEW AND THE FINANCIAL STATEMENTS

58 – STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

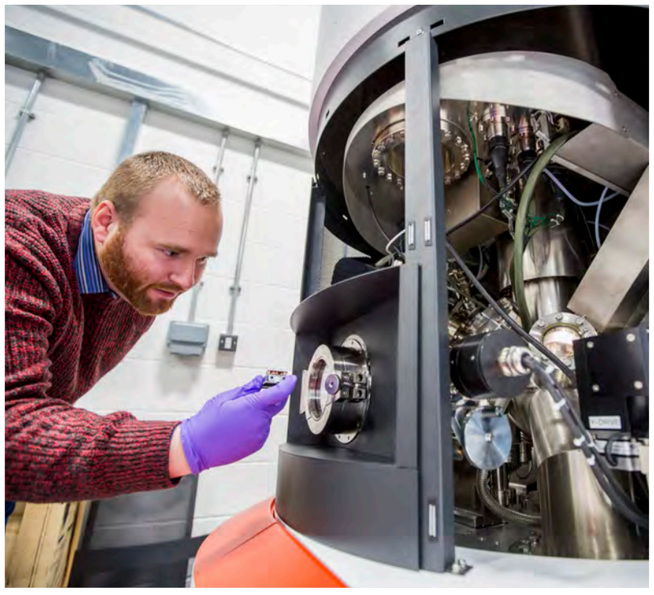
64 – CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME

65 – CONSOLIDATED AND INSTITUTION STATEMENT OF CHANGE IN RESERVES

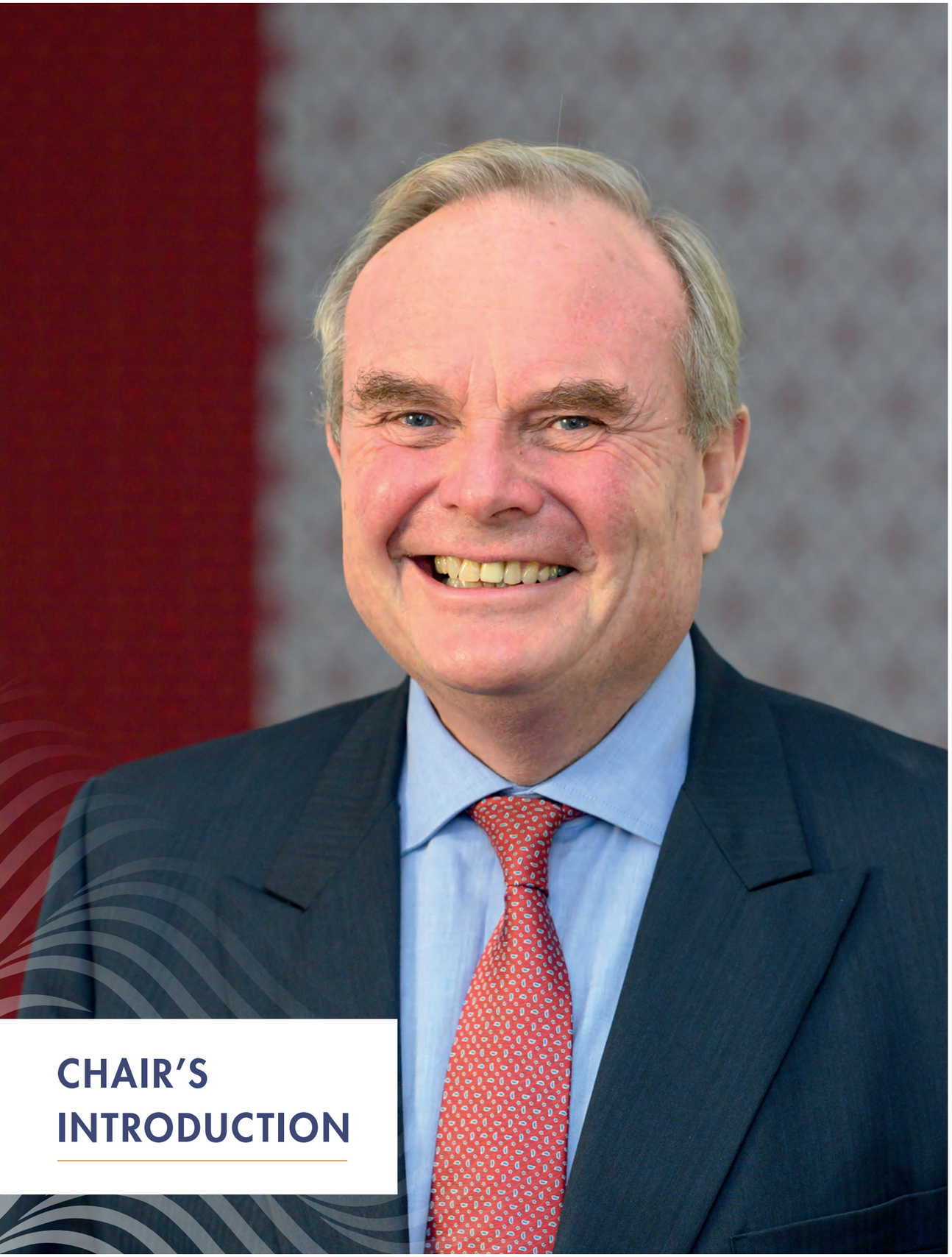
66 – CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

67 – CONSOLIDATED STATEMENT OF CASH FLOWS

68 – NOTES TO THE FINANCIAL STATEMENTS



Designed by IconCreativeDesign.com



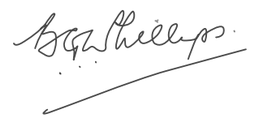
CHAIR'S INTRODUCTION

On behalf of the University Council, I would like to begin this introduction to our Annual Review by thanking the Senior Leadership Team and all our University staff for their continued commitment and hard work ensuring that our University continues to deliver its strategic ambitions, to enhance its reputation nationally and internationally, and to become more sustainable in what is an increasingly competitive and challenging Higher Education sector.

The student experience remains central to our strategic goals, and engaging with students and having a close relationship between the University and the Students' Union is crucial to ensuring that student voices are genuinely heard and listened to at Swansea. In the current climate, we realise, more than ever, how much is at stake for students choosing a university. We continue to place our students at the heart of all we do, and to strive to provide a positive and memorable experience for all our students. Following the challenges of the Covid–19 pandemic in previous years, it has been wonderful to see the return of so many events that are integral to the student experience, including Varsity, in–person Graduation Ceremonies, and the Summer Ball. Working with our Students' Union, we have also sought to support students through the launch of a new student app for current students which enables them to access all the essentials of student life in one place, and, following the introduction of a new January entry point, we are now holding a January Refreshers' Fayre to align with the traditional freshers' event in September to support new and returning students and to provide them with an opportunity to re–engage with the Students' Union. We are also continuing to improve our campus including new facilities at our Swansea Bay Sports Park for staff and students, and the redevelopment of Fulton House as a hub for student life.

I would also like to take this opportunity to thank members of the University Council and its committees for their commitment and contribution to the University. I was appointed as Chair of Council in December 2019 and will step down from this role on 31 December this year. My time as Chair has undoubtedly been marked not only by the sweeping effects of the pandemic and by changes across the sector as a whole but also, in particular here at Swansea, through changes aimed at improving, enhancing and embedding good governance both at Council and across all elements of our University. These changes have sought to highlight the importance of an open and transparent culture and the critical need to engage in full and frank debate across many issues of concern to all at the University. This has helped to ensure that we have been able to respond to the challenges which face the sector generally and in particular our University over recent years. I am confident that, as a result, the University, its staff, students and all stakeholders are in the strongest possible position to continue to respond to future opportunities in the coming years.

It has been a great privilege and honour to have served Swansea University (where my parents studied from 1948–51) for the past seven years. What has struck me more than anything throughout my term is to have seen, how during extraordinary times, the University has become more of a community than ever – it has been remarkable how we have not just adapted, but thrived, and this is all down to each and every member of staff working together and with students, alumni and indeed all stakeholders fully committed to ensure that our University is best placed to build on its past and prepare for the future. I am confident that the University will continue to thrive as a world–class teaching and research institution with student wellbeing at its core.
I will be succeeded as Pro–Chancellor and Chair of Council by Goi Ashmore, who is currently serving as the University Treasurer and Chair of the Finance and Strategy Committee. I wish Goi all the best in his new role and I am sure you will all support him as fully and strongly as you have me in my tenure.



Mr Bleddyn Phillips, Chair of Council
27 November 2023

VICE–CHANCELLOR'S INTRODUCTION

For many of us, both within the Higher Education sector and beyond, this year has been characterised by a challenging external backdrop. Steep inflationary rises and the attendant pressure on cost of living has impacted our students and staff, along with our institutional operations. Within our sector, we have also managed the cessation of European Structural Funding and uncertainty over the UK's association to Horizon Europe, one of the world's largest research and innovation funding schemes.

At Swansea University, this period has also been characterised by the resilience of our staff community, so many of whom have worked to ensure the continuation of our University's core purpose; our learning and teaching, our student experience, our research, our enterprise, and our civic mission. I remain incredibly proud that, within an ever–shifting sectoral context, our shared commitment to our mission and to excellence have endured.

We remain committed to providing an outstanding experience to our students, both in terms of the quality of our teaching and the support and opportunities afforded them during their time with us. Conscious of the complex needs of a student cohort that faced the most damaging social and educational impacts of the pandemic, this year we have prioritised supporting the wellbeing, health and safety of our student community. Our decision to provide additional investment to our Students' Union enabled the extension of our free breakfast scheme for students facing financial hardship. New and simplified access points for our mental health and disability support services, the establishment of a new, dedicated Safeguarding Team, and the implementation of an institutional Suicide Safer Strategy have all strengthened our ability to respond to the needs of our current cohort and those of the future.

We have also continued to offer our students the opportunities which we know will contribute to a transformative Higher Education experience. Our HEFCW–funded GO Wales (Career Boost) programme has helped to maximise the potential of our students, who may otherwise face barriers to employment post–study, and it has been heartening to see opportunities for student exchange and travel abroad activity, funded by both the Taith and Turing schemes, being taken up in increasing numbers following their cessation during the pandemic. We were delighted to see our efforts to add real value to our students' lives recognised in this year's Guardian University Guide, in which we were ranked 26th overall and 15th in the UK for course satisfaction.

Despite the challenges related to the UK's access to European research funding streams post–Brexit, our research community has demonstrated considerable resilience in securing the external funding which is critical to our ability to address the challenges of today and tomorrow, through innovation and discovery. Our active research portfolio grew substantially, from £366m across 1,197 projects in 2022, to 1,441 projects valued at £482m in 2023, based on a significant increase in research awards secured from UK Government and charitable bodies. Crucially, we have also seen a 5% increase in the number of female staff members successfully securing research awards. This reflects our continued commitment to gender equality, with the proportion of female professors across our University having doubled from 13% in 2014, to 26% today. We are aware that there is much more to do in this space, but are pleased to be progressing purposefully.

As an institution founded by industry and for industry, we have retained our focus on enterprise and cross–sector collaboration. In addition to drafting our institution's first Enterprise Strategy, encompassing student enterprise, commercialisation and partnerships, we also achieved a £3m increase in Collaborative Research Project income as measured through the HE–BCI (Higher Education Business & Community Interaction) survey. We are proud of our record for start–up creation, with 51 businesses started to date, and were delighted to be selected as the host of the 2022 International Enterprise Educators Conference, reflecting our global standing as an industry–focused institution.

We have retained our international outlook and our continued commitment to teaching the next generation of global citizens. This year, we have actively explored new partnerships in China, Mauritius and other regions to enhance our offering internationally. We have also been ranked 307th in the world within the 2024 QS World University ranking, representing a climb of 118 places since last year; the largest climb of any institution in the top 500, and a fantastic reflection of our work to ensure that both Swansea and Wales are recognised on the global stage.

Closer to home, we have not lost sight of our distinct role within our region, nor of the strong sense of civic mission which shapes our University. We continue to invest in improvements to our campus to enhance the student experience (such as the ongoing refurbishment of the historic Fulton House) and to strengthen our provision to the local community. Our investment in Swansea Bay Sports Park, including new pitches and facilities and the continued development of a new Swansea Bay City Deal–funded building on Sketty Lane to support the development of health, wellbeing and sports technologies, support our vision of participation in sport and wellbeing activities by all. The installation of equipment to harness solar and wind energy across both of our campuses has also enabled us to continue our journey towards net zero operations.

Finally, during a year marred by geopolitical uncertainty and conflict, we have been proud to play our part in supporting students and colleagues facing unimaginable circumstances across the world. In November, we signed a partnership agreement with Petro Mohyla Black Sea National University in Ukraine and have been pleased to offer our support by sending equipment and hosting a number of their staff and students in Swansea over this academic year. We have also continued to offer daily free English language classes for refugees and those seeking asylum in the UK, as well as developing a programme of Sanctuary Scholarships, in line with our intent to become a University of Sanctuary in 2024.

So much of our activity this year has been grounded in our unwavering belief that we can change our world for the better, whether by conducting the groundbreaking research which will impact our lives in myriad ways or by supporting the next generation – both here in Swansea and beyond – as they navigate the challenges of our time. I am proud to reflect on the many ways in which our community of staff and students has not only demonstrated its own resilience but, crucially, has also contributed significantly to supporting that of others around the world.

Professor Paul Boyle, Vice–Chancellor

27 November 2023

FACTS AND FIGURES

STUDENT NUMBERS

17,573 UNDERGRADUATES

7,027 POSTGRADUATES

19,032 HOME

5,570 OVERSEAS

UK RANKINGS

42nd (The Times Good University Guide 2023)

26th The Guardian (Guardian University Guide 2023)

40th Complete University Guide (Complete University Guide 2024)

STUDENT OUTCOMES

76% NSS National Student Survey

OF STUDENTS ARE SATISFIED (NSS 2023)

83%

ACHIEVED A FIRST OR 2:1 DEGREE (21–22)

78.1% The Times Good University Guide 2023

HAD A POSITIVE GRADUATE OUTCOME (Times Good University Guide 2023)

WORLD RANKINGS

QS World University Rankings

RANKED 307 GLOBALLY FROM THE WORLD'S TOP UNIVERSITIES

(QS World University Rankings 2024)

THE World University Rankings 2023

251-300th

(THE World University Rankings 2023)

SUSTAINABILITY RANKINGS

THE World University Rankings 2023

101-200th

(THE World University Rankings 2023)

16 PEACE, JUSTICE AND STRONG INSTITUTIONS — SUSTAINABLE DEVELOPMENT GOALS

4TH IN THE UK
11TH WORLDWIDE

(THE World University Rankings 2023)

15 LIFE ON LAND — SUSTAINABLE DEVELOPMENT GOALS

13TH IN THE UK
36TH WORLDWIDE

(THE World University Rankings 2023)

3 GOOD HEALTH AND WELL-BEING — SUSTAINABLE DEVELOPMENT GOALS

3RD IN THE UK
38TH WORLDWIDE

(THE World University Rankings 2023)

THE World University Rankings 2023

321-340th

(THE World University Rankings 2023)

13th IN THE UK people & planet UNIVERSITY LEAGUE

(People and Planet University League 2022/23)

RESEARCH EXCELLENCE

86% REF2021 Research Excellence Framework

WORLD LEADING AND INTERNATIONALLY EXCELLENT RESEARCH

£67m RESEARCH INCOME

FINANCE

£41m

EBITDA

10%

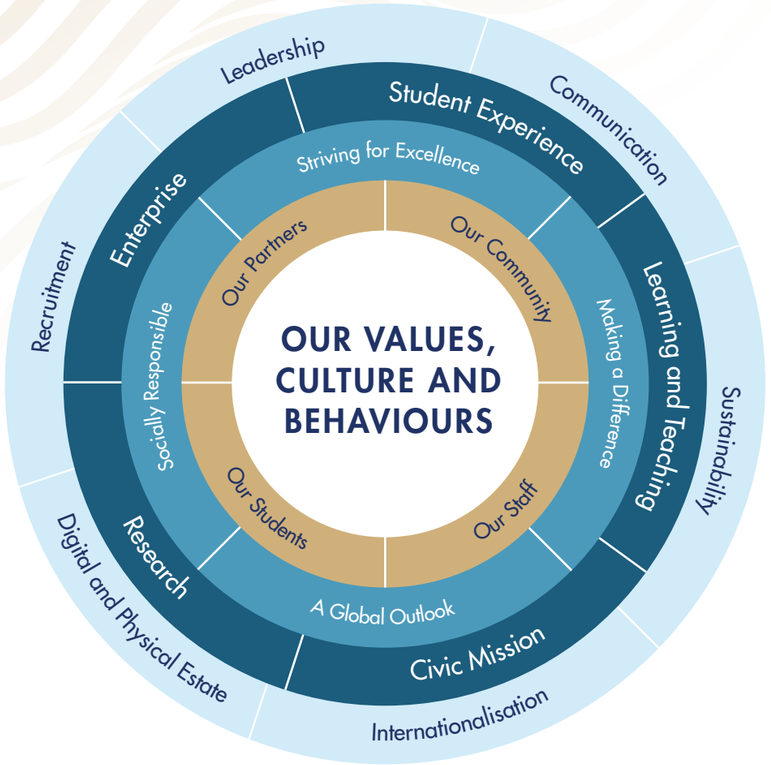
EBITDA AS A % OF INCOME

£50m

NET OPERATING CASHFLOW

12%

NET OPERATING CASHFLOW AS A % OF INCOME



OUR STRATEGIC VISION AND PURPOSE

Our *Strategic Vision and Purpose* sets out the high–level priorities for our University. It was developed in 2020, following extensive engagement with our staff, student and alumni community and stakeholders in the region. Since then, we have worked to embed the principles and commitments enshrined within the *Strategic Vision and Purpose* across our operations and activity, by establishing new cross–University committees and developing a range of supporting strategies and implementation plans. This document now also frames our annual approach to setting our institutional targets and priorities.

Our Vision

We are, and will continue to be, a principled, purposeful, and resilient University that balances excellent teaching with world–leading research and innovation in an open environment which enables our students and colleagues to excel. While we are valued globally as a trusted partner, we are deeply committed to our region and are proud to be a University for Wales.

Our Strategy

Our community of colleagues, students, partners, and stakeholders is characterised by the distinct values, culture and behaviours that lie at our core.

The commitment of our community underpins the five key pillars of our University – our civic mission, student experience, learning and teaching, research and enterprise. Each of these is marked by our commitment to making a difference, to being socially responsible, to striving for excellence, and to maintaining a global outlook that enables us to be a community University with international reach and reputation.

Our work is enabled by strong leadership and robust governance, effective communication, and a commitment to financial and environmental sustainability. It is built upon our digital and physical infrastructure, our internationalisation strategy, and our approach to recruiting talented and enthusiastic colleagues.

Our commitments

The document highlights our key commitments:

- The climate crisis remains society's biggest threat. We will align our work to the Sustainable Development Goals and will be a carbon–zero university by 2040 (NB: we have since strengthened this commitment with a new end–date of 2035)
- We will further widen and deepen access to education, promoting lifelong, inclusive, and equitable learning opportunities
- We will deliver innovative, digitally supported approaches to teaching that are developed in partnership with our students, and which help to embed interdisciplinary thinking across our programmes
- We will extend our global reach and reputation, becoming a preferred partner for international research, teaching and enterprise collaborations, and moving up the international rankings year on year
- We will work with our partners to make the Swansea Bay City Region the sporting and wellbeing capital of Wales
- We will strengthen our position as one of the UK's leading, impact–driven, research–intensive institutions, excelling at interdisciplinary and collaborative research, and will establish the first Institute for Advanced Studies in Wales
- We will close the gender pay gap and will confront the structural and operational reasons for it and the low proportion of female professors
- We will develop and implement a whole institution approach to tackling racial inequality.

Key pillars and enablers

Our Strategic Vision and Purpose is underpinned by five pillars, each with their own strategies approved or in development. The five pillars encompass

- Our Civic Mission
- Our Student Experience
- Our Learning and Teaching
- Our Research
- Our Enterprise

Our strategy is supported by a number of enablers, including:

- Effective leadership and governance
- Financial and environmental sustainability
- Investing in our digital and physical estate
- Open, honest and transparent communication
- Strong recruitment, welcoming fresh and diverse perspectives and experiences to our community

In 2023, we developed our institution's first Enterprise strategy, which reflects our unique heritage as a university founded by industry and for industry. In the same year, we also published our institutional Digital Strategy, our Culture, Creativity and Arts Strategic Framework, and our *Camu Ymlaen*: Welsh Language, Heritage and Culture Strategy. Our Civic Mission Strategy is in development and will be published later in 2023.

Our people and values

Our people are our most important asset and they define our University. We are a principled organisation and understand that our daily behaviours matter. We believe in each other, we support one another, we celebrate each other's achievements, and we hold each other to account.

We respect our colleagues, treating others as we expect to be treated, and we work as one university, recognising that every colleague and each student contributes to our success.

We believe in the value of flexibility, collegiality and creating time to think in pursuit of intellectual stimulation, originality, and impact. We work together in a professional and caring environment that enables us to exceed expectations for the benefit of all. We are committed to providing an environment where our colleagues can fulfil their potential and we strive to give underrepresented groups a platform to voice their experiences with the community.

We recognise that we are a cultural and economic anchor institution within our community, with a distinct role to play in driving regional development and promoting health and well–being, and we are proud to be a beacon for Welsh heritage, language, and culture.

OUR STAFF COMMUNITY

Our Strategic Vision and Purpose **document sets out a range of priorities relating to our People, Values, Culture and Behaviour, including:**

- **Championing a sector–leading approach to equality, diversity and inclusion, closing the gender pay gap and increasing the proportion of female professors**
- **Working with our community to find more ways to reward and recognise colleagues, and to encourage their personal and career development**
- **Implementing a health and wellbeing strategy to ensure that we enable our colleagues to thrive and to flourish**
- **Speaking up against, and confronting the causes of, discrimination, ensuring that the voices of under–represented groups are heard**

In 2023, we established a People and University Culture Strategy Committee to support the implementation of these priorities. Co–chaired by the Vice–Chancellor and the Registrar and Chief Operating Officer the Committee is working to develop an overarching People and University Culture Strategy, to ensure that our People Priorities and their associated outcomes are aligned to our University's strategic priorities and are delivered in an effective and coordinated manner.

Equality, Diversity, and Inclusion

Swansea University is one of just 28 UK universities, and currently the only university in Wales, to hold an Athena Swan Silver Institutional Award in recognition of our commitment to advancing gender equality. Each of our eligible academic departments holds an Athena Swan award, with four Silver and seven Bronze awards across our University. Three of our colleagues have become trained Athena Swan Panel reviewers and make up three of the six panel reviewers from Welsh universities.

At present, 42% of our senior colleagues are female and we are proud to have more than tripled the representation of females at director level since 2016.

While there is further progress to be made, the number of female professors at the University has more than doubled since 2014, comprising a 13% increase in female representation in the professorial community during this period, from 13% to 26%. Females currently represent 56% of the membership of our University's Senior Leadership Team.

This year we were also proud to have achieved our highest ever ranking for participation in the Stonewall Workplace Equality Index (12th), being ranked first in the UK among all Education Sector entrants.

Reward and Recognition

We continued to commit to paying the Real Living Wage in 2022/23 to ensure that the pay of all colleagues, especially those on the lowest salaries, meets the real costs of living rather than the UK's legal minimum level.

During 2022/23, we were pleased to support the promotion of 66 academic colleagues. We continued to offer interventions to support colleagues who are traditionally underrepresented within academic promotion processes (such as females and colleagues from ethnic minorities), including by holding workshops and providing mentorship tailored to specific communities.

In recognition of a sectoral over–reliance on quantitative metrics within academic promotion processes, and in line with our University's commitment to the principles enshrined within the Declaration on Research Assessment (DORA), in 2022/23 we commenced a review of our existing Academic Career Pathways, which shape our approach to academic performance assessment. Our new framework, which is currently in the development and piloting stage, will launch formally in 2024/25 and will embed the responsible use of metrics as standard and ensure a more holistic approach to academic performance across our University.

Confronting Discrimination

In 2022/23, we engaged in the HEFCW–funded Race Access and Success collaborative enhancement programme to progress race equality within Higher Education. Through this programme, we gained a fuller understanding of our institutional approach to race equality and diversity and are currently developing evidence–informed action plans to continue this important work.

We remain committed to submitting an institutional application for the Race Equality Charter in 2024. This year, we commissioned two external organisations to undertake a consultation process with staff and students to understand experiences in relation to race and ethnicity. The research will generate practical recommendations to address areas of concern and will equip us to take positive steps towards providing equitable and inclusive experiences for all.

We also renewed our Victim Support Hate Crime Charter and were awarded a Hate Crime Charter Trustmark by Victim Support.

Over the year, we were also pleased to celebrate a range of events to promote diversity within our community. These included marking Holocaust Memorial Day, LGBT+ History Month, International Women's Day, Black History Month and a number of interfaith events. Swansea University also has an active Staff Carers Network, and we are a member of Employers for Carers, which offers access to a range of resources that help us to support those staff who balance work with caring responsibilities.

Developing our Leaders

Effective leadership at all levels supports our ability to deliver as an institution, and we have therefore committed to investing in leadership development across the organisation. We are confident that this investment will not only improve performance but will also enable us to maintain and foster an inclusive culture, in which positive outcomes are delivered in a way that prioritises the health and wellbeing of our people, while ensuring that the contribution of each individual is recognised and rewarded fairly and appropriately.

During the 2022/23 academic year, we launched phase 1 of our new leadership development programme, focusing on providing our leaders and managers with the tools they need to run our University effectively. In that time, we have delivered a total of 51 sessions to over 500 leaders and managers across all areas of our institution. Feedback on these sessions has been extremely positive thus far and we have further provided access to an online learning catalogue via LinkedIn Learning to all of our leaders and managers. To date, over 950 colleagues have actively used this resource.

Looking ahead, in 2023/24 we will be developing and launching a suite of development sessions and accompanying tools to support our people to lead and deliver change across the organisation.

HR Excellence in Research Award

We are proud to have achieved successful reaccreditation of our HR Excellence in Research award in 2022/23, which underlines our continued commitment to enhancing the careers of our valued community of researchers.

OUR LEARNING, TEACHING AND STUDENT EXPERIENCE

Our students, and their diverse experiences, needs and ambitions, shape the environment that we seek to foster at Swansea University. We are committed to providing outstanding learning and teaching and an exceptional student experience, by working in partnership with our students and our Students' Union to take students' needs and expectations into account in our decision–making. We take pride in our commitment to student mental health and wellbeing and the strength of our student support services. This year, we have commissioned a number of reviews of these services to ensure that we continue to strive for excellence and maintain our strong reputation for the quality of our student experience.

Our key priorities for the student experience include:

- To ensure that the wellbeing of our students is the foundation of our student experience
- To create more opportunities for our students to experience a work–based placement and to acquire skills and experience that help them to make a difference to our society
- To provide more international mobility opportunities for students (see pages 20–21)

In 2022/23 we continued to demonstrate our commitment to providing a Higher Education experience that is tailored to the learner of today. We launched our new MySwansea app, which provides students with an easy access point to study and life essentials, including timetables, campus maps and their online learning portal. In January 2023, we held our 'refresher' event; an opportunity to support both our January entry students and the wider student cohort. We also introduced a minimum standard for education best practice across our teaching community and established a new Student Gateway project focused on improving and enhancing students' access to services, support, and facilities.

We have further enhanced our data provision to support evidence–led decision making with the introduction of new Graduate Outcomes dashboards (which support improvements in our Graduate Outcomes rankings) and have reviewed and improved a number of key student–focused policies, including for Extenuating Circumstances, Academic Integrity and Personal Tutoring.

Governance, particularly in relation to learning and teaching, has been a point of specific focus in 2022/23, as we continue to embed changes following our restructure from seven Colleges to three Faculties in 2021. This has resulted in a realignment and renaming of existing committee structures. For example, we have established the University Education Committee, which is supported by two informal bodies; the Student Advisory Forum and the University Education Forum. This approach mirrors the structures within our three Faculties and provides enhanced integration and communication across our University. The realignment of these governance structures supports ongoing monitoring, reviewing and enhancement of our learning and teaching provision.

In common with the sector as a whole, emerging from the Covid–19 pandemic has presented us not only with a range of challenges, but also with opportunities to review and enhance our provision and approaches in a sustainable and evidence–based manner. We have launched a refreshed approach to Student Experience Action Planning, with an initial focus on the National Student Survey and other student feedback outcomes. From the emerging data, it is clear that we are facing challenges relating to both Academic Integrity and Academic Misconduct, in part due to assessment changes undertaken in response to the impacts of Covid–19. An enhancement project is now underway to improve our University's approach to Academic Integrity. Similarly, a project team are reviewing approaches to the management of student extenuating circumstances, to provide an enhanced approach to support the students of today.

We continue to seek opportunities to expand our University's offering internationally and to provide choice to students within an increasingly competitive international marketplace. Our January entry point, established across select programmes during the pandemic to provide students with greater flexibility, has continued to prove a popular choice for some international students this year. As outlined on pages 20–21, we have also explored a number of potential partnerships and opportunities over the past 12 months, utilising our well–established internal approval processes and working closely with Universities UK and the Quality Assurance Agency's Quality Evaluation and Enhancement of TNE Scheme, to protect our academic standards and the reputation of our University.

Mental Health and Wellbeing

We commissioned an external review of our Student Mental Health and Wellbeing Services which was completed in August 2022. The review provided 28 recommendations centred on improved policies and processes, prevention and joined–up working. We have made considerable progress in acting upon these recommendations in 2022/23, with further progress towards completion planned within the next academic year.

This year, we reviewed the scope and responsibilities of our University's Health and Wellbeing Board, which is responsible for embedding the Health and Wellbeing strategy across our University's systems, culture, and processes. To better reflect its whole–University remit, the Board has been repositioned, such that it is now chaired by the Pro–Vice–Chancellor for Education and therefore reports directly to the Senior Leadership Team.

We also updated our Student Mental Health Policy to reflect our continued strategic focus on, and commitment to, mental health within an ever–changing student landscape. The new policy incorporates a whole–University commitment to mental health, highlighting both our legal obligations and our responsibilities at all stages of the student journey, from application and beyond. In December 2022, our Student Services team also embarked on the development of a new Fitness to Study Policy and Procedure, which we anticipate will launch later in 2023.

In respect of the support services that we are proud to provide to our students during our time with us, we are conscious of ever–growing demand and the need to increase our provision in response. Overarching services such as Faith, Community Liaison, Equalities, International Advice, Money Advice and Welfare Advice have experienced a 60% increase in demand as compared to last year. Our Wellbeing and Disability Service alone has seen a 46% increase in initial referrals since 2021/22. This year, we were pleased to be able to increase the number of student appointments available year on year; by 15% for mental health and counselling, 8% for neurodiversity and disability and 5% for Specialist Mentoring and Study Skills. In total, our Service has delivered almost 13,500 appointments within this academic year.

Improvements have also been made to ensure that a high standard of service is delivered to all students and that the service remains available for new student referrals during periods of peak demand. We have:

- Created a new, single point of access for students seeking support for mental health and disability
- Reviewed and strengthened the triage criteria to manage referrals for mental health
- Prioritised and increased availability of appointments for students triaged as high risk by 50%
- Introduced a more robust management structure
- Improved relationships with public sector bodies such as the NHS, Social Services, and the police
- Relaunched online mental health resources for students via Togetherall, the Feeling Good App and Myf Cymru

To support service delivery, we utilised HEFCW Better Mental Health funding to finance key projects, including additional counselling provision to support demand, a peer buddying project for autistic students, and a health and wellbeing promotional campaign.

In December 2022, our Suicide Safer Strategy was implemented and focuses on four key areas: Promotion, Prevention, Provision and Postvention, encompassing:

- Service delivery improvements across mental health and wellbeing services as highlighted
- Suicide prevention work and staff training delivered by Papyrus Youth Suicide Prevention (supported by HEFCW Better Mental Health funding)
- Better signposted and more consistent Welsh language medium support and resources
- Development of a Trusted Contacts Policy
- Development of a Students of Concern procedure
- Reconfiguration and expansion of the University Incident Management Team for Out of Hours provision including death of a student protocols
- Introduction of a Serious Incident Internal Review procedure to ensure that any serious incident informs our understanding, knowledge, and support provision
- Enhanced Chaplaincy resource

The Welfare Team has also developed a Student Sexual Misconduct Policy which outlines our University's response to sexual misconduct and provides information about the support available for reporters of sexual misconduct and responders to allegations of sexual misconduct. Our recently appointed Sexual Violence and Culture Change Project Officer is currently creating Terms of Reference and Membership for an internal taskforce with a remit to develop and guide an institutional approach to tackling sexual violence.

Safeguarding

Following an external review of our Safeguarding arrangements, we have made significant progress in implementing its recommendations. Crucially, we have appointed a University Council–level Champion who is now involved in promoting our University's Safeguarding and Prevent Activities.

In 2022/23, we introduced a dedicated Safeguarding Team led by the Head of Safeguarding, who is our University's Principal Safeguarding Officer and who will lead and coordinate Safeguarding arrangements, including Prevent and the cross–University Safeguarding Forum which will be re–established for 2023/24.

Our Safeguarding Policy and its surrounding landscape have been reshaped to increase policy coverage and improve clarity regarding governance and accountability. Our Prevent Policy was updated and ultimately approved in November 2022, while our Safeguarding Policy was updated and ultimately approved in July 2023.

Skills and Mobility Opportunities

We are proud to continue to offer a range of support which ensures that our students realise their full potential and can make the most of their time with us.

Our Centre for Academic Success (CAS) supports students to develop their academic study skills through a range of self–selected courses, workshops, 1:1 appointments and embedded–in–module provision.

CAS has operated a successful Peer Assisted Study Skills (PASS) programme since 2019. This programme identifies modules with traditionally lower than average student progression rates and trains students from previous cohorts to be student leaders; a role which facilitates weekly skills sessions on techniques to help successfully meet module requirements. These student leaders do not teach content but rather facilitate discussion and exploration around methods to enhance study habits. We have now expanded this programme across each of our three Faculties, with 16 student leaders running sessions and gaining experience and confidence from their positions and the feedback and mentoring which CAS offers.

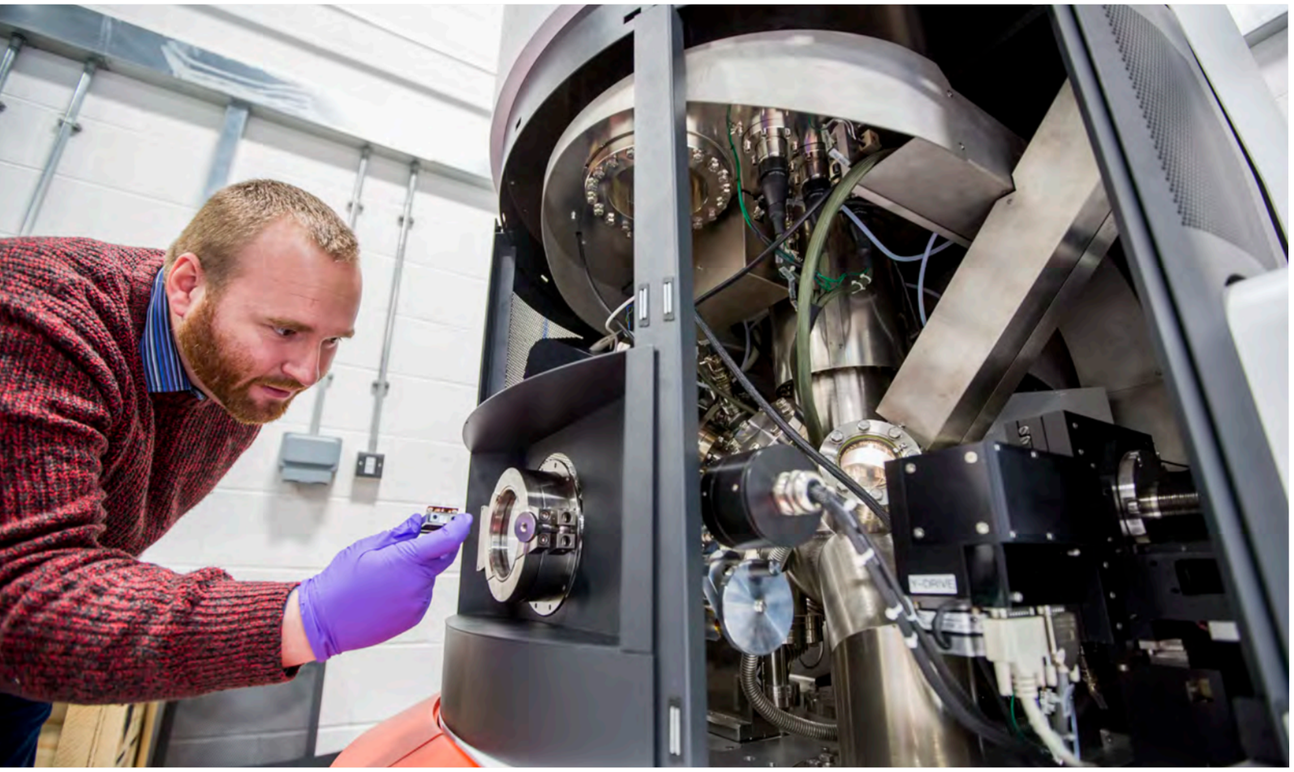
In addition to PASS, CAS also offers postgraduate students the opportunity to apply for paid, part–time peer mentoring positions covering aspects of academic writing and maths and statistics. Several of these advisors have ultimately progressed into formal teaching positions within our University following successful completion of their PhD, and have reported that the experience to offer feedback on these skills has significantly contributed to their teaching and marking practices.

Our Swansea Employability Academy (SEA) helps students to gain as much experience as possible within a work environment to help develop their soft skills and to put their studies into practice. The Academy manages internships with industry, including Santander–funded internships, and all student and graduate interns are paid at least the Living Wage Foundation rate. In partnership with the Students' Union, the Academy also offers funding for clubs and societies to create and host employability themed events that engage students with employers and alumni.

In January 2023, SEA launched the new HEFCW–funded GO Wales programme, known to students as 'Career Boost'. The programme focuses on students who identify as experiencing barriers to recruitment such as care leavers, care givers and disabled students. From August 2023, SEA is also bringing the popular Graduate Support Programme (GSP) in–house, following two years of HEFCW/Welsh Government Covid–19 response funding.

SEA continues to achieve significant external recognition as finalists at the 2023 AGCAS Awards for Excellence and 2023 ISE Awards, winning the 2022 Wales Technology Award for Academia and Industry Collaboration, as well as securing the prestigious AGCAS Quality standard for 2023–2026.

In line with our civic mission, our University is also proud to support learners facing unimaginable circumstances across the world. This year, our English Language Training Services (ELTS) team has worked to support our partner institution in Ukraine through providing structured sessions, and is currently offering daily, free English language classes for refugees and asylum seekers.



OUR RESEARCH AND ENTERPRISE

This year, our Research and Enterprise activity has focused primarily on supporting researchers to achieve their full potential at all career stages and facilitating connections with funders and research users within industry, public and third sector organisations.

Through externally funded research income and Quality Related (QR) funding, we have continued to build upon our existing research strengths, taking advantage of emerging opportunities and positioning ourselves within the UK's top 20 for research income. Our curiosity–driven and sustainability–focused research and innovation activity is helping to address the net zero challenge, tackle climate change, build a connected and inclusive society, enhance health and wellbeing, and embrace the richness of place and culture.

To support this activity, it is vital that we continue to position ourselves competitively to secure the external funding which is critical to our ability to maximise our research impact. Some of the highlights within this space from this year are as follows:

- Our total research and innovation awards portfolio has grown significantly year on year, and now stands at 1,441 live projects valued at £482.2m
- In 2022/23, our research and innovation community secured £72.9m in funding awards, representing a 7% increase since 2021/22 and a 108% increase since 2012/13
- In 2022/23, we submitted more grant proposals (979) and at a greater value (now £301.2m) than the previous year
- While European Union funding has fallen significantly following the UK's departure from the EU, we have increased the level of funding we receive from UK Government (now £24.9m) and charitable bodies (now £6.7m) year on year, and have maintained funding levels from Research Councils, industry and commerce and UK Health and Hospital Authorities
- We were particularly pleased to see a marked increase in Medical Research Council funded grants this year, totalling £6.1m
- Crucially, the proportion of research awards secured by female staff and staff from minority ethnic groups has continued to increase in 2022/23 and now stands at 42% and 15% respectively.

Research Governance

Effective research governance underpins our ability to deliver high–quality and trusted research impact. This year, the Research Governance team has supported 24 projects that required Health and Social Care sponsorship, facilitated four Quality Assurance monitoring site support visits, signed off five research grants plus four research projects for the Ministry of Defence, and distributed 34 Local Information Packs to NHS Trusts to confirm capacity and capability for project collaboration.
The team introduced a new online sponsorship portal and currently support monthly contact clinics at both University campuses. Our Sponsorship Oversight Committee has also been expanded this year, to incorporate consultees with expertise to cover Medical Devices, Mental Capacity Act and Data Management.

Research support

Our Research, Engagement and Innovation Services team has supported 253 contracts across Faculties and Professional Services Units this year and continues to offer face–to–face contracts surgeries and regular training sessions. In addition, the team has contributed to critical work on the legislative and governance agenda as it relates to research contracts, such as Export Controls and Trusted Research.

In 2022/23, over 25 research and innovation–focused training sessions, workshops and events were delivered to 601 registered participants and a suite of 15 additional training videos were developed and promoted across the research community via the staff intranet.

Horizon Europe

With the uncertainty surrounding the UK's association to Horizon Europe, we have supported our researchers to successfully apply for European funding via Horizon Europe, making use of the UKRI guarantee fund to draw down funding of over £5m. For example, an MSCA Post–Doctoral Fellowship award, led by Dr Hadi Madinei, was successful in securing £201k for a new and ultra–sensitive mass sensor for the detection of a biomarker for liver cancer.

Research Culture

As part of our ongoing commitment to Research Integrity, a new Research Culture Manager is working with colleagues to identify the practice, policy and performance that will support a positive research culture and ensure that the research system at Swansea University comprises talented and diverse people with appropriate skillsets. The role supports our participation in the UKRI–funded Open Research Programme, our University's application to the UKRN, Athena Swan, Technician Commitment and the Research Concordat.

QS World Rankings

We delivered our best–ever performance in the QS World University Rankings 2024, with Swansea University climbing 118 places to 307th, placing us among the top 21% of Higher Education providers in the world. In particular, we have focused on raising awareness of the scale and excellence of research taking place in Swansea over the last year, which has supported an increase in our academic research reputation, a key metric within the international ranking.

Innovation development and Knowledge Exchange (KE)

As an institution, we have remained adept at maximising large and strategic investments captured through the 'dual funding' system to add value to small and large businesses, both within our region and beyond.
With the support of the HEFCW Research Wales Innovation Fund (RWIF), we continue to provide core knowledge exchange services and mobilise a range of sector specific projects offering tailored support for industries.

Knowledge Transfer Projects (KTP) and Smart Partnerships (SP)

We have a growing pipeline of knowledge exchange projects, including one Knowledge Transfer Project (KTP) completed, two ongoing Management KTPs, three KTPs in submission and four KTPs in development. Additionally for this year, two Smart Partnership (SP) projects have been completed, four SPs are ongoing, three SP applications were submitted and four are in development.

Business and Community Interaction

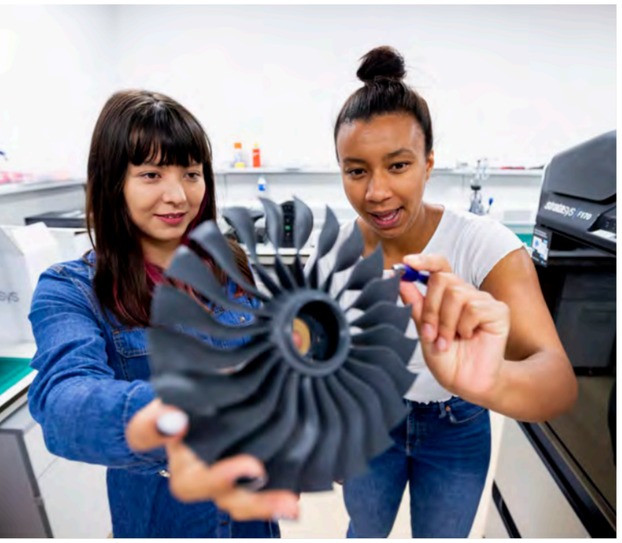
In 2022/23, we secured a £3m increase in Collaborative Research Project income as measured through the HE–BCI (Higher Education Business & Community Interaction) survey. This now stands at £55.5m (including match funding), which represents the highest level of formal externally funded Collaborative Research in Wales. Overall Swansea University's total HE–BCI income has increased by a further £2m to £86.5 million (including match funding); our highest ever total and a continuation of our upward trend.

Impact Acceleration Accounts

In 2022/23, our Impact Acceleration Account (IAA) secured multiple IAAs totalling more than £3.8m, to support a portfolio of activities across a range of UKRI Councils, including EPSRC, MRC, AHRC and ESRC. These activities include: early–stage engagement with users of research; advancing the reach and depth of our institutional impact; stimulating ideas and demonstrating proof of benefit; supporting commercial routes to market, and; making the most of potential collaborations through seconding staff into and from partner organisations.

Swansea University LINC

The Swansea University LINC network celebrated its fifth anniversary this year. This externally–facing network provides a wide range of stakeholders with access to research and innovation expertise, facilities and equipment, and information on funding for knowledge exchange.
The network has supported seven events this year, bringing the total since its launch to 28, with 2,800 registrations. To date, a total of 1,142 members have signed up to the network from 587 organisations.



Enterprise, Intellectual Property and Commercialisation

The institution's first Enterprise strategy has been developed this year, which includes supporting the development of activities around student enterprise, intellectual property (IP) protection and commercialisation, and partnerships. We are currently scoping the delivery plan, which will be presented, alongside the strategy, to University Council for approval in autumn 2023.

In 2022/23, we also undertook a review of our IP policies (relating to staff, students, consultancy, and conflict of interest), an audit report of our IP assets and opportunities, and an improvement in IP governance, management processes and systems, following an internal audit.

Research Wales Innovation Fund (RWIF)

We have significantly strengthened our overall approach to the development of our innovation and engagement agenda, in partnership with other universities in Wales through the targeted allocation via the HEFCW RWIF provision. Via RWIF capacity grants, over 150 projects have been funded in the three–year programme within a total programme value of £7.9m. In addition, our annual RWIF allocation will exceed £3m for the first time next year.

Wales Innovation Network (WIN)

Swansea University was awarded £368k via the Wales Innovation Network in the last year and has delivered on all six of the projects funded, while collaborating on a further 25 WIN–approved projects. Additionally, we were awarded funding through the All–Wales Policing Academic Collaboration: *Police understanding and application of the concept of vulnerability in responding to the needs of sex workers in Wales*. Swansea and Cardiff Universities also collaborated on a successful joint UKRPIF bid with Birmingham University and the Global Centre for Rail Excellence.

Student Enterprise

Swansea University ranked 2nd in Wales for start–up creation (HEBCI 21/22) and achieved every Welsh Government Youth Entrepreneurship Grant KPI this year, including overseeing the start–up of 51 businesses. We hosted and jointly sponsored the prestigious International Enterprise Educators Conference in September 2022 and supported 17 Students from the Faculty of Science and Engineering who were selected to partake in the annual *Invent for the Planet* hackathon in April 2023. Competing against 350 scholars representing 24 universities across the globe, our student team were awarded first place for their innovative water pump solution to provide clean water and sanitation.

OUR INTERNATIONAL UNIVERSITY

We continue to work towards our International Strategy 2020—2025 commitments, focusing on growing our international student numbers, strengthening our international strategic partnerships, growing our global research networks, and achieving a stronger global profile. These goals dovetail with our core commitment to extend our global reach and reputation, becoming a preferred partner for international research, teaching and enterprise collaborations, and continuing to improve our placement within the international rankings year on year.

The three pillars which represent our international ambitions are:

- **Global graduates:** increasing our international student enrolments by 800 by 2025, and giving every Swansea student the opportunity to undertake a global experience
- **Global partnerships:** creating a dynamic global footprint by strengthening partnerships with higher education institutions around the world
- **Global reputation:** becoming a QS world top 350 university

The Higher Education sector as a whole continues its recovery from the aftershocks of recent global events and domestic and international policy changes. While the most immediate impacts of the Covid–19 pandemic are receding, longer–term effects are still being experienced in large markets such as China, where regional mobility is an emerging trend that holds wider international implications.

Competition for staff, students and funding remains a major consideration, as are evolving student expectations. The changing ways in which education can be delivered and the increasing range of options for students represent both challenges but also promising opportunities for us. This year, we have also faced the impact of domestic policy decisions within the UK, as the impact of Brexit becomes more defined, and the issue of immigration becomes increasingly divisive.

In spite of a challenging external backdrop, our University has continued to make significant progress in respect of the internationalisation agenda this year.

Global Graduates

We continue to deliver opportunities for every student to develop competencies and intercultural communication skills through travel abroad, supported by funding from the Welsh Government's Taith scheme (£740k, inbound and outbound), the UK government's Turing scheme (£473k, outbound only), and EU Erasmus funding (£210k).

Despite a difficult period following the Covid–19 pandemic and the ongoing effects of Brexit, we are pleased that student mobility has performed strongly this year. Students have participated in mobility opportunities in 19 countries this year, and the number of outbound students is back to 74% of pre–Covid–19 numbers. More than 500 students have taken advantage of mobility opportunities this year through initiatives such as Year Abroad, Semester Abroad, Summer School, field courses and Medical Electives.

Inbound visiting and exchange student numbers are climbing steadily, although these too are affected by Brexit and the end of the UK's participation in the Erasmus+ programme. In 2022/23, we welcomed 231 inbound exchange and visiting students on Academic Year and Semester Abroad programmes. This includes 22 visiting students from our partnership with Petro Mohyla Black Sea National University, established through Universities UK's Twinning Scheme to support students and staff affected by the war in Ukraine. Looking ahead, we aim to incentivise more students to come to our University with Taith funding, which supports inbound mobility to Welsh Higher Education institutions.

In terms of degree–seeking international recruitment, diversification continues to drive our international recruitment strategy. International students at Swansea University consistently represent more than 90 different countries and our international student recruitment continued to perform strongly in 2022/23, increasing 29% on the previous year. The College, Swansea University plays an increasingly significant role in pipeline growth, with close alignment to our international ambitions. The January enrolment window, opened during the pandemic, continued to perform well, paving the way for us to explore further in–year entry points.

This year has also seen the first full cycle of recruitment–related international travel with visits undertaken to all of our priority markets including China, for the first time since 2019. Staff have attended recruitment events and met students and other key stakeholders in person and have delivered in–country agent training events and successful international alumni events. In Swansea, we were delighted to hold an in–person conference for our key partners for the first time since 2019.

Global Partnerships

This year saw us build on the Transnational Education (TNE) activity advanced in 2021/22. Several significant TNE projects are underway. We resubmitted a proposal for a Joint Education Programme with Dalian Maritime University in Law to the Chinese Ministry of Education. We also submitted a fully developed proposal for a Joint Education Institute developed with Nanjing Tech University to deliver degrees in Engineering. If approved, these projects will significantly enhance Swansea's TNE presence in China.

This year, we also launched a new project with a private provider in Mauritius to develop and deliver a top–up and an undergraduate degree and professional development in Nursing. While this project remains in its nascent stages, there are several future opportunities linked to this project which we will continue to explore.

The reopening of borders in the wake of Covid–19 has reinvigorated international relationships, with visits undertaken to academic partners in China, France and the USA this year. We were also pleased to host a number of inward visits from academic partners in the USA, Canada, China, France, and Vietnam. Our longstanding partnership with Université Grenoble Alpes has expanded to include a workstream on micro–electronics and semiconductors research. We are also developing, as part of a successful European consortium, an Erasmus Mundus–funded collaborative doctorate in Sports Ethics and Integrity.

In addition to the students from Petro Mohlya Black Sea National University who we have welcomed to Swansea, in July 2023 we were honoured to welcome four of their academic staff to Swansea for three weeks to strengthen academic relationships.

Global Reputation

We achieved considerable success this year, in building our global reputation in the QS World Rankings 2024. Swansea University was the biggest climber of any institution in the top 500, improving by 118 places to 307 and meeting our target to achieve a world top 350 ranking by 2025. The largest driver of our improvement was our reputation metrics; we had the largest score increase for Academic and Employer Reputation of all UK institutions. Our improved ranking will positively affect our ability to recruit international students and to grow our global collaborations.

We continue to be active in the Jiangsu – UK 2020 research network along with several UK institutions and to seek new research networks for collaboration.

Looking ahead, we are committed to growing our global footprint by establishing an overseas presence in the Gulf States and Southeast Asia. We will enable more students to study abroad, will explore the creation of more entry points for degree–seeking students, and we will continue to build our transnational portfolio. Despite multiple global challenges, there are therefore exciting new opportunities on the horizon.

OUR DIGITAL INFRASTRUCTURE

In 2022/23, our Information Services and Systems (ISS) team has continued to respond to the ever – and faster – changing needs of our University and our community through the adoption of agile working practices and leveraging further commercial and industry–standard software solutions.

A digital business partner practice has been established to forge closer links across our institution, to enhance our digital profile and to meet the needs of our students and staff. The Business Partner team is aligned to the three Faculties and acts as the main point of contact for digital initiatives across our University.

Throughout the year, we have worked with our industry partners to develop a core network design for the soon–to–be–refreshed campus network for Singleton and Bay campuses. We will begin the implementation of the new network in early 2024. This long–term investment will provide our University with a secure, high–speed, and robust network that meets the needs of students, researchers, and the wider community.

Our institutional Digital Strategy was approved by the Senior Leadership Team and University Council in March 2023, following several months of intensive student and staff engagement workshops. This led to the definition of 12 goals, 136 initiatives, and 85 projects on the IT Roadmap, which we will work to progress over the coming years.

In January 2023, we released the MySwansea app for students, with key features such as Canvas (our online student portal) notifications and module quick links, Outlook calendar integration, and student news and wellbeing support. Over 5,800 students have registered to use the app and, to date, more than 1,200 use it on a daily basis.

Our new IT Service Desk was also launched in January, aligned with industry–standard practices, to service students, staff, and visitors to our University in both Welsh and English. Having received over 11,000 tickets, customer satisfaction levels are currently at 93% and the ISS Service Desk staff has resolved 73% of calls on first contact.

In collaboration with academic staff, a new research ethics review system was introduced in March 2023, processing over 600 ethics applications from postgraduate students and researchers to date.

We have also continued to accelerate the cyber–security programme, making significant progress towards a centrally managed cyber–security capability that protects, adds value, and enables our University to deliver our core mission. In February, the ISS team supported Swansea Materials Research and Testing (SMaRT) to achieve its Cyber Essentials Plus certification, a crucial step in enabling SMaRT to work securely with its partners and customers.

In keeping with our institutional commitment to the Trusted Research agenda, in June 2023, we created a Trusted Research Environment using Amazon Web Services (AWS). This enables our researchers to securely store and process confidential data, accessible only through Cyber Essentials–certified devices.

This summer, we commenced a significant programme of activity to modernise our Student Records, Finance and HR systems. These projects will deliver improved, streamlined processes, in addition to updated technology. We plan to develop and deliver these projects in a phased manner over the next three years.

Looking forward, we will continue to adapt in line with the needs of our customers, by focusing on IT that delivers for its users and by consolidating working practices and processes across our University. In particular, we will seek to address digital skills and confidence across our community while also exploring new opportunities within the digital space, including supporting the growing interest in e–sports.

OUR ESTATE

Our Estates Strategy is based upon six strategic pillars that seek to address challenges and opportunities in relation to our University estate.

To further support the objectives of the six pillars, a Master Planning process has been initiated at both our Singleton and Bay Campuses. The Master Planning process is due for completion in December 2023 and will seek:

- **To retain our founding concept of a living, working academic campus.**
- **To provide a campus that supports our University's business plan and Estates Strategy objectives.**
- **To accommodate the continuing growth of both faculty and students at Singleton and Bay Campuses**

Student Accommodation

In June 2023, we handed over all student accommodation at Hendrefoilan Student Village to its new owner, marking the completion of the first phase of our student accommodation strategy. We have also signed nomination agreements with two providers who will deliver high quality student accommodation in Swansea city centre. Work has now commenced on the second phase of this strategy, including an initial appraisal for student residential development on our Singleton campus.

We have initiated a number of key infrastructure projects during the course of the year, including:

Research and Innovation Space at Swansea Bay Sports Park

As part of the Swansea Bay City Deal Campuses Project, a proposed new building will provide dedicated research and innovation space to support the development, testing and evaluation of medical, health, wellbeing, and sports technologies. The design process for the 2000m^2 facility is underway, with a preferred concept to be taken forward ready for submission to planning in late 2023.

New Infrastructure at Swansea Bay Sports Park.

We have continued to invest in Swansea Bay Sports Park. A new modular changing facility currently under construction will support activity on the athletics track, infield, 3G and grass pitches and provide male, female, and disabled facilities for athletes and officials.

A new multi–purpose hall is supporting a wide range of student clubs and activities, including martial arts and table tennis, and work is progressing on a new fully flood–lit World Rugby and FIFA quality compliant 3G pitch, as well as enhancements to the grass pitches. We continue to invest in our world–class hockey facilities, with the introduction of a 300–seat stand, which will enable Swansea University to host international fixtures and events at the Sports Park.

CISM (Centre for Integrative Semiconductor Materials)

In 2023, our new £50m CISM facility on Swansea University's Bay Campus officially opened. This building has been created with the purpose of bringing together semiconductor and advanced materials platforms and processes to deliver new technologies and products.

CISM Research Institute's active group comprises staff from across our University's academic community, including from Physics, Engineering, Materials and Chemistry. The group organises and encourages mentoring and support programmes and continuously sees significant benefits from the strong industry connections developed over the last three years.

Simulation and Immersive Learning Centre

Work is also progressing on our Simulation and Immersive Learning Centre, a state–of–the art simulation facility which will be situated on our Singleton Campus, with three further simulation and immersive learning suites also planned for our St. David's Park Campus. The Centre will host the largest installation of Immersive Wall technology and CAE simulation learning space technology in Europe, and we anticipate that it will open formally in autumn 2023.

Redevelopment of the listed Fulton House Building

Our plans to refurbish Fulton House and create a student hub at the heart of the Singleton Park Campus have now formally commenced. We have consulted stakeholders as part of the information–gathering phase of the project, who will continue to be engaged as we progress into the concept and detailed design stages. We anticipate a phased programme of construction will commence during autumn 2024. The redevelopment of first floor spaces is currently underway with our catering partners Chartwells and is due for completion in autumn 2023.

Investing in our Heritage

While we continue to invest in a campus for the future, we remain committed to protecting the history and heritage of our existing estate. Activity during the past 12 months has focused on refurbishing the historic Abbey Building, addressing elements of the 1937 Library building and developing Conservation Plans for a number of our listed buildings; this has included the Abbey Fountains, which have now been sensitively restored to their former glory.

OUR SUSTAINABILITY

We are committed to shaping a more sustainable future for our community and the world.

We have pledged to have zero carbon campuses and vehicles (scope 1 & 2) by 2035, to no longer invest directly in fossil fuel companies, and to cut our supply chain and travel (scope 3) emissions by 50% between 2015 and 2035. We have also pledged to make Swansea University a Nature Positive University.

Our plans are set out in our Sustainability and Climate Emergency Strategy (2021–2025) which commits us to actions across four key themes: The Climate Emergency, Our Natural Environment, Our Working Environment and Our Travel.

Through our quarterly Strategic Sustainability Committee, we monitor performance against our strategic commitments, scanning the horizon for opportunities to collaborate, enhance and expedite delivery. Established in 2022, the Committee is co–chaired by the Registrar and Chief Operating Officer and the Pro–Vice–Chancellor for Research and Innovation, with membership comprising key stakeholders, from academic and operational staff to student and staff representatives.

The Climate Emergency

We are promoting carbon literacy and awareness of the climate crisis, as well as the impacts of everyday actions on the climate. We were, for example, proud to be the first university in Wales to become a Refill University, obviating the need for thousands of single use plastic bottles through the installation of hundreds of campus water refill stations.

Through our bespoke, award–winning SWell app, we have engaged more than 50% of our staff community and have encouraged behaviours to lower our individual and collective carbon footprints. To date, more than 400,000 positive actions have been completed, including using energy hungry appliances efficiently, reporting equipment faults and leaks, choosing sustainable and active travel methods, avoiding waste, and reducing our purchasing.

We have invested around £6m in decarbonisation projects in the last two years, and we are taking steps to become Electric Vehicle (EV)–friendly across both campuses. We have cut campus energy and fleet emissions by 34% and have set an Electric Vehicle and Charging Policy to ensure a 100% Zero Emission Fleet and the provision of electric charging infrastructure on campus. We have also reduced our carbon emissions from our fleet by 66% (since 2015) and now have 11 charging points across our campuses.

Overall, we have seen a 16% drop in CO_2e from electricity consumption since 2015/16, even against a backdrop of campus growth.

We were placed 13th in the 2022/23 People and Planet League of UK universities ranked by environmental and ethical performance and are 101st–200th in the world in the Sustainable Development Goal THE Impact League, with ambitions to be within the top 50 by 2027.

Having previously achieved the Carbon Trust Standard for year–on–year reduction of total waste, in May 2023 we became the first Welsh university to achieve the prestigious Zero Waste to Landfill certification.

Our Natural Environment

Our campuses are home to extensive green spaces including wildflower meadows and grasslands, which support a wide variety of wildlife.

We are proud to be a founding member of the Nature Positive Universities Alliance, launched in December 2022 at the UN Biodiversity Conference (COP15). Our membership underlines our commitment to protect these important green spaces but also goes further; looking at how our entire operations impact nature, from the food sold on our campuses to the equipment used in our labs and offices, to the energy consumed in our buildings and on our journeys.

Our working environment

We are taking steps to make our working environment more sustainable. We have installed 1,800 new roof solar panels across both campuses; three new novel horizontal wind turbines on the roof of our CISM building and have installed our first Air Source Heat Pump (ASHP) within our Haldane building, removing the need to heat the building using gas.

We have upgraded lighting systems across our Singleton Campus by installing over 7,500 LED lights with automatic lighting controls to reduce operating costs and carbon emissions. On our Bay Campus, LED lamps have also been installed to the external street lighting columns. More than ten of our buildings are rated environmentally excellent or better, including our Institute of Life Science Buildings 1 and 2, and The College, Computational Foundry and Engineering North on our Bay Campus. We have committed £2.4m to invest in more solar photovoltaics, building management system upgrades, and switching to LED.

We are also developing plans to pilot Fulton House Redevelopment against a sustainability refurbishment accreditation (RICS SKA or BREEAM).

In order for us to meet scope 3 targets, we need to consider how we operate within all spaces across our University estate, including our labs and workshops. LEAF (Laboratory Efficiency Assessment Framework) sustainable labs are the green standard for laboratories and the scheme is open to all labs on campus to help reduce their environmental impact. It is our goal that all of our University labs will be part of the LEAF programme, with the aim of achieving a bronze LEAF award by the end of the 2024–25 academic year.

Travel

In recognition of the impact that travel has on our carbon footprint, we are committed to providing schemes which encourage our staff and students to consider alternative transport, such as our highly successful Santander Bike Scheme and SWell Travel Buddy app. We were the first employer and university in Wales to be audited and be awarded a Cycle Friendly Employer (CFE) accreditation (Gold level since 2022). Our staff Cycle to Work scheme upper limit has been raised to £3,000 to offer better choice and discounts on bike purchases for the purposes of commuting to work. We offer discounted staff and student annual and term–time bus passes and run regular Travel Champion training across our University, including within the Students' Union, and bi–monthly student and staff bus and cycle user group forums.
We also provide free lights and locks to students and provide security bike marking free of charge.

These practical steps mean that we are on course to meeting our ambitious target of becoming net zero, and no longer adding to the total amount of greenhouse gases in the atmosphere, by 2035. This goes some way to fulfilling our ambition to be an exemplary institution in terms of sustainability, in the region, nationally and internationally.

FINANCIAL REVIEW

Highlights

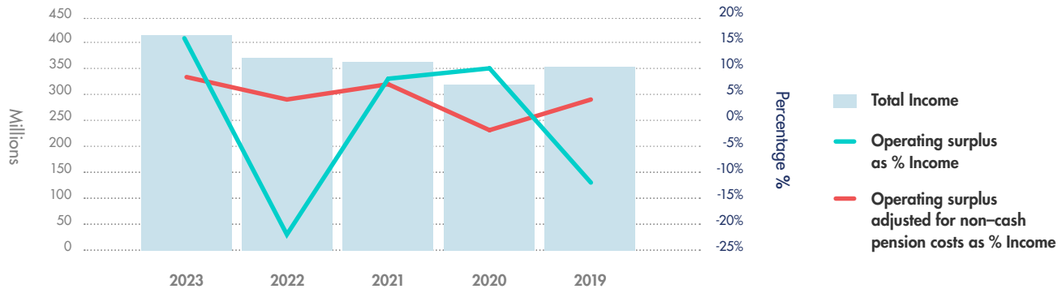
	2023	2022		2023	2022
Operating surplus / (deficit)	**£64m**	(£78m)	Operating surplus / (deficit) as % income	**16%**	(22%)
Operating surplus / (deficit) excluding pension adjustments	**£33m**	£14m	Operating surplus / (deficit) excluding pension adjustments as % of income	**8%**	4%
Total comprehensive income	**£83m**	(£56m)			
EBITDA	**£41m**	£44m	EBITDA as % of income	**10%**	12%
Net cash flow from operating activities	**£50m**	£56m	Net cash flow from operating activities as % of income	**12%**	15%
Cash at the end of the year	**£123m**	£165m	Liquidity days	**130**	185

Scope of Financial Statements

These financial Statements consolidate Swansea University, its subsidiary undertakings and associated companies and have been prepared in accordance with Financial Reporting Standard 102 (FRS102) as interpreted by the 2019 edition of the *Statement of Recommended Practice: Accounting for further and higher education.*

Overview

INCOME AND OPERATING SURPLUS AS A % OF INCOME

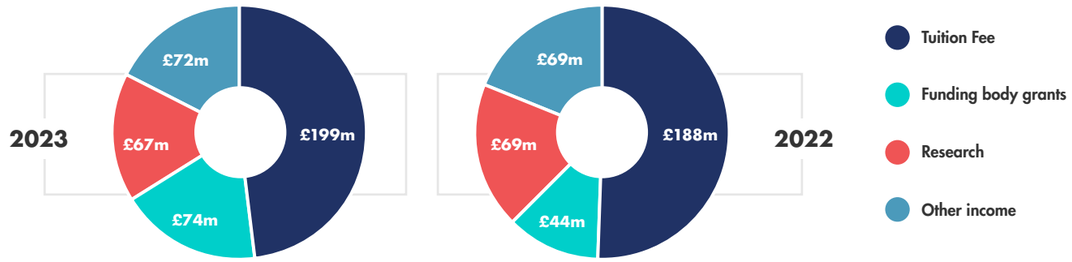


The challenges facing the higher education sector continued to affect the University during the financial year 31 July 2023. Despite this, Swansea University and its subsidiary undertakings retained an operating surplus of £32.8m in the year to 31 July 2023, before the change in the USS pension scheme provision, compared to a surplus of £14.0m for 2022.

Income – increased by 12% to £413m

2022/23 saw income growth of £42.6m due to an increase in tuition fees and the release of capital grant income.

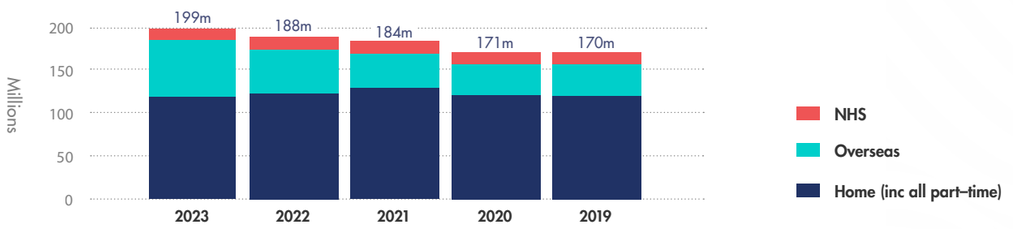
INCOME BY CATEGORY



Tuition fee income *increased by 6% to £198.9m.*

Tuition fee income from full time overseas students increased by £14.3m for the year, whilst income from full time home students decreased by £4.7m. 2023 saw further growth in overseas students, the number of enrolments increasing by 14%, following the 33% increase in the prior year. This increase was largely driven by significant growth in overseas postgraduate taught students in the September entry point, enrolled in Business, Accounting and Finance. Like many in the higher education sector, the University saw an unexpected fall in the number of home undergraduate students progressing from one year of study to the next and a reduction in the number of home students choosing to go on to postgraduate study. The cost–of–living crisis is thought to have been a key factor in this and the effect that Covid–19 had on young people's education continues to impact on their university life.

TUTION FEE INCOME

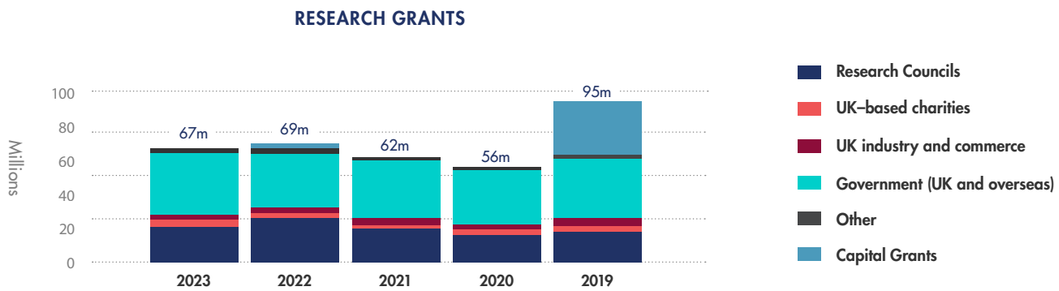


Funding body grants *(excluding capital grant income) decreased by 7% to £38.2m.*

Recurrent grants for teaching and research remained consistent with the prior year at £28.9m, whilst capital recurrent grants increased by £1.2m to £2.0m. During the year to 31 July 2023, £9.3m of non–capital specific grants were received to support projects such as student wellbeing and health, research and innovation, and the Welsh Language. £33.9m of capital funding was recognised as income in the year, including £29.9m relating to the new research building, the Centre of Integrated Semiconductor Materials (CISM).

Research income, *excluding capital grants, remained stable at £66.7m.*

The University continued to increase its research grant capture in 2023. Research grants received from UK and overseas Governments (excluding capital) increased by 14% to £36.2m which reflects the achievements in winning new grants in Health and Engineering along with significant spend with the ending of the EU Structural Funds programme. Income from Research Councils decreased in the year by 19% to £20.7m. This was comparable to the income recognised in 2021 with exceptionally high income in 2022, due to an Innovate UK project. Income from other funders remained comparable to the prior year.



Other income *decreased by 2% to £66.1m.*

Other Income includes income generated across the University not captured under the core headings of tuition fees, funding body grants, research, and investment income. Residential income received in the year totalled £22.8m, with catering income increasing in the year to £2.8m. Academic faculties generated £11.8m through collaboration, grant funding, events and other activities such as conferences and a further £2.7m from consultancy work. £5.1m of NHS income was received in respect of the Faculty of Medicine, Health and Life Sciences during 2023.

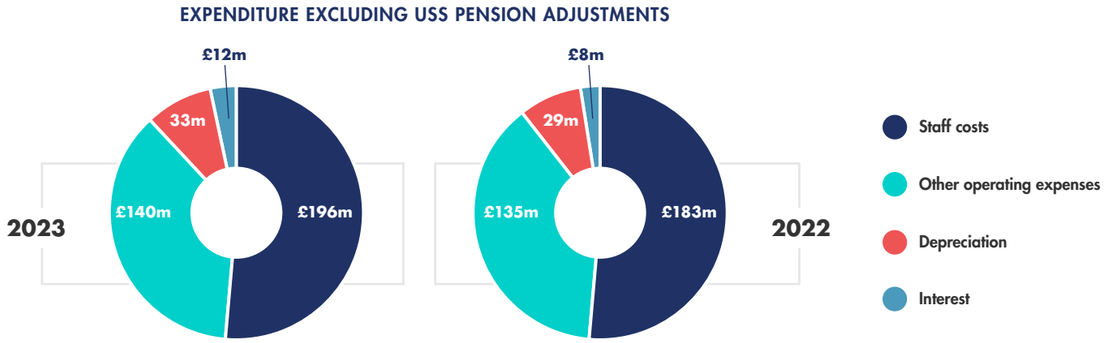
Included within other income is a £9.5m accounting adjustment in respect of the Bay Residences which is an annual release of the lease provision, and not a cash transaction.

Investment Income *increased by 654% to £6.1m.*

During the year the University took advantage of higher interest rates, placing two £25m fixed rate deposits for a period of one year at an average rate of 4.6%; this generated interest in the period to 31 July 2023 of £1.5m. University funds which are not directly invested or held in the current account are retained as a pooled investment with Royal London Asset Management. Due to changes in the financial market the returns on Royal London increased from £0.7m in 2022 to a return of £4.3m in 2023. Small returns were received on the endowment portfolio and on funds held in the current account.

Expenditure – increased by 7% to £380m

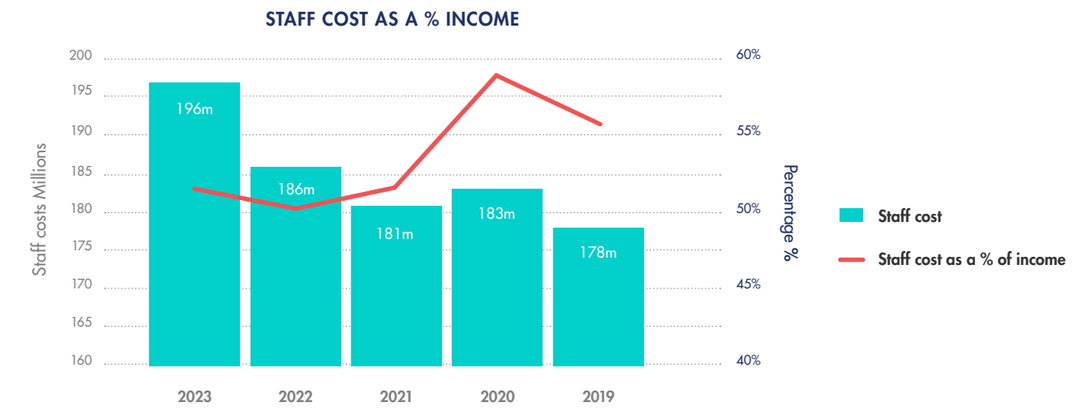
Expenditure in the year (excluding USS valuation adjustments) increased by £26.3m to £380.4m. Staff costs increased by 7.1% to £196.0m, whilst other operating expenditure increased by 4% to £140.2m.



Staff costs *(excluding the USS adjustment) increased by 7.1% to £196.0m.*

Staff full time equivalent (FTE) numbers increased by 168 during 2023 following a decrease in the previous year. This was in all categories of staff except research which decreased by 5% to 481 FTE, due mainly to the ending of the EU Structural Funds programme.

Staff costs as a percentage of income (excluding capital grants) increased to 52% from 50% despite an increase in income. The average annual salary increased to £52.7k from £51.5k reflecting the national pay award and annual increments.



The USS pension charge or credit is calculated annually to reflect the estimated change in expected future contributions and is based on the valuation and discount rates on 31 July each year. This is an accounting adjustment and not a cash transaction.

The March 2023 valuation is not yet finalised so the results of the actuarial valuation on 31 March 2020 are reflected in these financial statements. At that valuation date, the value of the assets of the scheme was £66.5bn and the value of the scheme's technical provisions was £80.6bn indicating a shortfall of £14.1bn in the total scheme.

The University uses the published bond rates on 31 July each year to calculate its share of the deficit. The change in the bond rate on 31 July 2023 resulted in the University's share of the deficit reducing by £31.7m. This is shown as a credit (reduction to expenditure) in the Statement of Comprehensive Income in the year and follows an increase in 2022 of £93.5m.

The indications from the March 2023 valuation are that the scheme is now in a surplus position and the contributions payable by both the employer and employee are expected to decrease.

Non–Pay expenditure increased by 4% to £140.2m.

The largest non–pay costs for the University are consultancy and contracted services at £22.9m and premises costs at £21.5m, both decreasing during 2023 following increases the previous year. Within consultancy and contracted services, is the £1.3m grant to the Students Union, £3.8m for the soft FM contract and £4.3m of research spend. Spend on non–capitalised equipment also decreased during the year by 8%, to £14.9m. Scholarships, bursaries and prizes increased by 17% to £19.8m, with spend on student recruitment and advertising also increasing by 17% to £9.5m, following the changes to the global market. Significant increases in spend were a 31% increase in utilities to £10.1m and a 75% increase in travel costs to £7.3m as staff start travelling once again and in–person events recommenced.

OTHER OPERATING EXPENSES 2023

Balance Sheet

The University has a strong balance sheet with assets increasing during 2023 and liabilities decreasing.

Non–current assets increased by £9.3m, with £38.3m cash spent on capital additions in the year, offset by depreciation charged.

Current assets increased by £7.4m following the successful year and the resulting increase in cash. £50.0m of cash was placed in a 12–month investment resulting in a decrease of £41.3m in reportable cash but increasing investments by £49.9m.

Current liabilities decreased by £5.4m as the capital grant for the Centre of Semiconductor Materials (CISM) of £29.9m was released to the statement of comprehensive income during 2023 upon completion of the building, and accruals and trade creditors increased at year–end due to timing of payments.

Creditors falling due in more than one year decreased by £7.0m following loan repayments of £3.5m and the liability on the service concession reducing by £3.1m. Gains on both USS and the SUPS pension schemes resulted in a decrease of the pension provision of £54.0m.

Covenants

In order to satisfy the loan conditions, set out by the European Investment bank, the University must ensure compliance with the following covenants:

1. The ratio of Net Financial Indebtedness to Adjusted EBITDA shall not exceed 6.5:1
2. The ratio of Net Operating Cashflow or Debt Servicing Costs shall be at least 1.1:1
3. The ratio of Adjusted Financial Indebtedness to Revenues shall not exceed 85%
4. The University shall comply with any other condition which is set in respect of HEFCW.

At 31 July 2023 all the covenant conditions were met.

Capital Expenditure and Capital Grant Receipts

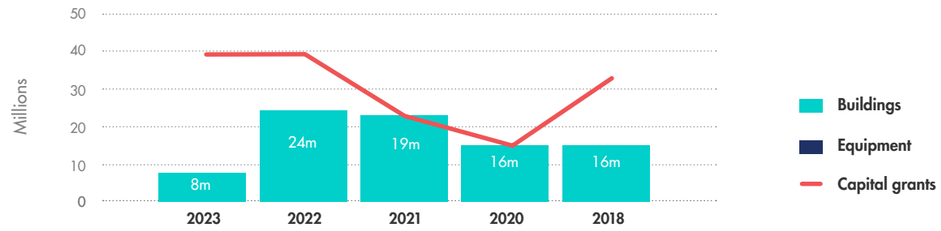
Capital expenditure remained consistent at £38.3m.

The Bay Campus continues to be expanded strategically with the opening of the new grant funded research building, the Centre for Integrative Semiconductor Materials (CISM). The Estates Strategy includes a focus on improving the quality of the facilities on the Singleton campus and 2023 has seen the opening of a Simulation Suite which supports learners within the clinical, health and social care programmes to immerse, reflect and develop through real world scenarios. Higher Education Research Capital Funding has been used to develop and upgrade Psychology facilities facilitating critical research on sleep to be undertaken, along with the creation of a Hydra Simulation Suite which enables direction, monitoring and evaluation of social science experiments.

The University has continued its programme of work to deliver its Sustainability Strategy and used Salix funding for decarbonisation projects including installing LED lighting and solar PV panels.

During the year £11.6m was spent on purchasing equipment to support the operations of the University. £5.4m was spent on purchasing equipment for research projects with £0.9m spent as the upgrade on the digital infrastructure and network commenced.

CAPITAL EXPENDITURE AND GRANT RECEIPTS



Cash and Debt

Cash, including current investments, increased to £178.3m.

The University's financial strategy is to generate sufficient cash to provide resilience, create the necessary levels of working capital and to enable investment in the estate and infrastructure projects.

Despite a higher surplus in the year, the cash generated from operating activities (after adding back capital grants and excluding non–cash transactions) reduced from £56.2m in 2022 to £49.6m in 2023. The increase in creditors of £22.9m at year–end reduced the operational decrease in the cash balance.

The University funded £30.2m of the capital expenditure from its' cash reserves and used £8.8m of cash to service its' borrowing and other financing arrangements.

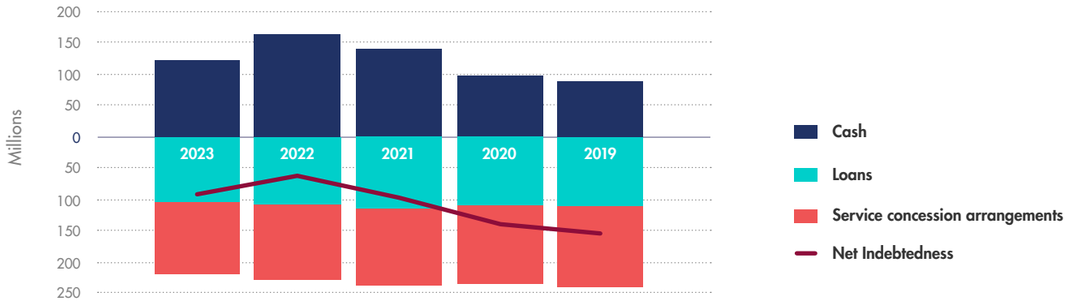
Net indebtedness increased by £34.8m to £97.1m.

Loan repayments of £3.5m were made during the year reducing the loans outstanding to £104.4m. The service concession arrangement debt on the residences reduced to £116.0m at 31 July 2023 following the unwinding of the lease liability (£3.1m).

However, cash decreased by £41.4m in the year, following the £50.0m deposit, resulting in the significant increase in net indebtedness.

The University received a loan of £2.3m from Salix Finance Ltd for decarbonisation projects. This loan is at 0% interest and is repayable over eight years.

CASH, DEBT AND NET INDEBTEDNESS



Pension Provisions

The University is a member of the Universities Superannuation Scheme (USS) which provides pensions for academic and professional staff. At the last triennial valuation in March 2020 the scheme had a deficit of £14.1bn. During the year, the deficit allocated to the University increased from £43.0m to £134.3m. £7.4m was paid in deficit contributions at a rate of 6.2% of pensionable payroll and interest charged in the year increased to £4.5m following the increase in the discount factor in July 2022. £31.7m was credited, decreasing the provision, following the change to the discount factor used (high quality corporate bond rate).

The University also operates a CARE scheme, Swansea University Pension Scheme (SUPS) for non–academic employees, which is closed to new entrants. During the year the SUPS deficit decreased from £36.6m to £17.2m as an £18.6m net actuarial gain in comprehensive income was recognised.

Future outlook and going concern

The primary objective of the University's Financial Strategy remains the generation of sufficient cash resources to deliver its strategic objectives and ensure long term financial sustainability. This is proving to be a critical factor in the University's ability to sustain itself in an environment of ongoing uncertainty.

The external context in which universities are now operating is becoming increasingly challenging. Student recruitment continues to prove difficult to predict, particularly from overseas markets, but the sector also saw an unexpected reduction in the number of students progressing from one year of study to the next in 2022/23, undoubtedly reflecting ongoing impacts from Covid–19 and the challenge that cost of living pressures pose for students.

At the same time, the value of the home undergraduate tuition fee continues to be eroded by inflation and is now worth closer to £6,000 in real terms. Whilst Swansea, like many other universities, has become more efficient, the recent inflationary pressures on both pay and non pay are exacerbating an already unsustainable position.

Despite this challenging external context, the University has produced a strong financial result for 2022/23, generating an operating surplus (before USS pension adjustments) of £32.8m and net cashflow from operating activities of £49.6m resulting in £123.3m of cash at the year–end plus an additional £50m on fixed term deposit until December 2023.

This has been achieved by regularly reviewing and restating the financial forecasts in light of actual performance and working closely with colleagues across the University to manage expenditure. We have also been closely monitoring cashflow and covenants to ensure the University is maintaining sufficient cash reserves and meeting its covenant conditions.

Our enrolments for 2023/24 are expected to meet the overall forecast with continued growth in postgraduate overseas students and the home postgraduate numbers also looking strong. This will help to mitigate what will probably be a shortfall in home undergraduates. Applications for our January entry programmes are currently exceeding forecasts, so we expect overall tuition fee income to be achieved.

Whilst the formal national negotiations for the 2023/24 pay award have ended and an overall increase of 5% has been implemented, the national trade unions remain dissatisfied and further strike action remains a possibility.

The volatility of the accounting for the USS pension continues to distort the financial results for universities. The change in the bond rate on 31 July 2023 resulted in the University's share of the deficit reducing by £31.7m. This is shown as a credit (reduction to expenditure) in the Statement of Comprehensive Income in the year and follows an increase in 2022 of £93.5m.

The outcome of the USS Triennial Valuation 2023, whilst still to be finalised, provides further positive news for both employers and employees. The reduced contribution levels will create some headroom and opportunity for the University and it is hoped that the reinstatement of benefits and reduced contributions will be welcomed by affected staff. However, it is also likely to lead to another significant accounting adjustment on the 2023/24 Financial Statements.

Non pay costs continue to be under pressure, the University seeing, for example, a 31% increase in utilities costs in 2022/23 compared to 2021/22. The University has already taken steps to reduce the cost of, and demand for, energy through a range of decarbonisation and related projects, and more are planned as part of the University's commitment to achieving Net Zero by 2035.

The University is still planning significant investment in the estate and IT infrastructure to ensure the campuses remain attractive places to work and study, with £120m currently earmarked from our cash reserves to fund capital investment to 2028.

The need for good quality, reasonably priced student accommodation, on Singleton campus, in particular, will inform the further development of the Student Accommodation Strategy. We have seen students become increasingly price sensitive and we expect this to result in lower levels of occupancy in 2023/24, and potentially into the medium term.

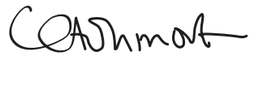
Despite the positive outcome for 2022/23, the creation of a financially sustainable five–year forecast continues to be a challenge. The University has developed a Financial Sustainability Programme which identifies a range of activities which it is expected will deliver income growth and cost savings over the next three years. These range from the continued development of overseas partnerships and on–line delivery of programmes to a comprehensive review of the University's Professional Services, as well as an organisational approach to limiting non–pay spend.

There is a formal governance process in place to monitor the delivery of the required cost savings and the Ymlaen programme, which was initiated to focus on delivering a step change in organisational effectiveness and embedding a culture of continuous improvement, will support the operational delivery.

Notwithstanding the University's confidence in this Programme, we have undertaken scenario modelling which has stress tested a range of key risks to see what the impact would be on the University's financial position and discussed these with Council and its relevant sub committees.

Having reviewed the underlying strategies, financial forecasts and scenario modelling, the University is confident that it has adequate resources to continue in operation and to meet its future obligations for the next 12 months and will continue to do so for the foreseeable future. For this reason, it continues to adopt the going concern basis for preparing the financial statements.

Sarah Jones,
Chief Financial Officer

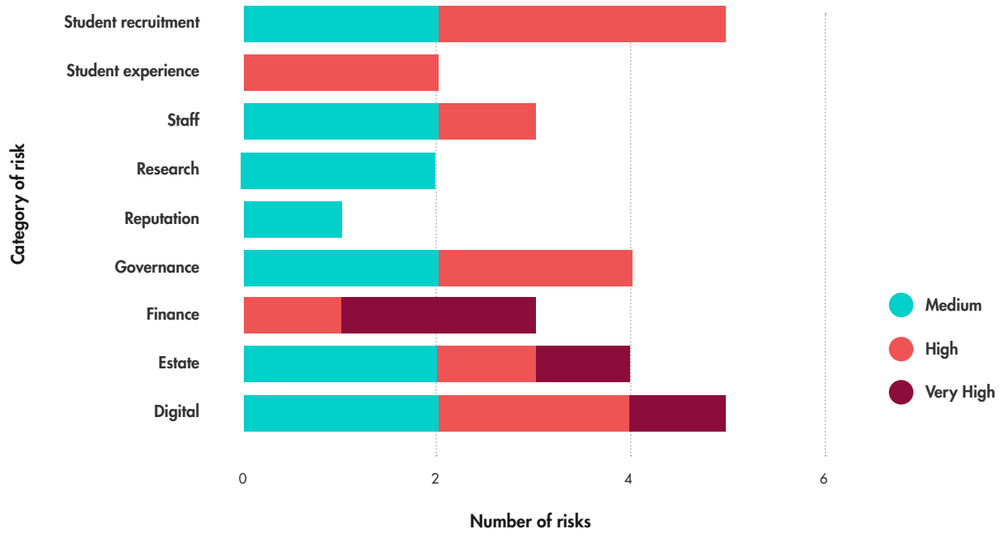


Goi Ashmore,
Treasurer

PRINCIPAL RISKS AND UNCERTAINTIES

The University maintains a university-level Risk Register which is formally reviewed quarterly by the Senior Leadership Team, Audit, Assurance and Risk Committee and Council. It is also updated as and when appropriate if it is clear that risks are changing more rapidly.

All risks are assigned to a category to allow analysis and comparison. The number of risks currently on the University Risk Register in each category and by risk score is summarised below. The distribution of risks continues to reflect the uncertainties that exist in the external environment including the geo-political issues and the ongoing impact of high inflation on the University, staff and students.



The table below identifies the highest-ranking risks from the University register according to residual risk score.

Strategic Risk	Main mitigations
Financial sustainability Inability to deliver forecast income and expenditure resulting in failure to create surpluses required for investment and to deliver the University strategy	• Monthly budget reporting and monitoring and quarterly reforecasting • Detailed financial assessment and stress testing of inherent risks • Financial Sustainability Programme being implemented • Monitoring of covenants
University student accommodation Reduced student demand for university owned/contracted accommodation leads to reduced occupancy levels	• Ongoing monitoring of vacant rooms, location, pricing • Modelling of financial impact and identification of mitigating actions • Review of longer term student accommodation strategy
Cyber security A breach or incident results in harm to the University	• Significant multi-year investment agreed as part of Digital Foundations Project • All cyber processes and policies under review • Cyber awareness programme implemented
International student recruitment Impact of external factors such as UK government policy changes, increased competition and internal factors such as over-reliance on a limited number of markets lead to inability to meet forecast international numbers, resulting in reduced financial sustainability	• Implementation of the International Strategy • Exploration of new Trans National Education opportunities to deliver in-country programmes • Identification of new markets for the development of an enhanced overseas presence • Monitoring and review of performance of existing markets
Student experience – well being services Unable to meet the demand resulting in impacts on student support services and student experience	• Continued review and response to student feedback • Recommendations of independent review implemented • Increased resources provided

Strategic Risk	Main mitigations
Student experience – learning and teaching Poor teaching quality, student:staff ratios, learning environment and support services lead to poor student experience	• Learning and Teaching Strategy being implemented • NSS Recovery Plan being led by the Pro-Vice-Chancellor Education • Gateway to Student Services project under development • Graduate Outcomes project established
Home student recruitment Increased competition and changing student behaviours lead to inability to meet forecast student numbers	• Review by the UK Recruitment Strategy Board • Maintain and develop Clearing Strategy and campaign through Clearing Steering Committee • Engagement with FE Colleges as part of Diversification project
Staff morale – impact of change Significant change programme and workload pressures lead to reduced staff morale	• People and Culture Committee established • Updated Health and Wellbeing offer • Agile Working Policy and guidance introduced • Regular communication to staff via various forums • Recognition of staff efforts • Implementation of a Leadership Development programme to support leadership capacity and capability

PUBLIC BENEFIT STATEMENT

Swansea University has been a registered charity (no.1138342) since October 2010. Our constitutional framework is defined in our Charter and Statutes and Article three of the Supplemental Charter highlights our University's objectives "to advance learning and knowledge by teaching and research, and to engage in activities to promote and contribute to cultural, social and economic development within Wales and beyond."

We are, and will continue to be, a principled, purposeful, and resilient University that balances excellent teaching with world–leading research and innovation in an open environment which enables our students and colleagues to excel. While we are valued globally as a trusted partner, we are deeply committed to our region and are proud to be a University for Wales.

In setting and reviewing objectives and activities and in making decisions, the University's Council has had due regard to the Charity Commission's public benefit guidance and supplementary guidance on the advancement of education.

Our Strategic Vision and Purpose (2020) is underpinned by five strategic pillars, each with their own strategies, which are summarised below. *Our Strategic Vision and Purpose* also recognises that the climate crisis remains society's biggest threat. Consequently, we align our work to the Sustainable Development Goals (SDGs) and have committed to being a carbon–zero university by 2035. (Our approach to sustainability and achieving Net Zero is highlighted on pages 26–27.)

Our Civic Mission

We are proud to belong to the City of Swansea, the wider Swansea Bay City Region and to Wales, and we celebrate that heritage. With campuses in three local authority areas, we recognise that our University is the region's university, and that we have a responsibility to work with and for our community and Wales. Our values align with the goals and principles of the Wellbeing of Future Generations (Wales) Act 2015, and we seek to deliver local solutions to the global challenges that affect us all.

While our civic mission is rooted in our immediate region, it extends to the impact we seek to make in communities worldwide. We attract colleagues and students to Swansea from all over the world and we are committed to ensuring that the education and experiences we provide and the research we pursue are relevant both locally and internationally. Above all, we seek to work in genuine, open, and equitable partnership, and to learn as much from others as we can.

Our Civic Mission work also can be seen in our Research and Enterprise, our Learning and Teaching, and our Student Experience, described on pages 12–19.

We are an anchor institution that plays an active part in the life of the region. We have strong links with other anchor institutions and major employers, including Health Boards, local authorities, and private and third sector organisations, and we have effective partnerships with further education colleges and schools. We have invested significantly in the infrastructure needed to support skills and innovation and are a key partner in the Swansea Bay City Deal.

We contribute to the cultural life of our community through our Taliesin Theatre and Great Hall, the Egypt Centre, our South Wales Miners' Library and Richard Burton Archives, and the International Dylan Thomas Prize. We also partner with the city and local sports teams to provide sports facilities shared with the community and have an ambition to establish Swansea city and our University as the champions of sport in Wales. In July, we signed the Armed Forces Covenant in recognition of the value that serving personnel, veterans and military families contribute to our University and the country.

We are also proud that in June 2023, our staff member Dr Lella Nouri received an award from the Ethnic Minority Welsh Women Achievement Association (EMWWAA) for her involvement in community activity to counter hate messages.

Our Student Experience

Our students, and their diverse experiences, needs and ambitions, shape the environment that we seek to foster at Swansea University. We take their needs and expectations into account in our decision–making and take pride in our consistently strong reputation for the quality of our student experience, the strength of our student support services, and our commitment to student mental health and wellbeing. In partnership with our Students' Union, we will work to ensure that every student who makes Swansea their home experiences the best of us.

Our CampusLife team continues to support our students with impartial, non–judgemental advice and support, and throughout the year have administered the Student Hardship Fund, delivered the Listening Service, and supported students with a range of services.

The WhatUni Awards 2023 results, voted for by over 35,000 students at over 80 universities across the UK, ranked Swansea University 6th in the Student Life Category and 11th in the Student Support Category, and in April 2023 the Complete University Guide named Swansea the safest city for students in Wales (and top 10 in England and Wales).

Our students make a significant contribution to local society through volunteering and outreach programmes, and they are part of our international community. Our aim is to produce global citizens who will go out into the world and make a difference. During the year, our student volunteering charity, Discovery, supported 127 volunteering opportunities for 510 student volunteers who worked with people across our community: older people; disabled adults and children; refugees and asylum seekers; exploited women; people experiencing isolation and loneliness, and students with additional needs.

(Further information about our Student Experience is outlined on pages 12–15.)

Our Learning and Teaching

The sharing of knowledge to nurture independent, critical thinking is fundamental to our purpose. It enables our students to be resilient in the face of global challenges and to adapt to the changing world of work. We celebrate our Welsh heritage and are proud to be part of a bilingual nation. We respect students' rights to study through the medium of Welsh and continuously seek to expand our range of opportunities for them to do so. We also work to maintain our status as a community that balances research and teaching excellence.

Our graduates work in an increasingly connected world that demands appreciation and understanding of other cultures and countries. We provide imaginative opportunities for our students to study and work abroad during their degree programmes, and to relate their learning to the challenges faced by communities around the world.

We are committed to widening and deepening access to education, promoting lifelong, inclusive and equitable learning opportunities. Our University is the lead partner in the HEFCW–funded South West Wales Reaching Wider Partnership and also funds and delivers the Step Up to Swansea University programme. Both programmes aim to increase participation in Higher Education by people from underrepresented groups and communities in southwest Wales.

We are proud to offer care experienced young people the opportunity to visit our University and take part in activities designed to raise educational aspirations and their awareness of university life. This year, we hosted a range of events for this group, including workshops, university tours, 1:1 visits, residential experiences and working with other care experienced young people and university students. We also run a two–day residential summer school each year, for young carers aged 15–18 years old.

Our Swansea Academy of Inclusivity and Learner Success (SAILS) also works to provide inclusive academic and pastoral support for our diverse student population. SAILS delivers a range of projects to enable individuals from all backgrounds to enter and transition into higher education; to stay at university and complete their studies; to progress from level to level, and to achieve the best degree outcomes they can.

We deliver a range of subject–specific outreach projects to support pupils, including in computing, Further Maths, and other STEM subjects at GCSE, A–level and beyond. We also provide progression pathways through foundation years in Engineering, Science, Arts & Humanities, and the School of Management for individuals unable to gain direct entry to the first year of a full–time undergraduate degree.

(Further information about our Learning and Teaching is outlined on pages 12–15.)

Our Research

Our research has impact because it is directed to meet the needs of our partners in industry, commerce, academia, and the public sector. It changes lives, drives innovation and regional growth, and is aligned to the UN Sustainable Development Goals. It impacts on our culture and society as well as on our health and wellbeing, our economy, and our planet. We drive policy change nationally and internationally.

We are at the leading edge in many areas including: advanced manufacturing and innovation in clean energy and the digital economy; nanohealth, and the analysis of large–scale health data; labour market evaluation, terrorist use of the internet, and preserving our industrial heritage. We are exploring new ways to assess and mitigate the risks of the climate crisis and are working to protect the most vulnerable in our society and to enrich all our lives through our understanding of history and the arts.

Recent successes include a £15m award to a consortium of universities, including Swansea, to establish a new world–leading railway research and innovation centre in south Wales. We are also set to play a key role in a new platform designed to bring together UK strengths in the research of rare diseases to develop better and faster understanding, diagnosis, and treatment, through the £14m UK Rare Disease Research Platform established by the Medical Research Council and the National Institute for Health and Care Research.

Our Enterprise

We are an exceptionally collaborative and entrepreneurial university. We were founded by industry, for industry, and we remain true to the ambitions of our founders in that we work with industrial, commercial, and public sector partners for the benefit of our region and nation. We value our partnerships with anchor companies and SMEs in Wales – more than 40 companies are co–located with us on our campuses – and with the many organisations we collaborate with internationally.

We work in tandem with our partners to exchange knowledge and develop skills on an ethical and equitable basis. While we will lead collaborations, we will listen to our partners and will learn from them. Our role is to meet their needs, stimulate their growth and support their sustainable development as much as it is to push boundaries and innovate.

Our entrepreneurial approach adds value to the student experience, providing opportunities for our students to gain practical skills through placements, internships, and collaborative research projects.

Our University is among the leading academic institutions in the UK for generating spinout companies. The third annual Spotlight on Spinouts report, sponsored by the Royal Academy of Engineering, highlights Swansea's notable achievement in creating 48 spinouts since 2011. This success positions Swansea University among the leading ten universities in the UK, while also securing the top spot in Wales.

Demonstrating our commitment to developing our students' enterprise and entrepreneurship skills, a team of Swansea students won the 2023 Invent for the Planet competition run by Texas A&M University. Invent for the Planet is an Intensive Design Experience which engages students at different universities around the world and tasks them with solving some of the world's most pressing problems in just 48 hours. The Swansea team were tasked with developing an affordable and easy device that could provide safe drinking water, and developed a reverse–osmosis pump which could convert toxic river water into potable water for rural farming communities.

(Further information about our Research and Enterprise is outlined on pages 16–19.)

CORPORATE GOVERNANCE AND STATEMENT OF INTERNAL CONTROL

The University conducts its activities in accordance with both the Committee of University Chairs (CUC) Higher Education Code of Governance and Higher Education Senior Staff Remuneration Code, and in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty, and leadership).

The University is committed to the highest standards of openness, probity, and accountability, conducts 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 that are in the public interest.

CONSTITUTION AND POWERS

The University is an independent corporation, whose legal status derives from a Royal Charter originally granted in 1920. Its objects, powers and framework of governance are set out in its current Charter ('the Supplemental Charter'), approved by the Privy Council in 2007, and its supporting Statutes the latest amendments to which were approved by the Privy Council in 2021. The University registered as a charity in October 2010 (1138342).

The Charter and Statutes require the University to have three separate bodies (Council, Senate, and Court), each with clearly defined functions and responsibilities, to oversee and manage its activities:

COUNCIL

The Council, which is established by the University's Charter, 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's membership, powers and duties are set out in Statute 5, which is available on the University's website. The Council is responsible for determining the strategic direction of the University, and for the finance, estates, investments, and general business of the University.

The Council normally meets at least four times a year and exercises its responsibilities through the executive management and standing committees set out below. Special meetings may be called at the request of the Chair if required. During 2022/23, the Council held five meetings, including one special meeting, that focused on governance, financial and regulatory matters. Three of the meetings were held in person, one was held as a hybrid meeting, and the special meeting was held remotely.

The Council comprises independent (described as lay), staff and student members appointed in accordance with the Statutes and Ordinances of the University. The membership of the Council shall not exceed 19 and the majority of Council members are non–executive lay members who are not members of staff or registered students of the University. The Council is committed to promoting equality and diversity and vacancies for lay members are advertised externally, with expressions of interest particularly welcome from under–represented groups. Applications are considered by the Governance and Nominations Committee and matched against the current skills and experience matrix. None of the lay members receive any payment, apart from the reimbursement of expenses, for the work they do for the University.

Lay members of Council serve for a period of four years but may be re–appointed for one further period of four years. The role of the Chair of Council, which can only be undertaken by a lay member, is separate from the role of the University's Chief Executive, the Vice–Chancellor. The staff members of Council are appointed through a fair and open election process.

Council members are required to make a declaration of interest on their appointment to Council, to review their declaration at least annually, and to update their declaration whenever there is a change. Declarations are reviewed by the Chair of Council, in accordance with the University's Declaration of Interest Policy and procedure, to ensure there are no potential or perceived conflicts, or, if there are, to ensure they are dealt with appropriately. The Secretary to Council maintains a register of interests for all members of Council, which is reviewed annually by the Governance and Nominations Committee. At the start of Council and Council Committee meetings, all members are asked to identify any specific items on which a declared interests may have a bearing and, if required, members do not take part in the relevant discussion or decision, and/or may leave the meeting at the appropriate point. Any declarations identified and member's participation in specific items is recorded in the minutes of the meeting. The Council has adopted the role description for the Secretary to Council, developed in response to the CAMM Review, which contains a clear statement of the Secretary's accountability for highlighting issues of independence or conflict to the Chair.

As the University is a registered charity, Council also acts as the Board of Trustees and members of Council are also Charity Trustees.

Members of the University Council who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Council meetings (expressed as the number of Council meetings attended out of a total of meetings the member was due to attend) is provided below.

Council Member	Category	Attendance
Mr Bleddyn Phillips, *Pro–Chancellor & Chair of Council* (until 31 December 2023)	Lay	5/5
Sir Roderick Evans, *Pro–Chancellor* (until 31 March 2025)	Lay	5/5
Mr Goi Ashmore, *Treasurer* (until 31 December 2023)	Lay	4/5
Professor Paul Boyle, *Vice–Chancellor* (until 25 July 2024)	Staff	5/5
Dr Kerry Beynon, *Co–opted lay member* (until 3 February 2024)	Lay	3/5
Mr Laurence Carpanini, *Co–opted lay member* (from 1 January 2023)	Lay	3/3
Professor Edward David, *Co–opted lay member* (until 3 February 2024)	Lay	4/5
Professor Kathryn Monk, *Co–opted lay member* (until 26 January 2026)	Lay	4/5
Dr Angus Muirhead, *Co–opted lay member* (until 20 March 2024)	Lay	4/5
Ms Elin Rhys, *Co–opted lay member* (until 3 February 2024)	Lay	5/5
Mrs Marcia Sinfield, *Co–opted lay member* (until 30 November 2024)	Lay	4/5
Professor Keshav Singhal, *Co–opted lay member* (until 30 November 2024)	Lay	3/5
Ms Anne Tutt, *Co–opted lay member* (until 5 July 2024)	Lay	4/5
Dr Mahaboob Basha, *Appointed by Staff* (from 1 July 2023)	Staff	2/2
Mr Heath Davies, *Appointed by Staff* (until 30 June 2023)	Staff	2/3
Mr Adam Jones, *Appointed by Staff* (from 1 July 2023)	Staff	2/2
Professor Sue Jordan, *Appointed by Staff* (until 30 June 2023)	Staff	3/3
Professor Michelle Lee, Appointed by Senate (from 1 July 2023)	Staff	2/2
Professor Nuria Lorenzo–Dus, Appointed by Senate (until 30 June 2023)	Staff	3/3
Dr Phatsimo Mabophiwa, Appointed by Senate (from 1 July 2023)	Staff	2/2
Mr Jonathan Davies, Appointed by the Students' Union (until 30 June 2023)	Student	3/3
Miss Abigail Egwuatu, Appointed by the Students' Union (from 1 July 2023)	Student	1/2
Mr Pablo Josiah, President of Students' Union (from 1 July 2023)	Student	2/2
Ms Esyllt Rosser, President of Students' Union (until 30 June 2023)	Student	3/3

CUC HIGHER EDUCATION CODE OF GOVERNANCE

The University is committed to high standards of corporate governance and to continuously improving its governance in line with best practice within the higher education sector. The University's governance structure has been developed to align with the principles and practices set out in CUC Higher Education Code of Governance. Council commissioned an Independent Effectiveness Review in 2023, which was undertaken by AUA Consulting. This Review concluded that the Council was conducting its activities in accordance with the HE Code, that significant assurance could be placed in the University's governance arrangements, and that the conduct of this Review had demonstrated the University's commitment to continuous improvement in its governance arrangements in line with best practice as set out in the HE Code. Some improvement and enhancement opportunities were identified, and Council is considering how it might take these forward. In respect of the year ended 31 July 2023, the Council can report that there was no primary element of the Code of Governance with which the University's procedures was not consistent.

REVIEW OF GOVERNANCE OF THE UNIVERSITIES IN WALES

The Council formally adopted the Governance Charter for Universities in Wales and Commitment to Action published in September 2020 in response to the CAMM Review and is committed to implementing the recommendations identified. Building on the progress made in previous years, key developments in 2022/23 included:

- In relation to understanding culture, significant steps continue to be taken to enhance a positive organisation culture including becoming a signatory of the Technician Commitment to ensure visibility, recognition, career development and sustainability for technicians working in higher education and research in all disciplines, and a staff workload survey was undertaken in 2022, and a response plan has been developed which has introduced immediate actions and identified key tasks, a new People and Culture Committee has been established, and regular updates are being provided to Council. Ymlaen, the University's transformation programme, continues to focus on enabling the University to achieve its vision and ambitions through a series of projects where the outcomes are focussed on our people, service improvement, and embedding a culture of continuous improvement;
- In relation to stakeholder engagement, the University has continued to engage with its key internal and external stakeholders. During the year, a new Recognition Agreement has been agreed and a new Joint Consultative and Negotiating Committee has been established which further facilitates relations and joint working between the University and the Campus Unions. In addition, Council has established a new Council Joint Engagement Forum at which Trade Union representatives can raise issues with members of Council ahead of Council meetings replacing the informal meetings held previously by the Chair of Council. The Chair of Council continues to meet informally with the Students' Union's Full–Time Officers. Meetings of the University Court were held in October 2022 and March 2023 and Council has committed to undertaking a review of the University Court during the next year to ensure it provides an effective forum for the engagement of the wider community with the University;
- In relation to ensuring effective strategic oversight, the Senior Leadership Team agreed an Annual Plan for 2022/23 identifying 42 priority actions spanning the core themes for the University together with a suite of Institutional Objectives, to address in the current year which has been shared with Council together with progress reports which enable Council to more effectively scrutinise and monitor performance against the University's strategic plan;
- In relation to succession planning, the Governance and Nominations Committee which has oversight for succession planning has reviewed and made recommendations to Council on role descriptors for the Statutory Officer roles, arrangements for appointing a new Pro–Chancellor and Chair of Council and new lay members of Council, and Council Committee membership, and has also undertaken skills and experience gap analysis of Council to ensure it continues to have the necessary skills and experience to discharge its responsibilities;
- In relation to diversity and inclusivity, Council remains committed to promoting equality and diversity and during the year the Governance and Nominations Committee has reviewed the findings of best practice across the sector to ensure that Equality, Diversity and Inclusion is embedded within the decision–making structure, and is working to develop an EDI Action Plan which aligns with the guidance received from Advance HE, the CAMM Review, the CUC higher Education Code of Governance, and best practice from across the sector;
- In relation to governor development, a new board portal has been introduced to support Council and Council Committee members and the Council, through its Governance and Nominations Committee, has in place a structured induction process to support all new Council members, as well as ongoing internal and external training and support for serving members, which it continues to review to ensure it aligns with sector practice and any feedback and recommendations from the 2023 Independent Governance Effectiveness Review.

SENATE

The Senate, which is established by the University's Charter, is the academic authority of the University. The Senate's membership, powers and duties are set out in Ordinance 4, which is available on the University's website. Senate is chaired by the Vice–Chancellor and, from July 2022 to March 2023, its membership included the Provost, the Pro–Vice–Chancellors, Pro–Vice–Chancellors/Executive Deans, all professorial staff, Chairs and Deputy Chairs of the Boards of the Learning and Teaching Quality Committee and the Faculty Associate Deans, 14 elected non–professorial staff representatives and eight students appointed by the Students' Union. In March 2023, drawing on one of the outcomes of a review of the effectiveness of Senate undertaken during 2022, the membership of Senate was reviewed and updated to create a smaller, more focussed Senate. The new Senate membership includes the Vice–Chancellor (Chair), the Provost, the Pro–Vice–Chancellors and Pro–Vice–Chancellors/Executive Deans, Deputy Pro–Vice–Chancellors, Deputy Executive Deans, Faculty Associate Deans, Heads of Schools, Directors of Faculty Operations, Academic Services, Student Services and Academi Hywel Teifi, and student members together with 24 elected members drawn from the Professorial and non Professorial academic staff in the Faculties.

The Senate normally meets four times each year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Senate held five meetings, including one special meeting. Three were held as hybrid meetings, one was held in person, and the special meeting was held remotely. Senate's business focussed on implementing recommendations from the review of the effectiveness of Senate in relation to Senate's membership, remit, operations, visibility, and communications including reviewing the membership of Senate and introducing a new induction programme and handbook for Senate members; reviewing the University's quality assurance processes and framework and the Annual Governor's Quality Assurance Statement; reviewing the University's regulatory frameworks particularly in relation to assessment, marking and feedback; and the University's performance in league tables and rankings including NSS. Senate also received regular reports from its Education, Recruitment and Admissions, Research, Innovation and Impact, and Research Integrity, Ethics and Governance Committees created to assist it in discharging its responsibilities, and updates on a range of other matters including student recruitment, international projects, major initiatives, and the policy and sector landscape.

COURT

The Court, which is established by the University's Charter, is a large, mainly formal body which serves as a forum for the engagement of the wider community with the University. The Court's membership, powers and duties are set out in Ordinance 6, which is available on the University's website. The Court is chaired by the University's Chancellor and most of its members are from outside the University, representing the local community and other designated bodies with an interest in the work of the University. The membership also includes members of Council, representatives of the staff of the University (both academic and non–academic) and the student body. The Court ordinarily meets once a year, however, due to the postponement of the previous year's meeting as a result of the Covid–19 pandemic, the Court met twice during 2022/23, on 4 October 2022 to consider the Annual Review and Financial Statements of the University for 2020/21 and on 28 March 2023 to consider the Annual Review and Financial Statements of the University for 2021/22. Both meetings were held in person.

ACCOUNTABLE OFFICER

The Vice–Chancellor is the chief executive and principal academic and administrative officer of the University and has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal financial memorandum between the University and HEFCW, the Vice–Chancellor is the accountable officer of the University and in that capacity may be required to appear before the Public Accounts and Public Administration Committee of the Senedd Cymru alongside the Chief Executive of HEFCW.

SENIOR LEADERSHIP TEAM

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 for shaping the institutional ethos. Members of the Senior Leadership Team and the Directors of Professional Services all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council. The membership of the Senior Leadership Team, which is chaired by the Vice–Chancellor, includes the Provost, the Registrar and Chief Operating Officer, the Pro–Vice–Chancellors, Pro-Vice-Chancellors/Executive Deans, and the Chief Financial Officer. The Senior Leadership Team meets weekly and considers strategic and operational matters.

COMMITTEES

The Council has established four governance committees, at which much of its detailed work is initially handled: Audit, Assurance and Risk Committee; Finance and Strategy Committee; Governance and Nominations Committee; and Remuneration Committee. All of these committees are chaired by lay members of Council and have a majority of lay members. Senior officers of the University attend meetings as necessary. All Committees report their decisions to Council, and are formally constituted, with their own terms of reference and membership approved by the Council on the recommendation of the Governance and Nominations Committee. The role of the Secretary to Council is defined in the University's Ordinances and the Secretary to Council also acts as the Secretary to most of the Committees of Council.

AUDIT, ASSURANCE AND RISK COMMITTEE

The Audit, Risk and Assurance Committee is responsible for advising and assisting Council in respect of the entire assurance and control environment of the University. Its key responsibilities are to ensure that the University complies with statutory, University and external regulatory requirements in relation to both its financial and non–financial activities and in respect of the issues within its terms of reference, and the Committee has the authority to make recommendations to the University, its organisational units, and its members.

The Committee is chaired by a lay member of Council. All members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University's management, although senior executives attend meetings as necessary, and, in line with HEFCW's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee. Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Dr Kerry Beynon, *Co–opted member and Chair of the Committee*	Lay	4/4
Professor Kathryn Monk, *Co–opted member of Council*	Lay	4/4
Mrs Marcia Sinfield, *Co–opted member of Council*	Lay	3/4
Ms Anne Tutt, *Co–opted member of Council*	Lay	4/4
Mrs Alison Vickers, *Co–opted lay member*	Lay	1/1

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Committee held four meetings, two of which were held as hybrid meetings and two were held remotely. The Committee's business focused on discussing with the External Auditors the nature and scope of the audit, and noting the annual Audit Plan and receiving progress reports on its implementation; discussing with the Associate Director – Internal Audit the scope of the internal audit plan, approving the plan and receiving reports on its implementation; receiving internal audit reports and monitoring the implementation of agreed audit based recommendations; reviewing the new Assurance Map; reviewing and receiving reports on the risk management arrangements, the risk register and key risks; reviewing the effectiveness of the external and internal audit arrangements; reviewing HEFCW's Institutional Risk Letter; reviewing the External Auditors' management letter, the Internal Auditors' annual report, and the management responses, and approving the Committee's Annual Report to Council; and overseeing the University's policies related to ethical and other behaviours, and receiving reports on any actions taken under these policies. The Committee also met regularly with the External Auditors, the Associate Director – Internal Audit, the Registrar and Chief Operating Officer, and the Chief Financial Officer providing an opportunity for them to discuss any private matters.

FINANCE AND STRATEGY COMMITTEE

The Finance and Strategy Committee has oversight of and monitors the financial health of the University on behalf of the Council. Its key responsibilities are (i) to ensure the medium and long–term financial sustainability of the University through regular reviews of the University's financial position, (ii) to ensure the University operates a robust system of internal financial control, (iii) to monitor financial performance and compliance, (iv) to have financial oversight of all relevant strategies and (v) to play a critical role in applying test and challenge to all financial decisions. The Committee advises and makes recommendations to Council in respect of all financial matters.

The Committee is chaired by the University Treasurer. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. In line with HEFCW's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee. Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Mr Goi Ashmore, *Treasurer & Chair of the Committee*	Lay	6/6
Professor Paul Boyle, *Vice–Chancellor*	Staff	5/6
Professor Edward David, *Co–opted member of Council*	Lay	5/6
Dr Angus Muirhead, *Co–opted member of Council*	Lay	5/6
Mr Bleddyn Phillips, *Pro–Chancellor & Chair of Council*	Lay	5/6
Mr Steve Smith, *Co–opted lay member*	Lay	5/6

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Committee held six meetings, including one special meeting. All the meetings were held in person with the exception of the special meeting which was held remotely. The Committee's business focussed on reviewing and recommending to Council the University's financial forecasts, business cases for regional and global partnerships, and a revised Schedule of Financial Limits, and reviewing the Committee's terms of reference. In addition, the Committee considered information on the University's financial sustainability, the management of key financial risks, business planning processes, strategic investment priorities and opportunities, pension scheme arrangements, financial forecasts of the University's subsidiaries, the Students' Union Accounts, and TRAC reports.

GOVERNANCE AND NOMINATIONS COMMITTEE

The Governance and Nominations Committee reviews and advises Council on the University's governance arrangements, ensuring that the University pursues good practice and complies with external governance requirements. Its key responsibilities are (i) to ensure compliance with external governance requirements, (ii) to review the membership of Council and its Committees ensuring it has the necessary balance of skills and experience to enable it to fulfil its responsibilities, (iii) to review and make recommendations on changes to the University's governing documents, (iv) to review, advise and make recommendations on the recruitment and appointment of lay members of Council and its Committees, (v) to review, advise and make recommendations on succession planning, (vi) to oversee the induction, development and appraisal of Council members, (vii) to review Council's Register of Interests and ensure a robust process is in place to identify any potential conflicts of interest and (viii) to review the diversity of Council and its Committees.

The Committee is chaired by the Chair of Council. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Mr Bleddyn Phillips, *Pro–Chancellor & Chair of Council & Chair of the Committee*	Lay	5/5
Professor Paul Boyle, *Vice–Chancellor*	Staff	5/5
Sir Roderick Evans, *Pro–Chancellor*	Lay	4/5
Professor Elwen Evans KC, *Appointed by Senate (until 31 May 2023)*	Staff	3/5
Professor Ryan Murphy, *Appointed by Senate*	Staff	5/5
Ms Esyllt Rosser, *President of Students' Union (until 30 June 2023)*	Student	2/4
Mr Pablo Josiah, *President of Students' Union (from 1 July 2023)*	Student	1/1
Ms Elin Rhys, *Co–opted member of Council*	Lay	3/5
Professor Keshav Singhal, *Co–opted member of Council*	Lay	5/5
Ms Anne Tutt, *Co–opted member of Council*	Lay	4/5

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Committee held five meetings, including one special meeting. All the meetings were held as hybrid meetings with the exception of the special meeting which was held remotely. The Committee's business focussed on reviewing succession planning arrangements and recommending to Council changes to the role descriptors for the Officer roles, the appointment process for, and the appointment of, a new Pro–Chancellor and Chair of Council, the re–appointment of the Vice–Chancellor, and the appointment of a new lay member of Council; reviewing and recommending to Council proposals for the 2023 Independent Governance Effectiveness Review; reviewing and recommending to Council changes to the terms of reference and membership of Council Committees with particular reference to the skills and experience matrix; the establishment of, and the terms of reference for, a new Council Joint Engagement Forum; and amendments to the Ordinances and the procedure for the reporting of serious incidents to the Charity Commission. The Committee also amended the arrangements for reviewing the effectiveness of Council Committees and received reports on the incorporation of the Students' Union, best practice from across the sector in relation to Equality, Diversity, and Inclusion specifically in relation to increasing the diversity of board membership and the diversity of Council and Council Committees, the register of declarations of interest, and the appraisal process for the Chair of Council and Council Committees.

REMUNERATION COMMITTEE

The Remuneration Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code and publishes an annual report which is available on the University website. The Committee is responsible for determining the reward strategy of the University and the remuneration of the most senior staff of the University including the Vice–Chancellor. Its key responsibilities are (i) to develop an overall reward strategy and policy for senior employees of the University, (ii) to review and determine the remuneration, benefits and conditions of employment of the Senior Leadership Team taking account of affordability, comparative information on remuneration, benefits and conditions of employment in the University sector and elsewhere as appropriate, (iii) to agree an annual framework of work and (iv) to review and report to Council on progress through its annual report which is transparent and meets the requirements of good governance.

The Remuneration Committee is chaired by a lay member of Council and comprises independent lay members of Council who possess relevant knowledge and expertise. All members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University. The Director of Human Resources and the University Secretary attend all meetings and other senior executives attend meetings as necessary. The Vice–Chancellor is not in attendance for, and does not play a part in, the discussions and decisions of his own remuneration. The Committee submits regular updates to the Council.

Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Dr Angus Muirhead, *Co–opted member of Council & Chair of the Committee*	Lay	4/4
Professor Edward David, *Co–opted member of Council*	Lay	4/4
Sir Roderick Evans, *Pro–Chancellor*	Lay	4/4
Professor Kathryn Monk, *Co–opted member of Council*	Lay	3/4
Mr Bleddyn Phillips, *Pro–Chancellor & Chair of Council*	Lay	4/4
Ms Elin Rhys, *Co–opted member of Council*	Lay	3/4

During 2022/23, the Committee held four meetings, three of which were hybrid meetings, and one was held remotely. The Committee's business focussed on reviewing and determining the remuneration, benefits and conditions of employment of new members of the Senior Leadership Team and senior staff positions; the Remuneration process for 2022 and 2023; approving the cost–of–living award for the Vice–Chancellor and noting the award for all other colleagues in accordance with the salary increases applied following 2022/23 pay negotiations conducted by UCEA on behalf of HEIs; approving a Remuneration Statement which is transparent, aligned with the recommendations of the Higher Education Senior Staff Remuneration Code and meets the requirements of good governance; noting Promotions via the Retention of Exceptional Talent procedure; and being actively involved in, and responsible for, the decision process for and any severance arrangements for grade 11 employees and for payments greater than £60,000.

STATEMENT OF INTERNAL CONTROL

The Council is responsible for ensuring there is a sound system of internal control to support the achievement of the University's aims, strategic objectives, and policies, while safeguarding the public and the funds and assets for which it is responsible. The system of internal control is risk–based and designed to manage, rather than eliminate the risk of failure to achieve strategic objectives and as such, the system provides reasonable, but not absolute, assurance against material misstatement or loss. Council acts in accordance with the responsibilities assigned to it in the University's Charter and Statutes, and the regulatory framework in which the University operates.

The key elements of the University's system of risk identification and effective risk management include:

- Linking the identification and management of risk to the achievement of institutional objectives through an on–going annual planning process;
- All risks, including governance, management, quality, reputational and financial are included within the University's Risk Register, which is managed and maintained by the University's Senior Leadership Team through a clearly articulated policy and approach. The Risk Register produces a balanced portfolio of risk exposure which focuses on the key risks;
- Evaluating the likelihood and impact of risks becoming a reality as part of that same process and establishing mitigating controls;
- Having review procedures which cover business, operational, compliance and financial risk;
- Embedding risk assessment and internal control processes in the ongoing operations of all units;
- Reporting regularly to the Audit, Assurance and Risk Committee, and then to Council, on internal control and risk;
- The Audit, Assurance and Risk Committee receives regular reports from internal audit and the internal audit plan is approved by the Audit, Assurance and Risk Committee;
- Reporting annually to Council the principal results of risk identification, evaluation and management review;
- Regular monitoring and review of the effectiveness of the internal control system processes and procedures is informed by the University's professional Internal Auditors giving rise to monitored action where necessary and appropriate.

The University's Senior Leadership Team has formal processes in place for evaluating and managing significant risks faced by the institution on an on–going basis. This involves identification of the types of risks through a top down and bottom–up approach at both corporate and departmental level, which are prioritised in terms of potential impact and likelihood of occurrence in accordance with an established and risk management policy.

Risks are monitored along with the associated controls and risk mitigation actions on an on–going basis by the Senior Leadership Team. The Audit, Assurance and Risk Committee receives the risk register and an update on risk at each of its meetings, the Finance and Strategy Committee receives the risk register and updates on relevant risks regularly, and appropriate reports and recommendations and the risk register are presented to the Council.

The University has a process for dealing with significant control issues, which involves immediate notification to the Chair of Council, Chairs of the Audit, Assurance and Risk Committee and the Finance and Strategy Committee and necessary senior staff, along with notification to HEFCW and the Charity Commission and any other relevant authority as appropriate depending on the nature of the issue. Please refer to page 36 for the principal risks and uncertainties, and mitigating actions.

ANNUAL PAY POLICY REPORT

Swansea University upholds a framework for the recognition and reward of all employees to support the University's vision and values.

The purpose of the Annual Pay Policy Statement is to set out the University's policies on a range of issues concerning the pay and remuneration of its workforce. The University's pay and grading policies, procedures, and practices are available to all employees.

In addition to complying with all accounting practices, which require a full annual remuneration report, in 2015 the Welsh Government published further expectations of transparency of remuneration for devolved public bodies in Wales. The Welsh Government specifically described the information to be included in an Annual Pay Policy Statement, alongside the Annual Financial Statements.

The University also ensures that the principles of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code, November 2021 are applied throughout their processes and practices, and presents a Senior Staff Remuneration report annually to demonstrate this to the Board of Governors

SENIOR STAFF

This is defined as the Vice–Chancellor and all members of the Senior Leadership team together with Grade 10A and Grade 11 (including Professional Services Directors and Professors).

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for determining the Reward Strategy of the University and for setting the remuneration and the terms and conditions for the Vice–Chancellor and members of their Senior Leadership Team. The Committee also receives reports allowing oversight of pay in all other areas of the University.

The recruitment, benefits and any proposed remuneration package including any annual pay increases to the Vice–Chancellor and other senior staff, is decided by the Remuneration Committee.

The Remuneration Committee is a standing Committee of Council, the governing body of the University, and its membership comprises six lay governors including the University's two Pro–Chancellors.

REPORTING OF SENIOR PAY

The salary of the Vice–Chancellor, together with anonymised data on salaries above £100K is published in the Annual Review and Financial Statements.

UK NATIONAL FRAMEWORK AGREEMENT

All employees on Grades 1 – 10 are paid on a UK nationally agreed scale, which is negotiated annually as part of collective pay negotiations between UCEA and the five Higher Education trade unions (UCU, UNISON, Unite, EIS and GMB) on behalf of a number of HE institutions in the UK.

In addition to any increases determined through the collective pay negotiations, all colleagues from grades 1–10 receive automatic incremental progression annually until they reach the top of their grade.

Any pay outside of this, is determined by benchmarking with similar institutions across the sector and by market conditions.

BENCHMARKING

The UCEA Senior Staff Remuneration survey and the XpertHR Salary Survey for Higher Education Staff is used for benchmarking salary proposals at recruitment and annual performance reviews.

The annual CUC survey of Vice–Chancellors' pay and conditions is also used when the Remuneration Committee is considering the Vice–Chancellor's remuneration package.

PERFORMANCE RELATED PAY

Grades 1 – 10: There are no performance related pay arrangements for colleagues on Grade 1 – 10 on the UK national pay spine, however as detailed above, the salary structure contains annual incremental progression to a maximum point within each grade.

Grade 10A, Grade 11 and SLT: Remuneration for colleagues at Grade 10A, Grade 11 and members of SLT is reviewed annually, using a fair and transparent process that reflects the performance of each individual, in the context of the University's performance. The level of awards is decided by the Remuneration Committee, taking into account relevant market data[1].

Vice–Chancellor: The Chair of Council is responsible for the remuneration process for the Vice–Chancellor, including determining performance and recommending a remuneration reward for the Vice–Chancellor to the Remuneration Committee.

The Remuneration Committee ensure that any pay increases for senior staff are implemented within the limit of a pre–defined affordable, budget.

[1]Salaries of Clinical Academics are determined under separate arrangements within the NHS

EQUALITY

The University is committed to equality of opportunity relating to pay, salary and career progression for all staff, within a framework which is fair, transparent and consistent, as reflected in its pay and grading structures.

The University is an equal opportunities employer and has been a Real Living Wage employer since 1 April 2019, meaning that the pay of all our colleagues, especially those on the lowest salaries, meets the basic cost of living in the UK and London as defined by the Living Wage Foundation.

The University regularly compares pay of diverse groups and monitors trends in the pay of those groups, which includes the annual reporting of the Gender Pay Gap. Annual reports of progress are reviewed by the Remuneration Committee on behalf of the Council of the University.

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF SWANSEA UNIVERSITY REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Swansea University ("the University") for the year ended 31 July 2023 which comprise the Group and University Statements of Comprehensive Income, Statements of Change in Reserves, Statement of Financial Position, and Group Statement of Cash Flow and related notes, including the 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 2023, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's 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 have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

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 and the University'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").

In our evaluation of the Council's conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and University's financial resources or ability to continue operations over the going concern period.

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.

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.

Fraud and breaches of laws and regulations – ability to detect

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 Council, the Audit, Assurance and Risk Committee and internal audit 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, Assurance and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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 possible pressures to meet loan covenants, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that research income is not recognised in accordance with the relevant grant terms and conditions and the risk that Group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue journals posted to unusual account combinations.
- Verifying research income recognised is appropriate based on the underlying grant agreement and corresponding research expenditure.

Identifying and responding to risks of material misstatement due to non-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 Board of Governors and other management (as required by auditing standards) and discussed with the Board of Governors and other management the policies and procedures regarding compliance with laws and regulations.

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, taxation legislation, pensions legislation, charities legislation and specific disclosures required by higher education legislation and regulation, including the Accounts Direction issued by the Higher Education Funding Board of Governors for Wales, 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: compliance with higher education regulatory requirements of the Higher Education Funding Board of Governors for Wales, recognising the regulated nature of the Group'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.

Other information

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 in the Annual Review 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 on pages 2 to 52 (which 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.

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 charity 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.

Council responsibilities

As explained more fully in its statement set out on page 57, the Council is responsible for: the preparation of the 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 parent 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 parent 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 ON OTHER LEGAL AND REGULATORY REQUIREMENTS

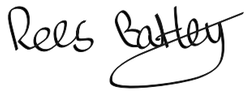
We are required to report on the following matters prescribed in the Higher Education Funding Council for Wales ("HEFCW") Audit Code of Practice (effective 1 August 2017) issued under the Further and Higher Education Act 1992 and in the Financial Management Code issued under the Higher Education (Wales) 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 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 2022/23; and
- The requirements of HEFCW's Accounts Direction have been met.

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 Statues of the University and in accordance with the 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 the 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.



Rees Batley
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
66 Queen Square
Bristol
BS1 4BE

27 November 2023

STATEMENT OF COUNCIL'S RESPONSIBILITIES IN RESPECT OF THE ANNUAL REVIEW AND THE FINANCIAL STATEMENTS

The Council is responsible for preparing the Annual Review and the financial statements in accordance with the requirements of the Terms and Conditions of Funding issued by the Higher Education Funding Council for Wales (HEFCW), the Accounts Direction to Higher Education Institutions for 2022/23 issued by HEFCW, the Financial Management Code issued under the Higher Education (Wales) Act 2015 and applicable law and regulations.

It is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the requirements of the Charities Act 2011. The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019, in accordance with the requirements of the Accounts Direction to Higher Education Institutions for 2022/23 issued by HEFCW.

The Council is required to prepare financial statements which give a true and fair view of the state of affairs of the Group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the Group and parent University financial statements, Council is required to:

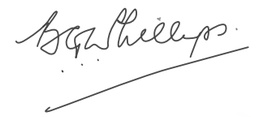
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or have no realistic alternative but to do so.

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University. Council is responsible for 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, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In preparing these Financial Statements, Council has taken reasonable steps to ensure that:

- 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;
- 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;
- Ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- Securing the economical, efficient and effective management of the University's resources and expenditure.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Mr Bleddyn Phillips, Chair of Council
27 November 2023

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

1. General Information

Swansea University is registered with the Higher Education Funding Council in Wales (HEFCW). The address of the registered office is:

Swansea University
Singleton Park
Swansea
SA2 8PP

Charity Number: 1138342

2. Statement of compliance

The Consolidated and University financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition).

They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by the Higher Education Funding Council for Wales (HEFCW), and the Terms and conditions of funding for higher education institutions issued by HEFCW.

The University is registered as a charity. The Financial Statements have been prepared in compliance with the Charities Act 2011.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

3. Basis of preparation

The Consolidated and University financial statements are prepared in accordance with the historic–cost convention (modified by the revaluation of fixed assets and the measurement of certain financial instruments at fair value).

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the operational and financial review, which forms part of the Members of Council's report. This review also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities. The Members of Council have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future.

Judgements made by management in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in accounting policy note 23.

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2022. Intra–group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associates are accounted for using the equity method.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £'000.

4. Going Concern

The University has identified a number of downside scenarios and considered the financial impact of these on its Statements of Comprehensive Income, Financial Position, Cash Flows and on its banking covenants for the going concern period, being 12 months from the date of approval of these financial statements.

The main risk that has been tested is the reduction in home and overseas student numbers against the 2023/24 and 2024/25 original forecasts, taking into account actual enrolments to October 2023 and anticipated enrolments in January 2024 and September 2024, based on current applications and market intelligence.

Other risks that have been considered include a further increase in the pay award for 2023/24, an increase in the cost of borrowing and the impact of inflation on non pay costs.

The outcome of this modelling, taking into account a range of mitigating actions, indicates that there is a risk that the University will breach at least one of its banking covenants at 31 July 2024. However, the modelling also shows that the University would have sufficient cash to repay the outstanding borrowing should that be necessary, and to continue to meet its other obligations and commitments over the going concern period.

Having considered the underlying assumptions of the downside scenarios, the proposed mitigations, and the financial impact of these, particularly in relation to the banking covenants, the Members of Council are confident that the University can manage its business risks and will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements

5. Exemptions under FRS 102

The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate financial statements.

6. Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with the share of the results of joint ventures and associates for the financial year to 31 July 2023.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra–group transactions are eliminated on consolidation.

Gains or losses on any intra–group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the University and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity; the part relating to the University's share is eliminated.

The consolidated financial statements do not include the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method.

7. Income recognition

Income from the sale of goods or services (exchange transactions) is credited to the Statement of Comprehensive Income when the amount of revenue can be reliably measured, the stage of completion at the end of the reporting period can be reliably measured, it is probable that the economic benefits associated with the transaction will flow to the University and when costs of services delivered or due to be delivered can be measured reliably.

Tuition Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. 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. Education contracts are recognised when the University is entitled to the income, which is the period in which the students are studying, or where relevant, when performance conditions have been met.

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.

Investment income is credited to the statement of income and expenditure on a receivable basis.

Grant funding

Government grants including Funding Council block grant and research grants from Government sources and other grants from non–government sources including research grants from non–government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and performance–related conditions have been met. Income received in advance of performance–related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Commercial research contracts are accounted for in line with the policy for income from the sale of goods or services (exchange transactions) above.

Other grants and donations received from non–government sources including research grants from non–government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and the performance–related conditions have been met. Income received in advance of performance–related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Capital Grants

Capital grants are recognised in income when the University is entitled to the funds subject to any performance–related conditions being met. Capital Government grants for land are to be accounted for in line with the performance model as per the policy for Government Grants above.

Donations and Endowments

Non–exchange transactions without performance–related conditions are donations and endowments. Donations and endowments with donor–imposed restrictions are recognised within the Statement of Comprehensive Income when the University is entitled to the income. 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.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

Donations with no restrictions are recorded within the Statement of Comprehensive Income when the University is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

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 can convert the donated sum into income.
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.

Donations of tangible assets are included within income. The income recognised is valued using a reasonable estimate of their gross value or the amount actually realised. Donated tangible assets are valued and accounted for as tangible assets under the appropriate asset category.

8. Accounting for retirement benefits

The three principal schemes for the University's staff are the Universities Superannuation Scheme (USS), the Swansea University Pension Scheme (SUPS), and the National Employment Savings Trust (NEST). SUPS was closed to new members from 1 January 2012 when new staff were invited to join NEST. The University also contributes to the NHS Pension Scheme.

USS and SUPS are defined–benefit schemes, which are externally funded and contracted out of the State Second Pension. Each fund is valued every three years by professionally qualified independent actuaries. NEST is a defined contribution scheme.

The USS is a multi–employer scheme for which it is not possible to identify the assets and liabilities of each University, due to the mutual nature of the scheme. Therefore, the scheme is accounted for as a defined contribution retirement benefit scheme.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Defined Contribution Plan

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

Multi–employer schemes

Where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the University has entered into an agreement with such a multi-employer scheme that determines how the University will contribute to a deficit recovery plan, the University recognises a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

Defined Benefit Plan

A defined benefit plan is a post–employment benefit plan other than a defined contribution plan. 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 University. The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

Annually the University engages independent actuaries to calculate the obligation for each scheme. The present value is determined by discounting the estimated future payments at a discount rate based on market yields on high quality corporate bonds denominated in sterling with terms approximating to the estimated period of the future payments.

The fair value of a scheme's assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the University's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements. The net interest cost is calculated by applying the discount rate to the net liability. This cost is recognised in expenditure as a finance cost.

Further detail is provided on the specific pension schemes in note 30 to the accounts.

9. 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 the service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement. Unused annual leave entitlement at 31 July is recognised as a creditor for administrative staff. There is no creditor for unused annual leave for academics as no obligation exists.

10. Finance Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

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

11. Service Concession Arrangements

Fixed assets held under service concession arrangements are recognised on the Balance sheet at the present value of the minimum lease payments when the assets are brought into use with the corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The Bay Campus residences and Singleton residences are classified as Service Concession Arrangements.

12. 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.

13. Foreign Currency

Transactions in foreign currencies are translated to Pound Sterling at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are re–translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non–monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non–monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

14. Property Plant and Equipment

Property, plant and equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings

Land and buildings are capitalised at cost on initial recognition.

After initial recognition, land and buildings are subsequently measured at costs less accumulated depreciation and accumulated impairment losses.

Land and Buildings in existence upon transition to FRS102 and the new HE SORP 2015, were revalued to fair value on the date of transition. These are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation. 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 on an annual basis.

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

Where parts of the assets have different useful lives, they are accounted for as separate items of fixed assets.

Freehold 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 to the University of between 12 and 75 years.

No depreciation is charged on assets in the course of construction and depreciation is accelerated when there is a known demolition date.

Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years.

Equipment

Equipment costing more than £25,000 per individual item is capitalised in the year of acquisition. Equipment purchased as part of a package or replacement programme, with the total package costing more than £25,000 is also capitalised in the year of acquisition. All other equipment is written off in the year of acquisition, unless there is a specific reason to capitalise.

Capitalised equipment is stated at cost and depreciated over its useful expected life. The useful expected life is three to five years exceptin exceptional circumstances where the useful life is deemed longer or shorter.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

Vessels

Vessels are stated at cost and depreciated over their useful expected lives.

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

Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Comprehensive Income in the period in which they are incurred.

Impairment

A review for impairment of property, plant and equipment is carried out if events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

15. Heritage Assets

Works of art and other valuable artefacts are capitalised and recognised at the cost or value of the acquisition, where a cost or value is reasonably obtainable.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

16. Investments

Non–current investments are held on the Balance Sheet at amortised cost less impairment.

Investments in jointly controlled entities, subsidiaries and associates are carried at cost less impairment in the University's accounts.

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income.

17. Stock

Stock is held at the lower of cost and net realisable value.

18. 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.

19. Provisions, contingent liabilities, and contingent assets

Provisions are recognised in the financial statements when:

a) The University has a present obligation (legal or constructive) as a result of a past event;

b) It is probable that an outflow of economic benefits will be required to settle the obligation; and

c) A reliable estimate can be made of the amount of the obligation.

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

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of certain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

20. Accounting for Associates, Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

The University accounts for its share of joint ventures and associates using the equity method.

The University accounts for its share of transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income.

21. Taxation

The University is a charity within the meaning of Para 1 of schedule 6 of the Finance Act 2010 and 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 (CTA 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.

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

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

22. Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanent restricted fund as the University must hold the fund to perpetuity.

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

23. Critical accounting estimates and judgements

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

Retirement benefit obligations

The University operates its own scheme, Swansea University Pension Scheme (SUPS), which is a defined–benefit scheme (now closed to new members). Actuarial valuations of the scheme are carried out as determined by the Trustees at intervals of not more than three years.

Pension costs under the HE SORP and FRS102 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 decisions between the actuary and management. The assumptions are documented in note 31.

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 including the 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. The directors are satisfied that the 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.

As the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 30.

CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 July 2023

	NOTE	CONSOLIDATED YEAR ENDED 31 JULY 2023 £000	UNIVERSITY YEAR ENDED 31 JULY 2023 £000	CONSOLIDATED YEAR ENDED 31 JULY 2022 £000	UNIVERSITY YEAR ENDED 31 JULY 2022 £000
INCOME					
Tuition fees and education contracts	1	**198,881**	**198,881**	188,370	188,370
Funding body grants	2	**74,176**	**74,176**	43,857	43,857
Research grants and contracts	3	**67,098**	**67,098**	69,212	69,212
Other income	4	**66,067**	**65,742**	67,373	67,198
Investment income	5	**6,124**	**6,124**	812	812
Donations and Endowments	6	**291**	**291**	462	462
TOTAL INCOME		**412,637**	**412,312**	370,086	369,911
EXPENDITURE					
Staff costs	7	**195,972**	**195,626**	182,959	182,629
Change in expected USS contributions	7	**(31,704)**	**(31,704)**	93,537	93,537
Other operating expenses	9	**140,183**	**139,831**	134,938	133,999
Depreciation and amortisation	10/11	**32,636**	**32,629**	28,638	28,546
Interest and other finance costs	8	**11,604**	**11,605**	7,557	7,551
TOTAL EXPENDITURE	9	**348,691**	**347,987**	447,629	446,262
Surplus before other gains/(losses) and share of operating surplus/(deficit) of joint ventures and associates		**63,946**	**64,325**	(77,543)	(76,351)
Gain on disposal of tangible assets	10	**226**	**226**	–	–
Gain / (Loss) on investments	14/22	**269**	**(1,351)**	(291)	(1,013)
Share of operating profit / (deficit) in associate	14	**77**	**(48)**	(1,732)	(1,732)
SURPLUS / (DEFICIT) BEFORE TAXATION		**64,518**	**63,152**	(79,566)	(79,096)
Taxation		**(20)**	**–**	(15)	–
SURPLUS / (DEFICIT) FOR THE YEAR		**64,498**	**63,152**	(79,581)	(79,096)
Other Comprehensive Income					
Actuarial gain in respect of pension schemes	31	**18,600**	**18,600**	23,700	23,700
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**83,098**	**81,752**	(55,881)	(55,396)
REPRESENTED BY:					
Endowment comprehensive income for the year	22	**1**	**1**	(198)	(198)
Restricted comprehensive income for the year	23	**135**	**135**	52	52
Unrestricted comprehensive income for the year		**84,501**	**83,155**	(54,703)	(54,218)
Revaluation reserve comprehensive income for the year		**(1,539)**	**(1,539)**	(1,032)	(1,032)
		83,098	**81,752**	(55,881)	(55,396)

All items of income and expenditure relate to continuing activities. The accompanying notes and policies on pages 68 to 95 form part of these financial statements.

CONSOLIDATED AND INSTITUTION STATEMENT OF CHANGE IN RESERVES

Year ended 31 July 2023

	INCOME AND EXPENDITURE RESERVE			REVALUATION RESERVE	TOTAL
	ENDOWMENT £000	RESTRICTED £000	UNRESTRICTED £000	£000	£000
CONSOLIDATED					
AT 1 AUGUST 2021	7,505	–	168,639	43,654	**219,798**
Deficit from the income and expenditure statement	(167)	52	(79,466)	–	**(79,581)**
Other comprehensive income	–	–	23,700	–	**23,700**
Transfers between revaluation and income and expenditure reserve	–	–	1,032	(1,032)	**–**
Release of endowment and restricted funds spent in the year	(31)	–	31	–	**–**
AT 31 JULY 2022	7,307	52	113,936	42,622	**163,917**
AT 1 AUGUST 2022	7,307	52	113,936	42,622	**163,917**
Surplus from the income and expenditure statement	40	135	64,323	–	**64,498**
Other comprehensive income	–	–	18,600	–	**18,600**
Transfers between revaluation and income and expenditure reserve	–	–	1,539	(1,539)	**–**
Release of endowment and restricted funds spent in the year	(39)	–	39	–	**–**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1	135	84,501	(1,539)	**83,098**
AT 31 JULY 2023	7,308	187	198,437	41,083	**247,015**
UNIVERSITY					
AT 1 AUGUST 2021	7,505	–	169,283	43,654	**220,442**
Deficit from the income and expenditure statement	(167)	52	(78,981)	–	**(79,096)**
Other comprehensive income	–	–	23,700	–	**23,700**
Transfers between revaluation and income and expenditure reserve	–	–	1,032	(1,032)	**–**
Release of endowment and restricted funds spent in the year	(31)	–	31	–	**–**
AT 31 JULY 2022	7,307	52	115,065	42,622	**165,046**
AT 1 AUGUST 2022	**7,307**	**52**	**115,065**	**42,622**	**165,046**
Surplus from the income and expenditure statement	40	135	62,977	–	**63,152**
Other comprehensive income	–	–	18,600	–	**18,600**
Transfers between revaluation and income and expenditure reserve	–	–	1,539	(1,539)	**–**
Release of endowment and restricted funds spent in the year	(39)	–	39	–	**–**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**1**	**135**	**83,155**	**(1,539)**	**81,752**
AT 31 JULY 2023	**7,308**	**187**	**198,220**	**41,083**	**246,798**

CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

Year ended 31 July 2023

	NOTE	CONSOLIDATED 31 JULY 2023 £000	UNIVERSITY 31 JULY 2023 £000	CONSOLIDATED RESTATED 31 JULY 2022 £000	UNIVERSITY RESTATED 31 JULY 2022 £000
NON-CURRENT ASSETS					
Intangible assets	11	**316**	**316**	–	–
Tangible assets	10	**473,112**	**473,029**	464,629	464,550
Heritage assets	12	**1,025**	**1,025**	1,005	1,005
Investments	14	**594**	**–**	238	–
Investments in subsidiaries	14	**–**	**700**	–	1,929
Investments in associates	14	**125**	**–**	48	48
		475,172	**475,070**	465,920	467,532
CURRENT ASSETS					
Stocks	15	**129**	**16**	105	38
Trade and other receivables	17	**53,763**	**53,920**	55,009	55,289
Investments	17	**54,941**	**54,941**	5,029	5,029
Cash and cash equivalents		**123,403**	**123,187**	164,695	164,046
		232,236	**232,064**	224,838	224,402
Less creditors falling due within one year	18	**(134,132)**	**(134,075)**	(139,576)	(139,623)
NET CURRENT ASSETS		**98,104**	**97,989**	85,262	84,779
TOTAL ASSETS LESS CURRENT LIABILITIES		**573,276**	**573,059**	551,182	552,311
Creditors: amounts falling due after more than one year	19	**(209,420)**	**(209,420)**	(216,401)	(216,401)
PROVISIONS					
Pension provision	21	**(116,841)**	**(116,841)**	(170,864)	(170,864)
TOTAL NET ASSETS		**247,015**	**246,798**	163,917	165,046
RESTRICTED RESERVES					
Income and expenditure reserve – endowment reserve	22	**7,308**	**7,308**	7,307	7,307
Income and expenditure reserve – restricted reserve	23	**187**	**187**	52	52
UNRESTRICTED RESERVES					
Income and expenditure reserve – unrestricted		**198,437**	**198,220**	113,936	115,065
Revaluation reserve		**41,083**	**41,083**	42,622	42,622
TOTAL RESERVES		**247,015**	**246,798**	163,917	165,046

See note 34 for the detail of the restatement. The accompanying notes and policies form part of these financial statements.

The financial statements were approved by Council on 27 November 2023 and were signed on its behalf on that date by:

Professor P Boyle (Vice-Chancellor)

B. Phillips (Chair of Council)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 July 2023

	NOTE	31 JULY 2023 £000	31 JULY 2022 RESTATED £000
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus / (Deficit) for the year before taxation		**64,518**	(79,566)
ADJUSTMENT FOR NON-CASH ITEMS			
Depreciation	10	**32,556**	28,638
Amortisation of intangibles	11	**80**	–
Impairment	14	**–**	772
(Loss)/gain on Investments		**(269)**	291
(Increase)/decrease in stock		**(24)**	19
Decrease in debtors		**1,705**	7,329
Increase in creditors		**22,914**	7,286
(Decrease)/increase in pension provisions		**(35,423)**	90,395
Share of operating deficit in associate		**(77)**	1,732
ADJUSTMENT FOR INVESTING OR FINANCING ACTIVITIES			
Investment income		**(6,124)**	(812)
Capital grant income		**(35,942)**	(5,969)
Interest payable		**5,933**	6,175
Endowment Income		**(9)**	(30)
(Gain) on the sale of tangible assets		**(226)**	–
CASH FLOWS FROM OPERATING ACTIVITIES INVESTMENT INCOME		**49,612**	56,260
Taxation		**(20)**	(15)
NET CASH INFLOW FROM OPERATING ACTIVITIES		**49,592**	56,245
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital grant receipts		**8,122**	24,362
Proceeds from sales of tangible assets		**901**	–
Payments made to acquire tangible assets		**(38,309)**	(39,142)
Payments made to acquire intangible assets		**(396)**	–
(Increase) in deposits		**(50,000)**	–
Investment income		**4,606**	812
		(75,076)	(13,968)
CASH FLOWS FROM FINANCING ACTIVITES			
Interest paid		**(2,961)**	(3,117)
Interest element of finance lease and service concession arrangements		**(2,972)**	(3,058)
Capital element of finance lease and service concession arrangements		**(6,495)**	(6,407)
New endowments		**9**	30
New unsecured loans		**2,300**	120
Repayment of amounts borrowed		**(5,817)**	(5,713)
		(15,936)	(18,145)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**(41,420)**	24,132
Cash and cash equivalents at beginning of the year		**164,695**	140,563
Cash and cash equivalents at end of the year		**123,275**	164,695

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
1. TUITION FEES AND EDUCATION CONTRACTS				
Full-time home and EU students	**120,329**	**120,329**	119,004	119,004
Full-time international students	**59,280**	**59,280**	51,063	51,063
Part-time students	**4,582**	**4,582**	3,686	3,686
Educational contracts with the NHS and HEIW	**14,602**	**14,602**	14,537	14,537
Non-accredited course fees	**88**	**88**	80	80
	198,881	**198,881**	188,370	188,370

To generate the full-time home and EU tuition fee the University has spent £4,000k (2022: £3,800k) in relation to bursaries in accordance with the fee plan.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
2. FUNDING BODY GRANTS				
RECURRENT GRANTS				
HEFCW Teaching grants	**9,563**	**9,563**	8,884	8,884
HEFCW Research grants	**19,328**	**19,328**	19,845	19,845
HERC Capital grant	**2,021**	**2,021**	851	851
	30,912	**30,912**	29,580	29,580
SPECIFIC GRANTS RECEIVED IN YEAR				
Student Wellbeing & Health	**1,250**	**1,250**	986	986
Digital & Estates	**–**	**–**	6,348	6,348
Research & Innovation	**5,929**	**5,929**	2,706	2,706
Welsh Language	**1,423**	**1,423**	1,175	1,175
Other	**741**	**741**	1,257	1,257
Capital	**33,921**	**33,921**	1,805	1,805
	43,264	**43,264**	14,277	14,277
	74,176	**74,176**	43,857	43,857

Income from capital grants relates to £35,076k in respect of buildings (2022: £2,156k) and £866k in respect of equipment (2022: £500k). Within capital grants there is £29,920k relating to the build for the Centre for Integrated Semiconductor Materials, of which £28,883k was received in prior years and held on the balance sheet ahead of performance conditions being met during 2023 (2022: £0).

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
3. RESEARCH GRANTS AND CONTRACTS				
Research Councils	**20,713**	**20,713**	25,616	25,616
UK-based charities	**3,563**	**3,563**	2,520	2,520
UK industry and commerce	**3,060**	**3,060**	3,326	3,326
Government (UK and overseas)	**36,625**	**36,625**	35,001	35,001
Other	**3,137**	**3,137**	2,749	2,749
	67,098	**67,098**	69,212	69,212

Included within Government (UK and overseas) above is £400k, being the receipt of capital grants in the year (2022: £3,300k).

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
4. OTHER INCOME				
Residences, catering and conferences	**26,252**	**26,252**	28,273	28,273
Other services rendered	**2,709**	**2,709**	2,872	2,872
Income from service concession agreements	**9,466**	**9,466**	9,466	9,466
Other income	**20,554**	**20,229**	18,857	18,682
NHS income in respect of the College of Medicine	**5,055**	**5,055**	6,176	6,176
Research Council full-time Doctoral/Collaborative Training Award	**2,031**	**2,031**	1,729	1,729
	66,067	**65,742**	67,373	67,198

Included within other income is income from collaborations of £6,900k (2022: £7,000k), estates income of £1,300k (2022: £3,400k), and £900k sports centre income (2022: £800k).

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
5. INVESTMENT INCOME				
Investment income on endowments	**145**	**145**	67	67
Other Investment Income	**5,979**	**5,979**	745	745
	6,124	**6,124**	812	812

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
6. DONATIONS AND ENDOWMENTS				
New endowments	**9**	**9**	30	30
Donations with restrictions	**196**	**196**	53	53
Unrestricted donations	**86**	**86**	379	379
	291	**291**	462	462

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
7. STAFF COSTS				
The staff costs for the financial year were:				
Salaries	**157,786**	**157,440**	143,253	142,923
Social security costs	**15,852**	**15,852**	14,823	14,823
Other pension costs	**22,334**	**22,334**	24,883	24,883
TOTAL STAFF COSTS	**195,972**	**195,626**	182,959	182,629
CHANGE IN EXPECTED USS CONTRIBUTIONS	**(31,704)**	**(31,704)**	93,537	93,537

A further breakdown of pension costs has been included in Note 31, Pensions Schemes.

	2023 £000	2022 £000
TOTAL REMUNERATION OF THE VICE-CHANCELLOR		
Basic salary	**323**	297
Accommodation allowance	**16**	15
Employer pension contributions	**20**	17
	359	329

The Remuneration Committee is responsible for determining the Reward Strategy of the University and for setting the remuneration and the terms and conditions for the Vice-Chancellor and other senior members of staff.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits and conditions of employment in the University sector, and wider where appropriate. In determining the remuneration awarded, the Remuneration Committee considers the University's approach taken to recognising performance and refers to sector benchmarking information provided from the UCEA Senior Salary Survey. The Remuneration Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code.

In December 2022, the Committee reviewed and approved the approach, considerations, and recommendations for remuneration for the Vice-Chancellor, taking account of the following:

i. University Professorial Performance Curves;
ii. Detailed performance and remuneration recommendations

As in previous years, the factors considered as part of the performance reward proposals included, but were not limited to:

a) performance in support of the institution's strategic objectives in areas such as Research; Teaching; Innovation and Engagement; Leadership and Management; Partnerships and external relations internationally, nationally and locally; and Major initiatives and projects;
b) the size and complexity of the institution;
c) the nature of the HE markets and issues of recruitment and retention; and
d) the institution's objectives in relation to the diversity of the workforce;

Data to support these indicators was drawn from:

a) the Universities and Colleges Employer Association's Senior Staff Remuneration Survey;
b) analysis of salary distributions.

Recognising the University's vision as a principled, purposeful and resilient University that balances excellent teaching with world-leading research and innovation in an environment which enables our students and colleagues to excel, alongside being valued globally as a trusted partner who is deeply committed to our region and proud to be a University for Wales, it is essential that the University offers a competitive remuneration package for its Vice-Chancellor role. This also recognises the number of University staff and students, and the diverse and complex nature of the organisation.

In considering the Vice-Chancellor's remuneration package, the Remuneration Committee considers the organisational context, alongside the Vice-Chancellor's performance (through a formal performance development review), general pay movement for all University staff, retention and any relevant market considerations, and is informed by internal benchmark data and salary benchmarking information with comparator universities. The Remuneration Committee receives feedback from the Chair of Council on behalf of all members.

Further information can be obtained from the Remuneration Statement 2023.
www.swansea.ac.uk/about-us/university-governance/corporate-information/remuneration-at-swansea-university

The Vice-Chancellor is enrolled in the enhanced opt out arrangement within the Universities' Superannuation Scheme (the USS).

The head of the provider's basic salary is 9.2 times the median pay of staff (2022: 8.6 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The head of the provider's total remuneration is 9.9 times the median total remuneration of staff (2022: 8.6 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University to its staff.

The median calculations include salaries part funded by the NHS.

HIGHER PAID STAFF

The number of staff with a basic salary over £100k per annum has been included below.

Remuneration of higher paid staff (excluding the Vice-Chancellor), excludes employer's pension contributions but including payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contracts of employment and which are reimbursed to the University by the NHS, was:

In 2023 there were 60 higher paid members of staff (2022: 52)

	CONSOLIDATED 2023 NUMBER	UNIVERSITY 2023 NUMBER	CONSOLIDATED 2022 NUMBER	UNIVERSITY 2022 NUMBER
£100,000 – £104,999	**8**	**8**	8	8
£105,000 – £109,999	**5**	**5**	8	8
£110,000 – £114,999	**7**	**7**	5	5
£115,000 – £119,999	**6**	**6**	6	6
£120,000 – £124,999	**8**	**8**	4	4
£125,000 – £129,999	**5**	**5**	4	4
£130,000 – £134,999	**5**	**5**	2	2
£135,000 – £139,999	**1**	**1**	2	2
£140,000 – £144,999	**1**	**1**	–	–
£145,000 – £149,999	**–**	**–**	1	1
£150,000 – £154,999	**–**	**–**	1	1
£155,000 – £159,999	**3**	**3**	2	2
£160,000 – £164,999	**–**	**–**	–	–
£165,000 – £169,999	**1**	**1**	3	3
£170,000 – £174,999	**3**	**3**	–	–
£175,000 – £179,999	**2**	**2**	1	1
£180,000 – £184,999	**–**	**–**	–	–
£185,000 – £189,999	**1**	**1**	2	2
£190,000 – £194,999	**2**	**2**	1	1
£195,000 – £199,999	**1**	**1**	1	1
£200,000 – £204,999	**–**	**–**	–	–
£205,000 – £209,999	**–**	**–**	–	–
£210,000 – £214,999	**–**	**–**	1	1
£215,000 – £219,999	**–**	**–**	–	–
£220,000 – £224,999	**–**	**–**	–	–
£225,000 – £229,999	**1**	**1**	–	–

	2023 £000	2022 £000
COMPENSATION FOR LOSS OF OFFICE PAYABLE TO HIGHER PAID STAFF:		
Compensation and severence paid to University higher paid staff	**86**	45
Number of University higher paid staff who received compensation or severence	**1**	1

AVERAGE NUMBER OF STAFF (INCLUDING SENIOR POST HOLDERS) EMPLOYED BY THE UNIVERSITY

The average number of staff employed by the University during the year expressed as FTE (full-time equivalents):

	2023 Number (FTE)	2022 Number (FTE)
Academic	**1,135**	1,085
Research	**481**	506
Management and specialist	**1,071**	987
Technical	**184**	153
Other	**843**	815
	3,714	3,546

KEY MANAGEMENT PERSONNEL

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the institution. Key management consists of the senior executive officers including the Vice-Chancellor, Registrar & Chief Operating Officer, Provost, three Pro-Vice-Chancellors, three Exectuive Deans and the Chief Financial Officer.

	2023 £000	2022 £000
Key Management Personnel	**2,046**	1,910

During September 2022 Professor Steve Wilks stood down as Provost with Professor Martin Stringer standing down as Pro-Vice-Chancellor at the same time. Professor Johann Sienz was appointed Interim Pro-Vice-Chancellor / Executive Dean for the Faculty of Science and Engineering in August 2022, replacing Professor Ken Meissner, until the permanent appointment of Professor David Smith in January 2023. Professor Elwen Evans stood down as Pro-Vice-Chancellor / Executive Dean in June 2023, being replaced by Professor Ryan Murphy acting as interim. During the year the number of Key Management Personnel decreased from 10 to 8.

	NOTE	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
8. INTEREST AND OTHER FINANCE COSTS					
Loan interest		**2,961**	**2,962**	3,117	3,111
Finance leases including service concession arrangements		**2,972**	**2,972**	3,058	3,058
Unwinding of USS discount factor		**4,471**	**4,471**	382	382
Net pension interest cost	31	**1,200**	**1,200**	1,000	1,000
		11,604	**11,605**	7,557	7,551

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
9. ANALYSIS OF EXPENDITURE BY ACTIVITY				
Academic departments	**140,631**	**140,630**	128,326	128,326
Academic services	**35,088**	**35,087**	30,465	30,465
Research grants and contracts	**60,369**	**60,368**	56,536	56,536
Residences, catering and conferences	**25,093**	**25,094**	27,714	27,714
Premises	**40,920**	**40,920**	37,878	37,878
Professional services	**64,068**	**64,068**	59,729	59,729
USS fund adjustments	**(34,622)**	**(34,622)**	91,296	91,296
Other	**17,145**	**16,442**	15,685	14,318
TOTAL EXPENDITURE	**348,691**	**347,987**	447,629	446,262

	2023 £000	2022 £000
OTHER EXPENDITURE ABOVE INCLUDES:		
Service concession arrangments	**10,034**	10,121
Restructuring costs	**108**	91

The volunary exit scheme closed to new applicants during 2020-21. Minimal costs for loss of office of £108k (2022: £91k) were incurred in the year as the scheme was finalised.

	CONSOLIDATED 2023 £000	CONSOLIDATED 2022 £000
OTHER OPERATING EXPENSES AS PER THE STATEMENT OF COMPREHENSIVE INCOME		
Non-capitalised equipment	**14,913**	16,223
Consumables	**6,960**	6,004
Rent, Rates and leases	**21,523**	24,165
Repairs, refurbishment, maintenance and building costs	**9,693**	10,994
Heat, light, power and water	**10,115**	7,706
Scholarships, bursaries, prizes and fee contributions	**19,772**	16,878
Books, publications, periodicals & library services	**4,357**	4,019
Student Recruitment and advertising	**9,496**	8,115
Consultancy, Professional Services & agency	**22,938**	23,130
Travel and conference costs	**7,296**	4,180
Employee related expenditure	**4,441**	3,897
Subscriptions and contributions	**2,442**	2,678
Office expenses	**1,543**	1,484
Catering	**1,343**	1,262
Other expenses	**3,351**	4,203
	140,183	134,938

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
EXTERNAL AUDITORS REMUNERATION				
Audit of the University and its subsidiaries	**158**	**126**	132	105
Audit related assurance services	**15**	**15**	31	31
Taxation compliance services	**15**	**–**	14	–
Taxation advisory services	**21**	**21**	5	5
TOTAL NON-AUDIT SERVICES	**51**	**36**	50	36

10. NON-CURRENT ASSETS – FIXED ASSETS – CONSOLIDATED

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1 August 2022	378,402	161,050	65,848	1,566	34,294	1,005	642,165
Additions	–	3,424	9,233	–	29,056	20	41,733
Transfers	48,027	–	4,220	–	(52,247)	–	–
Impairment	–	–	–	–	–	–	–
Disposals	(850)	–	–	–	–	–	(850)
At 31 July 2023	425,579	164,474	79,301	1,566	11,103	1,025	683,048
CONSISTING OF VALUATION AS AT:							
31 July 2014	41,083	–	–	–	–	–	41,083
Cost	384,496	164,474	79,301	1,566	11,103	1,025	641,965
	425,579	164,474	79,301	1,566	11,103	1,025	683,048
ACCUMULATED DEPRECIATION							
At 1 August 2022	75,590	52,848	47,894	199	–	–	176,531
Charge for year	13,430	7,063	12,001	62	–	–	32,556
Disposals	(176)	–		–	–	–	(176)
At 31 July 2023	88,844	59,911	59,895	261	–	–	208,911
CARRYING AMOUNT							
At 31 July 2023	336,735	104,563	19,406	1,305	11,103	1,025	474,137
At 1 August 2022	302,812	108,202	17,954	1,367	34,294	1,005	465,634

NON-CURRENT ASSETS – FIXED ASSETS – UNIVERSITY

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1 August 2022	378,402	161,050	64,618	1,566	34,294	1,005	640,935
Additions		3,424	9,223	–	29,056	20	41,723
Transfers	48,027	–	4,220	–	(52,247)	–	–
Disposals	(850)	–	–	–	–	–	(850)
At 31 July 2023	425,579	164,474	78,061	1,566	11,103	1,025	681,808
CONSISTING OF VALUATION AS AT:							
31 July 2014	41,083	–	–	–	–	–	41,083
Cost	384,496	164,474	78,061	1,566	11,103	1,025	640,725
	425,579	164,474	78,061	1,566	11,103	1,025	681,808
ACCUMULATED DEPRECIATION							
At 1 August 2022	75,590	52,848	46,743	199	–	–	175,380
Charge for year	13,430	7,063	11,995	62	–	–	32,550
Disposals	(176)	–	–	–	–	–	(176)
At 31 July 2023	88,844	59,911	58,738	261	–	–	207,754
CARRYING AMOUNT							
At 31 July 2023	336,735	104,563	19,323	1,305	11,103	1,025	474,054
At 1 August 2022	302,812	108,202	17,875	1,367	34,294	1,005	465,555

A full valuation of the University's land and property was carried out on 31 July 2014 by qualified chartered surveyors in accordance with the RICS valuation – Professional Standards 2014 (the Red Book). Under FRS 102 paragraph 35.10, the University has elected to measure land and property at fair value at the transition date of 31 July 2014 and use the fair value as the deemed cost on that date. The properties are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to the Income and expenditure reserve. Analysis of the land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption.

At 31 July 2023, freehold land and buildings included £16,500k (2022: £16,500k) in respect of freehold land which is not depreciated.

Following review of tangible assets, no impairment was considered necessary in 2023 (2022: £0)

11. INTANGIBLE ASSETS

Consolidated and University

	SOFTWARE £000	ASSETS UNDER DEVELOPMENT £000	TOTAL £000
COST			
As at 1 August 2022	–	–	–
Additions	240	156	396
Transfers	–	–	–
As at 31 July 2023	**240**	**156**	**396**
AMORTISATION			
As at 1 August 2022	–	–	–
Charge for the year	80	–	80
As at 31 July 2023	**80**	**–**	**80**
NET BOOK VALUE			–
As at 31 July 2023	**160**	**156**	**316**
As at 31 July 2022	–	–	–

The software additions in the year relate to the University's "Service Now" Platform. Software is amortised on a straight line basis over its useful economic life. The assets under development additions relate to the design and implementation of a software platform to support network developments. Assets under development are not amortised.

12. NON-CURRENT ASSETS – HERITAGE ASSETS

Heritage assets included on the Statement of Financial Position refer largely to the University's Art Collection. There are also other heritage assets which due to their nature we are unable to value and therefore have not been included.

The Egypt Centre holds the Wellcome Collection which includes Egyptian antiques and artefacts. These assets are unique and not replaceable. The Egypt Centre is a recognised museum, accredited by the Arts Council and a recognised ACCES partner. It aims to collect, interpret and care for Egyptian archaeological material and documents and preservation is critical to their work. All policies in place are reviewed by the Arts Council. The Wellcome Collection is available to view by all University staff and students, local schools as well as the wider general public.

The picture and art collection is recognised on the Statement of Financial Position under Heritage Assets, was valued in 2008 by an independent valuer and has been taken as deemed cost on transition. The majority of this art collection can be viewed around the University.

The University also holds a silver collection which includes but is not limited to competition cups, bowls and vases dating between the 1950s and 1980s. No price can be attributed to this collection, hence they are not held on the Statement of Financial Position. The collection is stored securely but can be available for inspection upon request.

The University also holds Dylan Thomas manuscripts which were purchased out of University funds.

13. SERVICE CONCESSION ARRANGEMENTS

The University has six Service Concession Arrangements in the Statement of Financial Position.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT ASSETS

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2023 is £104,563k (1 August 2022 £108,202k).

The reduction of £3,638k is as a result of £7,063k of depreciation less the addition of £3,424k which occurred following the additional guarantee given on the three Bay Campus residences, increasing the occupancy guarantee from 50% to 100% for one academic year only..

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT LIABILITIES

The total liabilities relating to service concession arrangements included in the Statement of Financial Position as at 31 July 2023 were £115,961k (1 August 2022 £119,032k). Liabilities were reduced by £6,495k during the year following repayment and accounting adjustments. Additional occupancy guarantees were given in the year in relation to the three Bay Campus residences increasing the liability by £3,424k, reducing the overall reduction in the liability to £3,070k.

FUTURE COMMITMENTS

The following table analyses the University's future commitments in relation to the service concession arrangements.

£'000	PAYABLE IN 1 YEAR	PAYABLE IN 2-5 YEARS	PAYABLE IN >5 YEARS	TOTAL
Liability repayments	6,584	13,625	95,752	115,961
Finance charge	2,881	10,543	35,104	48,528
	9,465	**24,168**	**130,856**	**164,489**

Prior to conversion of the Financial Statements to reflect FRS102, the University had entered into the following leases which were previously held off the Statement of Financial Position. These leases have now been brought onto the Statement of Financial Position as Service Concession Arrangements. The notes below give more information on these arrangements:

GWALIA RESIDENCES

Gwalia Phase 1 – A 30-year lease was entered into in 2004 to build three new blocks of accommodation with 272 units. The occupancy guarantee is 100%. Gwalia Phase 2 – A 30-year lease was entered into in 2010 comprising of 351 units with the lower floors shelled for University activities. The occupancy guarantee is 100%.

BAY RESIDENCES – PHASE 1A

In September 2015, the University commenced a 45-year contract with a third party provider for the provision and maintenance of phase 1a of the student accommodation on the Bay Campus, providing 899 rooms for 923 students. In February 2018, the third party, with the University's consent, entered into a transaction to transfer the contract to another third party. Under the terms of the new agreement, the lease was extended to 2062. The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position. The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,485k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30 March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1B

In January 2016, the University commenced a 45-year contract with a third party provider for the provision and maintenance of phase 1b of the student accommodation on the Bay Campus, providing 545 single rooms. In February 2018, the contract was transferred to another third party and the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £823k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30 March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1C

On 15 December 2015, the University entered into a 45-year contract with a third party provider for the provision and maintenance of phase 1c of the student accommodation on the Bay Campus, providing 538 single rooms. The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position. The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,056k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University further has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the 45-year contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

THE COLLEGE ACADEMIC BUILDING

On 8 September 2017, the University entered into a 20-year contract with a third party provider for the provision and maintenance of an Academic Building.

The University has guaranteed 35% of the building amounting to committed gross annual payments of £357k. The University has exclusive rights over the allocated 35% of the building and controls the use within this area.

14. NON-CURRENT INVESTMENTS

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
Investment in associates	**125**	**–**	48	48
Investment in subsidiaries	**–**	**700**	–	1,929
Other investments	**594**	**–**	238	–
	719	**700**	286	1,977

INVESTMENT IN ASSOCIATE

The Institution holds the following 50% investments in both Swan Global Education LLP (2022: 50%) and Wales National Pool Swansea (2022: 50%). The investments are accounted for at cost less impairment in the Institution financial statements and using the equity method in the consolidated financial statements.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
At 1 August 2022	**48**	**48**	1,780	1,780
Additions	**–**	**–**	–	–
Disposals	**–**	**–**	–	–
Share loss / (profit) retained by associate	**77**	**(48)**	(1,732)	(1,732)
AT 31 JULY 2023	**125**	**–**	48	48

INVESTMENT IN SUBSIDIARY	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
At 1 August 2022	**–**	**1,929**	**–**	1,929
Additions	**–**	**35**	**–**	772
Disposals	**–**	**–**	**–**	**–**
Impairment	**–**	**(1,264)**	**–**	(772)
AT 31 JULY 2023	**–**	**700**	**–**	1,929

The £35k investment relates to the 100% owned subsidiary entity SU Pathway College Ltd.

OTHER INVESTMENTS	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
At 1 August 2022	**238**	**–**	288	–
Additions	**–**	**–**	–	–
Disposals	**–**	**–**	–	–
Impairment/Reversals	**54**	**–**	8	–
Revaluations	**302**	**–**	(58)	–
AT 31 JULY 2023	**594**	**–**	238	–
OTHER INVESTMENTS CONSIST OF:				
At fair value:				
Market securities	**207**	**–**	123	–
At cost less impairment:				
Group investments in spin outs	**387**	**–**	115	–
	594	**–**	238	–

Details of investments in which the consolidated group and University hold 20% or more of the nominal value of any class of shares are as follows:

COMPANY	REGISTERED OFFICE	PRINCIPAL ACTIVITY	HOLDING	STATUS
Gower Innovations Ltd	Swansea University, SA2 8PP	Other manufacturing not elsewhere classified	Ordinary shares	20%
Refiex Ltd	Azets, SA7 9FS	Dormant	Ordinary shares	20%
Trameto Ltd	Villa House 7 Herbert Terrace Penarth CF64 2AH	Manufacture of electronic components	Ordinary shares	23%
Haemomoetrics Ltd	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
ProGnomics Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Semitechnologies Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Bay Campus Developments LLP	Swansea University, SA2 8PP	Dormant	Partner	50%
WNPS	Wales National Pool SA2 8QG	Operation of sports facilities	Guarantee	50%
Swan Global Education	The Lambourn Wyndyke Furlong Abingdon Oxfordshire OX14 1UJ	Educational	Partner	50%
Swansea Materials Research and Testing	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	100%
Swansea Innovations	Swansea University, SA2 8PP	Management consultancy activities other than financial management	Ordinary shares	100%
SU Developments	Swansea University, SA2 8PP	Dormant	Ordinary shares	100%
SU Pathway College Ltd	Swansea University, SA2 8PP	Combined facilities support activities	Ordinary shares	100%

Investments in subsidiary companies are measured at transaction price (including transaction costs) and considered annually for impairment.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
15. STOCK				
General consumables	**37**	**16**	58	38
Work in progress	**92**	**–**	47	–
	129	**16**	105	38

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
16. CURRENT INVESTMENTS				
Short-term investments in shares	**1,822**	**1,822**	1,889	1,889
Short-term bonds	**2,659**	**2,659**	2,429	2,429
Other short-term investments	**223**	**223**	511	511
Short-term deposits	**50,237**	**50,237**	200	200
	54,941	**54,941**	5,029	5,029

The increase in fair value of short-term deposits in the year was £49,912k (2022: increase of £240k). This increase is due to two new large deposits held with Lloyds (£25,000k) and Barclays (£25,000k).

Deposits are held with banks and building societies 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 2023, the weighted average interest rate of these fixed deposits (excluding the two new £25,000k deposits) was 1.5% (2022: 1.6%). The average interest rate of the two new £25,000k deposits was 4.65% (2022: nil). The fair value of these deposits was not materially different from their book value.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATE RESTATED 2022 £000	UNIVERSITY RESTATED 2022 £000
17. TRADE AND OTHER RECEIVABLES				
Amounts falling due within one year:				
Net trade debtors	**9,795**	**9,766**	12,196	12,126
Research grant claims receivable	**7,666**	**7,666**	5,798	5,798
Accrued income – Research grants	**19,107**	**19,107**	21,343	21,343
Prepayments and accrued income	**17,195**	**17,362**	15,672	16,022
Amounts due from group undertakings	**–**	**19**	–	–
	53,763	**53,920**	55,009	55,289

Included within research grant claims receivable is £2,828k of retentions which are receivable between 1st August 2023 and 31st July 2024.
See note 34 for the detail of the restatement.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED RESTATED 2022 £000	UNIVERSITY RESTATED 2022 £000
18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank overdraft	**128**	**–**	–	–
Unsecured loans	**6,077**	**6,077**	5,817	5,817
Service concession arrangements	**6,584**	**6,584**	6,495	6,495
Trade payables	**19,554**	**19,590**	8,412	8,415
Social security and other taxation payable	**5,008**	**5,001**	5,592	5,585
Accruals and deferred income	**96,781**	**96,666**	113,260	113,154
Amounts due to group undertakings	**–**	**157**	–	157
	134,132	**134,075**	139,576	139,623

ACCRUALS AND DEFERRED INCOME

Included with accruals and deferred income are the following items which have been deferred:

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED RESTATED 2022 £000	UNIVERSITY RESTATED 2022 £000
Research grants received in advance	**29,001**	**29,001**	29,335	29,335
Funding Council grants received in advance	**3,121**	**3,121**	4,198	4,198
Capital grants received in advance	**–**	**–**	28,883	28,883
Other accruals	**64,659**	**64,544**	50,844	50,738
	96,781	**96,666**	113,260	113,154

See note 34 for the detail of the restatement.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				
Service concession arrangements	**109,377**	**109,377**	112,537	112,537
Income in advance	**1,679**	**1,679**	1,723	1,723
Unsecured loans	**98,364**	**98,364**	102,141	102,141
CREDITORS DUE AFTER MORE THAN ONE YEAR	**209,420**	**209,420**	216,401	216,401

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
20. ANALYSIS OF UNSECURED LOANS				
Due within one year or on demand	**6,077**	**6,077**	5,817	5,817
Due within one and two years	**6,340**	**6,340**	6,046	6,046
Due within two and five years	**19,723**	**19,723**	18,459	18,459
Due in five years or more	**72,301**	**72,301**	77,636	77,636
TOTAL UNSECURED LOANS REPAYABLE BY 2044	**104,441**	**104,441**	107,958	107,958

CONTINUED

Included in the loans are the following:

LENDER	AMOUNT £000	INTEREST RATE	TERM	BORROWER
European Investment Bank	**8,333**	Fixed 2.576%	June 2033	University
European Investment Bank	**9,167**	Fixed 2.423%	January 2034	University
European Investment Bank	**7,367**	Fixed 3.843%	August 2034	University
European Investment Bank	**7,388**	Fixed 3.964%	January 2035	University
European Investment Bank	**7,891**	Fixed 4.132%	August 2035	University
European Investment Bank	**56,004**	Fixed 2.698%	April 2044	University
Sure Loan	**5,869**	Fixed 0.550%	March 2031	University
Salix	**2,420**	Fixed 0%	April 2031	University
TOTAL	**104,441**			

21. PROVISIONS FOR LIABILITIES

	OBLIGATION TO FUND DEFICIT ON USS £000	SUPS PENSION SCHEME PROVISION £000	TOTAL PENSION PROVISIONS £000
CONSOLIDATED AND UNIVERSITY			
AT 1 AUGUST 2022	134,264	36,600	170,864
Utilised in year	(7,389)	(800)	(8,189)
Pension revaluation	–	–	–
Additions / (reductions)	(27,234)	(18,600)	(45,834)
AT 31 JULY 2023	**99,641**	**17,200**	**116,841**

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in Note 31.

See note 31 for further information on the SUPS and USS pension scheme.

22. ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	Expendable endowments £000	2023 Total £000	2022 Total £000
BALANCES					
AT 1 AUGUST 2022					
Capital	4,143	1,669	651	**6,463**	6,674
Accumulated income	730	62	52	**844**	831
	4,873	1,731	703	**7,307**	7,505
New donations and endowments	–	–	9	**9**	30
Transfer of Endowments	(25)	–	25	**–**	–
Investment income	98	–	20	**118**	44
Expenditure	(23)	–	(16)	**(39)**	(31)
(Decrease) in market value of investments	(55)	(32)	–	**(87)**	(241)
AT 31 JULY 2023	4,868	1,699	741	**7,308**	7,307
Represented by:					
Capital	4,063	1,637	685	**6,385**	6,463
Accumulated income	805	62	56	**923**	844
	4,868	1,699	741	**7,308**	7,307
ANALYSIS BY TYPE OF PURPOSE					
Lectureships				**21**	21
Scholarships and bursaries				**3,095**	3,076
Research support				**299**	297
Prize funds				**875**	877
General				**3,018**	3,036
				7,308	7,307
ANALYSIS BY ASSET					
Current asset investments				**4,941**	5,029
Bank Balance – University				**2,367**	2,278
				7,308	7,307

The institution has the following individually material endowments:

The University holds over 177 endowments, comprising of permanent and expendable funds. Each endowment has its own specific restriction with spend being controlled by the allocated Budget Managers. The University has one significant endowment worth over £1,000k, being the general endowment fund. This is a permanent endowment holding £1,300k of endowered funds, currently valued at £1,900k within the portfolio. Being a general endowment, any income earned is released back to the University for non-specific purposes. All other endowments are not significant but have specific purposes attached to them.

23. RESTRICTED RESERVES

	Capital Grants Unspent £000	Donations £000	2023 Total £000	2022 Total £000
Reserves with restrictions are as follows:				
CONSOLIDATED AND INSTITUTION				
BALANCES				
AT 1 AUGUST 2022	–	52	52	–
New restricted donations	–	196	**196**	53
Investment Income	–	–	**–**	–
Expenditure	–	(62)	**(62)**	(1)
Total restricted comprehensive income for the year	–	–	**–**	–
AT 31 JULY 2023	–	187	**187**	52
ANALYSIS OF OTHER RESTRICTED FUNDS / DONATIONS BY TYPE OF PURPOSE:				
Scholarships			**60**	11
Hardship			**59**	27
Campus and sports facilities			**1**	3
General			**67**	11
			187	52

24. CASH AND CASH EQUIVALENTS

	At 1 August 2022 £000	Cash Flows £000	At 31 July 2023 £000
CONSOLIDATED			
Cash and Cash equivalents	164,695	(41,164)	**123,531**
Bank overdraft	–	(128)	**(128)**
	164,695	(41,292)	**123,403**

25. CONSOLIDATED RECONCILIATION OF NET DEBT

	2023 £000
NET DEBT 1 AUGUST 2022	**62,295**
Movement in cash and cash equivalents	(41,164)
Other non-cash changes	75,868
NET DEBT 31 JULY 2023	**96,999**
CHANGE IN NET DEBT	**34,704**

ANALYSIS OF NET DEBT:	2023 £000	2022 £000
CASH AND CASH EQUIVALENTS	**123,531**	164,695
BORROWINGS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Unsecured loans	**6,077**	5,817
Bank overdraft	**128**	–
Service concession arrangements	**6,584**	6,495
	12,789	12,312
BORROWINGS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Service concession liabilities due after one year	**109,377**	112,537
Unsecured loans	**98,364**	102,141
	207,741	214,678
NET DEBT	**96,999**	62,295

26. FINANCIAL INSTRUMENTS

	NOTE	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
FINANCIAL ASSETS					
Financial assets at fair value through Statement of Comprehensive Income		**207**	**–**	123	–
Financial assets that are equity instruments measured at cost less impairment					
Other investments		**387**	**–**	115	–
	14	**594**	**–**	238	–
Financial assets that are debt instruments measured at amortised cost					
Cash and cash equivalents		**123,403**	**123,187**	164,695	164,046
Other investments	16	**54,941**	**54,941**	5,029	5,029
Trade receivables	17	**12,330**	**12,301**	14,460	14,390
Other receivables	17	**7,666**	**7,666**	5,798	5,798
		198,340	**198,095**	189,982	189,263
FINANCIAL LIABILITIES					
Financial liabilities measured at amortised cost					
Bank overdrafts	18	**128**	**–**	–	–
Loans	20	**104,441**	**104,441**	107,958	107,958
Service concessions	17/18	**115,961**	**115,961**	119,032	119,032
Trade Creditors	18	**19,554**	**19,590**	8,412	8,415
		240,084	**239,992**	235,402	235,405

27. CAPITAL AND OTHER COMMITMENTS

A provision has not been made for the following capital commitments at 31 July 2023:

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
Capital commitments	**16,985**	**16,985**	3,641	3,641
	16,985	**16,985**	3,641	3,641

The significant increase in capital commitments has resulted from the new commitment for the digital foundations works which commenced during 2023 (£13,463k).

Commitments relating to buildings remained stable at £3,522k, with the only significant buildings capital commitment totalling £1,630k for works on Fulton House across a number of suppliers.

28. CONTINGENT LIABILITIES

	£000	£000	£000	£000
Guarantees				
To Lloyds for SMaRT Ltd	**–**	**500**	–	500
	–	**500**	–	500

The University is acting as guarantor for Swansea Materials Research and Testing Limited in relation to the £500k overdraft facility only. The University believe there is only a limited possibility of the guarantee being paid as Swansea Materials Research & Testing Limited is a wholly-owned subsidiary controlled by senior University staff members. The extent of the guarantee being required will depend on the current overdraft in the subsidiary. If paid, there is unlikely to be any reimbursement for this contingent liability.

The University is a member of UMAL, a company limited by guarantee, formed to provide a mutual association for covers. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro-rated share. The potential for a shortfall and the value of a shortfall in any given year is unknown. There is not likely to be any possibility of reimbursement if this guarantee is called upon.

The Institution has given written undertakings to support the subsidiary companies for a period of 12 months from the date of approval of these financial statements.

29. LEASE OBLIGATIONS

Total rentals payable under operating leases:

	2023 Land and Buildings £000	2022 Land and Buildings £000
PAYABLE DURING THE YEAR		
Payable during the year	**1,282**	1,190
Future minimum lease payments due:		
Not later than 1 year	**920**	1,088
Later than 1 year and not later than 5 years	**2,629**	2,472
Later than 5 years	**5,195**	4,599
TOTAL LEASE PAYMENTS DUE	**8,744**	8,159

No new leases were negotiated during 2023, with just the car parking lease at the Bay Campus currently being re-negotiated for 2024. Two leases were terminated in the year, with the leased space being handed back.

During the year, the University was tenant on three significant leases, The College, a University joint venture company, Bay Campus Car Park and a unit within Baglan Energy Park. The lease with The College, which is within a building on the Bay Campus, runs until 2038 with the Baglan unit lease continuing until 2027.

Total rentals receivable under operating leases:

The University leases out small areas of space on both Singleton and Bay Campus. Leases include a dental surgery, a doctors surgery, retail units for the Students' Union, laboratory space to Swansea Materials Research and Testing Ltd, a wholly owned subsidiary company, and lab space for Natural Resources Wales. The University also leases out small areas and offices to companies working alongside the University. The terms and break periods differ for each lease with leases for small spaces frequently being renewed. The University does not hold any investment properties as part of its portfolio as rental areas are minor areas within larger buildings.

CONSOLIDATED AND INSTITUTION	2023 Land and Buildings	2022 Land and Buildings
Future minimum lease payments due:	£000	£000
Not later than 1 year	**345**	369
Later than 1 year and not later than 5 years	**988**	1,087
Later than 5 years	**1,196**	1,404
TOTAL LEASE PAYMENTS DUE	**2,529**	2,860

There were no contingent rents receivable during 2022/23 (2021/22: £0).

30. EVENTS AFTER THE REPORTING PERIOD

There are no events to report which have occurred after 31 July 2023

31. PENSION SCHEMES

Different categories of staff were eligible to join one of the following schemes:
- Universities' Superannuation Scheme (USS)
- Swansea University Pension Scheme (SUPS) – Closed to new members 31 December 2011
- National Employment Savings Trust (NEST) – from 1 January 2012

The University also contributes to the NHS Pension Scheme for a number of its employees.

USS and SUPS are both defined-benefits schemes. The assets of both schemes held in separate trustee-administered funds.
NEST is a defined-contribution scheme.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
STATEMENT OF COMPREHENSIVE INCOME – NET PENSION COST				
USS	**25,733**	**25,733**	23,329	23,329
USS pension deficit charge	**(31,704)**	**(31,704)**	93,537	93,537
SUPS	**1,268**	**1,268**	1,270	1,270
Other	**1,383**	**1,383**	1,204	1,204
	(3,320)	**(3,320)**	119,340	119,340
OTHER COMPREHENSIVE INCOME – ACTUARIAL GAIN IN RESPECT OF PENSION SCHEMES				
SUPS	**18,600**	**18,600**	23,700	23,700
	18,600	**18,600**	23,700	23,700
STATEMENT OF FINANCIAL POSITION – PENSION SCHEME LIABILITY (NOTE 21)				
USS	**99,641**	**99,641**	134,264	134,264
SUPS	**17,200**	**17,200**	36,600	36,600
	116,841	**116,841**	170,864	170,864

(I) THE UNIVERSITIES' SUPERANNUATION SCHEME

The University participates in the Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. 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 £25,733k (2022: £23,329k) including PensionChoice, but excluding the impact of the change in the deficit recovery plan, as shown in note 7.

Deficit recovery contributions due within one year for the institution are £7,389k (2022: £2,624k).

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.

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 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 key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles. (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:

	2020 valuation
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

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	**5.49%**	3.33%
Pensionable salary growth	**5.10%**	1.11%

The employers' contribution rates are as follows:

EFFECTIVE DATE	RATE
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%

SENSITIVITY ANALYSIS

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:

	APPROXIMATE IMPACT ON PROVISION
	£000
0.5% pa decrease in discount rate	3,738
0.5% pa increase in salary inflation over duration	3,765
0.5% pa increase in salary inflation year 1 only	470
0.5% increase in staff changes over duration	3,698
0.5% increase in staff changes year 1 only	466

(II) NHS PENSION SCHEME

The Institution also participates in the NHSPS which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the Government.

The NHS Pension 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 contribution rate payable by the Institutions during the year ended 31 July 2018 salaries, was equal to 14.3% of the total pensionable in accordance with the conclusion of the Government Actuary's report on the scheme.

(III) SWANSEA UNIVERSITY PENSION SCHEME

(RETIREMENT BENEFITS) DISCLOSURE FOR THE ACCOUNTING PERIOD ENDING 31 JULY 2023

The University operates a final-salary defined-benefit pension scheme that non-academic employees of the University can participate in, called the Swansea University Pension Scheme (SUPS). The scheme is externally funded and is contracted out of the State Second Pension (S2P) of pension provision.

The last formal triennial actuarial valuation of the scheme was performed as at 1 August 2022 by a professionally-qualified actuary. The following are based on the results of the 1 August 2022 triennial valution projected forward with allowance for benefit accrual, expected investment return and actual cashflows and have been adjusted for FRS102 assumptions detailed below.

During the accounting period, the University paid contributions to the pension scheme at the rate of 23.2% of pensionable salaries in respect of the future accrual of benefits, death in service premiums and expenses.

A§SSUMPTIONS

The financial assumptions used to calculate scheme liabilities under FRS 102 are:	AT 31 JULY 2023	AT 1 AUGUST 2022
Price Inflation (RPI)	**3.4%**	3.3%
Price Inflation (CPI)	**3.0%**	2.9%
Rate of increase in salaries	**3.3%**	3.2%
Rate of increase of pensions in payment for SUPS members	**3.4%**	3.3%
Increases to deferred pensions before retirement	**3.0%**	2.9%
Discount rate	**5.1%**	3.4%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65 and non pensioners who are currently aged 45.

	AT 31 JULY 2023	AT 1 AUGUST 2022
Pensioner – male	**19.6**	20.1
Pensioner – female	**22.0**	22.4
Non-pensioner (curently aged 45) – male	**20.5**	21.1
Non-pensioner (curently aged 45) – female	**23.1**	23.5

Scheme assets and expected rate of return for SUPS

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward-looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

	FAIR VALUE AS AT 31 JULY		
	2023	2022	2021
THE ASSETS IN THE SCHEME WERE:			
	£M	£M	£M
Equities	**37.4**	53.9	54.8
Corporate bonds	**7.8**	7.9	8.1
Property	**1.5**	2.0	7.5
GARS Fund	**12.2**	13.5	14.6
Other	**37.6**	31.2	36.8
Total	**96.5**	108.5	121.8

The tables below include the disclosures for the Swansea University Pension Scheme.

	YEAR ENDED 31 JULY 2023	YEAR ENDED 31 JULY 2022
	£000	£000
ANALYSIS OF THE AMOUNT SHOWN IN THE BALANCE SHEET FOR SUPS		
Scheme assets	**96,500**	108,500
Scheme liabilities	**(113,700)**	(145,100)
DEFICIT IN THE SCHEME – NET PENSION LIABILITY RECORDED WITHIN OTHER COMPREHENSIVE INCOME	**(17,200)**	(36,600)
Current service cost	**(1,600)**	(2,200)
Past service costs	**–**	–
TOTAL OPERATING CHARGE	**(1,600)**	(2,200)

	YEAR ENDED 31 JULY 2023	YEAR ENDED 31 JULY 2022
	£000	£000
ANALYSIS OF THE AMOUNT CHARGED TO INTEREST PAYABLE/CREDITED TO OTHER FINANCE INCOME FOR SUPS		
Interest cost	**(4,900)**	(3,100)
Expected return on assets	**3,700**	2,100
Interest on net deficit	**–**	–
NET CHARGE TO OTHER FINANCE INCOME	**(1,200)**	(1,000)

ANALYSIS OF OTHER COMPREHENSIVE INCOME FOR SUPS	
(Loss) on assets	**(13,900)**	(14,400)
Gain on liabilities	**32,500**	38,100
TOTAL OTHER COMPREHENSIVE INCOME BEFORE DEDUCTION FOR TAX	**18,600**	23,700

	YEAR TO			
	31 JULY 2023	31 JULY 2022	31 JULY 2021	30 JULY 2020
HISTORY OF EXPERIENCE GAINS AND LOSSES – SUPS				
DIFFERENCE BETWEEN ACTUAL AND EXPECTED RETURN ON SCHEME ASSETS:				
Amount (£000)	**(13,900)**	(14,400)	14,100	1,000
% of assets at end of year	**-14.4%**	-13.3%	11.6%	0.9%
EXPERIENCE (GAINS)/LOSSES ON SCHEME LIABILITIES:				
Amount (£000)	**(32,500)**	(38,100)	1,500	11,800
% of liabilities at end of year	**-28.6%**	-26.3%	0.8%	6.5%

	31 JULY 2023	31 JULY 2022
	£000	£000
CUMULATIVE ACTUARIAL LOSS RECOGNISED AS OTHER COMPREHENSIVE INCOME FOR SUPS		
Cumulative actuarial losses recognised at the start of the year	**(6,400)**	(37,400)
Cumulative actuarial losses recognised at the end of the year	**12,200**	(6,400)

ANALYSIS OF MOVEMENT IN (DEFICIT) FOR SUPS		
DEFICIT AT BEGINNING OF YEAR	**(36,600)**	(61,200)
Contributions or benefits paid by the University	**4,500**	4,500
Current service cost	**(1,600)**	(2,200)
Past service cost	**–**	–
Admin costs	**(900)**	(400)
Other finance charge	**(1,200)**	(1,000)
Gain recognised in other comprehensive income	**18,600**	23,700
DEFICIT AT END OF YEAR	**(17,200)**	(36,600)

ANALYSIS OF MOVEMENT IN THE PRESENT VALUE OF SUPS		
PRESENT VALUE OF SUPS AT THE START OF THE YEAR	**145,100**	183,000
Current service cost (net of member contributions)	**1,600**	2,200
Past service cost	**–**	–
Interest cost	**4,900**	3,100
Actuarial (gain)	**(32,500)**	(38,100)
Actual benefit payments	**(5,400)**	(5,100)
PRESENT VALUE OF SUPS LIABILITIES AT THE END OF THE YEAR	**113,700**	145,100

ANALYSIS OF MOVEMENT IN THE FAIR VALUE OF SCHEME ASSETS		
FAIR VALUE OF ASSETS AT THE START OF THE YEAR	**108,500**	121,800
Expected return on assets	**3,700**	2,100
Actuarial (loss) on assets	**(13,900)**	(14,400)
Actual contributions paid by University	**4,500**	4,500
Non Investment expenses	**(900)**	(400)
Actual benefit payments	**(5,400)**	(5,100)
FAIR VALUE OF SCHEME ASSETS AT THE END OF THE YEAR	**96,500**	108,500

SUPS assets do not include any of the University's own financial instruments, or any property occupied by the University.

ACTUAL RETURN ON SCHEME ASSETS		
Expected return on scheme assets	**3,700**	2,100
Asset (loss)	**(13,900)**	(14,400)
	(10,200)	(12,300)

Estimated contributions for SUPS in the Financial Year 2023–24 is £1,300k (2022-23 £1,200k) assuming the contribution rate of 23.4% plus £2,440k PA fixed contribution (2022-23 23.2% plus £2,369k PA).

32. RELATED PARTY TRANSACTIONS

Due to the nature of the Institution's operations and the composition of its Council (being drawn from local public and private sector organisations) and Senior Leadership Team, it is inevitable that transactions will take place with organisations in which a member of Council or the Senior Leadership Team may have an interest. All such transactions are conducted at arm's length and in accordance with the Institution's financial regulations and normal procurement procedures. The Institution has taken advantage of the exemption within FRS 102 Section 33 'Related Party Disclosures' and has not disclosed transactions with other wholly owned group entities.

	INCOME FROM RELATED PARTY	EXPENDITURE TO RELATED PARTY	BALANCE DUE FROM RELATED PARTY
	£000	£000	£000
Wales National Pool Swansea	**795**	**609**	240
Swan Global Education LLP	**1,103**	**5,238**	1,102
	1,898	**5,847**	1,342

Throughout the year and at the Balance Sheet date the University held 50% investments in the associated companies Wales National Pool Swansea (2022: 50%) and Swan Global Education LLP (2022: 50%). The relationship with both companies are accounted for using the equity method such that 50% of the companies gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 50% the net income is reported in the University's consolidated income and expenditure account.

The Students' Union is not controlled or owned by the University and is a separate legal entity, however the University provides grant funding to the Union to support the students. During the year the University provided the Students' Union with the main block grant of £1,124k and a further £95k which included contributions towards nurses' funding, nursery costs, and funding bids. The University also provided the Students' Union with £78k for a cost of living action plan offering advice and support for students to aid in tackling the cost of living crisis.

COUNCIL MEMBERS

The University's Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Council, many of whom are drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those below, are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures. The University has a robust Declarations of Outside Interests Policy and each member of Council is required to declare all interests openly, which are reviewed in line with the University's procedures.

Third party transactions identified during the 2022/23 financial year in which trustees have declared an interest are: Scarlets Regional Rugby Club, £31,700 for advertising/conferences and a trustee is a former Director of the Board; Natural Resources Wales, £1,476 for professional services, and a trustee is a former employee; Compass Group £1,521,565 for catering services and a close family member/associate of a trustee has a shareholding in Compass; Golwg cyf, £5,827 for advertising (course, recruitment and other) and a trustee is one of the Directors of the Board; Swansea University Students' Union, £1,611,861 for various transactions, with the two student members of Council being trustees of SUSU; Wales in London, £1,980 for staff/employment agencies and a trustee is a Director of the Board; Telesgop, £6,600 for advertising and production services and a trustee is a Director of the Board; Just Eat Food £177 for catering services and a close family member/associate of a trustee has a shareholding in Just Eat; Sainsbury UK, £5,751 for groceries and a close family member/associate of a trustee has a shareholding in Sainsbury's; Hilton Worldwide Groups £4,966 for accommodation and hotel services and a close family member/associate of a trustee has a shareholding in Hilton Groups; Global Education Matter £30,162 for student fee activity and a close family member/associate of a trustee has a consultancy arrangement with Global Education Matter; Learned Society of Wales £28,910 for subscriptions and a trustee is a Fellow of the Society; Aberglasney Gardens, £621 for catering and a trustee is also a trustee at Aberglasney Gardens; JISC, £1,474,192 for training/software/books and various other activity, and a trustee is Chair of JISC.

No Council Member has received any remuneration or waived payments during the year (2022 – £0).

During the year £3.2k of expenses were paid to members of Council (2022: £4.5k), and £6.3k of payments were made on behalf of members of Council (travel and training costs) (2022: £1k)

33. US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the 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
- 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. As set out above, 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.

Line item / disclosure		CONSOLIDATED 2023 £000	CONSOLIDATED 2023 £000	CONSOLIDATED 2022 £000
Primary Reserve Ratio				
	Expendable net assets			
	Net assets without donor restriction	**239,520**		156,558
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	**–**	198,437	**–**
Statement of Financial Position	Revaluation Reserve	**–**	41,083	**–**
	Net assets with donor restriction	**7,495**		7,359
Statement of Financial Position	Endowment Reserve	**–**	7,308	**–**
Statement of Financial Position	Restricted Reserve	**–**	187	**–**
Note 10, excluding Service Concession Arrangement	Property, Plant & Equipment	**–**		**–**
	Property, Plant & Equipment, pre-implementation	**(287,160)**		(300,892)
	Property, Plant & Equipment without outstanding debt for original purchase	**(71,311)**		(22,246)
	Property, Plant & Equipment – construction in progress	**(11,103)**		(34,294)
Note 10 - Service Concession Arrangement	Lease right of use asset - pre-implementation	**(104,563)**		(108,202)
Statement of Financial Position	Intangible Assets	**(316)**		**–**
Statement of Financial Position	Post employment and pension liabilities	**116,841**		170,864
	Long term debt for long term purposes	**–**		**–**
Note 19 & 20	Long term debt for long term purposes pre-implementation	**96,151**		101,253
Note 19 & 20	Long term debt for long term purposes post implementation	**8,290**		6,705
Note 13	Lease right of use asset liability	**–**		**–**
	Lease right of use asset liability pre implementation	**115,961**		119,032
	Lease right of use asset liability post implementation	**–**		**–**
Statement of Financial Position	Term endowments with donor restrictions	**(7,308)**		(7,307)
	Total Operating Expenses without Donor Restrictions			
Statement of Comprehensive Income excluding change in expected USS contributions	Total operating expenses without donor restrictions taken from CSCI	**380,395**		354,092
	Non-operating and Net Investment Loss	**(50,304)**		69,837
	Pension related charges other than periodic costs	**50,304**		(69,837)
Statement of Comprehensive Income	Change in expected USS contribuutions	**–**	31,704	**–**
Statement of Comprehensive Income	Actuarial gain in respect of pension schemes	**–**	18,600	**–**

Line item / disclosure		CONSOLIDATED 2023 £000	CONSOLIDATED 2023 £000	CONSOLIDATED 2022 £000
Equity Ratio				
	Modified Net Assets			
	Net Assets without Donor Restriction	**239,520**		156,558
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	**–**	198,437	**–**
Statement of Financial Position	Revaluation Reserve	**–**	41,083	**–**
	Net Assets with Donor Restrictions	**7,495**		7,359
Statement of Financial Position	Endowment Reserve	**–**	7,308	**–**
Statement of Financial Position	Restricted Reserve	**–**	187	**–**
Statement of Financial Position	Intangible assets	**316**		**–**
	Modified Assets			
	Total Assets	**707,408**		690,758
Statement of Financial Position	Non-current Assets	**–**	475,172	**–**
Statement of Financial Position	Current Assets	**–**	232,236	**–**
Note 10 - Service Concession Arrangement	Lease right of use asset pre implementation	**104,563**		108,202
Note 13	Pre implementation right of lease	**115,961**		119,032
Statement of Financial Position	Intangible assets	**316**		**–**
Net Income Ratio				
	Change in Net Assets Without Donor Restrictions			
Statement of Comprehensive Income	Total comprehensive income in the year	**83,098**		(55,881)
Statement of Comprehensive Income	Restricted comprehensive income in the year	**(136)**		146
Total Revenue and Gains				
	Total revenue and Gains without donor restrictions			
	Total operating revenue and other additions	**412,441**		370,033
Statement of Comprehensive Income	Total Income	**–**	412,637	–-
Note 6 - restricted income	Restricted donations	**–**	(196)	–-
Statement of Comprehensive Income	Non-operating Revenue and Other gains	**226**		–-

34. PRIOR YEAR ADJUSTMENT

During the preparation of the 2022/23 accounts it was identified that where an individual research subproject had a debtor or creditor balance, these balances were incorrectly being shown as individual debtors and creditors when they should have been combined to net down against the research project as a whole. A prior period adjustment has been posted to reclassify the debtors and creditors. The adjustment only impacts the debtors and creditors within the financial statements, including on the balance sheet and within the cash flow movement.

This adjustment does not affect the overall net figures in the accounts, with the impact noted in the tables below.

	Year ended 31 July 2022 Consolidated			Year ended 31 July 2022 University		
	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
TRADE AND OTHER RECEIVABLES	£000	£000	£000	£000	£000	£000
Accrued income – research grants	**42,604**	**(21,261)**	**21,343**	42,604	(21,261)	21,343
	42,604	**(21,261)**	**21,343**	42,604	(21,261)	21,343
ACCRUALS AND DEFERRED INCOME	£000	£000	£000	£000	£000	£000
Research grants received in advance	**(50,596)**	**21,261**	**(29,335)**	(50,596)	21,261	(29,335)
	(50,596)	**21,261**	**(29,335)**	(50,596)	21,261	(29,335)
Total	**(7,992)**	**–**	**(7,992)**	(7,992)	–	(7,992)
BALANCE SHEET IMPACT						
Trade and other receivables	**42,604**	**(21,261)**	**21,343**	42,604	(21,261)	21,343
Creditors falling due within one year	**(50,596)**	**21,261**	**(29,335)**	(50,596)	21,261	(29,335)
CASH FLOW IMPACT						
(Increase) / decrease in debtors	**(13,932)**	**21,261**	**7,329**			
Increase / (Decrease) in creditors	**28,547**	**(21,261)**	**7,286**			

SWANSEA UNIVERSITY

England & Wales - Charity number 1138342

Accounts

Swansea University
Prifysgol Abertawe

ANNUAL REVIEW 2022

CONTENTS

02 – Chair's Introduction

05 – Vice-Chancellor's Introduction

06 – Facts and Figures

08 – Our Strategic Vision and Purpose

10 – Our Staff Community

12 – Our Learning and Teaching

14 – Our Student Experience

16 – Our Research

18 – Our Enterprise

20 – Our Internationalisation

22 – Our Digital and Physical Estate

24 – Financial Review

36 – Public Benefit Statement

39 – Corporate Governance and Statement of Internal Control

50 – Report from the Chair of the Remuneration Committee

52 – Independent Auditor's Report to the Council of Swansea University Report on the Audit of the Financial Statements

55 – Statement of Council's Responsibilities In Respect of the Financial Review and the Financial Statements

56 – Statement of Principal Accounting Policies

62 – Consolidated and Institution Statement of Comprehensive Income

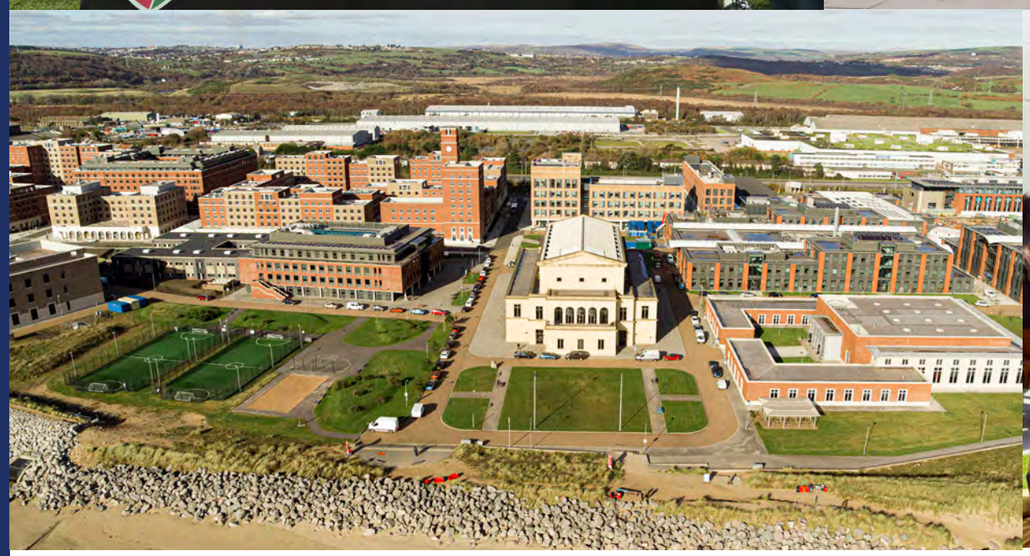
63 – Consolidated and Institution Statement of Change in Reserves

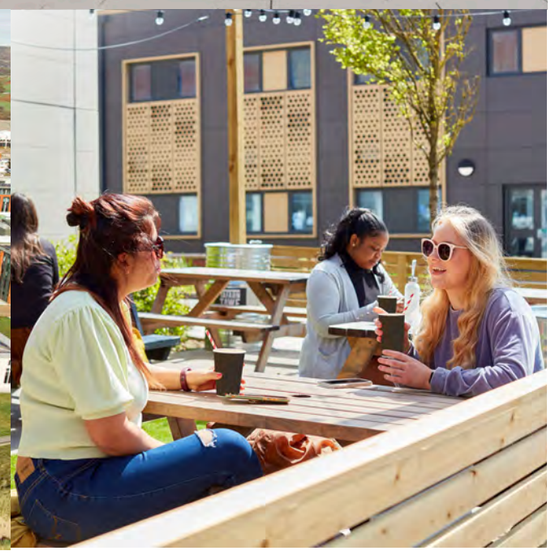
64 – Consolidated and Institution Statement of Financial Position

65 – Consolidated Statement of Cash Flows

66 – Notes to the Financial Statements

Designed by IconCreativeDesign.com





CHAIR'S INTRODUCTION

I would like to begin this introduction to our Annual Report and Financial Statements, on behalf of the Council, by thanking the Vice-Chancellor, staff and students, for their dedication and hard work.

We are still dealing with the aftermath of some of the challenges posed by Covid, as well as the impact on international student recruitment and research income as a result of Brexit, and the continued competitive nature of the higher education sector. I am proud that we continue to make a difference on a local, national and global stage through research, enterprise, teaching, student experience and civic engagement.

One of the most welcome aspects of the previous year is how our staff, students, alumni and other stakeholders have finally been able to enjoy in-person events again. It has been a real pleasure to see our students celebrate their achievements by graduating in front of family and friends, including the cohorts from 2020 and 2021 who could not enjoy in-person ceremonies at the time.

Varsity is always a highlight of the student experience and one of the highlights of 2022 so far for me has been the return of this annual sporting contest with Cardiff – our students once again able to enjoy this friendly rivalry and celebration. Next year we will hope to build on the success of many of our teams and ensure we deliver even better overall results.

The quality of the student experience is always central to our strategic goals at Swansea, and to this end, listening to and engaging with the student voice is crucial and dependent on the close relationship between the University and the Students' Union, and the ongoing and fruitful engagement with the Students' Union's full-time officers. It was therefore very pleasing to see the University ranked 15th in the annual Student Crowd Awards, with the Students' Union ranked 20th in their category: these are the only awards based entirely on verified student reviews.

Our University is proud to be an inclusive and welcoming place of study and work, and one that respects and celebrates diverse cultures. At heart, we are a University of and for Wales, offering a warm Welsh welcome to our students wherever they come from. We celebrate our Welsh heritage and culture and aspire for our students and colleagues to come into contact with the language regardless of their background or area of study. In June 2022 we launched our Welsh Language Strategy which outlines our aspirations and ambitions to secure a prominent place for the language in our community. Our aim over the next five years is to move forward, building further on those foundations to ensure sustained progress and to take our place with confidence amongst those universities in Wales that embrace, celebrate and promote the Welsh language and Welshness.

I would like to take this opportunity to thank both past and present members of the University Council and its various committees for their commitment and contribution to the University. During the year, the Council has continued to ensure the University's governance arrangements allow us to embrace a culture of openness and transparency. The strength of these arrangements is evident in the way that we have been able to respond to the challenges which we and others in the sector have faced and put us in a strong position to address the challenges which undoubtedly still lie ahead. I am sure we will continue to build on our successes together thanks to the dedication and talent of our staff, students and stakeholders.

We are facing the continued challenges ahead with confidence and building on the excellent work done in teaching and student support, as well as world-class research, as we move into our second century in a stronger position than ever.

Mr Bleddyn Phillips, Chair of Council
28th November 2022

VICE-CHANCELLOR'S INTRODUCTION

Following the challenging events of the previous two years, this academic year at Swansea University has been characterised by a desire for reconnection; with our students, with our staff and with our partners, both local and global. I remain incredibly proud of the resilience of our staff community in the wake of a global pandemic, so many of whom have played a vital role in supporting safety and wellbeing, while ensuring the continuation of our University's core purpose; our learning and teaching, our research, our student experience, our civic mission and our enterprise.

With the remarkable pace of scientific endeavour over the past two years came a vaccination programme which has enabled a safe and steady return of so many of the opportunities upon which a meaningful university experience is built. Most notably, we saw the gradual return of in-person teaching and student engagement that reflects our Teaching Excellence Framework (TEF) Gold Award. I remain extremely grateful to staff across our University for their commitment to maintaining academic quality in the face of the transition between teaching formats this year, as evidenced by us retaining our place in the Guardian University Guide 2022 (24th in the UK overall) and being ranked 6th in the UK for course satisfaction.

At a time when the link between research breakthroughs and our daily lives has never been more explicit, our academics have continued to balance their commitment to our students with their vital work to tackle the challenges of our modern world. We are proud that our researchers play a significant role in driving positive global change, as demonstrated by the recent Research Excellence Framework (REF) 2021 exercise, within which 85% of our research outputs were deemed to be world-leading and internationally excellent. We were also delighted to be ranked within the top 20 universities out of 1,400 institutions internationally for our performance against three of the UN Sustainable Development Goals, within the new THE Impact Ratings 2022.

Our research is highly impactful only due to the scale and strength of our academic collaborations across disciplines, institutions and national borders. This was perfectly encapsulated by the Queen's Anniversary Prize which was conferred upon our University in early 2022. This highly prestigious prize was awarded for the work of Professor David Worsley and colleagues within Materials Science and Engineering, who are leading a revolution in renewable energy technologies, particularly solar electricity and heat storage. Their global network of collaborators has enhanced the international impact of this vital research to transform the construction industry and tackle fuel poverty across the world.

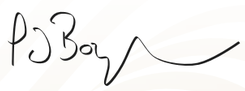
Importantly, this year has seen the welcome return of the in-person events which foster a sense of connection and make the higher education experience a positive one. Within a period of eight months, we invited four cohorts of graduands to attend full graduation ceremonies, ensuring that no student of the past two years lost out on the opportunity to cross the stage. And after a two-year hiatus, we were delighted to host our annual Varsity event, a long-established sports tournament which is a calendar highlight for both Swansea and Cardiff Universities.

Along with a return to familiar traditions, this year we were pleased to usher in the new by hosting the inaugural Hillary Rodham Clinton Global Challenges Summit in November. The Summit, kindly supported by the Welsh Government, featured conversations convened and chaired by Secretary Clinton, alongside expert panels addressing the most pressing global challenges of our time; technology, the climate crisis, human rights and healthcare. Throughout all of the illustrious panels, there was clear consensus on the need for connection and collaboration – across disciplines, sectors and countries – to truly address the most urgent issues facing our generation and those which follow us.

In that spirit, I am proud to reflect upon our University's global outlook and our continued commitment to international collaboration. This year, we have reconnected with longstanding partners such as Université Grenoble Alpes in France and institutions within our Texas Strategic Partnership, while continuing to explore new international opportunities. The strength of our global networks has led to an improvement in our QS World University ranking (2023); indeed, Swansea University saw the largest rank improvement of any UK university within the top 500. With the world reopening for us all, these international connections mean that we can once again offer life-changing exchange opportunities to our staff and students alike.

At a time when our geopolitical reality feels increasingly fragile, we have not lost sight of our place in the world, nor of our unique role within the local community which we were founded to serve. As an institution, we have supported the Council for At-Risk Academics (Cara) who provide practical and financial assistance to the many staff and students across the world who are facing danger through conflict, persecution or displacement. Closer to home, our partnerships with local authorities, health boards and the private sector have been strengthened through our shared commitment to projects and initiatives that will enhance the lives and wellbeing of our local community. Throughout, we have remained proud to promote the distinct heritage, culture and language of Wales to our international students, staff and partners alike.

This academic year has been a year of reconnection in a myriad of ways. After a period of intense disruption, we have found comfort in meeting, teaching and working together again within the same physical space, and in reconnecting with our core mission as a university. I remain incredibly proud that, in spite of the challenges, our focus on the institutional principles and purpose upon which we were founded has endured.



Professor Paul Boyle, Vice-Chancellor
28th November 2022

FACTS AND FIGURES

STUDENT NUMBERS

6,156
POSTGRADUATES*

17,911
UNDERGRADUATES*

18.9%
OVERSEAS STUDENTS*

83%
ACHIEVED A FIRST OR 2:1 DEGREE
(21-22)

*Swansea Insights Data 2021/22 EoY

STAFFING

3,479
TOTAL STAFF
(FTE 21-22)

1,612
ACADEMIC STAFF
(FTE 21-22)

STUDENT EXPERIENCE

GRADUATE OUTCOMES
93%
OF GRADUATES ARE IN EMPLOYMENT, STUDY AND / OR OTHER ACTIVITIES (HESA 2022)

TOP **20**
BEST UK UNIVERSITIES
(Student Crowd University Awards 2022)

15th IN THE UK
FOR COURSE SATISFACTION
(Guardian University Guide 2023)

NSS National Student Survey
78%
OF STUDENTS ARE SATISFIED
(NSS 2022)

WORLD RANKINGS

QS WORLD UNIVERSITY RANKINGS
GLOBALLY RANKED IN ALL SUBJECT AREAS
(QS World University Rankings 2023)

THE World University Rankings 2023
251-300
(THE World University Rankings 2023)

UK RANKINGS

39th
(The Times Good University Guide 2022)

42nd Complete University Guide
(Complete University Guide 2023)

24th The Guardian
(Guardian University Guide 2022)

RESEARCH EXCELLENCE

86% REF2021 Research Excellence Framework
WORLD LEADING AND INTERNATIONALLY EXCELLENT RESEARCH
(REF2021)

£69.2M
RESEARCH INCOME

FINANCIAL PERFORMANCE

4%
OPERATING SURPLUS AS % INCOME
(before pension adjustment)

12%
EBITDA AS % INCOME

15%
NET OPERATING CASHFLOW AS % INCOME

OUR STRATEGIC VISION AND PURPOSE

Our Strategic Vision and Purpose

Our Strategic Vision and Purpose sets out the high-level priorities for the University. The document was developed following extensive engagement with our staff, student and alumni community and stakeholders in the region. The commitments and priorities outlined were identified and refined through a series of workshops, and drafts of the strategy were discussed at the Leadership Engagement Forum. The document was approved by Council in November 2020.

Our Vision

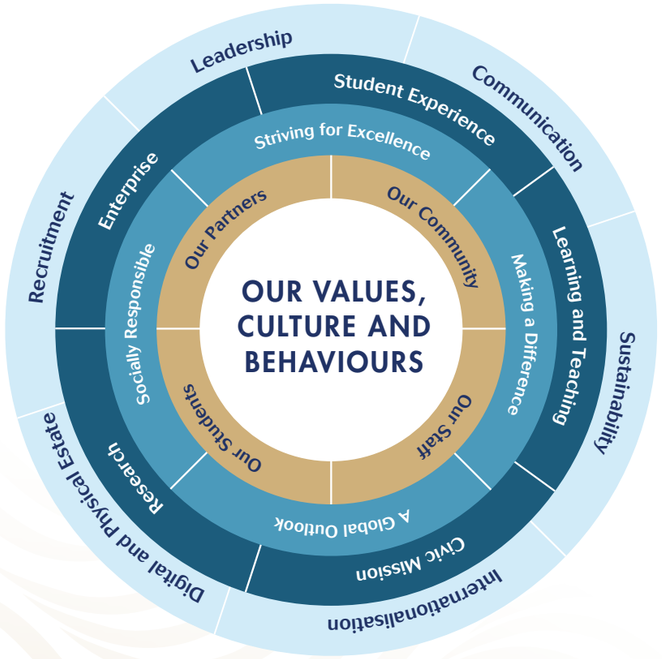
We are, and will continue to be, a principled, purposeful and resilient University that balances excellent teaching with world-leading research and innovation in an open environment which enables our students and colleagues to excel. While we are valued globally as a trusted partner, we are deeply committed to our region and are proud to be a University for Wales.

Our Strategy

Our Strategic Vision and Purpose states that we are an intrinsically principled, purposeful and resilient organisation. Our community of colleagues, students, partners and stakeholders is characterised by the distinct values, culture and behaviours that lie at our core.

The commitment of our community underpins the five key pillars of the University – our civic mission, student experience, learning and teaching, research and enterprise. Each of these is marked by our commitment to making a difference, to being socially responsible, to striving for excellence, and to maintaining a global outlook that enables us to be a community University with international reach and reputation.

Our work is enabled by strong leadership and robust governance, effective communication and a commitment to financial and environmental sustainability. It is built upon our digital and physical infrastructure, our internationalisation strategy and our approach to recruiting talented and enthusiastic colleagues.



Our Commitments

The document highlights our key commitments:

- The climate crisis remains society's biggest threat. We will align our work to the Sustainable Development Goals and will be a carbon-zero university by 2040. (We have subsequently brought forward this target to 2035.)
- We will further widen and deepen access to education, promoting lifelong, inclusive and equitable learning opportunities
- We will deliver innovative, digitally supported approaches to teaching that are developed in partnership with our students and which help to embed interdisciplinary thinking across our programmes
- We will extend our global reach and reputation, becoming a preferred partner for international research, teaching and enterprise collaborations, and moving up the international rankings year on year
- We will work with our partners to make the Swansea Bay City Region the sporting and wellbeing capital of Wales
- We will strengthen our position as one of the UK's leading, impact-driven, research-intensive institutions, excelling at interdisciplinary and collaborative research, and will establish the first Institute for Advanced Studies in Wales
- We will close the gender pay gap and will confront the structural and operational reasons for it and the low proportion of female professors
- We will develop and implement a whole institution approach to tackling racial inequality.

Key Pillars and Enablers

Our Strategic Vision and Purpose is underpinned by five pillars, each with their own strategies approved or in development. The five pillars encompass:

- Our Civic Mission
- Our Student Experience
- Our Learning and Teaching
- Our Research
- Our Enterprise

Our strategy is supported by a number of enablers, including:

- Effective leadership and governance
- Financial and environmental sustainability
- Internationalisation
- Investing in our digital and physical estate
- Open, honest and transparent communication
- Strong recruitment, welcoming fresh and diverse perspectives and experiences to our community.

Ymlaen

The University continues to deliver its transformation programme which, during its first phase, established a Faculty structure. Going into the next phase, the Ymlaen programme will focus on enabling the University to achieve its vision and ambitions over the next decade in a rapidly changing market and dynamic environment. Ymlaen, which translates as "Moving Forward", captures the spirit of the programme: looking to the future, innovation, and collaboration.

Ymlaen will deliver a step change in organisational effectiveness over the next three years. This will be achieved through a series of ambitious projects where the outcomes are focussed on our people, service improvement, and embedding a culture of continuous improvement. Ymlaen will further improve collaboration and innovation. By working together to create capabilities and capacities, we will support a growth in the scale and diversity of our activities through greater operational effectiveness.

OUR STAFF COMMUNITY

We have continued to make substantial progress on restructuring the University, aiming to ensure that we are a more effective, efficient and resilient organisation. Further to the merger last year of our seven Colleges and Schools to create three new Faculties: the Faculty of Medicine, Health and Life Science, the Faculty of Humanities and Social Sciences, and the Faculty of Science and Engineering, we have appointed key roles within the leadership teams led by the three Pro-Vice-Chancellors and Executive Deans.

Our Strategic Vision and Purpose document sets out a series of "People, Values, Culture and Behaviour" priorities:

- Championing a sector-leading approach to equality, diversity and inclusion, closing the gender pay gap and increasing the proportion of female professors
- Working with our community to find more ways to reward and recognise colleagues, and to encourage their personal and career development
- Implementing a health and wellbeing strategy to ensure that we enable our colleagues to thrive and to flourish
- Speaking up against, and confronting the causes of, discrimination, ensuring that the voices of under-represented groups are heard.

Equality, Diversity and Inclusion

We are one of just 21 UK universities, and the only Welsh university, to hold an Athena Swan Silver Institutional Award in recognition of our commitment to advancing gender equality. All of our eligible academic departments have an Athena Swan award, with four Silver and seven Bronze awards across the University. Three of our colleagues have become trained Athena Swan Panel reviewers and make up three of the six panel reviewers from Welsh Universities.

52% of our grade 9 colleagues, and 38% of grade 10 colleagues, are female, and we have more than tripled representation of females at grade 10a and director level since 2016 (contributing to 59% female representation in this group in 2021).

While there is further progress to be made, the number of female professors at the University has more than doubled since 2014, resulting in a 12.5% increase in the female representation in the professorial community, from 13% to 25.5%. There is a gender balance on the University's Senior Leadership Team, with females representing 50% of the membership.

We have made significant progress in reducing our gender pay gap, with a reduction of 5.5% in our mean average pay gap of 15.3%, which has reduced from 20.8% in 2018/19, and a reduction of 2.6% in our median average of 11.1%, which has reduced from 13.7% in 2018/19.

56% of our Council members are female (compared with 25% in 2013) and for a second year we have continued to achieve a representation of BAME Council members comparable to the percentage of BAME colleagues within the University.

This year we have increased our ranking in the Stonewall Top 100 Employers from 47th last year to 26th.

Reward and Recognition

We continued to commit to pay the Real Living Wage in 2021/22 to ensure that the pay of all our colleagues, especially those on the lowest salaries, meets the real costs of living and not just the government's legal minimum.

In July 2022, we made a payment of £750 to each of our colleagues in recognition of the hard work and commitment shown by them over the last two years.

We recognise the challenges facing our staff and students as a result of the current cost of living situation and are considering what options may be available to assist both communities.

We were delighted to support the promotion of 74 academic colleagues this year, representing a 54% increase in successful applications compared to seven years ago. In terms of promotions by Academic Career Pathway, there has been a 62% increase in the number of successful Research pathway applicants compared to 2015 and a 44% increase in the number of successful Teaching pathway applicants.

This year, 53% of successful applicants are female, a 63% increase compared to seven years ago. This year, 22% of successful applicants are from ethnic minorities, which is a 78% increase compared to seven years ago.

We promoted 16 new Professors in 2022, 50% of whom were female.

Health and Wellbeing

Our Health and Wellbeing Strategy was approved by Council in 2020 and is in the process of being implemented, supported by funding from HEFCW in 2021/22 of £0.3m.

We recognised and rewarded the hard work and dedication all our colleagues have shown during the Covid pandemic by awarding additional leave, introducing a quieter Friday initiative during the pandemic, and supporting agile working practices designed to help colleagues balance conflicting professional and personal priorities and support their mental health. We have also enhanced our Occupational Health and Wellbeing services, with access to staff Mental Health Advisors, Covid health assessments and counselling services.

This year, 1,532 colleagues responded to our confidential Workload Survey, which provided an opportunity for our staff community to offer suggestions on what is working well for them and what could be enhanced. We will be publishing regular quarterly updates to the Response Plan to ensure colleagues can see the actions taken.

Confronting Discrimination

We are engaged in the HEFCW-funded Race Access and Success collaborative enhancement programme to progress race equality within HE, gaining a fuller understanding of our institutional approach to race equality and diversity and developing evidence-informed action plans to progress this.

We have commissioned two external organisations to undertake a consultation process with staff and students to understand experiences in relation to race and ethnicity. The research will generate practical recommendations to address areas of concern and will equip us to take positive steps towards providing equitable and inclusive experiences.

We have also signed up to the Victim Support Hate Crime Charter and were awarded a Hate Crime Charter Trustmark by Victim Support.

This past year we celebrated a range of diversity events virtually, keeping colleagues connected as we worked remotely. Our online events drew more participants than in previous years and helped us to reach a wider audience. Amongst these events were Holocaust Memorial Day, LGBT+ History Month, International Women's Day, Black History Month, as well as a range of interfaith events. The University also has an active Staff Carers Network and we are a member of Employers for Carers, which offers access to a range of resources that help us support our staff who juggle work and care.

Developing our Leaders

Leadership underpins everything we deliver, which is why we have committed to developing our leaders – not just to drive results, but to maintain and enhance an inclusive culture in which great outcomes are delivered in a way that prioritises the health and wellbeing of all our people whilst ensuring everybody's contribution is recognised and rewarded fairly and appropriately.

Following consultation with leaders across the University, we are approaching leadership development in two phases. Phase 1 commenced in July 2022 with an Executive Coaching offer for our most senior leaders, followed by the introduction of a suite of optional modules available to all our leaders and managers, which focus on running the University. Stage two will be developed in 2022/23 with the University values at its core, and will focus on supporting all our leaders and managers to grow their wider leadership skills.

Technician Commitment

We are proud to have become a signatory of the Technician Commitment to ensure visibility, recognition, career development and sustainability for technicians working in higher education and research across all disciplines. The essential work that our technicians carry out across the University benefits the institution directly and supports our partnerships. Our technicians enable Swansea to deliver our excellence in research and teaching, and we are committed to ensuring their contributions to our achievements are widely recognised.

OUR LEARNING AND TEACHING

Our Learning and Teaching Strategy set out our approach to ensuring that we provide an exceptional experience for all our students. The delivery of our strategy and its commitments is focused on six Pillars of Excellence, which are underpinned by a fundamental wellbeing cross cutting theme:

- Pillar 1: Personalised and inclusive learning – ensuring that students will benefit from personalised, flexible and inclusive learning with the support of learning communities
- Pillar 2: Curriculum – embedding our Centenary Curriculum to the highest standard within all programmes
- Pillar 3: Teaching excellence – empowering our teaching community to deliver high quality teaching and assessment, and recognising and rewarding them for doing so
- Pillar 4: Student partnership – encouraging representatives of students, alumni, employers and service users to engage and contribute to the development of our learning, teaching and assessment
- Pillar 5: Learning environment – cultivating our learning environment to enable our learning communities to flourish
- Pillar 6: Data systems and processes – putting in place the systems to support staff and students in the delivery of excellence in learning, teaching and assessment.

Highlights

During the last year, we have built upon our success in providing high quality learning and teaching to students during the pandemic by being able to offer a rich student learning experience based upon enhanced opportunities for live teaching, supported and supplemented by online learning and the provision of pre-recorded material housed on our Canvas Virtual Learning Environment. During the year we adapted to meet the changing requirements of the Welsh and UK Governments, for example in respect of restrictions limiting total student capacity in teaching and other venues.

In line with the Welsh Government infection control framework for higher education, we introduced a managed approach to learning and teaching from the start of the 2021/22 academic year. Large lectures were usually delivered online; however sessions such as practicals, seminars and lab work were prioritised for in-person teaching. We listened to student feedback regarding new digital initiatives that have been introduced since the pandemic and retained areas of good practice to enhance the learning experience of our students.

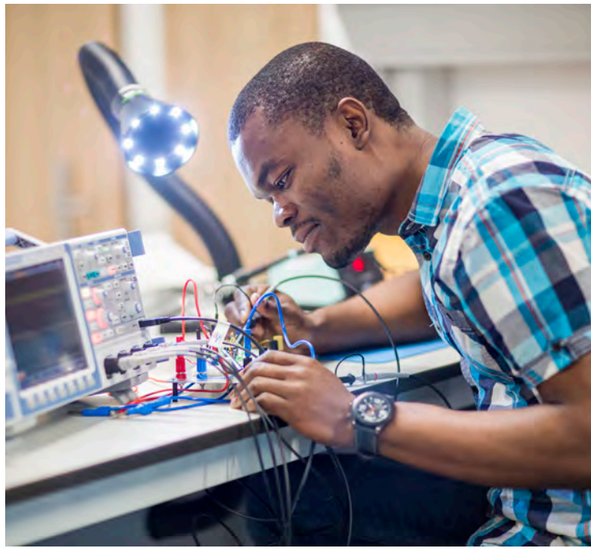
Students returned to campus in September 2021 to engage with the in-person teaching provision with a small exception made for some international students who were unable to travel to Swansea and were permitted in respect of many programmes to study online in accordance with the extension to the UKVI concession. We put together a comprehensive list of what students might expect in the new academic year together with some important advice regarding Covid health and safety measures. To help protect the personal safety of our students, staff and those living in the local community, we maintained the supplemental Covid Student Charter.

From late January we were able to deliver teaching with greater room capacity and run to a timetable that was closer to our pre-Covid model. There was greater provision of in person teaching and more opportunities to engage with other students in academic environments.

The needs of those international students who were not able to come to Swansea due to travel restrictions, along with self-isolating and clinically vulnerable students who could not attend, were met through an appropriate level of online provision and supervision. MyUniSupport remained in place as a single point of contact for Covid matters and to support students with any related concerns.

As part of an ongoing project to diversify our library collection, the Library collaborated with the Students' Union asking students to suggest titles which should be added to the Library which reflect decolonisation, diversity, wellbeing, and welfare. Twenty-seven of the suggested titles were available for purchase as e-books and paper copies of these, and other titles which were not available electronically were purchased by the Students' Union for placement in the Libraries in both Singleton and Bay campuses.

We have built upon our success in QAA Quality Enhancement Review. The review team was impressed and commended the University's "proactive use of well-developed processes and procedures for the effective strategic management and operational development and review of its academic portfolio to ensure continued relevance of its programmes." The QAA have now published a Quality Enhancement Review Case Study showcasing our approach to programme and portfolio management.



OUR STUDENT EXPERIENCE

Our students are at the heart of the University. We work in partnership with them and our Students' Union to take their needs and expectations into account in our decision-making – including through a number of our committees – and can take pride in our consistently strong reputation for the quality of our student experience, the strength of our student support services, and our commitment to student mental health and wellbeing.

Our key priorities for the student experience include:

- to ensure that the wellbeing of our students is the foundation of our student experience
- to create more opportunities for our students to experience a work-based placement and to acquire skills and experience that help them to make a difference to our society
- to provide more international mobility opportunities for students, and
- to enhance the sporting, leisure and cultural opportunities that contribute to the student experience.

Highlights

NSS 2022

Compared to the sector, Swansea University performed less strongly than expected in the 2022 NSS (National Student Survey). Despite initially responding well to the pandemic, the University did not keep pace with its competitors and slipped below the upper quartile (the University's target) for teaching quality, student experience and overall satisfaction. The new Pro-Vice-Chancellor Education, working with teams across the University, is proposing an enhanced approach to the development, management and delivery of School and Faculty Student Experience Action Plans. These will feed into the University's Quality Enhancement Plan, which will focus on delivering consistency in learning, teaching and assessment, academic integrity, and extenuating circumstances. This should provide the foundations for improved student satisfaction survey outcomes for 2023.

Student Support

Our Student Support Services team continues to offer advice and support against a backdrop of a changing student community which is driving year-on-year increases in demand. Our Wellbeing Service has seen a 318% increase in support appointments (to 9,295 sessions) delivered since 2016/17, and a 56.5% increase in applicants declaring a mental health or autism diagnosis since 2018/19.

Our Disability Office reports a 286% increase in enrolled students requiring disability support since 2016/17, and a 31% increase in support delivered to students declaring a disability or health condition since 2018/19.

Our Swansea Academy of Inclusivity (SAI) is leading on accessibility lessons for Higher Education, in response to the "Going back is not a choice" report produced by Disabled Students UK in April 2022. In 2021/22, 13.9% of all students (3,675 people) declared a disability, a 3.9% rise from 2015/6. We have developed an online course to raise awareness of disability, including the University's legal obligations under the Equality Act 2010, especially disability rights and reasonable adjustments. The course will be compulsory for all staff.

Swansea University was a participant in a HEFCW-funded enhancement programme to progress race equality within higher education. Following a student race equality consultation (led by the Students' Union), a draft race action plan was submitted to HEFCW in August 2021 and was endorsed by the University's Senior Leadership Team.

Our Money@CampusLife team has also seen a significant increase in service demand, which is unsurprising given the ongoing impact of the pandemic and the national cost of living crisis.

Skills and Mobility Opportunities

We also continue to provide a range of development opportunities for students, for instance through our Centre for Academic Success (CAS), which works to help students develop their academic study skills. CAS is working to support our partner institution in Ukraine through structured sessions, and is currently offering daily, free English language classes for refugees and asylum seekers.

The British Council inspected and accredited Swansea University in March 2022. The Accreditation Scheme assesses the standards of management, resources and premises, teaching, welfare, and safeguarding of under 18s and accredits organisations which meet the overall standard in each area inspected.

CAS is also increasing online English language testing in support of the University's international student recruitment and has expanded its Peer Assisted Study Skills programme into each Faculty.

Our Swansea Employability Academy (SEA) helps students to gain as much experience as possible in a work environment to help them develop their soft skills and to put their studies into practice. The Academy manages placements with industry, Santander-funded placements, and paid internships, where students are paid at least the Living Wage Foundation rate. In partnership with the Students' Union, the Academy also offers funding for clubs and societies to create and host events that engage students with employers and alumni.

SEA is currently consulting with all other Welsh universities and HEFCW on the new three-year GO Wales programme.

The first iteration of the Graduate Support Programme (GSP), which drew on HEFCW/Welsh Government Covid response funding, assisted graduates with barriers to recruitment into professional level employment. 'GSP 2' will run for another academic year and will then be brought in-house.

SEA has seen significant external recognition, securing a 'Highly Commended' in the National Undergraduate Employability Awards 2022 for our partnership working on the iBroadcast programme with Aspire2Be. SEA was also nominated five times in the 2022 AGCAS Awards for Excellence, winning the award for Equality, Diversity & Inclusivity for our work on the REACTION 24/7 programme.

Although study and work abroad opportunities have been impacted by the pandemic, our Go Global team continues to support students to experience international mobility. We are also engaging with the Welsh Government-funded Taith programme to provide international learning exchange opportunities for students from 2022/23.

Student Wellbeing and Safety

We are working in partnership with our Students' Union and Swansea Council to have more lighting installed in Singleton Park close to our campus in order to address student concerns over safety. We also hosted the launch of the Swansea Bay Healthy Travel Charter, which has been signed by the region's major employers to promote more sustainable and healthy travel.

We have also invested in our sports facilities, upgrading provision on both our Bay and Singleton Campuses, and are progressing plans for the wider regeneration of the Sketty Lane Sports Park. A potential masterplan for the site has been commissioned by the University and Swansea Council with the aim of enhancing student, staff and community sport provision.

OUR RESEARCH

Published in 2022, our Research and Innovation Strategy sets out our vision to build on our rich heritage of discovery and knowledge-led research and the pioneering spirit that has defined the University since it was founded by industry, for industry, in 1920. The Strategy is built on four objectives:

- Bringing people together, recognising that success is achieved when diverse people join together towards a common cause, each contributing unique strengths and perspectives
- Reimagining research and strengthening capacity and culture, with the aim of further developing our research capacity and supporting a positive culture that fosters the highest quality research
- Embedding and delivering research impact to build and sustain a range pathways to impact, including strong partnerships, engagement and a robust pipeline of commercialisation
- Extending our global research community in order to strengthen Swansea University's reputation as an international destination of choice.

Two enabling themes that support the Strategy's delivery are:

- Promoting a productive research environment that empowers our research community and provides the tools and support required to achieve our ambitions, and
- Responsible research and innovation, demonstrating our commitment to sustaining a research community and culture that produces research with the highest standards of integrity.

Highlights

REF2021

The results of the 2021 Research Excellence Framework (REF) show that Swansea University maintained its research power rank (41 in REF2021 compared with 42 in REF2014). Overall, 91% of the University's research environment is rated world-leading or internationally excellent. The REF2021 results confirm the University's research is delivering significant, sustained and valuable economic and societal impact in Wales, the UK, and internationally.

Research Income

Our research and innovation portfolio is valued at £365.7m, with 1,197 live projects funded by 365 unique funders. The number and value of award proposals have maintained similar levels over a 3-year period against the backdrop of an increasingly uncertain funding landscape. We have seen a significant increase in the total number of live research and innovation projects, and also an increase in cash contribution from awards secured.

Horizon Europe Success

EU grants have been received across two funding programmes: Horizon 2020 from 2014-2020) and Horizon Europe (from 2021-2027). In January, the UK government signalled its intention to associate to Horizon Europe so UK applicants were able to apply for funding immediately.

The University was delighted to secure nearly £5m in the first year of the programme. (The total Horizon 2020 funding for 2014-2020 was £16.4m, averaging £2.3m per year.)

UKRI has confirmed guaranteed funding for the duration of these awarded projects:

- Led by Professor Yvonne McDermott Rees (Faculty of Humanities and Social Sciences), €1.5m was secured to deliver on the project: Trust in User-generated Evidence: Analysing the Impact of Deepfakes on Accountability Processes for Human Rights Violations
- Led by Professor Neil Loader (Faculty of Science and Engineering), €3m was secured to deliver on the QUERCUS project: supporting researchers in reconstructing the climate of north-west Europe including the UK over the last 4,500 years, and to date wooden buildings and objects more accurately, by analysing the chemistry of ancient oak trees.

Grant highlights

Other major successes in securing UK research funding during 2021-22 include:

- £13.5m secured from the Economic and Social Research Council for the Administrative Data Research Centre Wales
- £1m for an EPSRC Fellowship 'Novel Manufacturing for Resource Efficient Electrochemical Storage (NoRESt)'. This research will have far reaching benefits by reducing the cost and environmental impact of electro-chemical storage
- Capital funding of £2.5m secured from the UK Research Partnership Investment Fund (UKRPIF) for the project: Semiconductor Innovation for Net Zero
- An additional £2m in Quality Research (QR) funding from HEFCW as a supplement to the 2021/22 allocation, to be used to support research which will contribute towards the delivery of the Welsh Government priorities, including life sciences, improving health care, engineering, and the transition to net zero
- £2.1m to support our Impact Acceleration Account portfolio, including £450k from the Arts and Humanities Research Council (AHRC), £450k from the Medical Research Council (MRC) and £1.2m from the Engineering and Physical Sciences Research Council (EPSRC).

Working with international partners

Following two years of virtual meetings we were pleased to strengthen our European links with a visit to our longstanding strategic partner, Université Grenoble Alpes (UGA). The visit enabled us to reconnect with one of France's leading institutions and to focus on the collaborative activities that will enhance both institutions' ability to realise their strategic aims. The visit reaffirmed our mutual ambition to increase collaborative research across the breadth of our institutions, support PhD students and foster stronger connections across Europe and beyond. In 2022/23, we will co-supervise five new collaborative PhDs, and progress plans for a joint centre on artificial intelligence. Following the visit a research conference was held at Swansea, providing an opportunity for the twenty postgraduate research students on the joint PhD programme to explore new collaborations.

During the period June -December 2021, Swansea University has continued to actively participate in UK Jiangsu Research consortium (UKJS) activities. This includes:

- Signing a declaration of intent with Xuzhou Medical University to facilitate the exploration of collaborative activities
- Two research proposals submitted to Royal Society's International Exchange scheme in collaboration with Hohai University and Nanjing University of Information Science and Technology
- A proposal submitted to the British Council in collaboration Nanjing University of Information Science and Technology
- 26 publications were co-authored with 12 out of 32 UKJS partner institutions in 2021/22.

The University responded to the UUK report on managing risks in international research and innovation with a series of consultative workshops, which resulted in a *Due Diligence of International Collaborations* guidance document. A Policy Framework provides a structured and consistent approach to identification and assessment of risks through robust and proportionate due diligence checks and balances, leading to a better informed and managed intervention which helps the University align a collaboration with its strategic objectives and minimise the risks to be commensurate with the benefits of a collaboration.

OUR ENTERPRISE

Collaborative research with the public, private and third sectors is integral to our Research and Innovation Strategy, and is a key pillar in our Vision and Purpose document. We embrace a culture of co-creation with our partners. Our colleagues and students work with local, national and international partners on industry-led initiatives that benefit our research and drive innovation, and which have economic and societal impact. Our enterprise priorities include:

- Promoting Wales as a location that stimulates and rewards collaborative research and innovation, attracting international inward investment to the region
- Establishing a series of enterprise partnerships overseas, involving our staff and students
- Growing the number of grants that include industry funding, and the number of publications that we co-produce with industry partners
- Making it easier for our colleagues to spend time working in industry, commerce or the public sector

Highlights

Business and Community Interaction

The University is first in Wales in the Higher Education Business and Community Interaction (HEBCI) survey, which demonstrates performance in collaborative research, innovation, knowledge exchange, and community engagement. The survey also records innovation funding and other key metrics. We achieved a £10.4m increase in Collaborative Research Project income. Overall, our total HEBCI collaborative research income stands at £80m (including match funding).

Wales Innovation Network

Following the Reid review, the Wales Innovation Network (WIN) has now been established via Universities Wales and is co-funded by Research Wales Innovation Fund (RWIF) and Welsh universities. The group will undertake strategic collaborative bid development across Wales and has received a pump priming fund of £2m from HEFCW to support initial project collaborations. From this initial round Swansea leads six projects, valued at £328k. Swansea is also a partner on 25 other WIN-approved projects.

Research Wales Innovation Fund

We have significantly strengthened its overall approach to the development of our innovation and engagement agenda through the targeted allocation of the investment available through HEFCW Innovation Capacity Development Fund (ICDF) and RWIF provision. RWIF funding has enabled us to expand support for research development in our Faculties as well as in the central team, and grow capacity to deliver on our new activities, performance, and outcomes set out in our strategy. 59 projects have been funded in the first two years at a value of £1.5m.

KTP and Smart Partnerships

Having invested in capacity to develop strategic partnerships we are pleased to have a growing portfolio of Knowledge Exchange projects that includes two Knowledge Exchange Partnerships (KTPs), two Management KTPs and five SMART Partnerships. We are also growing a substantial pipeline of potential projects.

Student Enterprise

RWIF funding also helps us to support postgraduate students and the creation of new ventures and enterprises. The fund has enabled us to strengthen our Enterprise Team and to deliver workshops, accelerator programmes, mentorship and to commercialise and start-up businesses.

Supported by the Welsh Government Youth Entrepreneurship Grant (2019-2022) we engaged with 22,462 students and supported 162 business start-ups. As one of 85 Santander Universities, we also receive £24k to support education, internships, employability and enterprise and start-ups.

The University was chosen to host the prestigious International Enterprise Educators Conference 2022, and we were pleased to see our support for student entrepreneurship recognised in the THE Awards, being shortlisted in the Outstanding Entrepreneurial University category.

OUR INTERNATIONALISATION

The University's International Strategy 2020-2025 commits us to growing our international student numbers, strengthening our international strategic partnerships, growing our global research networks and achieving a stronger global profile. This Strategy dovetails with the University's Strategic Vision and Purpose, specifically with the core commitment to extend our global reach and reputation, becoming a preferred partner for international research, teaching and enterprise collaborations, and moving higher up international rankings year-on-year.

We have identified three pillars to represent our international ambitions:

- Global graduates: to increase our international student enrolments by 800 by 2025, and giving every Swansea University student the opportunity to undertake a global experience
- Global partnerships: to create a dynamic global footprint by strengthening our partnerships with higher education institutions around the world
- Global reputation: to improve the University's global rankings to within the QS world top 350.

International Higher Education has always had its challenges. Alongside the continuing impacts of the Covid pandemic on international mobility, we have seen increasing competition for staff, students and funding (at a time when public funding for Higher Education in most countries continues to decrease), and we have higher student expectations, changing employer expectations and involvement in higher education, more rigorous immigration controls and changing patterns of demand and delivery.

Despite the challenging environment, the University continues to evidence success across all aspects of its International Strategy.

Highlights

Global Graduates

The two key stimuli for growth this year were the January enrolment window and the impact of the Graduate Route (enabling postgraduate students to remain in the UK for two years to work), with particularly high enrolments in Health Science and Computer Science master's courses.

International applications grew by 40% (13,172) from 2020/21 to 2021/22, enabled by processing improvements introduced by our Admissions team. Our international student recruitment has seen significant growth of 48% (1,287 students enrolled) since 2019/20.

Markets shifted dramatically during the two-year period, with China ousted from pole position in 2019/20 by India and Nigeria in 2021/22. Hong Kong and Saudi Arabia retained steady enrolments with growth overall from Gulf States and North America. EU numbers fell by approximately 90% as the effects of Brexit continued to be felt.

Following the pandemic, we welcomed a resumption of student mobility activity this year. The International Development Office secured £419k of funding support through the Erasmus, Turing and Santander schemes to support students with mobility opportunities. Participant numbers were lower than in previous years with a total of 170 outbound students (as the impact of the pandemic continued to affect planned travel). Despite the Turing Scheme only supporting outbound students, 232 inbound exchange and visiting students studied at Swansea this year.

We has secured £741k from the new Welsh Government programme Taith to support inbound and outbound education mobility, and a further £403k from Taith to support research mobility.

Global Partnerships

In Spring 2022, the University advanced its Trans National Education (TNE) strategy with an agreement with the largest female University in the world, Princess Nourah bint Abdulrahman University (PNU) in the Kingdom of Saudi Arabia, for the collaborative delivery of an MSc in Energy Innovation.

The University is also participating in the British Council and Universities Wales-led Going Global Partnership – Inclusive Leadership and Governance Exchange: Developing a Network of Best Practice between Wales and Vietnam, which focuses on training based around key higher education leadership and governance challenges. Hue University has been identified as a partner for this initiative, which may extend to joint training programmes, research, and staff and student mobility.

We have entered a twinning arrangement with Ukrainian university Petro Mohlya Black Sea National University (PMBSNU), under the initiative supported by Universities UK International. A Memorandum of Understanding is to be signed, establishing the relationship for a minimum of five years together with a Memorandum of Agreement under which Swansea will receive visiting students and staff for up to six months. PMBSNU academics have taken part in the annual SALT conference and a Ukraine project group has been set up to lead University-wide engagement.

The strategic partnership established with the University of Canberra in 2020 has seen significant growth. Focus has been on fostering research and teaching collaborations in Sport and Exercise Science and a bi-monthly joint virtual seminar series has been established. An institution-wide reciprocal student exchange agreement has been signed, which will allow student exchange to begin in 2023/2024. Discussions are ongoing to extend the partnership into new subject areas.

Our strategic partnership with Université Grenoble Alpes (UGA) has been strengthened by the continued implementation of a five-year strategic plan underpinned by working groups focused on joint research and teaching and a joint Human Centred AI Institute. The partnership is an excellent example of the power of cross-institutional collaboration, having delivered joint doctoral degrees, research, teaching and student and staff exchanges.

Activity within the Texas International Strategic Partnership started to recover momentum following the pandemic. This year saw the publication of 46 co-authored publications with collaborators at Texas partner institutions. Student exchange activity also resumed: 19 Swansea students participated in outbound exchanges to Texas partner universities, supported by US$20,000 in scholarships awarded by the British American Foundation of Texas. The inaugural Texas A&M University faculty-led programme saw a group of 35 students resident at the Bay Campus for five weeks.

Global Reputation

A research marketing campaign themed "great things happen when ideas collide" was implemented to support our ambition to achieve QS ranking world top 350 position by 2025. This year, we climbed 49 places (to 425) in the rankings, which is one of the largest rank improvements of any UK University within the top 500. The main driver of this success is our academic and employer reputation, where we saw the biggest improvement in the UK.

In November 2021, in partnership with Hillary Rodham Clinton, we convened an international, free-to-attend Summit to explore how the experience of the Covid response might be applied to other global challenges, including the climate crisis, digital inclusion and health inequalities. The three-day, virtual conference featured current and former world leaders, inspirational figures and global authorities. 3,000 attendees joined the event, which achieved a social media reach of more than 14.8m.

OUR DIGITAL AND PHYSICAL ESTATE

Digital

While Covid continued to dominate, the move to hybrid ways of teaching and working has gathered pace, enabled by our digital capabilities. We have provided an additional 25 hybrid teaching spaces, enabling our students to attend in-person or online as they need. At the same time, we have updated and modernised twelve lecture theatres and teaching rooms to improve the experience of students and academics.

- The number of students accessing recorded lectures has increased by 37%, allowing our students to study at times that suit them, and in ways that suit them
- Student engagement with Canvas, our Digital Learning Platform, has risen 19% year-on-year, and is now used in 186 countries, up 5% on 2021
- The adoption of Zoom for webinars has seen a remarkable increase of 440%, signifying the embedding of remote teaching and learning practices across the institution, and has had a dramatic impact on our student's ability to engage with their academic studies, wherever they may be
- Zoom has been used for over 1.9m hours by 2.4m participants throughout the year.

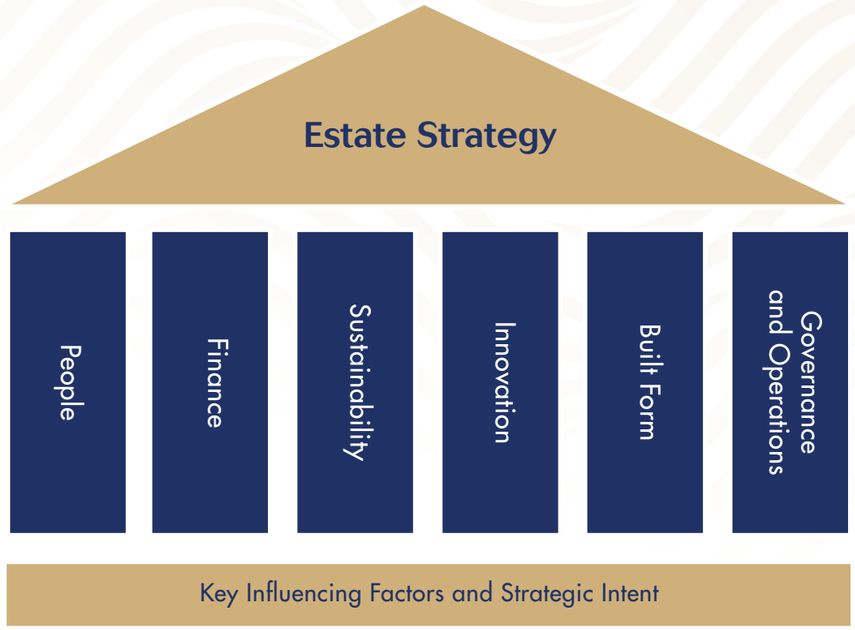
The University Council approved the digital blueprint for an end-to-end network refresh, as well as the introduction of robust cyber-security capabilities and controls. Over the next four years, we will invest £15m in building a secure, high-speed, network that meets the needs of our students and researchers in the pursuit of their goals. Our Cyber programme will improve the protection of the University's information assets, whilst simultaneously reducing the risk to our users from malware and phishing attacks.

In a further step to protect the University against the impact of a cyber-attack, we have changed our backup and restore capability to keep our data secure, pro-actively monitor risk, and recover more quickly in the event of an incident.

Through HEFCW funding of £2.8m, we have doubled the number of loanable laptops for students and provided 1,350 replacement laptops for academic staff. We have also accelerated our work on standardising the desktop workstation configuration to enable 'hot desking' to support the hybrid working culture.

We are working to improve the integration of our systems in a way that will allow more flexibility and resilience in the future, whilst also replacing custom-built applications with industry standard solutions. These measures will build a solid foundation for low risk, controlled, change.

PILLARS OF THE ESTATE STRATEGY



Estate

The University's physical estate is formulated upon six strategic pillars that seek to address constraints and threats relevant to the University estate. Programmes and interventions are identified within the respective pillars thereby defining time bound and measurable actions per pillar.

Our focus over the last twelve months has been to seek greater efficiencies through appropriate resourcing and operational interventions, particular focus being on the procurement and implementation of new operating models for catering along with the provision of hard facilities management services.

During 2021/22 the University continued its expansion of The Bay Campus with new grant funded buildings including £18.7m on the Centre for Integrative Semiconductor Materials (CISM), which is due for completion in the autumn of 2022/23. Ahead of more significant investment on the Singleton campus, the University has been addressing backlog maintenance and improving facilities in, for example, the Digital Technium building, and to support the delivery of our new pharmacy programme.

The University has commenced the implementation of the first phase of a student accommodation strategy wherein three-year nomination agreements will be entered into with Purpose Built Student Accommodation in the Swansea central area.

An infrastructure needs assessment has been completed for the Swansea Bay Sports Park derived from stakeholder need and demand analysis. This needs assessment will serve as the basis to inform future option appraisals that will lay the foundation for a major collaborative investment programme over the next decade in partnership with the Swansea City Council.

In 2022/23 the University will be working with consultants to develop a masterplan to reflect the delivery of the University's Estate Strategy and to support and enhance the student experience.

FINANCIAL REVIEW

Highlights

	2022	2021		2022	2021
Operating surplus / (deficit)	**(£78m)**	£28m	Operating surplus / (deficit) as % income	(22%)	8%
Operating surplus / (deficit) excluding pension adjustments	**£14m**	£24m	Operating surplus / (deficit) excluding pension adjustments as % of income	4%	7%
Total comprehensive income	**(£56m)**	£41m			
EBITDA	**£44m**	£53m	EBITDA as % of income	12%	15%
Net cash flow from operating activities	**£56m**	£55m	Net cash flow from operating activities as % of income	15%	13%
Cash at the end of the year	**£165m**	£141m	Liquidity days	143	168

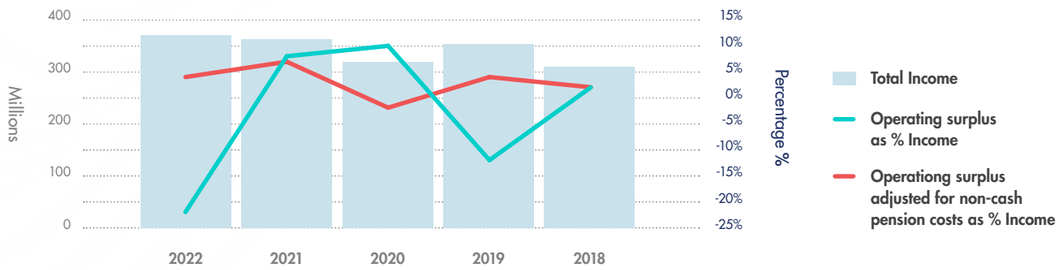
Scope of Financial Statements

These Financial Statements cover Swansea University, its subsidiary undertakings and associated companies and have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) as interpreted by the 2019 edition of the *Statement of Recommended Practice: Accounting for further and higher education.*

Overview

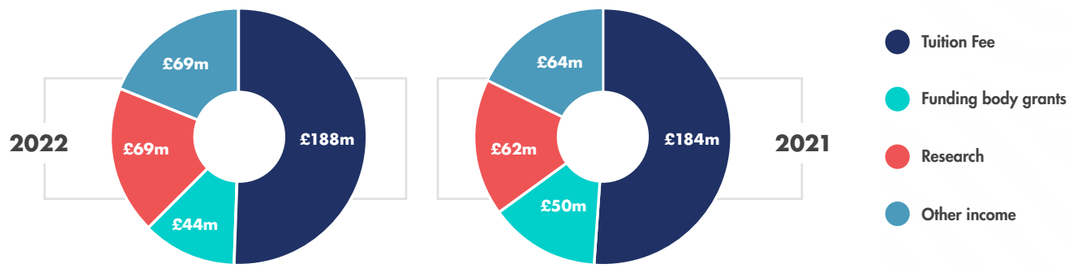
Swansea University and its subsidiary undertakings saw an operating deficit of £77.5m in the year to 31st July 2022 compared to surplus of £27.8m for 2021. The deficit includes a non-cash pension cost of £93.5m (2021: credit of £4.3m), with the underlying operating surplus adjusted for the pension movement of £14.0m (2021: £23.7m).

INCOME AND OPERATING SURPLUS AS A % OF INCOME



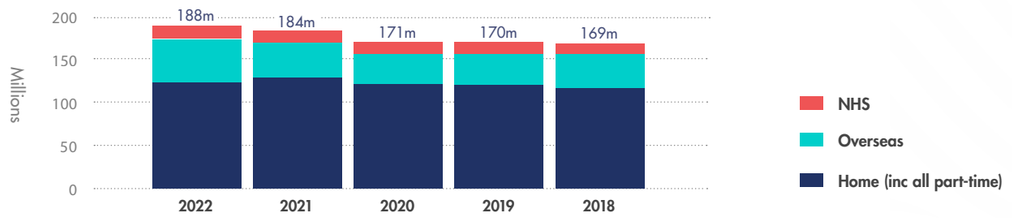
Income

INCOME BY CATEGORY



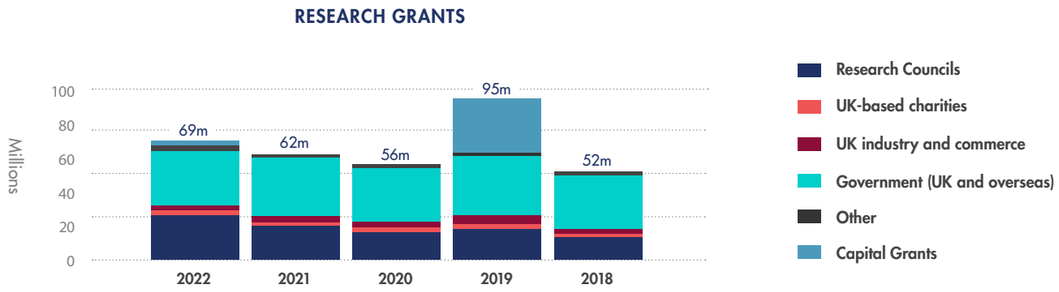
Tuition fee income increased in total by 2% to £188.4m. The number of overseas students enrolled in 2022 increased by 33% from the prior year, increasing tuition fee income from overseas students by £10.9m. This was largely due to the continued success of our January entry programmes with a 75% increase in overseas postgraduate enrolments compared to 2021. Home student numbers were affected by the A level grade inflation in the summer of 2021 and fell by 3% compared to the previous year, resulting in a decrease in home tuition fee income of £7.3m.

TUTION FEE INCOME



Funding body grants decreased by 13% to £43.9m in the year to 31st July 2022. Recurrent grants for teaching and research increased by £5.4m to £28.7m, whilst capital grants fell by £7.9m to £2.7m; this being a decrease in grants for capital equipment. During the pandemic in 2021, the University received grants relating to Covid which were not received during 2022. In 2021, hardship grants of £8.8m were received to support students through Covid, with further grants to support cleaning, outdoor spaces and students who had to self-isolate or quarantine. During the year to 31st July 2022, £6.3m of non-capital grants were received to support the digital and estates infrastructure.

Research income, excluding capital grants, increased by £3.8m to £65.9m in the year to 31st July 2022, reflecting the continued success in expanding the research grant capture in recent years. Income from Research Councils increased by 26.5% to £25.6m, with research grants from other funders remaining comparable to the prior year.

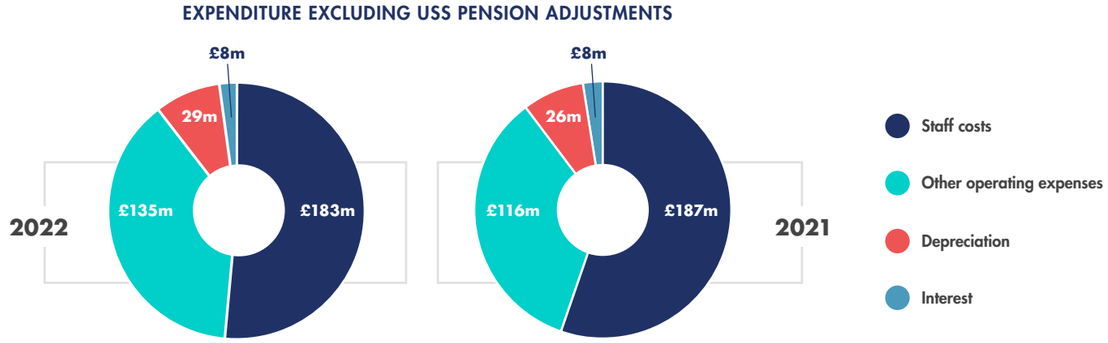


Other income increased by £4.7m to £68.7m in the year to 31st July 2022.

Income from residences increased to £26.5m during 2022 from £22.2m in the previous year following an increase in room occupation and a rental charge increase. During the pandemic in 2021, a number of rooms were unoccupied for the year, and rent rebates of £2.7m were given to students who were unable to temporarily occupy their accommodation. Other income from academic departments increased from £4.4m in 2021 to £10.1m in 2022. NHS income received in respect of the Faculty of Medicine, Health and Life Sciences during 2022 decreased by £5.7m from the prior year to £6.2m.

Expenditure

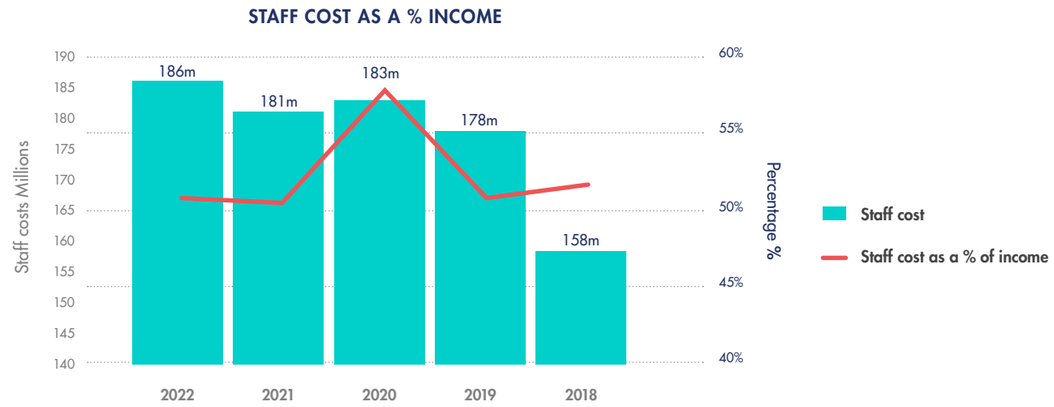
Expenditure in the year (excluding USS valuation adjustments) increased by £16.9m to £354.1m. Staff costs decreased by 2.2%. Other operating expenditure increased by £18.9m to £134.9m as costs increased and spend returned to more normal levels following the Covid pandemic.



Staff costs (excluding USS adjustment) decreased by 2.2% to £186.1m in the year to 31st July 2022.

Staff full time equivalent (FTE) numbers reduced further during 2022, decreasing by 81 FTE.

Staff costs (excluding restructuring costs) as a percentage of income remained constant at 49% as both staff costs and income increased during the year.



The USS pension charge or credit is calculated annually to reflect the estimated change in expected future contributions and is based on the valuation and discount rates on 31st July. This is an accounting adjustment and not a cash transaction.

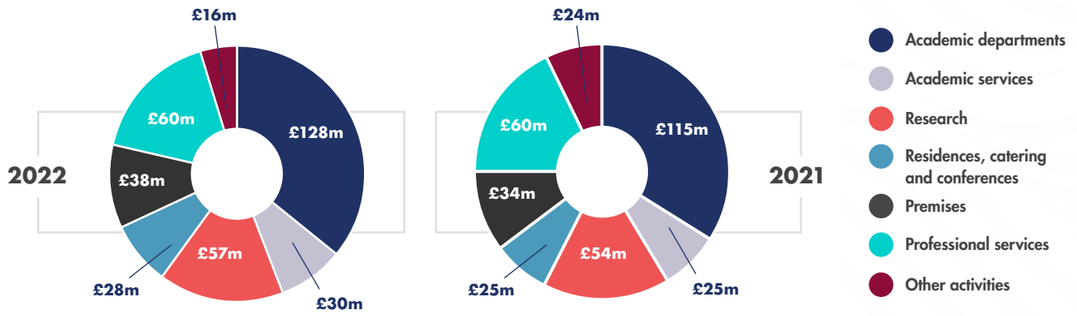
The latest actuarial valuation of the USS scheme was 31st March 2020. At the valuation date, the value of the assets of the scheme was £66.5bn and the value of the scheme's technical provisions was £80.6bn indicating a shortfall of £14.1bn in the total scheme. This revaluation, with the increase in the scheme deficit, resulted in an expense of £93.5m in the year to 31st July 2022. This follows a USS credit in 2020 of £4.3m and highlights the volatility created by the pension accounting adjustments required by FRS 102.

Non-Pay expenditure increased by 16.3% to £134.9m during 2022, following a 12.3% increase during 2021. These increases reflect the significant investment that has been identified as being needed to deliver the University strategy.

The largest non-pay costs for the University are premises costs at £24.2m followed by consultancy and professional services at £23.1m, both increasing during 2022 at 7% and 29% respectively. Within consultancy and professional fees, there was an increase of £3.5m as the new soft FM contract was awarded. Spend on non-capitalised equipment also increased during the year by 42% to £16.2m with additional spend on operational equipment and on IT equipment. Costs such as travel and catering increased by over 250% as the Covid pandemic ended.

OTHER OPERATING EXPENSES 2022

Expenditure by Activity



Costs across all activities in the University increased during the year to July 2022 with the exception of 'Other'.

Academic Department spend increased by 11% to £128.3m with Academic Services increasing spend by 23% to £30.5m.

Spend on premises increased by 12% to £37.9m following an increase in repairs, maintenance, and general estates costs of £3.4m and grant funded spend of £0.9m. The increase in 2022 was in addition to the prior year increase of £3.7m which marked the start of significant spend on backlog maintenance, and necessary investment in the estate and related infrastructure.

Professional service costs remained consistent year-on-year at £59.7m. Professional services include student related spend on health and sports facilities, bursaries, scholarships, and student funding as well as central functions such as Human Resources and Finance. During 2022 there was an increase in bursaries of £2.6m with spend on general education increasing by £4.6m in total. Costs for administrative services rose by £8.5m to £32.8m. There was a decrease in spend on student facilities of £10.2m following the one off HEFCW grant funding received in 2021 including the £8.8m spend on supporting students during the Covid pandemic.

Balance Sheet

The University has a strong balance sheet despite net assets decreasing by £55.9m in the year to 31st July 2022. Non-current assets increased by £11.4m whilst current assets increased by £37.0m following an increase in cash (of £23.7m) and a change to the accounting for research debtors and creditors (of £14.7m), whilst other debtor and receivables decreased by £1.4m. An increase in capital grants received in advance of £18.0m along with an increase in general accruals of £14.7m, and the change to the accounting for research debtor and creditors, contributed to the increase in creditors due within one year of £46.3m, whilst the pension provision increased by £66.7m. Creditors falling due in more than one year decreased by £8.8m following loan repayments of £5.7m and the liability on the service concession reducing by £3.1m.

Covenants

In order to satisfy the loan conditions, set out by the European Investment bank, the University must ensure compliance with the following covenants:

1. The ratio of Net Financial Indebtedness to Adjusted EBITDA shall not exceed 6.5:1
2. The ratio of Net Operating Cashflow or Debt Servicing Costs shall be at least 1.1:1
3. The ratio of Adjusted Financial Indebtedness to Revenues shall not exceed 85%
4. The University shall comply with any other condition which is set in respect of HEFCW.

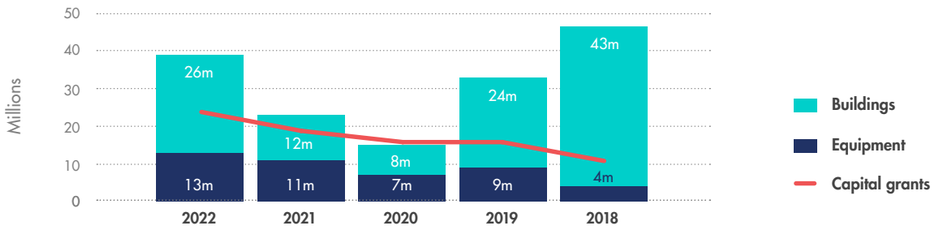
At 31st July 2022, all the covenant conditions were met.

Capital Expenditure and Capital Grant Receipts

Capital expenditure peaked in the years up to 2018 with the creation and expansion of the Bay Campus and is now increasing again with £39.1m spent in 2021/22.

The Bay Campus continues to be expanded strategically with new grant funded research buildings, including £18.7m being spent on the Centre for Integrative Semiconductor Materials (CISM), which is due for completion in the autumn of 2022/23. There is also a focus on improving the quality of the facilities on the Singleton campus; to date, these have generally been smaller projects, with work, for example, on the Digital Technium building (£1.2m) and a continuation of the capital works associated with the delivery of our new Pharmacy programme (£0.8m).

A similar profile of increasing spend can also be seen on capital equipment which increased to £13.0m from £11.3m in 2021.



Cash and Debt

Cash increased to £164.7m on 31st July 2022, from £141.0m at 31st July 2021.

The University's financial strategy is to generate sufficient cash to provide resilience, create the necessary levels of working capital and to enable investment in the estate and infrastructure projects.

Net cash inflow from operating activities decreased by £1.5m to £56.2m in the year to 31st July 2022, from £54.8m in 2020/21. As a percentage of income this change in net cash inflow from operating activities is an increase from 13.4% in 2020/21 to 15.2% in 2021/22.

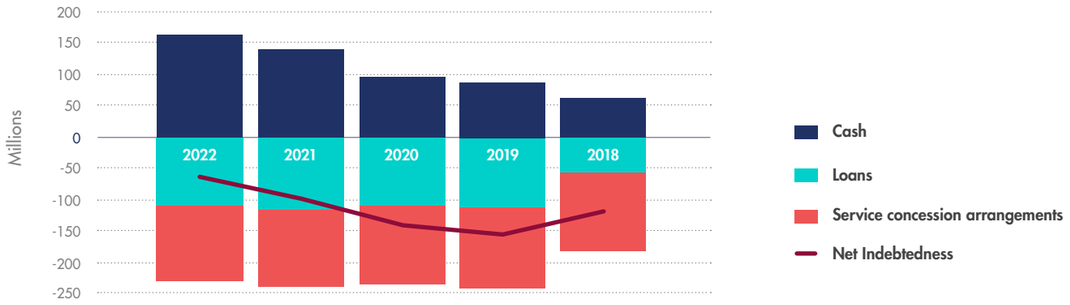
The surplus in the year after adjusting for significant non-cash items was £32.7m. Creditors increased by £28.5m, and debtors increased by £13.9m during 2022, all both contributing to the increase in cash.

The University funded £14.8m of the capital expenditure from its' cash reserves and also used £8.8m of cash to service its' borrowing and other financing arrangements.

Net indebtedness reached a five-year low at £62.3m due to the increase in cash at 31st July 2022 and a decrease in the loans and service concessions as repayments were made and annual liabilities released.

The service concession arrangement debt on the residences reduced to £119.0m at 31st July 2022 following the unwinding of the lease liability (£3.0m).

The University has committed to receiving a loan of £2.4m from Salix Finance Ltd for decarbonisation projects. This loan is at 0% interest and is repayable over 8 years. By At July 2022 only £0.1m of the loan had been received, with the remainder due in instalments by February 2023.



Pension Provisions

The University is a member of the Universities Superannuation Scheme (USS) which provides pensions for academic and professional staff. At the last triennial valuation in March 2020 the scheme had a deficit of £14.1bn. During the year, the deficit allocated to the University increased from £43.0m to £134.3m. £2.6m was paid in deficit contributions and interest in the year was relatively low at £0.4m. £93.5m was charged, increasing the provision, which reflects the revaluation and the deficit recovery agreement.

The University also operates a CARE scheme, Swansea University Pension Scheme (SUPS) for non-academic employees, which is closed to new entrants. During the year the SUPS deficit decreased from £61.2m to £36.6m as a £23.7m actuarial gain in comprehensive income was recognised.

Future outlook and going concern

The primary objective of the University's Financial Strategy remains the generation of sufficient cash resources to deliver its' strategic objectives and ensure long term financial sustainability. This is proving to be a critical factor in the University's ability to sustain itself in an environment of ongoing uncertainty.

The consequences from Brexit and Covid continue to impact the University's activities and the current cost of living crisis creating new strategic risks for the University.

Despite the challenging external context, the University is in a strong financial position at the end of 2021/22, generating an operating surplus (before USS pension adjustments) of £14m and net cashflow from operating activities of £56.2m, resulting in £164.7m of cash at the year end.

This has been achieved by focussing on the following areas:

- Continuing to review our approach to the availability and delivery of academic programmes for home and overseas students, taking advantage of strategic partnerships and the use of technology
- Continuing to review our organisational structures, processes and develop systems in order to improve efficiency and cost effectiveness
- Funding strategic investment, optimising the use of our own cash reserves, partnerships and grant funding
- Keeping liquidity and borrowing under close review to ensure we are managing our working capital efficiently
- Monitoring our commitment to pensions for our employees, taking note of both current and future cash requirements as well as the scale of provisions for pension fund deficits

As the primary driver of income for the University, student recruitment from both home and overseas remains a key risk for us.

The University saw a shortfall in home undergraduate numbers in 2021/22 due primarily to the A level grade inflation which occurred as a result of the pandemic, resulting in fewer students coming through Clearing. However, in contrast, the University's overseas recruitment far exceeded expectations for this year resulting in a 2% increase in overall tuition fee income. This was largely due to the popularity and success of our January entry programmes.

Our enrolments for 2022/23 reflect a recovery in home undergraduate recruitment to the levels we saw pre-pandemic in 2019/20, and continued growth in postgraduate overseas recruitment.

Early indications are that recruitment to both home postgraduate and overseas undergraduate programmes is not going to be at forecast levels for 2022/23. However, we expect overall tuition fee income to be achieved due to the increased demand for January entry overseas postgraduate programmes.

The University is actively exploring new Trans National Educaton opportunities for in-country delivery which will contribute to the medium-term sustainability of overseas recruitment.

The unprecedented inflationary environment is a cause for concern, with the cost of living crisis affecting not only the University but also our staff and students.

Whilst the national negotiations for the 2022/23 pay award have ended and an overall increase of 3.19% (higher for lower grades) has been implemented with effect from August 2022, the national trade unions remain dissatisfied and have balloted for strike action. With staff costs representing 50% of income, any significant increases in pay will inevitably create additional financial pressures.

The finalisation of the USS Triennial Valuation 2020 has created a degree of certainty and the improving funding position of the Scheme indicates that the next triennial valuation in March 2023 may provide the employers and employees with some options.

Brexit was already impacting non pay costs due to the higher costs of importing goods and consumables, but the war in Ukraine is having much larger and far-reaching consequences. Whilst, the University had pre-bought its energy to April 2023, through its' contract with TEC, the most recent price negotiation by TEC to September 2024 will result in significant increases in the cost of utilities. The University has already taken steps to reduce the cost of, and demand for, energy through a range of decarbonisation and related projects, but further action is likely to be necessary to manage the most recent price increase.

The Ymlaen programme, aimed at aligning existing processes, structures, and systems to support a growth in scale and diversity of activities through greater operational effectiveness should also play an important role in ensuring its financial sustainability.

The University recognises that significant investment in the estate and IT infrastucture is needed to remain an attractive place to wrok and study, and to meet our ambition to achieve Net Zero by 2035. The University has also benefited from the additional funding provided by the UK and Welsh governments. This has enabled us to invest in digitisation and decarbonisation projects which has helped to kickstart the significant investment in IT infrastructure and the campus that is essential to deliver the University strategy. We have earmarked £110m from our cash reserves to fund capital investment to 2026 and we are developing a funding strategy to finance the longer-term requirements.

A Student Accommodation Strategy has been developed to address the need for high quality beds on Singleton Campus, and for purpose built accommodation in the city centre from 2023, which will address any short-term shortfall and increased demand. The high level of inflation will impact the cost of providing student accommodation. The University is in discussions with its' accommodation providers and the Students' Union, and considering what options are available to manage these pressures whilst also supporting its student population.

Whilst the whole of the higher education sector is being affected by the extraordinary national and international political and economic events, the University is confident that it will be able to meet all of its future obligations and commitments and remain within its banking covenants for the next twelve months and will continue to do so for the foreseeable future.

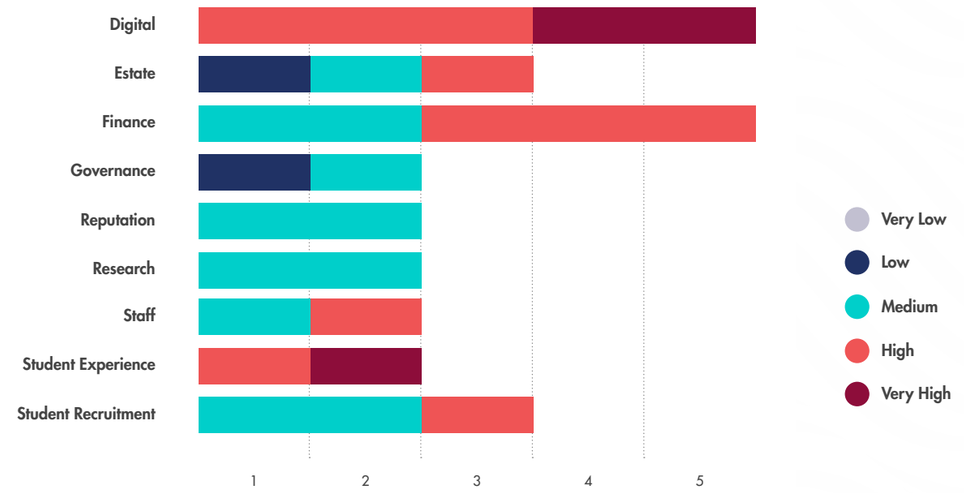
Sarah Jones,
Chief Financial Officer

Goi Ashmore,
Treasurer

PRINCIPAL RISKS AND UNCERTAINTIES

The University maintains a university-level Risk Register which is formally reviewed quarterly by the Senior Leadership Team, Assurance and Risk Committee and Council, but is also updated as and when appropriate if it is clear that risks are changing more rapidly.

All risks are assigned to a category to allow analysis and comparison. The number of risks currently on the University risk register in each principal category is summarised below. The distribution of risks continues to reflect the uncertainties that exist in the external environment, including the geo-political issues and the ongoing consequences of the Covid pandemic on staff and students.



The table below identifies the highest ranking risks from the University register, according to the residual risk score.

Risk area	Risk description	Risk management
Student experience	**Wellbeing Services –** the University is unable to meet the demand resulting in impacts on student support services and student experience	• An independent review of student wellbeing and mental health support services has been undertaken and recommendations and an action plan are now being implemented. • Additional funding has been provided for increased resources in this area
Digital	**Cyber Security –** inability to protect University systems leads to a successful cyber attack	• Significant multi-year investment has been agreed • All cyber processes and policies are under review • A Cyber Awareness programme is to be implemented
Digital	**Core Business Systems –** lack of end to end and integrated systems leads to difficulties in delivering necessary services to staff and students	• Analysis of core business systems, development of business cases and approval of funding for investment
Student experience	**Learning and teaching –** poor teaching quality, student:staff ratios, learning environment and support services lead to poor student experience	• Development and implementation of Learning and Teaching strategy • Balance portfolio of investments between teaching and research • Review student facilities on both campuses and work with the Estates team to develop and improve
Finance	**Sustainable budget –** inability to deliver forecast income and expenditure resulting in failure to create surpluses required for investment and to deliver the University Strategy	• Monthly budget reporting and monitoring and quarterly reforecasting • Detailed financial assessment and stress testing of inherent risks • Review and prioritise investment plan to manage cash and surplus positions • Deferral of non-essential spend if necessary

Risk area	Risk description	Risk management
Student recruitment	**Student recruitment –** inability to meet forecast student numbers resulting in reduced financial sustainability	• Move to focus on recruitment in year to reduce reliance on clearing • Introduction of January entry programmes to provide second opportunity to recruit • Identify sources of diversity for future revenue, including Trans National Education opportunities and different modes of delivery • Identify markets for the development of an enhanced overseas presence
Finance	**USS pension scheme –** the changes that have been made as a result of the 2020 valuation lead to staff unrest, industrial action and disrupt service delivery	• Continue to actively engage regularly with Trade Unions and the Students' Union • Develop business continuity plans to minimise disruption • Develop a communications strategy • Industrial Action Working Group to be reinstated if required
Staff	**Staff morale –** sustained increased workloads lead to reduced staff morale, resulting in increased stress, absence and turnover, reduced wellbeing, engagement and productivity	• Regular communication with staff • Health and wellbeing services monitored • New Working Environment plans to incorporate flexibility for employees • Ymlaen 2025 programme to drive improvements in work systems, processes and workload • People and Culture Working group established to address some of the concerns of the Workload Survey • Recognition of staff efforts
Estate	**Student Accommodation –** insufficient funds or borrowing capacity leads to inability to invest in student residences, resulting in failure to deliver accommodation of the quality that is expected by students and for commercial use	• Student accommodation strategy including purpose-built student accommodation in the city centre • Estates Strategy which includes Singleton Campus residences • Review other funding options to improve flexibility

PUBLIC BENEFIT STATEMENT

Swansea University has been a registered charity (no.1138342) since October 2010. Our constitutional framework is defined in our Charter and Statutes and Article three of the Supplemental Charter highlights the University's objectives "to advance learning and knowledge by teaching and research, and to engage in activities to promote and contribute to cultural, social and economic development within Wales and beyond".

In setting and reviewing objectives and activities and in making decisions, the University's Council has had due regard to the Charity Commission's public benefit guidance and supplementary guidance on the advancement of education.

Civic Mission

We are proud to belong to the City of Swansea, the wider Swansea Bay City Region and to Wales, and we celebrate that heritage. With campuses in three local authority areas, we recognise that we are the region's university, and that we have a responsibility to work with and for our community and Wales. We seek to deliver local solutions to the global challenges that affect us all.

While our civic mission is rooted in our immediate region it extends to the impact we seek to make in communities worldwide. We attract colleagues and students to Swansea from all over the world and we are committed to ensuring that the education and experiences we provide and the research we pursue are relevant both locally and internationally. Above all, we seek to work in genuine, open and equitable partnership, and to learn as much from others as we can.

We continue to nurture effective relationships with our key stakeholders, including local authorities, health boards and Further Education Colleges across the Swansea Bay City Region, as well as the region's major employers (including the DVLA and Tata Steel). We have close working relationships with museums, theatres and other cultural institutions in the region, and with sports clubs and sporting bodies locally and nationally.

Student Experience

Our students make a significant contribution to local society through volunteering and outreach programmes, and they are part of our international community. Our aim is to produce global citizens who will go out into the world and make a difference. For example, our Discovery Student Volunteering charity supported c.600 student volunteers, delivering around 8,000 volunteer hours across 25 community-based projects.

Learning and Teaching

The sharing of knowledge to nurture independent, critical thinking is fundamental to our purpose. It enables our students to be resilient in the face of global challenges and to adapt to the changing world of work. We celebrate our Welsh heritage and are proud to be part of a bilingual nation. We respect students' right to study through the medium of Welsh and will expand our range of opportunities for them to do so. We will also work to maintain our status as a community that balances research and teaching excellence.

Our graduates work in an increasingly connected world that demands appreciation and understanding of other cultures and countries. We provide imaginative opportunities for our students to study and work abroad during their degree programmes, and to relate their learning to the challenges faced by communities around the world.

Research

Our research has impact because it is directed to meet the needs of our partners in industry, commerce, academia and the public sector. It changes lives, drives innovation and regional growth, and is aligned to the UN Sustainable Development Goals. It impacts on our culture and society as well as on our health and wellbeing, our economy and our planet. We drive policy change nationally and internationally.

We are at the leading edge in many areas including: advanced manufacturing and innovation in clean energy and the digital economy; nanohealth and the analysis of large scale health data; labour market evaluation; terrorist use of the internet, and preserving our industrial heritage. We are exploring new ways to assess and mitigate the risks of the climate crisis and are working to protect the most vulnerable in our society and to enrich all our lives through our understanding of history and the arts.

Enterprise

We are an exceptionally collaborative and entrepreneurial university. We were founded by industry, for industry, and we remain true to the ambitions of our founders in that we work with industrial, commercial and public sector partners for the benefit of our region and nation. We value our partnerships with anchor companies and SMEs in Wales – more than 40 companies are co-located with us on our campuses – and with the many organisations we collaborate with internationally.

We work in tandem with our partners to exchange knowledge and develop skills on an ethical and equitable basis. While we will lead collaborations, we will listen to our partners and will learn from them. Our role is to meet their needs, stimulate their growth and support their sustainable development as much as it is to push boundaries and innovate.

Supporting access to education

A key commitment set out in Our Strategic Vision and Purpose is to further widen and deepen access to education, promoting lifelong, inclusive and equitable learning opportunities. We play an active role in widening access and supporting education. Swansea University is the lead partner in the HEFCW-funded South West Wales Reaching Wider Partnership and also funds and delivers the Step Up to Swansea University programme as part of the Reaching Wider Institutional Plan. Both programmes aim to increase participation in higher education by people from underrepresented groups and communities in South West Wales, with a specific focus on the Welsh Index of Multiple Deprivation, looked-after children and care leavers.

Care experienced young people have the opportunity of visiting the University to take part in activities aimed at raising educational aspirations and their awareness of university life.

We work with universities, colleges, schools and community partners across South West Wales to provide inspirational learning and development opportunities for adults and families, which can act as stepping stones to further and higher education.

We also deliver STAR (Study Tips to Achieve Results) Days to equip students with techniques to prepare successfully for GCSE exams. Pupils work in small groups with a current university student and there is an opportunity to discuss pathways options after their GCSEs.

Our Swansea Academy of Inclusivity and Learner Success (SAILS) also works to provide inclusive academic and pastoral support for our diverse student population. SAILS delivers a range of projects to enable individuals from all backgrounds to enter and transition into higher education; to stay at university and complete their studies; to progress from level to level, and to achieve the best degree outcomes they can.

We deliver subject-specific outreach projects to support pupils, including the Technocamps initiative, which delivers hands-on workshops for secondary schools to encourage pupils to take up computing and STEM subjects at GCSE, A level and beyond, and the Further Maths Support Programme Wales, which provides a range of inspiring activities and events for students in years 9-13. We also provide progression pathways through foundation years in Engineering, Science, Arts and Humanities and the School of Management for individuals unable to gain direct entry to the first year of a full-time undergraduate degree.

The Swansea University Science for School Scheme (S4) is a widening access, STEM outreach programme established in 2012. It delivers research-led activities, including hands-on workshops, summer schools and science showcases, as well as online education to young people in South Wales in areas experiencing poverty and disadvantage. A recently published analysis of S4's work showed that the scheme is having a positive impact on young people from poorer areas by improving their career aspirations, and opinions on studying science at university.

Supporting Sustainability

Our Strategic Vision and Purpose recognises that the climate crisis remains society's biggest threat. We align our work to the Sustainable Development Goals (SDGs) and have made a commitment to be a carbon-zero university by 2035. The University's strategy also recognises that our work is enabled by a commitment to financial and environmental sustainability.

In 2020 the University set a target to achieve zero scope 1 & 2 carbon emissions from building and fleet by 2035, and a 50% reduction in scope 3 emissions from use of services and our supply chain by the same date. A Path to Zero plan has been developed with the Carbon Trust and Welsh Government Energy Service detailing the necessary actions and projects to support progress towards achieving this target. A 13-year investment plan is now being developed in support of the 2035 target.

Through HEFCW funded SALIX finance we have a programme of Path to Zero building, utility, and infrastructure decarbonisation planned. In 2021/22 this programme of work included £776k for two new solar photovoltaic systems at Bay Campus and five new systems at Singleton Campus, £165k Building Management System (BMS) control upgrades and £1.5m for internal and external LED lighting at Singleton and Bay Campus respectively. Looking forward the 2022/23, a £3m investment is planned to build upon the programme of works above and include decarbonising upgrades to heating ventilation and air conditioning (HVAC), building fabric improvements such as insulation and further renewable energy generation.

In November, we were proud to be awarded a Queen's Anniversary Prize in recognition of our Materials Science and Engineering research that is leading a revolution in renewable energy technologies, particularly solar electricity and heat generation and storage. The Prize acknowledges the work of our SPECIFIC academic and industrial consortium, which was established in 2011 to research the development of efficient low-cost photovoltaic technologies that convert solar energy into electricity.

Later in 2022, two Swansea bioscience students won the Queen's Platinum Jubilee Challenge, successfully securing funds to implement carbon sequestration and biodiversity improvement projects such as campus based green roof installations, wildflower planting and Sphagnum moss growing for planting on in wider Welsh peatland restoration projects.

We are delighted to have been ranked within the top 200 in the Times Higher Education Impact Rankings 2022, which aim to capture universities' impact on society based on their success in delivering

the United Nations' Sustainable Development Goals (SGDs). This is the first year Swansea has participated in these rankings. While we ranked in the top 200 overall, we placed within the top 20 for three SDGs:

- 14th for Responsible Consumption and Production (SDG 12)
- 14th for Peace, Justice and Strong Institutions (SDG 16)
- 18th for Sustainable Cities and Communities (SDG 11)

We are ranked in the top ten of the People and Planet University League, which ranks UK universities by their environmental and ethical performance. We have climbed more than 110 places since 2011 as a result of our ambitious sustainability strategies, Biodiversity Action Plan, Carbon Management Plan and Environmental Management System. Our Sustainability and Climate Emergency Strategy (2021-2025) is aligned to our overarching Strategic Vision and Purpose and commits us to actions across four key themes: the Climate Emergency, our natural environment, our working environment and our travel. The Strategy ensures that we will also contribute to other development goals, including: Wellbeing and Human Health, the Wellbeing of Future Generations, and the United Nations' Sustainable Development Goals, and we continue to work collaboratively across our research community to achieve a better and more sustainable future for all.

We continue to attract funding to support our research into a broad range of climate-related and sustainability issues. Our Energy Safety Research Institute (ESRI) is delivering pioneering low-carbon energy research and innovation, where researchers have developed technology which has the potential to capture half a billion tonnes of carbon each year. A collaboration between ESRI researchers and insulation producer ROCKWOOL Limited has seen the installation of a new carbon dioxide demonstration unit at the company's manufacturing plant in Bridgend, South Wales.

Our Glaciology Research Group experts work with teams at an international science station on the Greenland ice shelf, drilling deep into the ice to understand climate history, and we are exploring how climate change influences animal movement and their habitats. Our chemical engineers are finding new ways to capture and reuse carbon by turning it into useful products to help tackle the climate crisis, and our commitment to promoting a circular economy has led to international recognition from the Ellen Macarthur Foundation, which has named Swansea as an exemplar university for the range of activities it carries out, not only through research and teaching but also in the way it runs its campuses.

We have also achieved the Carbon Trust Standard for Waste certification for our work to reduce waste around our campuses, and enjoyed success in the Laboratory Efficiency Assessment Framework (LEAF), which encourages participating universities to make their research and teaching more resource efficient and sustainable. In the past year, The Carbon Trust have also produced a detailed decarbonisation action plan for the University that looks at the practical steps required to achieve net zero targets.

In order to minimise waste, Warpit, has been introduced to distribute, reuse and recycle redundant resources such as furniture from across the organisation. Since the launch at the beginning of 2022, 11,561kg of CO2 has been saved and 3,730 kg of waste has been avoided, equating to a saving of £19k. Sustainability has been included in the procurement of key contracts and services contracts such as the new catering contract, to ensure it is integrated into the contract. We are working towards our Fairtrade University accreditation in partnership with the Students' Union as part of the UK 2021-23 cohort of university's working towards Fairtrade status.

Through our SWell app, we have continued to engage more than 50% of staff and have nudged behaviours towards lowering our individual and collective carbon footprints. This year also saw the expansion of the scheme to include students for the first time. The SWell platform recently won the Health and Wellbeing category at the national JUMP awards for logging the highest number of positive actions from across 50 other UK university and businesses with similar sustainability engagement apps.

We increased knowledge of wildlife on campus and in the Crymlyn Burrows, Site of Special Scientific Interest, adjacent to the Bay Campus. We delivered a year-round programme of walks, talks and other events, including a community day on the Bay that saw almost 100 local community members joining us on campus to discover their local environment. In addition, staff and students worked with Buglife to plant over 2,500 wildflower plants at the Bay, helping to create pollinator corridors. In partnership with the Conservation Society, the University has also achieved silver in the ever popular Hedgehog Friendly Campus accreditation.

The cycle to work scheme continues to facilitate sustainable active travel and recently saw an increase in uptake when the limit was increased to encourage greater participation. The University has once again been awarded the Gold Standard Cycle Friendly employer award and has recently signed a joint city-wide travel charter to progress sustainable, active travel and seen month on month record breaking growth in the number of people using the University run, city wide, Santander bike hire scheme, with over 100,000 users since its launch in 2018.

CORPORATE GOVERNANCE AND STATEMENT OF INTERNAL CONTROL

The University conducts its activities in accordance with both the Committee of University Chairs (CUC) Higher Education Code of Governance and Higher Education Senior Staff Remuneration Code, and in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).

The University is committed to the highest standards of openness, probity and accountability, conducts 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 that are in the public interest.

Constitution and Powers

The University is an independent corporation, whose legal status derives from a Royal Charter originally granted in 1920. Its objects, powers and framework of governance are set out in its current Charter ('the Supplemental Charter'), approved by the Privy Council in 2007, and it's supporting Statutes, the latest amendments to which were approved by the Privy Council in 2021. The University registered as a charity in October 2010 (1138342).

The Charter and Statutes require the University to have three separate bodies (Council, Senate, and Court), each with clearly defined functions and responsibilities, to oversee and manage its activities:

Council

The Council, which is established by the University's Charter, 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's membership, powers and duties are set out in Statute 5, which is available on the University's website. The Council is responsible for determining the strategic direction of the University, and for the finance, estates, investments and general business of the University.

The Council meets at least four times a year and exercises its responsibilities through the executive management and standing committees set out below. During 2021/22, the Council held seven meetings, including three special meetings, that focused on governance, financial and regulatory matters. Five of the meetings were held in person, one was held as a hybrid meeting, and one of the special meetings was held remotely. The Council received reports on the University's response to the Covid pandemic.

The Council comprises independent (described as lay), staff and student members appointed in accordance with the Statutes and Ordinances of the University. The membership of the Council shall not exceed 19 and the majority of Council members are non-executive lay members who are not members of staff or registered students of the University. The Council is committed to promoting equality and diversity and vacancies for lay members are advertised externally, with expressions of interest particularly welcome from under-represented groups. Applications are considered by the Governance and Nominations Committee and matched against the current skills and experience matrix. None of the lay members receives any payment, apart from the reimbursement of expenses, for the work they do for the University. Lay members of Council serve for a period of four years but may be re-appointed for one further period of four years.

The University's governing documents currently define lay members as not members of staff or registered students of the University. The University is reviewing its institutional practices in light of the Guide on Independence for Lay Members developed and agreed by the Welsh Secretaries and Clerks in June 2020. This Guide was in response to the independent review of governance in Wales, led by Gillian Camm (the Camm Review), published in February 2020.

Council members are required to make a declaration of interest on their appointment to Council, to review their declaration at least annually, and to update their declaration whenever there is a change. Declarations are reviewed by both the Chair and the Secretary of Council, in accordance with the University's Declaration of Interest Policy and procedure, to ensure there are no potential or perceived conflicts, or, if there are, to ensure they are dealt with appropriately. The Secretary to Council also maintains a register of interests for all members of Council, which is reviewed annually by the Governance and Nominations Committee. At the start of Council and Council Committee meetings, all members are asked to identify any specific items on which a declared interests may have a bearing and, if required, members do not take part in the relevant discussion or decision, and/or may leave the meeting at the appropriate point.

Any declarations identified and member's participation in specific items is recorded in the minutes of the meeting. The Council has adopted the role description for the Secretary to Council, developed in response to the Camm Review, which contains a clear statement of the Secretary's accountability for highlighting issues of independence or conflict to the Chair.

Members of the University's Council who served during the year ending 31st July 2022 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Council meetings (expressed as the number of Council meetings attended out of a total of meetings the member was due to attend) is provided below.

As the University is a registered charity Council also acts as the Board of Trustees and members of Council are also Charity Trustees.

Council Member	Category	Risk management
Mr Bleddyn Phillips, Pro-Chancellor and Chair of Council (until 12th December 2023)	Lay	7/7
Sir Roderick Evans, Pro-Chancellor (until 31st March 2025)	Lay	4/7
Mr Goi Ashmore, Treasurer (until 31st July 2024)	Lay	7/7
Professor Paul Boyle, Vice-Chancellor (until 25th July 2024)	Staff	7/7
Dr Kerry Beynon, Co-opted member (until 3rd February 2024)	Lay	7/7
Professor Edward David, Co-opted member (until 3rd February 2024)	Lay	6/7
Professor Kathryn Monk, Co-opted member (until 26th January 2026)	Lay	6/7
Dr Angus Muirhead, Co-opted member (until 20th March 2024)	Lay	6/7
Ms Elin Rhys, Co-opted member (until 3rd February 2024)	Lay	4/7
Ms Anne Tutt, Co-opted member (until 5th July 2024)	Lay	7/7
Mrs Marcia Sinfield, Co-opted member (until 30th November 2024)	Lay	7/7
Professor Keshav Singhal, Co-opted member (until 30th November 2024)	Lay	2/7
Professor Nuria Lorenzo-Dus, Appointed by Senate (until 4th December 2022)	Staff	5/7
Dr Sian Rees, Appointed by Senate (until 4th April 2022)	Staff	3/4
Professor Sue Jordan, Appointed by Staff (until 26th September 2023)	Staff	7/7
Mr Heath Davies, Appointed by Staff (from 10th February 2022)	Staff	2/4
Ms Katie Phillips, President of Students' Union (until 30th June 2022)	Student	6/6
Ms Liza Leibowitz, Students' Union (until 30th June 2022)	Student	5/6
Ms Esyllt Rosser, President of Students' Union (from 1st July 2022)	Student	1/1
Mr Jonathan Davies, Students' Union (from 1st July 2022)	Student	0/1

CUC Higher Education Code of Governance

The University is committed to high standards of corporate governance and to continuously improving its governance in line with best practice within the higher education sector. The University's governance structure has been developed to align with the principles and practices set out in CUC Higher Education Code of Governance. The Council commissioned an External Effectiveness Review in 2019, which was undertaken by James O'Kane, former Registrar and Chief Operating Officer of Queen's University Belfast. This External Review concluded that the Council was discharging its duties appropriately and effectively as the governing body of the University. A number of recommendations were identified and have been implemented to ensure the Council continues to, and enhances its alignment with the Code, and to ensure a fit-for-purpose Council. The next independent review of governance effectiveness is scheduled to be conducted during the 2022/23 academic year. In respect of the year ended 31st July 2022, the Council can report that there was no primary element of the Code of Governance with which the University's procedures was not consistent.

Review of Governance of the Universities in Wales

The Council formally adopted the Governance Charter for Universities in Wales and Commitment to Action published in September 2020 in response to the Camm Review and is committed to implementing the recommendations many of which align with recommendations arising from the Council's own External Effectiveness Review. Building on the progress made in the previous year, key developments in 2021/22 included:

- in relation to understanding culture, significant steps have been taken to enhance a positive organisation culture including through updating recruitment processes, developing a Strategic Vision and Purpose Plan which places people, values, culture and behaviour at its heart, enhancing staff engagement, and embedding Leadership roles which set a leadership culture that is inclusive and demonstrably aligns to the University's culture, behaviours and values. The Senior Leadership Team has established a new People and Culture Committee and has undertaken a staff workload survey and developed a response plan, which has introduced immediate actions and which identifies key tasks to be undertaken, and has committed to providing quarterly updates on progress;
- in relation to stakeholder engagement, the University has continued to engage with its key stakeholders through weekly engagement meetings between the Trade Unions and the Executive, regular external meetings with the Local Authorities and Health Boards, and monthly informal meetings between the Chair of Council and the Trade Unions and also the Students' Union's Full-Time Officers. A review of the terms of reference of the Staff Consultative Committee in consultation with the Trade Unions has also been undertaken and proposals for a new Committee and a forum for Council Engagement with the Trade Unions are being considered. In coming months, the Council will be reviewing its practices in light of the good practice guide on stakeholder engagement published over the summer of 2022 in response to the Camm Review;
- in relation to ensuring effective strategic oversight, following Council's approval of the University's Strategic Vision and Purpose document, the University has continued to review and update its strategies and has developed institution-wide KPIs to enable Council to more effectively scrutinise and monitor performance against the different strategies. The Council and the Senior Leadership Team have completed reviews of the operation, composition and terms of reference of their Committees, with reference to regulatory requirements and best practice, to enable effective oversight of strategic development. A Senate Effectiveness Review including a review of Senate committees has also been undertaken and a report was considered by Senate in June 2022;
- in relation to succession planning, the Governance and Nominations Committee which has oversight for succession planning will be reviewing the University's approach to Council member succession planning and putting succession planning arrangements in place;
- in relation to diversity and inclusivity, the Council is committed to promoting equality and diversity and vacancies for lay members are advertised externally, with expressions of interest particularly welcome from under-represented groups. As part of the Welsh secretaries and clerks governance equality, diversity and inclusion project in response to Camm, Council members have held discussions to inform the creation of a bespoke governance and diversity action plan, and will be reviewing its practices in the light of the publication of the project report and the Advance HE Higher Education Board Diversity and Inclusion Toolkit which has been shared with members of the Governance and Nominations Committee;
- in relation to risk management, the University continues to develop its risk management policy introduced in 2020 and the risk register is regularly reviewed by the Audit, Assurance and Risk Committee which has oversight of Internal Audit and risk management. The Finance and Strategy Committee receives the risk register and updates on relevant risks regularly, and the risk register and appropriate reports and recommendations are presented to the Council;

- in relation to whistleblowing, the University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner. The Council has approved a new Whistleblowing (Public Interest Disclosure) policy, which is available to all staff on the University's website, which ensures that concerns made in good faith are dealt with robustly and fairly, and that members raising such concerns are not subject to any form of victimisation. A number of Harassment and Whistleblowing Advisors have been identified as points of contact for anyone wishing to raise concerns under the policy and e-learning is available to all Line Managers to support the updated policy;
- in relation to governor development, the Council, through its Governance and Nominations Committee, has in place a structured induction process to support all new Council members, as well as ongoing internal and external training and support for serving members, to ensure that all members are able to make a valuable contribution. The Committee continuously reviews this support and will also review its institutional practices in light of the work being undertaken by the sector in Wales around recruitment and induction and with reference to the governor development resources and information "hub" being developed by HEFCW.

Senate

The Senate, which is established by the University's Charter, is the academic authority of the University and draws its membership entirely from the academic staff and students of the institution. The Senate's membership, powers and duties are set out in Ordinance 4, which is available on the University's website. It is chaired by the Vice-Chancellor and its membership also includes the Provost, the Pro-Vice-Chancellors, Pro-Vice-Chancellors/Executive Deans, all professorial staff, Chairs and Deputy Chairs of the Boards of the Learning and Teaching Quality Committee and the Faculty Associate Deans, fourteen elected non- professorial staff representatives and eight students appointed by the Students' Union. The Senate normally meets four times each year. During the 2021/22 academic session, the Senate held four meetings of which three were held remotely and one as a hybrid. The business focused on the University's continued response to Covid, the University's quality assurance processes and framework and the Annual Quality Assurance Statement to Council, the Fee and Access Plan, the Senate Effectiveness Review, the University's performance in league tables and rankings including NSS and REF, and internal Student Experience Surveys, enhancements in learning and teaching facilities, the new Student Experience and Welsh Language and Culture Strategies, new research policies and research grants and awards, recruitment and admissions, and updates on policy and sector landscape issues. Senate has established five committees to assist it in discharging its responsibilities: Learning and Teaching Quality, Recruitment and Admissions, Research, Innovation and Impact, Research Integrity, Ethics and Governance, and Welsh Language Strategy. During the year, Senate undertook a Senate Effectiveness Review and will be considering how to take forward the issues identified by the review during the next academic session.

Court

The Court, which is established by the University's Charter, is a large, mainly formal body which serves as a forum for the engagement of the wider community with the University. The Court's membership, powers and duties are set out in Ordinance 6, which is available on the University's website. The Court is chaired by the University's Chancellor and most of its members are from outside the University, representing the local community and other designated bodies with an interest in the work of the University. The membership also includes members of the Council, representatives of the staff of the University (both academic and non-academic) and the student body. The Court ordinarily meets once a year to receive the University's annual report and audited financial statements of the University. The Court last met on 4th October 2022.

Accountable Officer

The Vice-Chancellor is the chief executive and principal academic and administrative officer of the University and has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal financial memorandum between the University and HEFCW, the Vice-Chancellor is the accountable officer of the University and in that capacity may be required to appear before the Public Accounts and Public Administration Committee of the Senedd Cymru alongside the Chief Executive of HEFCW.

Executive Team

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. Members of the Senior Leadership Team and the Directors of Professional Services all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council. The membership of the Senior Leadership Team, which is chaired by the Vice-Chancellor, includes the Provost, Registrar and Chief Operating Officer, the Pro-Vice-Chancellors, Pro-Vice-Chancellors / Executive Deans, and the Chief Financial Officer. The Senior Leadership Team meets weekly and considers strategic and operational matters. During the year, the Senior Leadership Team has reviewed its committees and has established a number of new Strategy Groups to sit alongside existing groups to assist it in discharging its responsibilities.

Committees

The Council has established four governance committees, at which much of its detailed work is initially handled: Audit, Assurance and Risk Committee; Finance and Strategy Committee; Governance and Nominations Committee; and Remuneration Committee. All of these committees are chaired by lay members of Council and have a majority of lay members. Senior officers of the University attend meetings as necessary. All Committees report their decisions to Council, and are formally constituted, with their own terms of reference and membership approved by the Council on the recommendation of the Governance and Nominations Committee. The role of the Secretary to Council is defined in the University's Ordinances and the Secretary to Council also acts as the Secretary to most of the Committees of Council.

Audit, Assurance and Risk Committee

The Audit, Risk and Assurance Committee is responsible for advising and assisting Council in respect of the entire assurance and control environment of the University. Its key responsibilities are to ensure that the University complies with statutory, University and external regulatory requirements in relation to both its financial and non-financial activities and in respect of the issues within its terms of reference, and the Committee has the authority to make recommendations to the University, its organisational units and its members.

The Committee is chaired by a lay member of Council. All members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University's management, although senior executives attend meetings as necessary, and, in line with HEFCW's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee. Members of the Committee who served during the year ending 31st July 2022 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Risk management
Dr Kerry Beynon, Co-opted member and Chair of the Committee	Lay	4/4
Mrs Navjot Kalra, Co-opted lay member (until December 2021)	Lay	2/2
Professor Kathryn Monk, Co-opted member of Council	Lay	4/4
Mrs Marcia Sinfield, Co-opted member of Council (from November 2021)	Lay	3/3
Ms Anne Tutt, Co-opted member of Council	Lay	4/4
Mrs Alison Vickers, Co-opted lay member	Lay	4/4

During 2021/22, the Committee held four meetings. The Committee's business focused on discussing with the External Auditors the nature and scope of the audit and agreeing an annual Audit Plan; advising Council on the appointment of new External Auditors; reviewing the Internal Auditors' audit strategy and the introduction of a new Internal Audit Governance Framework to ensure the optimal effectiveness of the Internal Audit Service; approving the internal audit plan, receiving reports on its implementation, and monitoring the implementation of agreed audit-based recommendations; reviewing the effectiveness of the risk management arrangements and the risk register, and receiving regular reports on key risks; reviewing the External Auditors' management letter, the Internal Auditors' annual report, and the management responses; overseeing the University's policies related to ethical and other behaviours, including reviewing the University's Whistleblowing (Public Interest Disclosure) Policy and overseeing the implementation of the updated Policy, and reviewing proposals for a review of the University's counter-fraud policies and processes; meeting regularly with the External Auditors, the Head of Internal Audit, the Registrar and Chief Operating Officer and the Chief Financial Officer to provide an opportunity for them to discuss any matters; and approving an Annual Report to Council.

Finance and Strategy Committee

The Finance and Strategy Committee has oversight of and monitors the financial health of the University on behalf of the Council. Its key responsibilities are (i) to ensure the medium and long-term financial sustainability of the University through regular reviews of the University's financial position, (ii) to ensure the University operates a robust system of internal financial control, (iii) to monitor financial performance and compliance, (iv) to have financial oversight of all relevant strategies and (v) to play a critical role in applying test and challenge to all financial decisions. The Committee advises and makes recommendations to Council in respect of all financial matters.

The Committee is chaired by the University Treasurer. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. In line with HEFCW's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee. Members of the Committee who served during the year ending 31st July 2022 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Mr Goi Ashmore, Treasurer and Chair of the Committee	Lay	5/5
Ms Amerjit Barrett, Co-opted lay member (until May 2022)	Lay	3/4
Professor Paul Boyle, Vice-Chancellor	Staff	5/5
Professor Edward David, Co-opted member of Council	Lay	5/5
Dr Angus Muirhead, Co-opted member of Council	Lay	5/5
Mr Bleddyn Phillips, Pro-Chancellor and Chair of Council	Lay	4/5
Mr Steve Smith, Co-opted lay member	Lay	4/5
Professor Steve Wilks, Provost (until November 2021)	Staff	2/2

The Committee normally meets six times a year. During 2021/22, the Committee held five meetings. The Committee's business focused on reviewing and recommending to Council the University's financial forecasts, business cases for regional and global partnerships and the digital foundations project, a Schedule of Financial Limits, and changes to its terms of reference; and reviewing reports on University's financial sustainability the management of key financial risks business planning processes, strategic investment priorities and opportunities, pensions, the operational plans and financial forecasts of the University's subsidiaries, the Student Accommodation Strategy and residential rents, the Students' Union's accounts, and TRAC.

Governance and Nominations Committee

The Governance and Nominations Committee reviews and advises Council on the University's governance arrangements, ensuring that the University pursues good practice and complies with external governance requirements. Its key responsibilities are (i) to ensure compliance with external governance requirements, (ii) to review the membership of Council and its Committees ensuring it has the necessary balance of skills and experience to enable it to fulfil its responsibilities, (iii) to review and make recommendations on changes to the University's governing documents, (iv) to review, advise and make recommendations on the recruitment and appointment of lay members of Council and its Committees, (v) to review, advise and make recommendations on succession planning, (vi) to oversee the induction, development and appraisal of Council members, (vii) to review Council's Register of Interests and ensure a robust process is in place to identify any potential conflicts of interest and (viii) to review the diversity of Council and its Committees.

Committee Member	Category	Attendance
Mr Bleddyn Phillips, Pro-Chancellor, Chair of Council and Chair of the Committee	Lay	3/3
Professor Paul Boyle, Vice-Chancellor	Staff	3/3
Sir Roderick Evans, Pro-Chancellor	Lay	2/3
Professor Elwen Evans KC, Appointed by Senate	Staff	2/3
Professor Ryan Murphy, Appointed by Senate	Staff	2/3
Ms Katie Phillips, President of Students' Union	Student	2/3
Ms Elin Rhys, Co-opted member of Council	Lay	2/3
Professor Keshav Singhal, Co-opted member of Council	Lay	2/3
Ms Anne Tutt, Co-opted member of Council	Lay	3/3

The Committee normally meets four times a year. During 2021/22, the Committee held three meetings, including one special meeting. The Committee's business focussed on reviewing and recommending to Council changes to the membership of Council and Council Committees with reference to the skills and experience matrix, the terms of reference of Council Committees, and the key responsibilities of members of Council and the Statement of Primary Responsibilities of Council; recommending to Council the re-appointment of the Chancellor, and a new Chair of the Students' Union's Audit Committee; recommending to Council proposals for the next Independent Governance Effectiveness Review; reviewing its annual cycle of business, the arrangements for reviewing the effectiveness of Council Committees, and the appraisals process for the Chair of Council, the Chairs of Council Committee, and the Vice-Chancellor; receiving reports on the Advance HE Higher Education Board Diversity and Inclusion Toolkit and the implementation of the recommendations from the External Effectiveness of Council and the Camm Review.

Remuneration Committee

The Remuneration Committee is aligned with the CUC Higher Education Senior Staff Remuneration Code and publishes an annual report which is available on the University website. The Committee is responsible for determining the reward strategy of the University and the remuneration of the most senior staff of the University including the Vice-Chancellor. Its key responsibilities are (i) to develop an overall reward strategy and policy for senior employees of the University, (ii) to review and determine the remuneration, benefits and conditions of employment of the Senior Leadership Team taking account of affordability, comparative information on remuneration, benefits and conditions of employment in the university sector and elsewhere as appropriate, (iii) to agree an annual framework of work and (iv) to review and report to Council on progress through its annual report which is transparent and meets the requirements of good governance.

The Committee is chaired by a lay member of Council. All members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University, although senior executives attend meetings as necessary. Members of the Committee who served during the year ending 31st July 2022 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Dr Angus Muirhead, Co-opted member and Chair of the Committee	Lay	7/7
Professor Edward David, Co-opted member of Council	Lay	7/7
Sir Roderick Evans, Pro-Chancellor	Lay	7/7
Professor Kathryn Monk, Co-opted member of Council	Lay	5/7
Mr Bleddyn Phillips, Pro-Chancellor and Chair of Council	Lay	7/7
Ms Elin Rhys, Co-opted member of Council	Lay	5/7

During 2021/22, the Committee held seven meetings, including three special meetings. The Committee's business focussed on reviewing and determining proposed remuneration offers; reviewing and determining the remuneration, benefits and conditions of employment of new members of the Senior Leadership Team and Director positions; the Remuneration process 2022/23; approving the cost of living award of a 1.5% salary increase for the Vice-Chancellor and noting for all other colleagues in accordance with the salary increase which was applied to colleagues on the 51 point scale, following 2021/22 pay negotiations conducted by UCEA on behalf of HEIs; reviewing and reporting on progress by providing an annual report for Council which is transparent, aligned with the recommendations of the Higher Education Senior Staff Remuneration Code and meets the requirements of good governance; noting promotions via the Retention of Exceptional Talent procedure; and being actively involved in, and responsible for, the decision process for any severance arrangements for grade 11 employees.

Statement of Internal Control

The Council is responsible for ensuring there is a sound system of internal control to support the achievement of the University's aims, strategic objectives and policies, while safeguarding the public and other funds and assets for which it is responsible. The system of internal control is risk based and designed to manage, rather than eliminate the risk of failure to achieve strategic objectives and as such, the system provides reasonable, but not absolute, assurance against material misstatement or loss. Council acts in accordance with the responsibilities assigned to it in the University's Charter and Statutes, and the regulatory framework in which the University operates.

The key elements of the University's system of risk identification and effective risk management include the following:

- linking the identification and management of risk to the achievement of institutional objectives through an on-going annual planning process;
- all risks, including governance, management, quality, reputational and financial are included within the University's Risk Register, which is managed and maintained by the University's Senior Leadership Team through a clearly articulated policy and approach. The Risk Register produces a balanced portfolio of risk exposure which focuses on the most important key risks;
- evaluating the likelihood and impact of risks becoming a reality as part of that same process and establishing mitigating controls;
- having review procedures that cover business, operational, compliance and financial risk;
- embedding risk assessment and internal control processes in the ongoing operations of all units;
- reporting regularly to the Audit, Assurance and Risk Committee, and then to Council, on internal control and risk;
- the Audit, Assurance and Risk Committee receives regular reports from internal audit and the internal audit and strategy plan is approved by the Audit, Assurance and Risk Committee;
- reporting annually to Council the principal results of risk identification, evaluation and management review;
- regular monitoring and review of the effectiveness of the internal control system processes and procedures is informed by the University's professional Internal Auditors giving rise to monitored action where necessary and appropriate.

The University's Senior Leadership Team has formal processes in place for evaluating and managing significant risks faced by the institution on an on-going basis. This involves identification of the types of risks through a top down and bottom up at both corporate and departmental level, which are prioritised in terms of potential impact and likelihood of occurrence in accordance with an established and risk management policy.

Risks are monitored along with the associated controls and risk mitigation actions on an on-going basis by the Senior Leadership Team. The Audit, Assurance and Risk Committee receives the risk register and an update on risk at each of its meetings, the Finance and Strategy Committee receives the risk register and updates on relevant risks regularly, and appropriate reports and recommendations and the risk register are presented to the Council.

The University has a process for dealing with significant control issues, which involves immediate notification to the Chair of Council, Chairs of the Audit, Assurance and Risk Committee and the Finance and Strategy Committee and necessary senior staff, along with notification to HEFCW and the Charity Commission and any other relevant authority as appropriate depending on the nature of the issue.

REPORT FROM THE CHAIR OF THE REMUNERATION COMMITTEE

Introduction

The Remuneration Committee is responsible for determining the Reward Strategy of the University and for setting the remuneration and the terms and conditions for the Vice-Chancellor and other senior members of staff.

The Remuneration Committee comprises independent lay members of Council who possess relevant knowledge and expertise. The Vice-Chancellor is not in attendance for, and does not play a part in, the discussions and decisions of his own remuneration.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits and conditions of employment in the University sector, and wider where appropriate.

In determining the remuneration awarded, the Remuneration Committee considers the University's approach taken to recognising performance for all roles in scope and refers to sector benchmarking information provided from the UCEA Senior Salary Survey.

The Remuneration Committee ensures that it complies with its terms of reference and the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code.

In-line with its terms of reference and the CUC Higher Education Senior Staff Remuneration Code, to ensure a fair and transparent process, remuneration for Grade 10a, Grade 11, Professors, the Vice-Chancellor, members of the Senior Leadership Team and their direct reports, are reviewed annually, using a fair process that reflects the performance of each individual in the context of the University's performance.

The CUC Higher Education Senior Staff Remuneration Code is key to the success and development of the UK's HE sector, operating as it does in an intensively competitive global environment. This requires three key elements:

A fair, appropriate and justifiable level of remuneration

Remuneration starts with a clear understanding of the responsibilities, context and expected contribution of a role and the attributes required to undertake that role effectively. Fair and appropriate remuneration then recognises an individual's contribution to their institution's success in that role, and is sufficient to recruit, retain and motivate staff of appropriate calibre in the context of the market for that role, balanced with the need to demonstrate the achievement of value for money in the use of resources.

Procedural fairness

Procedural fairness requires remuneration to be set through a process that is based on competent people applying a consistent framework with independent decision making using appropriate evidence and assessing the value of roles, the context and individuals' performance in them.

Transparency and accountability

The process for setting remuneration must be transparent. For senior post holders there must be an institutional level justification for remuneration that relates to the competitive environment, the value of the roles and institutional performance. The remuneration of the Head of Institution must be separately justified, published and related to the remuneration of all staff within the organisation.

The key principles of the University's approach to remuneration are as follows:

- The University must be able to recruit and retain high quality academic and Professional Services leaders
- Appropriate performance targets and incentives are set, and outcomes monitored for these leaders to develop the continued success of the University

The Remuneration Committee makes decisions on salary awards which are merit and performance related:

- The level of awards is decided by the Remuneration Committee, in the context of the overall performance of the University, and takes into account all relevant market data
- All academics in scope are expected to make an annual submission for consideration to supplement performance data available within the PDR process. Professional Services senior leadership in scope are considered by the Registrar and Chief Operating Officer and discussed at moderation prior to recommendations being made to the Remuneration Committee
- The salary and other benefits paid to the Vice-Chancellor, together with anonymised data on salaries above £100k is published in the Financial Review
- The Chair of the Remuneration Committee has the authority to determine awards outside of the normal cycle in exceptional circumstances
- Decisions are subject to equality impact assessment

Remuneration Committee

The Remuneration Committee membership consists of:

- A lay member of Council (Chair)
- Pro-Chancellors, including the Chair of Council
- Three additional lay members of Council

Additional members with expertise may be co-opted via recommendation to Council via the Governance and Nominations Committee. Lay Committee Members should not have significant financial interests in the University.

In addition:

- Secretarial support to the Committee is provided by the University Secretary
- The Director of Human Resources (or a representative) attends the meetings and Human Resources provide additional secretarial support, if needed, for the Committee
- The Committee invites the Vice-Chancellor and the Registrar and Chief Operating Officer to attend parts of the meetings, in an advisory capacity, as required, to answer any questions from the Committee

No member of staff is present for the discussion of their own remuneration or when the Committee makes decisions on the reward of members of the Vice-Chancellor's Senior Leadership Team.

The members of the Remuneration Committee are:

- Chair of Remuneration Committee: Dr Angus Muirhead
- Pro-Chancellor and Chair of Council: Mr Bleddyn Phillips
- Pro-Chancellor: Sir Roderick Evans
- Member: Ms Elin Rhys (Lay member of Council)
- Member: Professor Kathryn Monk (Lay member of Council)
- Member: Professor Edward David (Lay member of Council)

Remuneration 2022

The University's Senior Leadership Team made the recommendation not to award a performance pay increase for the academic years 1st August 2019 to 31st July 2020 and 1st August 2020 to 31st July 2021 to members of the Senior Leadership Team, Directors and Professors. This decision was approved by the Remuneration Committee and noted by Council. For 1st August 2021 to 31st July 2022 the Senior Leadership Team made the recommendation to re-instate a performance-pay increase which will be paid in 2022-23. This was approved by the Remuneration Committee and noted by Council.

In previous years, the factors used in considering performance reward proposals included, but were not limited to:

a) performance in support of the institution's strategic objectives in areas such as:

- Research
- Teaching
- Innovation and engagement
- Leadership and management
- Partnerships and external relations internationally, nationally and locally
- Major initiatives and projects

b) the size and complexity of the institution
c) the nature of the HE markets and issues of recruitment and retention
d) the institution's objectives in relation to the diversity of the workforce and
e) that some staff are on NHS salaries not determined by the University

Data that supports these indicators would have been drawn from:

a) the Universities and Colleges Employer Association's Senior Staff Remuneration Survey
b) analysis of salary distributions.

All Swansea University colleagues, including the Vice-Chancellor, received a 1.5% cost of living salary increase, following 2021/22 pay negotiations conducted by UCEA on behalf of HEIs.

In meeting the University's vision as a principled, purposeful and resilient University that balances excellent teaching with world-leading research and innovation in an environment which enables our students and colleagues to excel, alongside being valued globally as a trusted partner who is deeply committed to our region and proud to be a University for Wales, it is essential that the University offers a competitive remuneration package for the Vice-Chancellor role. This also recognises the diverse and complex nature of the organisation, with over 24,000 students, over 4,500 paid staff and an income of £370m.

The Remuneration Committee decides the remuneration package of the Vice-Chancellor, taking account of the breadth of leadership and financial responsibilities and delivery against the University's strategic objectives.

In considering the Vice-Chancellor's remuneration package, the Remuneration Committee considers this organisational context, alongside the Vice-Chancellor's performance, general pay movement for all University staff, retention, and any relevant market considerations, and is informed by salary benchmarking information with comparator universities.

The Vice-Chancellor's performance is assessed by the Chair of Council after taking soundings and feedback from all members of Council – both lay and non-lay. It is based on leadership, the achievement of key strategic objectives, measurement against agreed targets, the overall performance of the University and the external context in which the University operates.

The Vice-Chancellor's Reward package is detailed on the right.

Emoluments of the Vice-Chancellor for years ended 31st July 2022 and 31st July 2021 (also see Note 7 of the financial statements section of the Financial Review 2021/22):

	2022 £000	2021 £000
Salary	**312**	303
Employer pension contributions	**17**	6
	329	309
Other taxable benefits:		
Subsidised accommodation and associated costs	**–**	20
Other benefits	**–**	5
	–	25

The Vice-Chancellor's basic salary is 8.6 times the median pay of staff (2021: 8.6 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The Vice-Chancellor's total remuneration is 8.6 times the median total remuneration of staff (2021: 9.3 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University to its staff.

The median calculations include salaries part funded by the NHS.

Included within the Vice-Chancellor's salary for 2022 is a £15k accommodation allowance (2021: £10k). The salary for the Vice-Chancellor before the accommodation allowance is £297k for the year to 31st July 2022 (2021: £293k).

The Vice-Chancellor, with the support of Council, took up the role of Chair of JISC (formally known as the Joint Information Systems Committee) on 21st May 2021 and receives an annual remuneration of £15k.

The Vice-Chancellor is enrolled in the enhanced opt out arrangement within the Universities' Superannuation Scheme (the USS).

In 2022 there were 52 members of staff with a basic salary over £100k per annum (2021: 59).

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF SWANSEA UNIVERSITY REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Swansea University ("the University") for the year ended 31st July 2022 which comprise the Group and University Statements of Comprehensive Income, Statements of Change in Reserves, Statement of Financial Position and Group Statement of Cash Flow and related notes, including the Statement of Principal 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 31st July 2022, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's 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 have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

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 and the University'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").

In our evaluation of the Council's conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and University's financial resources or ability to continue operations over the going concern period.

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.

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.

Fraud and breaches of laws and regulations – ability to detect

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 Council, the Audit, Assurance and Risk Committee and internal audit 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, Assurance and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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 possible pressures to meet loan covenants, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income from research income is not recognised in accordance with the relevant grant

terms and conditions and the risk that Group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included high risk users, unusual postings to specific accounts, including cash, revenue and fixed assets, and journals posted following the period end.
- Verifying research income recognised is appropriate based on the underlying grant agreement and corresponding research expenditure.

Identifying and responding to risks of material misstatement due to non-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 Board of Governors and other management (as required by auditing standards) and discussed with the Board of Governors and other management the policies and procedures regarding compliance with laws and regulations.

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, taxation legislation, pensions legislation, charities legislation and specific disclosures required by higher education legislation and regulation, including the Accounts Direction issued by the HEFCW, 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: compliance with higher education regulatory requirements of the HEFCW, recognising the regulated nature of the Group'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.

Other information

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 all of the information in the Financial Review 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 (which 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.

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 charity 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.

Council responsibilities

As explained more fully in its statement set out on page 55, the Council is responsible for: the preparation of the 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 parent 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 parent 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 ON OTHER LEGAL AND REGULATORY REQUIREMENTS

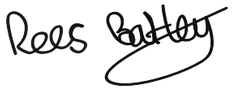
We are required to report on the following matters prescribed in the Higher Education Funding Council for Wales ('HEFCW') Audit Code of Practice issued under the Further and Higher Education Act 1992 and in the Financial Management Code issued under the Higher Education (Wales) Act 2015 and the Accounts 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.

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 the 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 the 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.



Rees Batley

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.

66 Queen Square
Bristol
BS1 4BE

29th November 2022

STATEMENT OF COUNCIL'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL REVIEW AND THE FINANCIAL STATEMENTS

The Council is responsible for preparing the Financial Review and the financial statements in accordance with the requirements of the Terms and Conditions of Funding issued by the Higher Education Funding Council for Wales (HEFCW), the Accounts Direction to Higher Education Institutions for 2021/22 issued by HEFCW, the Financial Management Code issued under the Higher Education (Wales) Act 2015 and applicable law and regulations.

It is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements of the Charities Act 2011. The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction to Higher Education Institutions for 2021/22 issued by HEFCW.

The Council is required to prepare financial statements which give a true and fair view of the state of affairs of the Group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the Group and parent University financial statements, the directors are required to:

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

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University. It is responsible for 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, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Council is also responsible for ensuring that:

- 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;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Mr Bleddyn Phillips, Chair of Council

28th November 2022

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

General Information

Swansea University is registered with the Higher Education Funding Council in Wales (HEFCW). The address of the registered office is:

Swansea University
Singleton Park
Swansea
SA2 8PP

Statement of compliance

The Consolidated and University financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition).

They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31st July 2019, the Royal Charter, the Accounts Direction issued by the Higher Education Funding Council for Wales (HEFCW), and the terms and conditions of funding for higher education institutions issued by HEFCW.

The University is registered as a charity. The Financial Statements have been prepared in compliance with the Charities Act 2011.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

Basis of preparation

The Consolidated and University financial statements are prepared in accordance with the historic-cost convention (modified by the revaluation of fixed assets and the measurement of certain financial instruments at fair value).

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the operational and financial review, which forms part of the Members of Council's report. This review also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities. The Members of Council have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future.

The financial statements have been prepared under the going concern basis of accounting. The Members of Council feel that this is appropriate as the University has considerable financial resources together with a significant value of contracted income over the medium term. The Members of Council have reviewed forecasts and forecast covenant compliance throughout the year. Therefore, the Members of Council believe that they are well placed to manage its business risks despite the on-going changes in sector funding.

Judgements made by management in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in accounting policy note 23.

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31st July 2022. Intra-group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associates are accounted for using the equity method.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £'000.

Exemptions under FRS 102

The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with the share of the results of joint ventures and associates for the financial year to 31st July 2022.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the University and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity; the part relating to the University's share is eliminated.

The consolidated financial statements do not include the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method.

Income recognition

Income from the sale of goods or services (exchange transactions) is credited to the Statement of Comprehensive Income when the amount of revenue can be reliably measured, the stage of completion at the end of the reporting period can be reliably measured, it is probable that the economic benefits associated with the transaction will flow to the University and when costs of services delivered or due to be delivered can be measured reliably.

Tuition Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. 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. Education contracts are recognised when the University is entitled to the income, which is the period in which the students are studying, or where relevant, when performance conditions have been met.

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.

Investment income is credited to the statement of income and expenditure on a receivable basis.

Grant funding

Government grants including Funding Council block grant and research grants from Government sources and other grants from non-government sources including research grants from non-government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and performance-related conditions have been met. Income received in advance of performance-related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Commercial research contracts are accounted for in line with the policy for income from the sale of goods or services (exchange transactions) above.

Other grants and donations received from non-government sources including research grants from non-government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and the performance-related conditions have been met. Income received in advance of performance related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Capital Grants

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

Donations and Endowments

Non-exchange transactions without performance-related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the Statement of Comprehensive Income when the University is entitled to the income. 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.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

Donations with no restrictions are recorded within the Statement of Comprehensive Income when the University is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

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 can convert the donated sum into income.
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.

Donations of tangible assets are included within income. The income recognised is valued using a reasonable estimate of their gross value or the amount actually realised. Donated tangible assets are valued and accounted for as tangible assets under the appropriate asset category.

Accounting for retirement benefits

The three principal schemes for the University's staff are the Universities Superannuation Scheme (USS), the Swansea University Pension Scheme (SUPS), and the National Employment Savings Trust (NEST). SUPS was closed to new members from 1st January 2012 when new staff were invited to join NEST. The University also contributes to the NHS Pension Scheme.

USS and SUPS are defined-benefit schemes, which are externally funded and contracted out of the State Second Pension. Each fund is valued every three years by professionally qualified independent actuaries. NEST is a defined contribution scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities of each university, due to the mutual nature of the scheme. Therefore, the scheme is accounted for as a defined contribution retirement benefit scheme.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Defined Contribution Plan

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

Multi-employer schemes

Where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the University has entered into an agreement with such a multi-employer scheme that determines how the University will contribute to a deficit recovery plan, the University recognises a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. 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 University.

The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

Annually the University engages independent actuaries to calculate the obligation for each scheme. The present value is determined by discounting the estimated future payments at a discount rate based on market yields on high quality corporate bonds denominated in sterling with terms approximating to the estimated period of the future payments.

The fair value of a scheme's assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the University's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements. The net interest cost is calculated by applying the discount rate to the net liability. This cost is recognised in expenditure as a finance cost.

Further detail is provided on the specific pension schemes in note 30 to the accounts.

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 the service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement. Unused annual leave entitlement at 31st July is recognised as a creditor for administrative staff. There is no creditor for unused annual leave for academics as no obligation exists.

Finance Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

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

Service Concession Arrangements

Fixed assets held under service concession arrangements are recognised on the Balance sheet at the present value of the minimum lease payments when the assets are brought into use with the corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The Bay Campus residences and Singleton residences are classified as Service Concession Arrangements.

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.

Foreign Currency

Transactions in foreign currencies are translated to Pound Sterling at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are re-translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Property Plant and Equipment

Property, plant and equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings

Land and buildings are capitalised at cost on initial recognition.

After initial recognition, land and buildings are subsequently measured at costs less accumulated depreciation and accumulated impairment losses.

Land and Buildings in existence upon transition to FRS 102 and the new HE SORP 2015, were revalued to fair value on the date of transition. These are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation. 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 on an annual basis.

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

Where parts of the assets have different useful lives, they are accounted for as separate items of fixed assets.

Freehold 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 to the University of between 12 and 75 years.

No depreciation is charged on assets in the course of construction and depreciation is accelerated when there is a known demolition date.

Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years.

Equipment

Equipment costing more than £25,000 per individual item is capitalised in the year of acquisition. Equipment purchased as part of a package or replacement programme, with the total package costing more than £25,000 is also capitalised in the year of acquisition. All other equipment is written off in the year of acquisition, unless there is a specific reason to capitalise.

Capitalised equipment is stated at cost and depreciated over its useful expected life. The useful expected life is 3-5 years except in exceptional circumstances where the useful life is deemed longer or shorter.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

Vessels

Vessels are stated at cost and depreciated over their useful expected lives.

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

Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Comprehensive Income in the period in which they are incurred.

Impairment

A review for impairment of property, plant and equipment is carried out if events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

Heritage Assets

Works of art and other valuable artefacts are capitalised and recognised at the cost or value of the acquisition, where a cost or value is reasonably obtainable.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

Investment Properties

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Statement of Comprehensive Income. Properties are not depreciated but are revalued or reviewed annually according to market conditions as at 31st July each year.

Investments

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

Investments in jointly controlled entities, subsidiaries and associates are carried at cost less impairment in the University's accounts.

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income.

Stock

Stock is held at the lower of cost and 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.

Provisions, contingent liabilities, and contingent assets

Provisions are recognised in the financial statements when:

a) the University has a present obligation (legal or constructive) as a result of a past event;

b) it is probable that an outflow of economic benefits will be required to settle the obligation; and

c) a reliable estimate can be made of the amount of the obligation.

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

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of certain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

Accounting for Associates, Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

The University accounts for its share of joint ventures and associates using the equity method.

The University accounts for its share of transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income.

Taxation

The University is a charity within the meaning of Para 1 of schedule 6 of the Finance Act 2010 and 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 (CTA 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.

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

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanent restricted fund as the University must hold the fund to perpetuity.

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

Critical accounting estimates and judgements

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

Tangible Fixed Assets

Land and buildings were revalued on adoption of FRS 102. The revaluation was performed by qualified quantity surveyors based upon their independent review of the estate and supporting information from the University.

During the revaluation of land and buildings the estimated useful lives of buildings were reviewed and updated by the independent surveyors based upon an assessment of the age and condition of the estate.

Recoverability of debtors

The policy for provision for bad and doubtful debts is specific for each class of debt and based on circumstances and post-year-end recovery of actual debts. Any non-provided debts are deemed recoverable.

Retirement benefit obligations

The University operates its own scheme, Swansea University Pension Scheme (SUPS), which is a defined-benefit scheme (now closed to new members). Actuarial valuations of the scheme are carried out as determined by the Trustees at intervals of not more than three years.

Pension costs under the HE SORP and 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 decisions between the actuary and management. The assumptions are documented in note 31.

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 including the 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. The directors are 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.

As the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 30.

CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st July 2022

	NOTE	CONSOLIDATED YEAR ENDED 31ST JULY 2022 £000	UNIVERSITY YEAR ENDED 31ST JULY 2022 £000	CONSOLIDATED YEAR ENDED 31ST JULY 2021 £000	UNIVERSITY YEAR ENDED 31ST JULY 2021 £000
INCOME					
Tuition fees and education contracts	1	**188,370**	**188,370**	184,265	184,265
Funding body grants	2	**43,857**	**43,857**	50,416	50,416
Research grants and contracts	3	**69,212**	**69,212**	62,074	62,074
Other income	4	**67,373**	**67,198**	63,572	62,787
Investment income	5	**812**	**812**	87	87
Donations and Endowments	6	**462**	**462**	339	339
TOTAL INCOME		**370,086**	**369,911**	360,753	359,968
EXPENDITURE					
Staff costs	7	**182,959**	**182,629**	187,146	186,839
Change in the USS deficit funding accrual	7	**93,537**	**93,537**	(4,250)	(4,250)
Other operating expenses	9	**134,938**	**133,999**	116,010	115,267
Depreciation	10	**28,638**	**28,546**	26,401	26,270
Interest and other finance costs	8	**7,557**	**7,551**	7,613	7,610
TOTAL EXPENDITURE	9	**447,629**	**446,262**	332,920	331,736
Surplus before other gains, losses and share of operating (deficit) of joint ventures and associates		**(77,543)**	**(76,351)**	27,833	28,232
Gain on disposal of fixed assets		**–**	**–**	68	68
(Loss) / Gain on investments	13/21	**(291)**	**(1,013)**	250	(111)
Share of operating (deficit) in joint venture	13	**(1,732)**	**(1,732)**	(236)	(236)
(DEFICIT) / SURPLUS BEFORE TAXATION		**(79,566)**	**(79,096)**	27,915	27,953
Taxation		**(15)**	**–**	(14)	–
(DEFICIT) / SURPLUS FOR THE YEAR		**(79,581)**	**(79,096)**	27,901	27,953
Actuarial gain in respect of pension schemes	30	**23,700**	**23,700**	12,600	12,600
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR		**(55,881)**	**(55,396)**	40,501	40,553
REPRESENTED BY:					
Endowment comprehensive income for the year	21	**(198)**	**(198)**	524	524
Restricted comprehensive income for the year	22	**52**	**52**	–	–
Unrestricted comprehensive income for the year		**(54,703)**	**(54,218)**	41,009	41,061
Revaluation reserve comprehensive income for the year		**(1,032)**	**(1,032)**	(1,032)	(1,032)
		(55,881)	**(55,396)**	40,501	40,553

All items of income and expenditure relate to continuing activities. The accompanying notes and policies on pages 66 to 92 from part of these financial statements.

CONSOLIDATED AND INSTITUTION STATEMENT OF CHANGE IN RESERVES

Year ended 31st July 2022

	NOTE	INCOME AND EXPENDITURE RESERVE: ENDOWMENT £000	INCOME AND EXPENDITURE RESERVE: RESTRICTED £000	INCOME AND EXPENDITURE RESERVE: UNRESTRICTED £000	REVALUATION RESERVE £000	TOTAL £000
CONSOLIDATED						
AT 1ST AUGUST 2020		6,981	–	127,630	44,686	**179,297**
Surplus from the income and expenditure statement		569	–	27,332	–	**27,901**
Other comprehensive income	30	–	–	12,600	–	**12,600**
Transfers between revaluation and income and expenditure reserve		–	–	1,032	(1,032)	**–**
Release of endowment and restricted funds spent in the year	21	(45)	–	45	–	**–**
AT 31ST JULY 2021		7,505	–	168,639	43,654	**219,798**
AT 1ST AUGUST 2021		7,505	–	168,639	43,654	**219,798**
Deficit from the income and expenditure statement		(167)	52	(79,466)		**(79,581)**
Other comprehensive income	30	–	–	23,700	–	**23,700**
Transfers between revaluation and income and expenditure reserve		–	–	1,032	(1,032)	**–**
Release of endowment and restricted funds spent in the year	21	(31)	–	31	–	**–**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(198)	52	(54,703)	(1,032)	**(55,881)**
AT 31ST JULY 2022		7,307	52	113,936	42,622	**163,917**
UNIVERSITY						
AT 1ST AUGUST 2020		6,981	–	128,222	44,686	**179,889**
Surplus from the income and expenditure statement		569	–	27,384	–	**27,953**
Other comprehensive income	30	–	–	12,600	–	**12,600**
Transfers between revaluation and income and expenditure reserve		–	–	1,032	(1,032)	**–**
Release of endowment and restricted funds spent in the year	21	(45)	–	45	–	**–**
AT 31ST JULY 2021		7,505	–	169,283	43,654	**220,442**
AT 1ST AUGUST 2021		**7,505**	**–**	**169,283**	**43,654**	**220,442**
Deficit from the income and expenditure statement		(167)	52	(78,981)	–	**(79,096)**
Other comprehensive income	30	–	–	23,700	–	**23,700**
Transfers between revaluation and income and expenditure reserve		–	–	1,032	(1,032)	**–**
Release of endowment and restricted funds spent in the year	21	(31)	–	31	–	**–**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(198)**	**52**	**(54,218)**	**(1,032)**	**(55,396)**
AT 31ST JULY 2022		**7,307**	**52**	**115,065**	**42,622**	**165,046**

CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

Year ended 31st July 2022

	NOTE	CONSOLIDATED 31ST JULY 2022 £000	UNIVERSITY 31ST JULY 2022 £000	CONSOLIDATED RESTATED 31ST JULY 2021 £000	UNIVERSITY RESTATED 31ST JULY 2021 £000
NON-CURRENT ASSETS					
Tangible assets	10	**464,629**	**464,550**	451,533	450,590
Heritage assets	10	**1,005**	**1,005**	945	945
Investments	13	**238**	**–**	288	–
Investments in subsidiaries	13	**–**	**1,929**	–	1,929
Investments in associates	13	**48**	**48**	1,780	1,780
		465,920	**467,532**	454,546	455,244
CURRENT ASSETS					
Stocks	14	**105**	**38**	124	28
Trade and other receivables	16	**76,270**	**76,550**	62,769	62,398
Investments	15	**5,029**	**5,029**	5,269	5,269
Cash and cash equivalents		**164,695**	**164,046**	140,960	140,638
		246,099	**245,663**	209,122	208,333
Less creditors falling due within one year	17	**(160,837)**	**(160,884)**	(114,489)	(113,754)
NET CURRENT ASSETS		**85,262**	**84,779**	94,633	94,579
TOTAL ASSETS LESS CURRENT LIABILITIES		**551,182**	**552,311**	549,179	549,823
Creditors: amounts falling due after more than one year	18	**(216,401)**	**(216,401)**	(225,212)	(225,212)
PROVISIONS					
Pension provision	20	**(170,864)**	**(170,864)**	(104,169)	(104,169)
TOTAL NET ASSETS		**163,917**	**165,046**	219,798	220,442
RESTRICTED RESERVES					
Income and expenditure reserve – endowment reserve	21	**7,307**	**7,307**	7,505	7,505
Income and expenditure reserve – restricted reserve	22	**52**	**52**	–	–
UNRESTRICTED RESERVES					
Income and expenditure reserve – unrestricted		**113,936**	**115,065**	168,639	169,283
Revaluation reserve	10	**42,622**	**42,622**	43,654	43,654
TOTAL RESERVES		**163,917**	**165,046**	219,798	220,442

See note 33 for the detail of the restatement. The accompanying notes and policies form part of these financial statements.

The financial statements were approved by Council on 28th November 2022 and were signed on its behalf on that date by:

Professor P Boyle (Vice-Chancellor)

B. Phillips (Chair of Council)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31st July 2022

	NOTE	31ST JULY 2022 £000	31ST JULY 2021 RESTATED £000
CASH FLOW FROM OPERATING ACTIVITIES			
(Deficit) / Surplus for the year before taxation		**(79,566)**	27,915
ADJUSTMENT FOR NON-CASH ITEMS			
Depreciation	10	**28,638**	26,401
Impairment	13	**772**	–
Gain / (loss) on Investments		**291**	(250)
Decrease in stock		**19**	34
(Increase) in debtors		**(13,932)**	(23,654)
Increase in creditors		**28,547**	32,566
Increase / (decrease) in pension provisions		**90,395**	(3,905)
Share of operating loss in associate	13	**1,732**	236
ADJUSTMENT FOR INVESTING OR FINANCING ACTIVITIES			
Investment income		**(812)**	(87)
Capital grant income		**(5,969)**	(10,552)
Interest payable		**6,175**	6,251
Endowment Income		**(30)**	(88)
(Gain) on the sale of tangible assets		**–**	(68)
CASH FLOWS FROM OPERATING ACTIVITIES		**56,260**	54,799
Taxation		**(15)**	(14)
NET CASH INFLOW FROM OPERATING ACTIVITIES		**56,245**	54,785
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital grant receipts		**24,362**	19,262
Proceeds from sales of tangible assets		**–**	350
Payments made to acquire tangible assets		**(39,142)**	(22,890)
Investment income		**812**	87
		(13,968)	(3,191)
CASH FLOWS FROM FINANCING ACTIVITES			
Interest paid		**(3,117)**	(3,110)
Interest element of finance lease and service concession arrangements		**(3,058)**	(3,141)
Capital element of finance lease and service concession arrangements		**(6,407)**	(6,325)
New endowments		**30**	88
New unsecured loans		**120**	7,297
Repayment of amounts borrowed		**(5,713)**	(2,976)
		(18,145)	(8,167)
INCREASE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**24,132**	43,427
Cash and cash equivalents at beginning of the year		**140,563**	97,136
Cash and cash equivalents at end of the year		**164,695**	140,563

See note 33 for the detail of the restatement.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st July 2022

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
1. TUITION FEES AND EDUCATION CONTRACTS				
Full-time home and EU students	**119,004**	**119,004**	126,333	126,333
Full-time international students	**51,063**	**51,063**	40,115	40,115
Part-time students	**3,686**	**3,686**	2,919	2,919
Educational contracts with the NHS and HEIW	**14,537**	**14,537**	14,664	14,664
Non-accredited course fees	**80**	**80**	234	234
	188,370	**188,370**	184,265	184,265

To generate the full-time home and EU tuition fee the University has spent £3.8m (2021: £4.1m) in relation to bursaries in accordance with the fee plan.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
2. FUNDING BODY GRANTS				
RECURRENT GRANTS				
HEFCW Teaching grants	**8,884**	**8,884**	7,190	7,190
HEFCW Research grants	**19,845**	**19,845**	16,189	16,189
HERC Capital grant	**851**	**851**	2,497	2,497
	29,580	**29,580**	25,876	25,876
SPECIFIC GRANTS RECEIVED IN YEAR				
Student Hardship	**–**	**–**	8,805	8,805
Digital	**2,932**	**2,932**	1,494	1,494
Estates	**3,416**	**3,416**	–	–
Research and Innovation	**2,706**	**2,706**	4,051	4,051
Other	**3,418**	**3,418**	2,135	2,135
Capital	**1,805**	**1,805**	8,055	8,055
	14,277	**14,277**	24,540	24,540
	43,857	**43,857**	50,416	50,416

Income from capital grants relates to £2,156k in respect of buildings (2021: £2,473k) and £500k in respect of equipment (2021: £8,079k). There was no release of deferred capital grants brought forward (2021: £0).

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
3. RESEARCH GRANTS AND CONTRACTS				
Research Councils	**25,616**	**25,616**	20,248	20,248
UK-based charities	**2,520**	**2,520**	2,359	2,359
UK industry and commerce	**3,326**	**3,326**	3,500	3,500
Government (UK and overseas)	**35,001**	**35,001**	33,981	33,981
Other	**2,749**	**2,749**	1,986	1,986
	69,212	**69,212**	62,074	62,074

Included within Government (UK and overseas) above is £3.3m, being the receipt of a capital grant in the year (2021: £0), included within this is £0.3m deferred capital brought forward from 2021.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
4. OTHER INCOME				
Residences, catering and conferences	**28,273**	**28,273**	22,383	22,383
Other services rendered	**2,872**	**2,872**	3,493	3,493
Income from service concession agreements	**9,466**	**9,466**	9,466	9,466
Other income	**18,857**	**18,682**	15,564	14,779
NHS income in respect of the College of Medicine	**6,176**	**6,176**	11,837	11,837
Research Council full-time Doctoral/Collaborative Training Award	**1,729**	**1,729**	829	829
	67,373	**67,198**	63,572	62,787

Included within other income is income from collaborations of £7.0m (2021: £2.7m), estates income of £3.4m (2021: £6.0m) which includes £2.0m insurance claims (2021: £4.8m) and £0.8m sports centre income (2021: £0.3m).

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
5. INVESTMENT INCOME				
Investment income on endowments	**67**	**67**	92	92
Other Investment Income	**745**	**745**	(5)	(5)
	812	**812**	87	87

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
6. DONATIONS AND ENDOWMENTS				
New endowments	**30**	**30**	88	88
Donations with restrictions	**53**	**53**	–	–
Unrestricted donations	**379**	**379**	251	251
	462	**462**	339	339

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
7. STAFF COSTS				
The staff costs for the financial year were:				
Salaries	**143,162**	**142,832**	130,679	130,372
Social security costs	**14,823**	**14,823**	14,225	14,225
Other pension costs	**24,883**	**24,883**	36,290	36,290
Restructuring costs	**91**	**91**	5,952	5,952
TOTAL STAFF COSTS	**182,959**	**182,629**	187,146	186,839
CHANGE IN THE USS DEFICIT FUNDING ACCRUAL	**93,537**	**93,537**	(4,250)	(4,250)

A Voluntary Exit Scheme (VES), where enhanced compensation payments were made to employees wishing to leave the University voluntarily, was initiated in 2019/20. The aim of this is to re-balance the overall cost base of the University to more appropriately match forecast income levels and ensure financial sustainability. The cost of £91k (2021: £5,952k) includes all requests that had been approved by the Registrar and Chief Operating Officer, Chief Financial Officer, Director of HR and Head of Legal Services and accepted by the individual member of staff at 31st July 2022. A further breakdown of pension costs has been included in note 30, Pension Schemes.

TOTAL REMUNERATION OF THE VICE-CHANCELLOR	2022 £000	2021 £000
Salary	**312**	303
Employer pension contributions	**17**	6
	329	309
Other taxable benefits:		
Subsidised accomodation and associated costs	**–**	20
Other benefits	**–**	5
	–	25

Included within the Vice-Chancellor's salary for 2022 is a £15k accommodation allowance (2021: £10k). The salary for the Vice-Chancellor before the accommodation allowance is £297k for the year to 31st July 2022 (2021: £293k).

The Remuneration Committee is responsible for determining the Reward Strategy of the University and for setting the remuneration and the terms and conditions for the Vice-Chancellor and other senior members of staff. The Committee is chaired by an independent lay member of Council and comprises lay members of Council who possess relevant knowledge and expertise. The Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code and refers to sector benchmarking information provided from the UCEA Senior Salary Survey. The Committee takes account of affordability and comparative information on the remuneration, benefits and conditions of employment in the university sector.

The Vice-Chancellor is enrolled in the enhanced opt out arrangement within the Universities' Superannuation Scheme (the USS).

The head of the provider's basic salary is 8.6 times the median pay of staff (2021: 8.6 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The head of the provider's total remuneration is 8.6 times the median total remuneration of staff (2021: 9.3 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University to its staff.

The median calculations include salaries part funded by the NHS.

HIGHER PAID STAFF

The number of staff with a basic salary over £100k per annum has been included below.

Remuneration of higher paid staff (excluding the Vice-Chancellor), excludes employer's pension contributions but including payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contracts of employment and which are reimbursed to the University by the NHS, was:

In 2022 there were 52 higher paid members of staff (2021: 59).

	UNIVERSITY 2022 NUMBER	UNIVERSITY 2021 NUMBER
£100,000 – £104,999	**8**	10
£105,000 – £109,999	**8**	7
£110,000 – £114,999	**5**	12
£115,000 – £119,999	**6**	4
£120,000 – £124,999	**4**	7
£125,000 – £129,999	**4**	1
£130,000 – £134,999	**2**	3
£135,000 – £139,999	**2**	–
£140,000 – £144,999	**–**	1
£145,000 – £149,999	**1**	1
£150,000 – £154,999	**1**	2
£155,000 – £159,999	**2**	2
£160,000 – £164,999	**–**	1
£165,000 – £169,999	**3**	1
£170,000 – £174,999	**–**	–
£175,000 – £179,999	**1**	1
£180,000 – £184,999	**–**	2
£185,000 – £189,999	**2**	–
£190,000 – £194,999	**1**	1
£195,000 – £199,999	**1**	1
£200,000 – £204,999	**–**	1
£205,000 – £209,999	**–**	1
£210,000 – £214,999	**1**	–

COMPENSATION FOR LOSS OF OFFICE PAYABLE TO HIGHER PAID STAFF:	2022	2021
Compensation and severence paid to University higher paid staff (£000)	**45**	1,005
Number of University higher paid staff who received compensation or severence	**1**	10

AVERAGE NUMBER OF STAFF

The average number of staff employed during the year expressed as FTE (full-time equivalents):	2022 Number (FTE)	2021 Number (FTE)
Academic	**1,085**	1,128
Research	**506**	490
Management and specialist	**987**	956
Technical	**153**	156
Other	**815**	897
	3,546	3,627

KEY MANAGEMENT PERSONNEL

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the institution. Key management consists of the senior executive officers including the Vice-Chancellor, Registrar and Chief Operating Officer, Provost, three Pro-Vice-Chancellors, three Exectuive Deans and the Chief Financial Officer.

	2022 £000	2021 £000
Key Management Personnel	**1,910**	1,895

The Pro-Vice Chancellor for International was appointed in August 2021. The Pro-Vice-Chancellor / Executive Dean for Faculty of Science and Engineering stood down form the post in July 2022, with an interim Pro-Vice-Chancellor / Executive Dean appointed in August 2022. During the year the number of Key Management Personnel increased from 9 to 10.

	NOTE	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
8. INTEREST AND OTHER FINANCE COSTS					
Loan interest		**3,117**	**3,111**	3,110	3,107
Finance leases including service concession arrangements		**3,058**	**3,058**	3,141	3,141
Unwinding of USS discount factor		**382**	**382**	362	362
Net pension interest cost	30	**1,000**	**1,000**	1,000	1,000
		7,557	**7,551**	7,613	7,610

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
9. ANALYSIS OF EXPENDITURE BY ACTIVITY				
Academic departments	**128,326**	**128,326**	115,133	115,133
Academic services	**30,465**	**30,465**	24,821	24,821
Research grants and contracts	**56,536**	**56,536**	54,458	54,458
Residences, catering and conferences	**27,714**	**27,714**	25,363	25,363
Premises	**37,878**	**37,878**	33,752	33,752
Professional services	**59,729**	**59,729**	59,663	59,663
USS change in contributions	**91,296**	**91,296**	(3,888)	(3,888)
Other	**15,685**	**14,318**	23,618	22,434
TOTAL EXPENDITURE	**447,629**	**446,262**	332,920	331,736

	2022 £000	2021 £000
OTHER EXPENDITURE ABOVE INCLUDES:		
Service concession arrangments	**10,121**	10,204
Restructuring costs	**91**	5,952

The voluntary exit scheme closed to new applicants during 2020-21. Minimal costs for loss of office of £91k (2021: £5,952k) were incurred in the year as the scheme was finalised (see note 7).

OTHER OPERATING EXPENSES AS PER THE STATEMENT OF COMPREHENSIVE INCOME	CONSOLIDATED 2022 £000	CONSOLIDATED 2021 £000
Non-capitalised equipment	**16,223**	11,444
Consumables	**6,004**	5,061
Rent, rates and leases	**24,165**	22,672
Repairs, refurbishment, maintenance and building costs	**10,994**	10,881
Heat, light, power and water	**7,706**	6,210
Scholarships, bursaries, prizes and fee contributions	**16,878**	23,223
Books, publications, periodicals and library services	**4,019**	3,424
Student recruitment and advertising	**8,115**	6,117
Consultancy, professional services and agency	**23,130**	17,892
Travel and conference costs	**4,180**	1,174
Employee related expenditure	**3,897**	1,476
Subscriptions and contributions	**2,678**	3,132
Office expenses	**1,484**	920
Catering	**1,262**	347
Other expenses	**4,203**	2,037
	134,938	116,010

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
EXTERNAL AUDITORS REMUNERATION				
Audit of the University and its subsidiaries	**132**	**105**	96	73
Audit related assurance services	**31**	**31**	16	16
Taxation compliance services	**14**	**–**	7	–
Taxation advisory services	**5**	**5**	7	7
TOTAL NON-AUDIT SERVICES	**50**	**36**	30	23

10. NON-CURRENT ASSETS – FIXED ASSETS – CONSOLIDATED

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1st August 2021	371,468	157,626	53,948	1,566	14,818	945	600,371
Additions	–	3,424	10,921	–	28,161	60	42,566
Transfers	6,934	–	1,751	–	(8,685)	–	–
Impairment	–	–	(772)	–	–	–	(772)
At 31st July 2022	378,402	161,050	65,848	1,566	34,294	1,005	642,165
CONSISTING OF VALUATION AS AT:							
31st July 2022	42,622	–	–	–	–	–	42,622
Cost	335,780	161,050	65,848	1,566	34,294	1,005	599,543
	378,402	161,050	65,848	1,566	34,294	1,005	642,165
ACCUMULATED DEPRECIATION							
At 1st August 2021	64,214	45,785	37,758	136	–	–	147,893
Charge for year	11,376	7,063	10,136	63	–	–	28,638
At 31st July 2022	75,590	52,848	47,894	199	–	–	176,531
CARRYING AMOUNT							
At 31st July 2022	302,812	108,202	17,954	1,367	34,294	1,005	465,634
At 1st August 2021	307,254	111,841	16,190	1,430	14,818	945	452,478

NON-CURRENT ASSETS – FIXED ASSETS – UNIVERSITY

	Freehold land and buildings	Service concession arrangements	Fixtures, fittings and equipment	Vessels	Assets in the course of construction	Heritage assets	Total
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1st August 2021	371,468	157,626	51,946	1,566	14,818	945	598,369
Additions		3,424	10,921	–	28,161	60	42,566
Transfers	6,934		1,751	–	(8,685)	–	–
At 31st July 2022	378,402	161,050	64,618	1,566	34,294	1,005	640,935
CONSISTING OF VALUATION AS AT:							
31st July 2022	42,622	–	–	–	–	–	42,622
Cost	335,780	161,050	64,618	1,566	34,294	1,005	598,313
	378,402	161,050	64,618	1,566	34,294	1,005	640,935
ACCUMULATED DEPRECIATION							
At 1st August 2021	64,214	45,785	36,699	136	–	–	146,834
Charge for year	11,376	7,063	10,044	63	–	–	28,546
At 31st July 2022	75,590	52,848	46,743	199			175,380
CARRYING AMOUNT							
At 31st July 2022	302,812	108,202	17,875	1,367	34,294	1,005	465,555
At 1st August 2021	307,254	111,841	15,247	1,430	14,818	945	451,535

A full valuation of the University's land and property was carried out on 31st July 2014 by qualified chartered surveyors in accordance with the RICS valuation – Professional Standards 2014 (the Red Book). Under FRS 102 paragraph 35.10, the University has elected to measure land and property at fair value at the transition date of 31st July 2014 and use the fair value as the deemed cost on that date. The properties are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to the Income and expenditure reserve. Analysis of the land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption.

At 31st July 2022, freehold land and buildings included £16.5m (2021: £16.5m) in respect of freehold land which is not depreciated.

Following review of tangible assets, no impairment of tangible assets in the University was considered necessary in 2022 (2021: £0).

11. NON-CURRENT ASSETS – HERITAGE ASSETS

Heritage assets included on the Statement of Financial Position refer largely to the University's Art Collection. There are also other heritage assets which due to their nature we are unable to value and therefore have not been included.

The Egypt Centre holds the Wellcome Collection which includes Egyptian antiques and artefacts. These assets are unique and not replaceable. The Egypt Centre is a recognised museum, accredited by the Arts Council and a recognised ACCES partner. It aims to collect, interpret and care for Egyptian archaeological material and documents and preservation is critical to their work. All policies in place are reviewed by the Arts Council. The Wellcome Collection is available to view by all University staff and students, local schools as well as the wider general public.

The picture and art collection is recognised on the Statement of Financial Position under Heritage Assets was valued in 2008 by an independent valuer and has been taken as deemed cost on transition. The majority of this art collection can be viewed around the University.

The University also holds a silver collection which includes but is not limited to competition cups, bowls and vases dating between the 1950s and 1980s. No price can be attributed to this collection, hence they are not held on the Statement of Financial Position. The collection is stored securely but can be available for inspection upon request.

The University also holds Dylan Thomas manuscripts which were purchased out of University funds.

12. SERVICE CONCESSION ARRANGEMENTS

The University has six Service Concession Arrangements in the Statement of Financial Position.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT ASSETS
The asset value of the service concession included in the Statement of Financial Position as at 31st July 2022 is £108,202k (1st August 2021 £111,841k).

The reduction of £3,638k is as a result of £7,062k of depreciation less the addition of £3,424k which occurred following the additional guarantee given on the three Bay Campus residences, increasing the occupancy guarantee from 50% to 100% for one academic year only.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT LIABILITIES
The total liabilities relating to service concession arrangements included in the Statement of Financial Position as at 31st July 2022 were £119,032k (1st August 2021 £122,015k). Liabilities were reduced by £6,407k during the year following repayment and accounting adjustments. Additional occupancy guarantees were given in the year in relation to the three Bay Campus residences increasing the liability by £3,424k, reducing the overall reduction in the liability to £2,983k.

FUTURE COMMITMENTS
The following table analyses the University's future commitments in relation to the service concession arrangements.

£'000	PAYABLE IN 1 YEAR	PAYABLE IN 2-5 YEARS	PAYABLE IN >5 YEARS	TOTAL
Liability repayments	6,494	13,224	99,314	119,032
Finance charge	2,972	10,944	37,583	51,499
	9,466	**24,168**	**136,897**	**170,531**

Prior to conversion of the Financial Statements to reflect FRS 102, the University had entered into the following leases which were previously held off the Statement of Financial Position. These leases have now been brought onto the Statement of Financial Position as Service Concession Arrangements. The notes below give more information on these arrangements:

GWALIA RESIDENCES
Gwalia Phase 1 – A 30-year lease was entered into in 2004 to build three new blocks of accommodation with 272 units. The occupancy guarantee is 100%.

Gwalia Phase 2 – A 30-year lease was entered into in 2010 comprising of 351 units with the lower floors shelled for University activities. The occupancy guarantee is 100%.

BAY RESIDENCES – PHASE 1A
In September 2015, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1a of the student accommodation on the Bay Campus, providing 899 rooms for 923 students. In February 2018, the third-party, with the University's consent, entered into a transaction to transfer the contract to another third-party. Under the terms of the new agreement, the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,485k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third-party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1B
In January 2016, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1b of the student accommodation on the Bay Campus, providing 545 single rooms. In February 2018, the contract was transferred to another third-party and the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £823k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third-party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1C
On 15th December 2015, the University entered into a 45-year contract with a third-party provider for the provision and maintenance of phase 1c of the student accommodation on the Bay Campus, providing 538 single rooms.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,056k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University further has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third-party). At the end of 45-year contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

THE COLLEGE ACADEMIC BUILDING
On 8th September 2017, the University entered into a 20 year contract with a third-party provider for the provision and maintenance of an Academic Building.

The University has guaranteed 35% of the building amounting to committed gross annual payments of £357k.

The University has exclusive rights over the allocated 35% of the building and controls the use within this area.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
13. NON-CURRENT INVESTMENTS				
Investment in associates	**48**	**48**	1,780	1,780
Investment in subsidiaries	**–**	**1,929**	–	1,929
Other investments	**238**	**–**	288	–
	286	**1,977**	2,068	3,709

INVESTMENT IN ASSOCIATE

The Institution holds the following 50% investments in both Swan Global Education LLP (2021: 50%) and Wales National Pool Swansea (2021: 50%). The investments are accounted for at cost less impairment in the Institution financial statements and using the equity method in the consolidated financial statements.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
At 1st August 2021	**1,780**	**1,780**	2,016	2,016
Share of (loss) retained by associate	**(1,732)**	**(1,732)**	(236)	(236)
AT 31ST JULY 2022	**48**	**48**	1,780	1,780

INVESTMENT IN SUBSIDIARY	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
At 1st August 2021	**–**	**1,929**	–	2,389
Additions	**–**	**772**	–	65
Impairment	**–**	**(772)**	–	(525)
AT 31ST JULY 2022	**–**	**1,929**	–	1,929

The £772k impairment relates to the investment in the 100% owned subsidiary entity Swansea Materials Research and Testing Ltd, as does the £772k additional investment.

OTHER INVESTMENTS	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
At 1st August 2021	**288**	**–**	452	–
Additions	**–**	**–**	117	–
Disposals	**–**	**–**	(50)	–
Impairment/Reversals	**8**	**–**	–	–
Revaluations	**(58)**	**–**	(231)	–
AT 31ST JULY 2022	**238**	**–**	288	–
OTHER INVESTMENTS CONSIST OF:				
At fair value:				
Market securities	**123**	**–**	181	–
At cost less impairment:				
Group investments in spin outs	**115**	**–**	107	–
	238	**–**	288	–

Details of investments in which the consolidated group and University hold 20% or more of the nominal value of any class of shares are as follows:

COMPANY	REGISTERED OFFICE	PRINCIPAL ACTIVITY	HOLDING	STATUS
Gower Innovations Ltd	Swansea University, SA1 8EN	Other manufacturing not elsewhere classified	Ordinary shares	20%
Grove Nanomaterials Ltd	Azets, SA7 9FS	Dormant	Ordinary shares	20%
Refiex Ltd	Azets, SA7 9FS	Dormant	Ordinary shares	20%
Trameto Ltd	Azets, SA7 9FS	Manufacture of electronic components	Ordinary shares	23%
Haemomoetrics Ltd	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
ProGnomics Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Semitechnologies Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Bay Campus Developments LLP	Swansea University, SA2 8PP	Dormant	Partner	50%
WNPS	Wales National Pool SA2 8QG	Operation of sports facilities	Guarantee	50%
Swan Global Education	Littlemore Park, OX4 4FY	Educational	Partner	50%
Swansea Materials Research and Testing	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	100%
Swansea Innovations	Swansea University, SA2 8PP	Management consultancy activities other than financial management	Ordinary shares	100%
SU Developments	Swansea University, SA2 8PP	Dormant	Ordinary shares	100%
SU Pathway College Ltd	Swansea University, SA2 8PP	Combined facilities support activities	Ordinary shares	100%

Investments in subsidiary companies are measured at transaction price (including transaction costs) and considered annually for impairment.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
14. STOCK				
General consumables	**58**	**38**	28	28
Work in progress	**47**	**–**	96	–
	105	**38**	124	28

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
15. CURRENT INVESTMENTS				
Short-term investments in shares	**1,889**	**1,889**	2,236	2,236
Short-term bonds	**2,429**	**2,429**	2,382	2,382
Other short-term investments	**511**	**511**	325	325
Short-term deposits	**200**	**200**	326	326
	5,029	**5,029**	5,269	5,269

The decrease in fair value of short-term deposits in the year was £240k (2021: increase of £414k).

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

At 31st July 2022, the weighted average interest rate of these fixed deposits was 1.6% (2021: 0.95%). The fair value of these deposits was not materially different from their book value. The yield increase is due to rising interest rates across the world which has pushed up bond yields. There have also been dividend increases in part of the Barclays portfolio and as the portfolio value has fallen in the run up to 31st July the % yield is also enhanced.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATE RESTATED 2021 £000	UNIVERSITY RESTATED 2021 £000
16. TRADE AND OTHER RECEIVABLES				
Amounts falling due within one year:				
Net trade debtors	**12,196**	**12,126**	9,690	9,522
Research grant claims receivable	**5,798**	**5,798**	6,468	6,468
Accrued income – research grants	**42,604**	**42,604**	31,392	31,392
Prepayments and accrued income	**15,672**	**16,022**	15,219	15,005
Amounts due from group undertakings	**–**	**–**	–	11
	76,270	**76,550**	62,769	62,398

See note 33 for the detail of the restatement.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED RESTATED 2021 £000	UNIVERSITY RESTATED 2021 £000
17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank overdraft	**–**	**–**	397	–
Unsecured loans	**5,817**	**5,817**	5,712	5,712
Service concession arrangements	**6,495**	**6,495**	6,408	6,408
Trade payables	**8,412**	**8,415**	6,481	6,481
Social security and other taxation payable	**5,592**	**5,585**	5,232	5,226
Accruals and deferred income	**134,521**	**134,415**	90,259	89,770
Amounts due to group undertakings	**–**	**157**	–	157
	160,837	**160,884**	114,489	113,754

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED RESTATED 2021 £000	UNIVERSITY RESTATED 2021 £000
ACCRUALS AND DEFERRED INCOME				
Included with accruals and deferred income are the following items which have been deferred:				
Research grants received in advance	**50,596**	**50,596**	39,632	39,632
Funding Council grants received in advance	**4,198**	**4,198**	3,526	3,526
Capital grants received in advance	**28,883**	**28,883**	10,922	10,922
Other accruals	**50,844**	**50,738**	36,179	35,690
	134,521	**134,415**	90,259	89,770

Capital grants received in advance include £28,883k in relation to the CISM building (2021: £10,634k); there are no other capital grants received in advance at 31st July 2022 (2021: £288k). Capital grants are released to the Income and Expenditure account upon fulfillment of the grant conditions, and usually upon completion of the building.

See note 33 for the detail of the restatement.

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				
Service concession arrangements	**112,537**	**112,537**	115,607	115,607
Income in advance	**1,723**	**1,723**	1,767	1,767
Unsecured loans	**102,141**	**102,141**	107,838	107,838
CREDITORS DUE AFTER MORE THAN ONE YEAR	**216,401**	**216,401**	225,212	225,212

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
19. ANALYSIS OF UNSECURED LOANS				
Due within one year or on demand	**5,817**	**5,817**	5,712	5,712
Due within one and two years	**6,046**	**6,046**	5,818	5,818
Due within two and five years	**18,459**	**18,459**	18,114	18,114
Due in five years or more	**77,636**	**77,636**	83,906	83,906
TOTAL UNSECURED LOANS REPAYABLE BY 2044	**107,958**	**107,958**	113,550	113,550

CONTINUED

Included in the loans are the following:

LENDER	AMOUNT £000	INTEREST RATE	TERM	BORROWER
European Investment Bank	**9,167**	Fixed 2.576%	June 2033	University
European Investment Bank	**10,000**	Fixed 2.423%	January 2034	University
European Investment Bank	**7,847**	Fixed 3.843%	August 2034	University
European Investment Bank	**7,866**	Fixed 3.964%	January 2035	University
European Investment Bank	**8,347**	Fixed 4.132%	August 2035	University
European Investment Bank	**58,026**	Fixed 2.698%	April 2044	University
Sure Loan	**6,585**	Fixed 0.550%	March 2031	University
Salix	**120**	Fixed 0%	April 2031	University
TOTAL	**107,958**			

	OBLIGATION TO FUND DEFICIT ON USS	SUPS PENSION SCHEME PROVISION	TOTAL PENSION PROVISIONS
	£000	£000	£000
20. PROVISIONS FOR LIABILITIES			
CONSOLIDATED AND UNIVERSITY			
AT 1ST AUGUST 2021	42,969	61,200	104,169
Utilised in year	(2,624)	(900)	(3,524)
Additions in year	93,919	(23,700)	70,219
AT 31ST JULY 2022	**134,264**	**36,600**	**170,864**

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation.

See note 30 for further information on the SUPS and USS pension scheme.

21. ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments	Unrestricted permanent endowments	Expendable endowments	2022 Total	2021 Total
BALANCES	£000	£000	£000	£000	£000
AT 1ST AUGUST 2021					
Capital	4,293	1,757	624	**6,674**	6,172
Accumulated income	702	62	67	**831**	809
	4,995	1,819	691	**7,505**	6,981
New donations and endowments	–	–	30	**30**	88
Investment income	42	–	2	**44**	67
Expenditure	(14)	–	(17)	**(31)**	(45)
(Decrease) in market value of investments	(150)	(88)	(3)	**(241)**	414
AT 31ST JULY 2022	4,873	1,731	703	**7,307**	7,505
Represented by:					
Capital	4,143	1,669	651	**6,463**	6,674
Accumulated income	730	62	52	**844**	831
	4,873	1,731	703	**7,307**	7,505
ANALYSIS BY TYPE OF PURPOSE					
Lectureships				**21**	22
Scholarships and bursaries				**3,076**	3,160
Research support				**297**	306
Prize funds				**877**	908
General				**3,036**	3,109
				7,307	7,505
ANALYSIS BY ASSET					
Current asset investments				**5,029**	5,269
Bank Balance – University				**2,278**	2,236
				7,307	7,505

The institution has the following individually material endowments:

The University holds over 170 endowments, comprising of permanent and expendable funds. Each endowment has its own specific restriction with spend being controlled by the allocated Budget Managers. The University has one significant endowment worth over £1.0m, being the general endowment fund. This is a permanent endowment holding £1.3m of endowered funds, currently valued at £2.0m within the portfolio. Being a general endowment, any income earned is released back to the University for non-specific purposes. All other endowments are not significant but have specific purposes attached to them.

	Capital Grants Unspent	Donations	2022 Total	2021 Total
	£000	£000	£000	£000
22. RESTRICTED RESERVES				
Reserves with restrictions are as follows:				
CONSOLIDATED AND INSTITUTION				
BALANCES				
AT 1ST AUGUST 2021	–	–	–	–
New restricted donations	–	53	**53**	–
Investment Income	–	–	**–**	–
Expenditure	–	(1)	**(1)**	–
Total restricted comprehensive income for the year	–	–	**–**	–
AT 31ST JULY 2022	–	52	**52**	–
ANALYSIS OF OTHER RESTRICTED FUNDS / DONATIONS BY TYPE OF PURPOSE:				
Scholarships			**11**	–
Hardship			**27**	–
Campus and sports facilities			**3**	–
General			**11**	–
			52	–

	At 1st August 2021	Cash Flows	At 31st July 2022
	£000	£000	£000
23. CASH AND CASH EQUIVALENTS			
CONSOLIDATED			
Cash and Cash equivalents	141,357	23,338	**164,695**
Bank overdraft	(397)	397	**–**
	140,960	23,735	**164,695**

	2022 £000
24. CONSOLIDATED RECONCILIATION OF NET DEBT	
NET DEBT 1ST AUGUST 2021	**94,605**
Movement in cash and cash equivalents	23,338
Other non-cash changes	(55,648)
NET DEBT 31ST JULY 2022	**62,295**
CHANGE IN NET DEBT	**(32,310)**

ANALYSIS OF NET DEBT:	2022 £000	2021 £000
CASH AND CASH EQUIVALENTS	**164,695**	141,357
BORROWINGS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Unsecured loans	**5,817**	5,712
Bank overdraft	**–**	397
Service concession arrangements	**6,495**	6,408
	12,312	12,517
BORROWINGS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Service concession liabilities due after one year	**112,537**	115,607
Unsecured loans	**102,141**	107,838
	214,678	223,445
NET DEBT	**62,295**	94,605

	NOTE	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
25. FINANCIAL INSTRUMENTS					
FINANCIAL ASSETS					
Financial assets at fair value through Statement of Comprehensive Income		**123**		354	
Financial assets that are equity instruments measured at cost less impairment					
Other investments		**115**	**–**	(66)	
	13	**238**	**–**	288	–
Financial assets that are debt instruments measured at amortised cost					
Cash and cash equivalents		**164,695**	**164,046**	140,960	140,638
Other investments	15	**5,029**	**5,029**	5,269	5,269
Gross Trade receivables		**14,460**	**14,390**	11,018	10,850
Other receivables	16	**5,798**	**5,798**	6,468	6,468
		189,982	**189,263**	163,715	163,225
FINANCIAL LIABILITIES					
Financial liabilities measured at amortised cost					
Bank overdrafts	17	**–**	**–**	397	–
Loans	19	**107,958**	**107,958**	113,550	113,550
Service concessions	17/18	**119,032**	**119,032**	122,015	122,015
Trade Creditors	17	**8,412**	**8,415**	6,481	6,481
		235,402	**235,405**	242,443	242,046

	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000
26. CAPITAL AND OTHER COMMITMENTS				
A provision has not been made for the following capital commitments at 31st July 2022:				
Capital commitments	**3,641**	**3,641**	26,445	26,445
	3,641	**3,641**	26,445	26,445

The significant decrease in capital commitments has resulted from the Centre for Integrative Semiconductor Materials (CISM) nearing completion, with the capital commitment for the CISM building decreasing from £24,401k at July 2021 to £2,508k at July 2022. The only other significant capital commitments is £855k for additional sports facilities on the Bay Campus.

	£000	£000	£000	£000
27. CONTINGENT LIABILITIES				
Guarantees				
To Lloyds for SMaRT Ltd	**–**	**500**	–	500
	–	**500**	–	500

The University is acting as guarantor for Swansea Materials Research and Testing Limited in relation to the £500k overdraft facility only. The University believe there is only a limited possibility of the guarantee being paid as Swansea Materials Research and Testing Limited is a wholly-owned subsidiary controlled by senior University staff members. The extent of the guarantee being required will depend on the current overdraft in the subsidiary. If paid, there is unlikely to be any reimbursement for this contingent liability.

The University is a member of UMAL, a company limited by guarantee, formed to provide a mutual association for covers. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro-rated share. The potential for a shortfall and the value of a shortfall in any given year is unknown. There is not likely to be any possibility of reimbursement if this guarantee is called upon.

The Institution has given written undertakings to support the subsidiary companies and Wales National Pool Swansea for a period of twelve months from the date of approval of these financial statements.

	2022 Land and Buildings £000	2021 Land and Buildings £000
28. LEASE OBLIGATIONS		
Total rentals payable under operating leases:		
CONSOLIDATED AND INSTITUTION		
Payable during the year	**1,190**	1,137
Future minimum lease payments due:		
Not later than 1 year	**1,088**	1,134
Later than 1 year and not later than 5 years	**2,472**	3,051
Later than 5 years	**4,599**	4,910
TOTAL LEASE PAYMENTS DUE	**9,349**	10,232

No new leases were negotiated during 2022, with several leases being in the process of renegotiated. The ward at Singleton Hospital has been handed back, with no rental costs being incurred during 2022 or falling due in future periods.

During the year, the University was tenant on three significant leases, The College, a University joint venture company, Bay Campus Car Park and a unit within Baglan Energy Park. The lease with The College, which is within a building on the Bay Campus, runs until 2038. The car park lease which runs until September 2023 is currently being renegotiated.

Total rentals receivable under operating leases:

The University leases out small areas of space on both Singleton and Bay Campus. Leases include a dental surgery, a doctors surgery, a retail unit for the Students' Union, laboratory space to Swansea Materials Research and Testing Ltd, a wholly owned subsidiary company, and lab space for Natural Resources Wales. The University also leases out small areas and offices to companies working alongside the University. The terms and break periods differ for each lease. The University does not hold any investment properties as part of its portfolio as rental areas are minor areas within larger buildings.

CONSOLIDATED AND INSTITUTION	2022 Land and Buildings	2021 Land and Buildings
Future minimum lease payments due:	£000	£000
Not later than 1 year	**369**	311
Later than 1 year and not later than 5 years	**1,087**	1,011
Later than 5 years	**1,404**	1,614
TOTAL LEASE PAYMENTS DUE	**2,860**	2,936

There were no contingent rents receivable during 2022 (2021: £0).

29. EVENTS AFTER THE REPORTING PERIOD

There are no events to report which have occurred after 31st July 2022.

30. PENSION SCHEMES

Different categories of staff were eligible to join one of the following schemes:

Universities' Superannuation Scheme (USS)
Swansea University Pension Scheme (SUPS) – Closed to new members 31st December 2011
National Employment Savings Trust (NEST) – from 1st January 2012

The University also contributes to the NHS Pension Scheme for a number of its employees. USS and SUPS are both defined-benefits schemes. The assets of both schemes held in separate trustee-administered funds. NEST is a defined-contribution scheme.

	CONSOLIDATED 2022	UNIVERSITY 2022	CONSOLIDATED 2021	UNIVERSITY 2021
STATEMENT OF COMPREHENSIVE INCOME – NET PENSION COST	£000	£000	£000	£000
USS	**23,329**	**23,329**	22,336	22,336
USS pension deficit charge	**93,537**	**93,537**	(4,250)	(4,250)
SUPS	**1,270**	**1,270**	12,794	12,794
Other	**1,204**	**1,204**	1,160	1,160
	119,340	**119,340**	32,040	32,040
OTHER COMPREHENSIVE INCOME – ACTUARIAL GAIN IN RESPECT OF PENSION SCHEMES				
SUPS	**23,700**	**23,700**	12,600	12,600
	23,700	**23,700**	12,600	12,600
STATEMENT OF FINANCIAL POSITION – PENSION SCHEME LIABILITY (NOTE 20)				
USS	**134,264**	**134,264**	42,969	42,969
SUPS	**36,600**	**36,600**	61,200	61,200
	170,864	**170,864**	104,169	104,169

(I) THE UNIVERSITIES' SUPERANNUATION SCHEME

The University participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. 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 £23,329k (2021: £22,336k) including PensionChoice, but excluding the impact of the change in the deficit recovery plan, as shown in note 7.

Deficit recovery contributions due within one year for the institution are £2,624k (2021: £2,117k).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31st March 2020 ("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 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 key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles. (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:

	2020 valuation
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

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 1st April 2022 until 31st 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	**3.33%**	0.89%
Pensionable salary growth	**1.11%**	1.00%

The employers' contribution rates are as follows:

EFFECTIVE DATE	RATE
1st October 2019 to 30th September 2021	21.10%
1st October 2021 to 31st March 2022	21.40%
1st April 2022 to 31st March 2024	21.60%
1st April 2024 to 30th April 2038	21.40%

SENSITIVITY ANALYSIS

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:

	APPROXIMATE IMPACT ON PROVISION
	£000
0.5% pa decrease in discount rate	5,821
0.5% pa increase in salary inflation over duration	5,751
0.5% pa increase in salary inflation year 1 only	642
0.5% increase in staff changes over duration	5,895
0.5% increase in staff changes year 1 only	598

(II) NHS PENSION SCHEME

The Institution also participates in the NHSPS which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the Government.

The NHS Pension 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 1st April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1st 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 contribution rate payable by the Institutions during the year ended 31st July 2018 salaries, was equal to 14.3% of the total pensionable in accordance with the conclusion of the Government Actuary's report on the scheme.

(III) SWANSEA UNIVERSITY PENSION SCHEME

(RETIREMENT BENEFITS) DISCLOSURE FOR THE ACCOUNTING PERIOD ENDING 31ST JULY 2022

The University operates a final-salary defined-benefit pension scheme that non-academic employees of the University can participate in, called the Swansea University Pension Scheme (SUPS). The scheme is externally funded and is contracted out of the State Second Pension (S2P) of pension provision.

The last formal triennial actuarial valuation of the scheme was performed as at 1st August 2019 by a professionally-qualified actuary. The following are based on the results of the 1st August 2019 triennial valuation projected forward with allowance for benefit accrual, expected investment return and actual cashflows and have been adjusted for FRS 102 assumptions detailed below.

During the accounting period, the University paid contributions to the pension scheme at the rate of 23% of pensionable salaries in respect of the future accrual of benefits, death in service premiums and expenses.

ASSUMPTIONS

The financial assumptions used to calculate scheme liabilities under FRS 102 are:	31ST JULY 2022	31ST JULY 2021
Price Inflation (RPI)	**3.3%**	3.3%
Price Inflation (CPI)	**2.9%**	2.8%
Rate of increase in salaries	**3.2%**	3.2%
Rate of increase of pensions in payment for SUPS members	**3.3%**	3.3%
Increases to deferred pensions before retirement	**2.9%**	2.8%
Discount rate	**3.4%**	1.7%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65 and non-pensioners who are currently aged 45.

	31ST JULY 2022	31ST JULY 2021
Pensioner – male	**20.1**	20.1
Pensioner – female	**22.4**	22.4
Non-pensioner (currently aged 45) – male	**21.1**	21.0
Non-pensioner (currently aged 45) – female	**23.5**	23.5

Scheme assets and expected rate of return for SUPS

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward-looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

	FAIR VALUE AS AT 31ST JULY		
	2022	2021	2020
THE ASSETS IN THE SCHEME WERE:			
	£M	**£M**	**£M**
Equities	**53.9**	54.8	41.2
Corporate bonds	**7.9**	8.1	7.3
Property	**2.0**	7.5	9.8
GARS Fund	**13.5**	14.6	14.1
Other	**31.2**	36.8	36.1
Total	**108.5**	121.8	108.5

The tables below include the disclosures for the Swansea University Pension Scheme.

	YEAR ENDED 31ST JULY 2022	YEAR ENDED 31ST JULY 2021
	£000	£000
ANALYSIS OF THE AMOUNT SHOWN IN THE BALANCE SHEET FOR SUPS		
Scheme assets	**108,500**	121,800
Scheme liabilities	**(145,100)**	(183,000)
DEFICIT IN THE SCHEME – NET PENSION LIABILITY RECORDED WITHIN OTHER COMPREHENSIVE INCOME	**(36,600)**	(61,200)
Current service cost	**(2,200)**	(2,500)
Past service costs	**–**	(2,500)
TOTAL OPERATING CHARGE	**(2,200)**	(5,000)
ANALYSIS OF THE AMOUNT CHARGED TO INTEREST PAYABLE/CREDITED TO OTHER FINANCE INCOME FOR SUPS		
Interest cost	**(3,100)**	(2,500)
Expected return on assets	**2,100**	1,500
NET CHARGE TO OTHER FINANCE INCOME	**(1,000)**	(1,000)
ANALYSIS OF OTHER COMPREHENSIVE INCOME FOR SUPS		
(Loss) / Gain on assets	**(14,400)**	14,100
Gain / (Loss) on liabilities	**38,100**	(1,500)
TOTAL OTHER COMPREHENSIVE INCOME BEFORE DEDUCTION FOR TAX	**23,700**	12,600

	YEAR TO			
	31ST JULY 2022	31ST JULY 2021	31ST JULY 2020	31ST JULY 2019
HISTORY OF EXPERIENCE GAINS AND LOSSES – SUPS				
DIFFERENCE BETWEEN ACTUAL AND EXPECTED RETURN ON SCHEME ASSETS:				
Amount (£000)	**(14,400)**	14,100	1,000	6,200
% of assets at end of year	**(13.3%)**	11.6%	0.9%	5.8%
EXPERIENCE (GAINS) / LOSSES ON SCHEME LIABILITIES:				
Amount (£000)	**(38,100)**	1,500	11,800	19,200
% of liabilities at end of year	**(26.3%)**	0.8%	6.5%	11.5%

	31ST JULY 2022	31ST JULY 2021
	£000	£000
HISTORY OF EXPERIENCE GAINS AND LOSSES – SUPS		
CUMULATIVE ACTUARIAL LOSS RECOGNISED AS OTHER COMPREHENSIVE INCOME FOR SUPS		
Cumulative actuarial losses recognised at the start of the year	**(37,400)**	(50,000)
Cumulative actuarial losses recognised at the end of the year	**(13,700)**	(37,400)
ANALYSIS OF MOVEMENT IN (DEFICIT) FOR SUPS DEFICIT AT BEGINNING OF YEAR	**(61,200)**	(71,700)
Contributions or benefits paid by the University	**4,500**	4,400
Current service cost	**(2,200)**	(2,500)
Past service cost	**–**	(2,500)
Admin costs	**(400)**	(500)
Other finance charge	**(1,000)**	(1,000)
Loss / Gain recognised in other comprehensive income	**23,700**	12,600
DEFICIT AT END OF YEAR	**(36,600)**	(61,200)
ANALYSIS OF MOVEMENT IN THE PRESENT VALUE OF SUPS PRESENT VALUE OF SUPS AT THE START OF THE YEAR	**183,000**	180,200
Current service cost (net of member contributions)	**2,200**	2,500
Past service cost	**–**	2,500
Interest cost	**3,100**	2,500
Actuarial (gain) / loss	**(38,100)**	1,500
Actual benefit payments	**(5,100)**	(6,200)
PRESENT VALUE OF SUPS LIABILITIES AT THE END OF THE YEAR	**145,100**	183,000
ANALYSIS OF MOVEMENT IN THE FAIR VALUE OF SCHEME ASSETS FAIR VALUE OF ASSETS AT THE START OF THE YEAR	**121,800**	108,500
Expected return on assets	**2,100**	1,500
Actuarial gain on assets	**(14,400)**	14,100
Actual contributions paid by University	**4,500**	4,400
Non investment expenses	**(400)**	(500)
Actual benefit payments	**(5,100)**	(6,200)
FAIR VALUE OF SCHEME ASSETS AT THE END OF THE YEAR	**108,500**	121,800

SUPS assets do not include any of the University's own financial instruments, or any property occupied by the University.

ACTUAL RETURN ON SCHEME ASSETS		
Expected return on scheme assets	**2,100**	1,500
Asset (loss) / gain	**(14,400)**	14,100
	(12,300)	15,600

Estimated contributions for SUPS in the Financial Year 2022–23 is £1,200k (2021-22 £1,300k) assuming the contribution rate of 23.2% plus £2,369k PA fixed contribution (2021-22 21.7% plus £2,300k PA).

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 FRS 102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS 102 discount rate, have increased significantly since 31st 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.

31. RELATED PARTY TRANSACTIONS

Due to the nature of the Institution's operations and the composition of its Council (being drawn from local public and private sector organisations) and Senior Leadership Team, it is inevitable that transactions will take place with organisations in which a member of Council or the Senior Leadership Team may have an interest. All such transactions are conducted at arm's length and in accordance with the Institution's financial regulations and normal procurement procedures. The Institution has taken advantage of the exemption within FRS 102 Section 33 'Related Party Disclosures' and has not disclosed transactions with other wholly owned group entities.

	INCOME FROM RELATED PARTY	EXPENDITURE TO RELATED PARTY	BALANCE DUE FROM RELATED PARTY
Wales National Pool Swansea	**538**	**582**	142
Swan Global Education LLP	**573**	**5,024**	316
	1,111	**5,606**	458

Throughout the year and at the Balance Sheet date the University held 50% investments in the associated companies Wales National Pool Swansea (2021: 50%) and Swan Global Education LLP (2021: 50%). The relationship with both companies are accounted for using the equity method such that 50% of the companies gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 50% the net income is reported in the University's consolidated income and expenditure account.

The Students' Union is not controlled or owned by the University and is a separate legal entity, however the University provides grant funding to the Union to support the students. During the year the University provided the Students' Union with the main block grant of £927k and a further £195k which included contributions towards nurses funding, nursery costs, and funding bids. The University also provided the Students' Union with £212k from a HEFCW grant for wellbeing and health.

COUNCIL MEMBERS

The Institution's Council members are the trustees for charitable law purposes. Due to the nature of the Institution's operations and the compositions of the Council, many of whom are being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those below, are conducted at arms length and in accordance with the Institution's Financial Regulations and usual procurement procedures. The University has a robust Declarations of Outside Interests Policy and each member of Council is required to declare all interests openly, which are reviewed in line with the Institutions procedures. Third party transactions identified during the 2021/22 financial year in which trustees have declared an interest are: JISC £2.4m; Scarlets Regional Rugby Club, £30,800 for advertising (course, recruitment and other) and the trustee is one of the Directors of the Board; Natural Resources Wales, £2,564 for Laboratory Chemicals, waste disposal and treatment, and recycling, and the trustee is a former employee; Golwg cyf, £6,306 for advertising (course, recruitment and other) and the trustee is one of the Directors of the Board; Swansea University Students' Union, £231,355 for various transactions, with the two student members of Council being trustees of SUSU.

No Council Member has received any remuneration or waived payments during the year (2021 – £0).

During the year £4.5k of expenses were paid to Members of Council, and £1k of payments were made on Council members behalf (mainly travel costs) (2021: £0k).

32. US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

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

- prepared under the historical cost convention
- 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. As set out above, 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

Page	Line item / disclosure		CONSOLIDATED 2022 £000	CONSOLIDATED 2021 £000
65.	Unrestricted reserve and revaluation reserve	Net assets no restriction	**156,558**	212,293
65.	Endowment reserve	Net assets with donor restriction	**7,359**	7,505
81.	Endowment total	Term endowments	**(7,307)**	(7,505)
74.	Fixed assets less service concession arrangements	PPE	**(357,432)**	(340,637)
74.	Service concession arrangements	Lease – right of use, net	**(108,202)**	(111,841)
74.	Service concession arrangements at pre-implementation	Remove pre-implementation lease right-of-use asset	**108,202**	111,841
80.	Total pension provision	Pension liability	**170,864**	104,169
79.	Total unsecured loans	Line of credit for long term purposes	**107,958**	113,550
78/79.	Service concession arrangements	Lease right-of-use asset liability	**119,032**	122,015
	Service concession arrangements at pre-implementation	Remove pre-implementation lease right-of-use liability	**(119,032)**	(122,015)
			78,000	89,375
64.	Total expenditure (excluding USS change in contributions)	Total operating expenses	**354,592**	337,170
64.	Other gains (losses)	Other gains (losses)	**1,747**	(236)
			355,839	336,934

Equity Ratio

Page	Line item / disclosure		CONSOLIDATED 2022	CONSOLIDATED 2021
65.	Unrestricted reserve and revaluation reserve	Net assets without donor restriction	**156,558**	212,293
65.	Endowment reserve	Net assets with donor restrictions	**7,359**	7,505
			163,917	219,798
66.	Non-current assets plus current assets	Total Assets	**712,019**	663,668
		Less		
74.	Service concession arrangement asset	Pre-implementation lease asset	**(108,202)**	(111,841)
			603,817	551,827

Net Income Ratio

Page	Line item / disclosure		CONSOLIDATED 2022 £000	CONSOLIDATED 2021 £000
64.	Total comprehensive income	Change in net assets without donor restrictions	**(55,735)**	40,501
64.	Total income	Total operating revenue – unrestricted	**370,003**	360,753
		Less		
64.	Investment income	Investment return appropriated for spending	**(812)**	(87)
64.	Gain / (loss) on disposal of tangible assets	Sale of fixed assets	**–**	68
			369,191	360,734

33. PRIOR YEAR ADJUSTMENT

During the preparation of the 2021/22 accounts it was identified that where both research debtors and creditors existed for the same funder across different projects, these debtors and creditors were incorrectly being shown as a net figure. A prior period adjustment has been posted to reclassify the gross debtors and creditors. The adjustment only impacts the debtors and creditors within the financial statements, including on the balance sheet and within the cash flow movement.

This adjustment does not affect the overall net figures in the accounts, with the impact noted in the tables below.

	Year ended 31st July 2021 Consolidated			Year ended 31st July 2021 University		
	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
TRADE AND OTHER RECEIVABLES	£000	£000	£000	£000	£000	£000
Accrued income – research grants	**14,303**	**17089**	**31,392**	14,303	17,089	31,392
	14,303	**17,089**	**31,392**	14,303	17,089	31,392
ACCRUALS AND DEFERRED INCOME	£000	£000	£000	£000	£000	£000
Research grants received in advance	**(22,543)**	**(17,089)**	**(39,632)**	(22,543)	(17,089)	(39,632)
	(22,543)	**(17,089)**	**(39,632)**	(22,543)	(17,089)	(39,632)
Total	**(8,240)**	**–**	**(8,240)**	(8,240)	–	(8,240)
BALANCE SHEET IMPACT						
Trade and other receivables	**45,680**	**17,089**	**62,769**	45,309	17,089	62,398
Creditors falling due within one year	**(97,400)**	**(17,089)**	**(114,489)**	(96,665)	(17,089)	(113,754)
CASH FLOW IMPACT						
(Increase) in debtors	**(6,565)**	**(17,089)**	**(23,654)**			
Increase in creditors	**15,477**	**17,089**	**32,566**			

SWANSEA UNIVERSITY

England & Wales - Charity number 1138342

Accounts

Swansea University
Prifysgol Abertawe

Financial Review

2021

CONTENTS

04 MESSAGE FROM THE VICE-CHANCELLOR

06 MESSAGE FROM CHAIR OF COUNCIL

08 OUR STRATEGIC VISION AND PURPOSE

10 AWARDS

12 OUR PEOPLE

14 OUR LEARNING AND TEACHING

16 OUR STUDENT EXPERIENCE

18 OUR RESEARCH AND ENTERPRISE

21 EXPANDING OUR INTERNATIONAL REACH

22 OUR PHYSICAL ESTATE

25 ENHANCING OUR DIGITAL INFRASTRUCTURE

26 FINANCIAL STRATEGY

37 CORPORATE GOVERNANCE AND INTERNAL CONTROL

47 PUBLIC BENEFIT STATEMENT

50 INDEPENDENT AUDITORS' REPORT TO THE COUNCIL

54 STATEMENT OF COUNCIL'S RESPONSIBILITIES

58 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

66 FINANCIAL STATEMENTS

70 NOTES TO THE FINANCIAL STATEMENTS

Message from the Vice-Chancellor

Reflecting upon a year characterised by uncertainty, loss and disruption due to the ongoing impacts of Covid-19, I am compelled to begin by paying tribute to the incredible resilience of both our staff and our students over the past twelve months. Within this most challenging of years for the higher education sector, I am extremely proud of every member of our community who has played a vital role in supporting safety and wellbeing, while ensuring the continuation of our University's core purpose; our civic mission, our learning and teaching, our research, our student experience and our enterprise.

Given the events of the past year, supporting and adapting to the shifting needs of our student community has remained our primary focus. In 2021, the rollout of our new and highly successful January entry programme provided a safety net for those students facing uncertainty about taking up their studies in the autumn term. Despite the inexorable changes to learning environments around the world, we have continued to provide our students with the high quality, research-led teaching, whether online or in person, that reflects our Teaching Excellence Framework (TEF) Gold Award. I remain extremely grateful to staff across our University for their commitment to maintaining academic quality in the face of complex new challenges, as demonstrated by our improved placement in both the Guardian University Guide 2022 (now 24th in the UK) and the UK Complete University Guide 2022 (now 29th in the UK).

Our University community mobilised swiftly to support our students and ensure that their higher education experience remained a positive one. Throughout the year, we have offered additional academic, wellbeing and financial support to mitigate the effects of the pandemic, including via our own enhanced Student Hardship Fund and by administering the additional £60 million of student support pledged to our sector by Welsh Government. Crucially, we have provided spaces - both online and in-person when possible – for students to come together safely to share mutual interests, with many of our clubs and societies continuing to meet remotely throughout the year.

Our efforts to ensure a first-class, holistic university experience were captured within the results of the 2021 National Student Survey, in which Swansea University was ranked 12th in the UK for overall student satisfaction, on the basis of our own students' feedback.

Along with the pressing demands of a pandemic and the climate emergency, the events of the past year have compelled us to confront societal and systemic inequality. In common with organisations around the world, our University has reflected on our shared values and our responsibility to promote inclusion, diversity and equality to the benefit of all. Our work to promote human rights has taken on new resonance, not least through our Hillary Rodham Clinton Global Challenges Programme sponsored by Sky. During our annual James Callaghan Lecture in 2020, guest speaker Secretary Clinton welcomed our latest cohort of Global Challenges Scholars while announcing the continuation of the Programme. We know that every student of today is a changemaker of tomorrow, and we are proud to amplify their vision of a more equitable, sustainable future for all. During a year which highlighted the importance of research breakthroughs to our daily lives, our academics have balanced their commitment to our students with their vital work to tackle the challenges of our modern world. From supporting the global pandemic response through innovations in vaccine delivery and providing crucial Covid data modelling, to addressing climate change and human rights issues, we know that our researchers, staff and students play a significant role in driving positive global change.

At Swansea University, we believe that such change is only possible through purposeful collaboration, across disciplines, institutions and national borders. We were therefore delighted that our Morgan Advances Studies Institute (MASI) was formally launched by the First Minister of Wales in February 2021. As the first Institute of Advanced Studies in Wales, MASI will drive transformative interdisciplinary research across our University and beyond. Our commitment to fostering cross-institutional and cross-thematic research was also evidenced through our support of the new Wales Innovation Network, which will bring together all Welsh universities to strengthen our research collaboration, and increase recognition for innovation and knowledge creation in our country. Beyond the UK, we have also consolidated our research partnerships with institutions and organisations across both hemispheres, through a new sports and exercise science partnership with University of Canberra in Australia and an enhanced joint five-year strategy with Université Grenoble Alpes in France.

While we will continue to develop our international relationships to secure new opportunities for students and staff alike, over the past year we have not lost sight of our unique role within the local community which we were founded to serve. Our partnerships with local authorities, health boards and businesses have been strengthened through our working together to meet the challenges of the past eighteen months. We have also continued to share our output, mission and ethos with our local community, through our first wholly-virtual Science Festival in October 2020 and the reopening of our Oriel Science space in 2021, in a brand new city centre location. We have remained proud of our commitment to our local and national community, and to promoting the distinct heritage, culture and language of Wales to our international students, staff and partners alike.

While the world around us has transformed, at Swansea University we have continued to reflect critically upon our place within our community, Wales and the world. Under our new Strategic Vision and Purpose published in 2021, we have reaffirmed our commitments to sustainability, to equality and to our community, while continuing to deliver gold-standard teaching based on our world-class research. The experience of the past year, and all that our staff and students have achieved in spite of the complexity of the challenges faced, gives us confidence that by working together, our University community will rise to meet these ambitious aims.

Professor Paul Boyle, Vice-Chancellor
29 November 2021

Message from the Chair of Council

This has once again been a challenging and difficult year under the shadow of the pandemic, so I would like to begin, on behalf of the Council, by thanking the Vice-Chancellor, staff and students, for their dedication and hard work.

Despite the challenges posed by Covid, and the impact on international student recruitment and research income as a result of Brexit, we have still seen real progress as a University. 2020 saw the launch of our Strategic Vision and Purpose for our second century, as we continue to make a difference on a local, national and global stage through research, enterprise, teaching, student experience and civic engagement.

Swansea academics have made a real difference in the fight against Covid with their research, and I am particularly proud of the way we have been able to support our students at this time; continuing to provide first-class learning and teaching via a blended approach, as well as focussing even more closely on student wellbeing. We have also been able to support students who have been unwell, or who have had to self-isolate. This work has been reflected in our National Student Survey scores holding up well so that we are still ranked 12th in the UK for student satisfaction. We have also seen a small uplift in our international QS ranking, up 34 places on last year to 440th, as a result of a sustained and successful campaign.

I am always impressed by the close relationship between the University and the Students' Union, and the ongoing and fruitful engagement with the Students' Union's full-time officers, ensuring that student voices are genuinely listened to at Swansea.

The University's commitment to equality and diversity, and to creating a fairer society, is more important than ever as the pandemic has highlighted global inequality. This was encapsulated in the 2021 Urdd Gobaith Cymru Wales Peace and Goodwill message, which was a real highlight of our University year. As the first university to participate in this 99-year tradition, we are delighted that our students chose to promote equality for women and girls within their message, which was shared with young people around the world. Our students of today are the changemakers of tomorrow, and we are proud to nurture and amplify their vision of a more equal future for all. One example of this is our Hillary Rodham Clinton Global Challenges scholarship programme supported by Sky which supports the next generation of leaders committed to addressing urgent global issues including the rights and protection of children online, the climate crisis and cyber security.

We are facing the continued challenges ahead with confidence and building on the excellent work done in teaching and student support, as well as world-class research, as we move into our second century in a stronger position than ever. Finally, I would like to take this opportunity to thank both past and present members of the University Council and its various committees for their commitment and contribution to the University. During the year, the Council has continued to strengthen the University's governance arrangements in line with the recommendations contained within the Camm review and its own external review ensuring that we embrace a culture of openness and transparency. These improvements to the University's governance arrangements are evident in the way that the University has been able to respond to the challenges which it and others in the sector have faced and places it in a strong position to address successfully the many challenges which undoubtedly still lie ahead. Together I am confident we will succeed - and succeed well - thanks to the dedication, enthusiasm and character of all our stakeholders acting always in the best interests of our University.

Mr Bleddyn Phillips, Chair of Council
29 November 2021

Our Strategic Vision and Purpose

Following extensive consultation with our community, alumni, regional partners and other stakeholders, we published our University Strategic Vision and Purpose in November 2020. The document sets out our overarching vision for the University, what we stand for and what we aim to achieve for our students and staff, for Swansea and Wales, and for our world. The document focusses on five strategic pillars (Civic Mission, Student Experience, Learning and Teaching, Research, and Enterprise) and is underpinned by a range of cross-cutting enabling themes, including financial and environmental sustainability, internationalisation, leadership and governance, our digital and physical estate, communication, and recruitment.

The document highlights our vision as "a principled, purposeful and resilient University that balances excellent teaching with world-leading research and innovation in an environment which enables our students and colleagues to excel. While we are valued globally as a trusted partner, we are deeply committed to our region and are proud to be a University for Wales."

Each of the five strategic pillars contains several priorities and ambitions, but our overarching commitments are:

- The climate crisis remains society's biggest threat. We will align our work to the Sustainable Development Goals and will be a carbon-zero university by 2040.
- We will further widen and deepen access to education, promoting lifelong, inclusive and equitable learning opportunities.
- We will deliver innovative, digitally supported approaches to teaching that are developed in partnership with our students and which help to embed interdisciplinary thinking across our programme.
- We will extend our global reach and reputation, becoming a preferred partner for international research, teaching and enterprise collaborations, and moving up the international rankings year on year.
- We will work with our partners to make the Swansea Bay City Region the sporting and wellbeing capital of Wales.
- We will strengthen our position as one of the UK's leading, impact-driven, research-intensive institutions, excelling at interdisciplinary and collaborative research, and will establish the first Institute for Advanced Studies in Wales.
- We will close the gender pay gap and will confront the structural and operational reasons for it and the low proportion of female professors.
- We will develop and implement a whole institution approach to tackling racial inequality.

RANKINGS AND AWARDS

It has been a successful year for our University in terms of our performance in national and international league tables. We achieved our highest ever position in any UK league table after rising from 31st to 24th in the Guardian University Guide 2021 (published in August 2020) and maintaining this ranking in the 2022 Guide. The Guardian ranks us as the top university in Wales.

We secured our highest ever position in the Complete University Guide League Tables 2022, breaking into the top 30 (29th) in the main table for the first time. The Guide also ranked our Medical School top in the UK.

This year's edition of the QS World University Rankings (which names the world's 1,300 best universities) places Swansea as the world's 440th best university, an improvement of 34 places on last year (the biggest improvement in Wales). The QS Rankings also places Swansea 239th and 271st in the world for its international faculty and international student ratios respectively, demonstrating our growing global reputation and our commitment to being a truly international institution.

Despite the impact of Covid-19 on this year's National Student Survey, which showed the lowest satisfaction levels ever recorded by the Survey throughout the UK, Swansea performed remarkably well. Overall, we ranked 12th for student satisfaction (second in Wales), with 82 per cent of our students saying that they are satisfied with their course. We increased our ranking for Teaching by 23 places to 21st place overall, and our ranking for Student Voice by 10 places to 18th overall. At subject level, Swansea is ranked top in Wales in 33 subject areas, and in the top 10 for overall satisfaction in 26 of the 59 subjects it appears in across the UK.

Notable accolades and awards achieved in the last year include:

- A silver award in the 2021 WhatUni Student Choice Awards in recognition of our excellence in diversity and inclusion.
- A Green Flag award for our estate's high environmental standards and our commitment to providing high quality green spaces on both out campuses.
- A gold award for "Best use of content, social or digital", presented by HEIST for our Marketing Department, and a silver award for Marketing Team of the Year.

CELEBRATING OUR CENTENARY

2020 should have been a year of celebration marking our University's Centenary. However, the global pandemic required us to rethink how we recognised this important milestone, and how we acknowledged the people, successes, innovations and impacts that have defined our University since we opened our doors one hundred years ago.

As we could not gather to celebrate our achievements in the way we had planned, we took the difficult decision to postpone all physical centenary events in 2020. Instead, alongside the donations we received from our generous supporters, the money we had previously set aside for our centenary celebrations was used to fight Covid-19 and support our students.

We were able to run several online events to keep our University community entertained and informed during lockdown, and were delighted to receive messages of congratulations and goodwill from around the world, including HRH the Prince of Wales, and former US Secretary of State, Hillary Rodham Clinton.

We also invited students, staff and alumni to share their memories of Swansea and have been able to save some of these for posterity with distinctive navy plaques that are helping to transform our campuses into sites of living history. The plaques celebrate and honour all aspects of university life – from student achievements and social events to research milestones and sporting victories.

STUDENT EXPERIENCE

TEF Gold – Teaching Excellence Framework

TEACHING EXCELLENCE & STUDENT OUTCOMES FRAMEWORK

The highest award for Teaching Excellence at UK universities

12TH IN THE UK FOR STUDENT SATISFACTION

NSS National Student Survey

Based on a list of 131 institutions that appear in the Times Good University Guide 2021

19TH IN THE UK STUDENT EXPERIENCE

The Times Good University Guide 2021

82.6%

OF GRADUATES ARE IN **PROFESSIONAL EMPLOYMENT OR FURTHER STUDY**

The Times Good University Guide 2021

GRADUATES OBTAINING

1st/2:1s – 83.2%

2020/21

RESEARCH AND ENTERPRISE

26TH IN THE UK

REF2014 Research Excellence Framework

Research Excellence Framework 2014-2021

£62.1m

RESEARCH INCOME

Financial Statements 2020/21

924

POSTGRADUATE RESEARCH STUDENTS

CIVIC MISSION

11.6%

OF STUDENTS FROM **DISADVANTAGED (WIDENING ACCESS) BACKGROUND**

HEFCW National Measures 2019/20

RECRUITMENT 2020/21

20,132

APPLICATIONS

17,703

UNDERGRADUATE STUDENTS

4,944

POSTGRADUATE STUDENTS

REPUTATION

24TH IN THE UK

The Guardian

The Guardian Univerity Guide 2021

36TH THE TIMES GOOD UNIVERSITY GUIDE IN THE UK

The Times Good University Guide 2021

29TH IN THE UK

Complete University Guide

The Times Good University Guide 2022

FINANCIAL

8%

SURPLUS AS A **% OF INCOME**

13%

OPERATING CASH INFLOW AS A **% OF INCOME**

50%

STAFF COSTS AS A **% OF INCOME**

£66m

EBITDA

Earnings before interest, taxes, and amortization

INTERNATIONAL

12.9%

INTERNATIONAL STUDENTS OF THE TOTAL STUDENT POPULATION

PEOPLE AND VALUES

47TH

Stonewall TOP 100 EMPLOYER 2020

Athena Swan Silver Award – Gender Charter

Race Equality Charter Working Towards – Race Charter

STAFF

MALE **46%**

FEMALE **53.8%**

HESA 20/21

Our People

We have made substantial progress on restructuring our University through the University Transformation Programme, which aims to ensure that we are a more effective, efficient and resilient organisation. We have merged our seven colleges and Schools to create three new Faculties: the Faculty of Medicine, Health and Life Science, Faculty of Humanities and Social Sciences, and Faculty of Science and Engineering, and have appointed leadership teams for each under three new Pro-Vice-Chancellors and Executive Deans.

Our Strategic Vision and Purpose document sets out a series of "People, Values, Culture and Behaviour" priorities, which we are committed to making progress against:

Championing a sector-leading approach to equality, diversity and inclusion, closing the gender pay gap and increasing the proportion of female professors.

We are one of just 20 UK universities, and the only Welsh university, to hold an Athena Swan Silver Institutional Award in recognition of our commitment to advancing gender equality in terms of representation, progression and success for all. During the last year, our Hillary Rodham Clinton School of Law and the College of Arts and Humanities secured their first Bronze Awards, meaning that all of our eligible academic departments have an Athena Swan award, with four Silver and seven Bronze awards across our University.

56% of our grade 9 colleagues, and 46% of grade 10 colleagues are female, and we have more than tripled representation of females at grade 10a and director level since 2016 (contributing to 59% female representation in this group in 2021). While there is further progress to be made, the number of female professors at our University has more than doubled since 2014, resulting in an 11% increase in the female representation in the professorial community, from 13% to 24%. Our gender pay gap is also decreasing - our mean average pay gap is 18.4% (20.8% in 2018/19) and our median average is 11.1% (13.7 % in 2018/19).

55% of our Council members are female (compared with 25% in 2013) while for the first time this year we achieved a representation of BAME Council members comparable to the percentage of BAME colleagues within the University.

We continue to feature in the Stonewall Top 100 Employers (47th in 2020). The number of our colleagues who have recorded their identity as LGBT+ has continued to increase, from 3.7% to 4.2%, which remains above the Higher Education Sector UK benchmark of 2.6%. The percentage of colleagues identifying as a different sex to that registered at birth is 0.2% which is in line with the UK benchmark.

Working with our community to find more ways to reward and recognise colleagues, and to encourage their personal and career development.

Our University is committed to fairness in pay and is committed to recognise that all colleagues contribute to our success. We decided to voluntarily implement the 2020/21 increase to the Real Living Wage to ensure that the pay of all our colleagues, especially those on the lowest salaries, meets the real costs of living and not just the government's legal minimum.

All of our colleagues, both Professional Services and Academic, have the opportunity to participate in a meaningful conversation about their performance at least twice a year. This year, despite most working remotely, more than 99% of our colleagues participated in their performance reviews.

We were delighted to support the promotion of 67 colleagues this year, representing a 40% increase in successful applications on last year. 45% of successful applicants are female, which is a 25% increase on last year, and 13% are BAME (the same as last year).

Implementing a health and wellbeing strategy to ensure that we enable our colleagues to thrive and to flourish.

Our Health and Wellbeing Strategy was approved by Council in 2020 and is in the process of being implemented, supported by core funding from HEFCW for 2021/22 of £0.3m.

We have recognised and rewarded the hard work and dedication all our colleagues have shown during the pandemic by awarding additional leave, introducing a quieter Friday initiative, and supporting agile working practices designed to help colleagues balance conflicting professional and personal priorities and support their mental health. We have also enhanced our Occupational Health and Well-being services, with access to staff Mental Health Advisors, COVID-19 health assessments and counselling services.

Speaking up against, and confronting the causes of, discrimination, ensuring that the voices of under-represented groups are heard.

This past year we have celebrated a range of diversity events virtually, keeping colleagues connected as we worked remotely. Our online events drew more participants than in previous years and helped us to reach a wider audience. Amongst these events marked were Holocaust Memorial Day, LGBT+ History Month, International Women's Day, Black History Month (covering a range of speakers inclusive of the Black Lives Matter movement), United Nations International Day of People with Disabilities as well as a range of interfaith events.

Our University has a very active Staff Carers Network and we became the first Welsh HEI to be a member of Employers for Carers, which offers access to a range of resources that help us support our staff who juggle work and care.

We are engaged in the HEFCW-funded Race Access and Success collaborative enhancement programme to progress race equality within HE, gaining a fuller understanding of our institutional approach to race equality and diversity and developing evidence-informed action plans to progress this.

We have signed up to the Victim Support Hate Crime Charter and were awarded a Hate Crime Charter Trustmark by Victim Support.

The most recent Home Office Higher Education Assurance Team (HEAT) Audit of our international recruitment processes concluded with no recommendations or comments, enabling us to continue to recruit and employ world class international colleagues with confidence. The Home Office team also recognised our bespoke suite of real time Management Information as an example of best practice to be shared with other institutions.

Our Learning and Teaching

The last year has seen the University respond with agility to the demands of the COVID-19 pandemic. Our blended approach to learning and teaching encompassed a mix of live, online teaching, pre-recorded material, and a range of on-campus activities.

Our success in maintaining continuity in learning and teaching and the student experience was one of the five commendations made by the Quality Assurance Agency in its Quality Enhancement Review report, published in February 2021. The QAA highlighted:

- our strategic focus on communication and dialogue with students that builds a strong sense of community.
- our strong focus on student partnership that is embedded at all levels of the institution.
- the agility of our response to the COVID-19 pandemic to maintain continuity in learning and teaching and the student experience.
- our proactive use of well-developed processes and procedures for the effective strategic management and operational development and review of our academic portfolio, and
- the actions we took in response to the pandemic to ensure the continued robustness of quality assurance processes and regulatory matters.

Our approach to learning and teaching in the upcoming academic session will see an increased amount of on campus activity, particularly in respect of smaller group teaching, and laboratory and practical sessions. Larger group lecture-based delivery will for the most part continue to be delivered online, taking account of Welsh Government requirements for class groupings and sizes.

We also recognised that, due to current international travel restrictions, it might be difficult for some overseas students to arrive in Swansea for the start of the new academic year. The recent change to UK Visa and Immigration (UKVI) regulations means that if international students are unable to travel to the UK by the start of term, they can enrol and engage with their programme online to begin with (subject to programme requirements) provided they arrive as soon as possible and no later than 6th April 2022.

Our Centre for Academic Success (CAS) saw a 104% increase in appointments from 2019/20, supporting 1,787 student interactions. We also saw a 196% increase in attendance at CAS modules and workshops, and a 221% increase in attendance during the CAS Skills Week, with more than 4,000 students participating in workshops. Interest in in-subject skills delivery has also increased, with CAS running more than 75 sessions this year. We anticipate being able to expand this initiative to embed skills into new programmes of study (e.g. Mathematics, English Literature, Osteopathy).

Feedback for our English Language Training Services (ELTS), this year has been overwhelmingly positive, despite the move to predominantly online provision. Our CELTA online programme was recognised as gold standard.

Our Swansea English Language Test (SWELT) remains an important recruitment tool and has seen continued success, with 478 registrations over the summer.

OTHER RECENT HIGHLIGHTS INCLUDE:

- Students on our Physician Associate course recorded a 100% pass rate in the September PA National Exams for the third year running.
- The Royal Geographical Society has given its backing to our MSc Environmental Dynamics and Climate Change and MSc Geographic Information and Climate Change.
- Our MSc in Cyber Security has received official certification from the National Cyber Security Centre (NCSC), which is part of GCHQ and is the UK's leading expert body in the field. The programme is the first in Wales, and one of only a few in the UK, to have received full and complete certification from the NCSC.
- Our University has been successful in its bid to the Department for Education to recruit 250 extra engineering students as part of a Government drive to provide over 9,000 additional places at UK universities for courses that will deliver vital services, support the economy and create positive outcomes for students.
- The Coleg Cymraeg has appointed five new ambassadors from Swansea University for 2021 to encourage more prospective students to take an interest in Welsh-medium higher education.
- Our Medical School will welcome its first intake of students on its four-year MPharm programme in September. It will also be launching a pharmacy with a foundation year course.
- The Faculty of Medicine, Health and Life Science has also been awarded important new contracts by Health Education and Improvement Wales, recognising the high standard of education provided by our courses for adult, mental health, and child nursing; physician associate studies; midwifery; healthcare sciences portfolio; and paramedic science.
- We are building on our successful collaboration with Trent University in Canada to launch an additional opportunity for transatlantic study. A dual degree pathway into undergraduate programmes in the Medical School will now complement established programmes in Law and in Chemical Engineering.
- Our University has been awarded Welsh Government funding for two Intensive Learning Academies (ILAs) to support the continuing professional development of workers across the health and social care sectors. The Value-Based Health and Care Academy and All-Wales Intensive Learning Academy for Innovation in Health and Social Care are both led by the School of Management.

Our Student Experience – supporting students through the pandemic

Our students are at the heart of everything we do. This year, recognising the growing concerns caused by the pandemic, our overarching focus has been on supporting student welfare and well-being.

We knew that self-isolating or quarantining students would face challenges in managing their mental health and sourcing food during their isolation period, and we were committed to ensuring that no student felt they were alone or unsupported. Consequently, we developed a whole-system support approach (MyUniSupport) for students who were required to self-isolate, whether they were living on campus or within the private sector.

During the last academic year, MyUniSupport assisted students who were either Covid positive, in self-isolation or in quarantine. The team dealt with 995 confirmed cases of Covid-19 and 1,715 students self isolating in on-campus accommodation, and provided approximately 900 free food packages and laundry services, as well as authorised Covid-19 advice and testing guidance. We were able to extend this service to students living off-campus with the support of our student-led volunteering programme, Discovery.

MyUniSupport continues to provide dedicated case management support to international students arriving from red and amber list countries, to track student engagement either in-person or online, and to provide necessary reporting to HEFCW and Welsh Government.

University is about more than just a degree. It is about self-discovery, friendships, and extracurricular opportunities, and we were committed to providing the best student experience possible under the circumstances. For example, we adapted our usual Arrivals Week programme in line with local restrictions but were still able create opportunities for students to socialise safely. We provided an additional £0.2m to fund welfare initiatives and £0.3m was invested in outdoor venues, complying with Government guidance, offering well-being activities during the day, and dining in the evening.

Our International@CampusLife team recorded 40,199 engagements with students, a 42.25% increase on 2019/20. The team also provide 93 opportunities for student social engagement)and set up a virtual 'Swansea Students' Community Homespace' on Facebook, extending an invitation to all international students currently in the UK.

Our Welfare@CampusLife team planned, organised and facilitated 90 student events, and also supported 50 Student Carers with regular 1:1 sessions.

Our Money@CampusLife team administered thousands of applications for one-off financial support, including distributing £6.3m in awards to 9,572 students through the HEFCW-funded Student Financial Support fund, intended to support students facing financial difficulties due to Covid. The team also made discretionary awards totalling £0.7m to 1,113 students through other hardships funds.

We launched the Sanctuary Scholarship for Postgraduate Taught Masters students: available to people seeking asylum in the UK, this offers full tuition fee support and subsistence payments in kind to support with course costs and local travel expenses.

Our Residential Services team led a comprehensive review of operational activities to ensure safety of students and staff in response to the pandemic, including development of online Health and Safety videos as part of student induction, revised Risk Assessments and Safe Operating Procedures. The team enabled provision of accommodation contracts for the January entry programme, and oversaw the effective management of allocations to quarantine accommodation.

In addition to offering a listening service, meditation sessions and a range of interfaith activities, our Chaplaincy Service helped fund five local community/student-based groups with our community fund, encouraging cohesion between students and long term community members, supporting community wellbeing and preventing further social isolation during the lockdowns.

Additional support included digital food vouchers, foodbank referrals and travel passes, letters to landlords and childcare providers if students struggle to make payments and support for students without family networks. Our Students' Union developed a free period poverty scheme and the campus nursery remained open so students could access affordable childcare whilst studying.

Our Research and Enterprise

We continue to be a research-intensive University, ranking among the UK's top 10 institutions for balancing excellent teaching with excellent research, as demonstrated by our UK Top 30 performance in REF2014 and our Teaching Excellence Framework Gold Award.

The Royal Academy of Engineering "Spotlight on Spinouts" report published in January 2021 ranks our University 8th in the UK for the number of spinouts it has produced, and we are currently ranked 14th in the UK for the volume of our public funded collaborative research.

Our 2020/21 Higher Education Business and Community Interaction (HEBCI) return to HESA reported an 18% increase in collaborative research income and consultancy, a 45% increase in EU regeneration and development income, and wider improvements including graduate start-up survival rates. As a result, in June 2021, our University was awarded an additional £0.3m from the new HEFCW Innovation and Engagement Fund to accelerate and grow commercial, enterprise and Civic Mission activities. The additional funding takes our total award from to £2.7m and places Swansea ahead of all Welsh institutions for funding allocated from this programme.

The last financial year has seen funding awards for research and innovation reach record levels. Academic colleagues submitted 757 grant applications in 2020/21, with a total value of £146m, and were successful in 407 proposals (surpassing our previous record of 376 successful applications in 2016/17). Funding from sources including the European Union, Research Councils, Charities, Industry and Commerce reached £74.8m this year (exceeding our previous record of £66.4m in 2019/20). We were also pleased to receive the highest level of assurance rating by UKRI, demonstrating that the public funds we received for research are properly safeguarded and managed. Recent major awards include:

- DATAMIND: Data Hub for Mental Health Informatics Research Development (MRC, £2m), a new Hub to provide innovative data resources for mental health research and innovation.
- PATROLS: Physiologically Anchored Tools for Realistic Nanomaterial Hazard Assessment (£1.2m, Horizon 2020), leading a multi-disciplinary approach to develop state-of-the-art tools to more reliably evaluate human health and environmental risks following nanomaterial exposures.
- SUNRISE (£7m, UKRI Global Challenges Research Fund), an international project to address global energy poverty through the development and demonstration of next-generation solar technologies.
- DRAGON-S (Developing Resistance Against Grooming Online – Spot and Shield ($519,420, United Nations End Violence Fund), developing tools to keep children safe from technology-assisted child abuse.
- AgorIP Project (£20m, EU/ERDF), bringing academics, clinicians and businesses together to pioneer research into cutting-edge technologies and drive commercial success. Since the Project was launched, the team has assisted more than 200 opportunities; helping to create jobs, protect Intellectual Property and bring innovation to the marketplace. The extension means that the Project will now run until June 2023 and can support projects in East Wales in addition to West Wales and the Valleys.

Our new research and innovation strategy is underpinned by a vibrant research environment and a robust approach to ethics and governance, and encompasses four primary objectives:

- Inspiring, empowering and developing our people.
- Building and strengthening our research capacity and culture.
- Embedding and delivering research impact, and
- Establishing Swansea as a global destination of choice.

We have established the first Institute of Advanced Studies in Wales, the Morgan Advanced Studies Institute. MASI was officially launched by the First Minister of Wales in February, and is the first institute of its kind in Wales that focusses on bringing people together to conduct interdisciplinary research responding to some of the world's most critical opportunities and challenges.

Following several years of intense preparation, we submitted 18 units of assessment to REF2021 in March. In total, we returned 607 staff, 1,409 academic outputs and 59 impact case studies for assessment, and recorded 1,137 PhD completions in the REF census period. The results will be published in April 2022.

Unsurprisingly, we have focussed significant effort on Covid-related research this year. During the pandemic, health and disease control decision making in Wales was devolved to Welsh Government, which convened a Technical Advisory Cell (TAC) to provide emergency scientific advice. TAC identified a priority for bespoke models for Wales, and the "Swansea Modelling Team" was created in response, bringing together expertise across epidemiology, mathematics and software engineering. Our interdisciplinary team rapidly delivered outputs on COVID-19 mathematical modelling, data platforms, and risk to inform health policy decisions by the Welsh NHS and Government, enabling: (1) Early and accurate scenarios for planning hospital capacity, which, across-Wales, provided critical care staffing at safe and efficient levels. (2) Early and accurate scenarios for the Welsh Ambulance Service to accurately predict, and hence plan for, severe call demand. (3) An evidence-base for major national interventions.

We also conducted numerous Covid-related projects to:

- develop a unique device that can provide real-time detection of COVID-19 in common wastewater, meaning that communities could be alerted if there is a suspected outbreak in their area;
- evaluate Welsh healthcare data to understand whether a small number of rare blood clotting disorders, reported in Norway and Germany, had also been observed in vaccinated individuals in Wales;
- develop an open platform for pandemic modelling, to investigate Covid-19 and what it can teach us about coping with future pandemics;
- analyse data to understand how ambulance services responded to suspected Covid-19 calls, alongside outcomes for patients;
- examine the impact of Covid restrictions on prisoners and prisons to see what lessons can be learned;
- understand the relationship between COVID-19 and cardiovascular diseases such as heart attack and stroke on the UK population;
- consider how shielding affected deaths, hospital and intensive care admissions, COVID-19 infections, immunity status, safety, NHS costs, quality-of-life and how people complied with instructions;
- develop a new method to help people recover from Covid-19, using breathing exercises and a hand-held device, are looking for volunteers who have had Covid to help them test it.

We also produced surveys and reports on topics including the impact of Covid-19 on: the Welsh language; children's physical activity, mental health and wellbeing; breastfeeding support for some families; and mental health in family carers for children and adults with intellectual disabilities.

We have managed funding allocations from the UK Research and Innovation COVID-19 Grant Extension Allocation (£1.7m to support costed extensions to research projects affected by the pandemic); and the Higher Education Investment and Recovery (HEIR) Fund: Protecting the Research Base in Wales (c.£2.7m for PhD studentship extensions and projects that had not received other sources of funding).

In terms of our research infrastructure, construction of the Centre for Integrative SemiConductor Materials (CISM) is well-advanced. It will house an industry-leading clean fabrication environment, research laboratories and office facilities to provide vital research and innovation support for the CSConnected Cluster, a growing network of regional semiconductor industry partners.

Expanding our international reach

Our University's new International Strategy 2020-2025 commits us to growing our international student numbers, strengthening our international strategic partnerships, growing our global research networks and achieving a stronger global profile for our University. We have identified three global pillars to represent our international ambitions:

GLOBAL GRADUATES

This year, our aim has been to retain our international market share in the face of increasing threats presented by the Covid-19 pandemic. We were able to maintain our pre-pandemic growth trajectory and grew our market share by strengthening in-country recruitment teams in China, India and Nigeria; by delivering teaching online, and by holding virtual open days. We also introduced January entry opportunities for 133 degree programmes across each of the Faculties, which resulted in 370 international student enrolments. Overall, international applications grew by 40%, from 13,284 in 2019/20 to 18,569 in 2020/21.

In Spring 2021, the UK government launched the Turing Scheme for 2021/22, to mitigate some of the impacts of Brexit on outbound student mobility. Our University secured £0.4m of funding, which will help enable 114 Swansea students to study abroad in 2021/22. The scope of the Turing Scheme only includes outbound students in comparison to the Welsh Government's International Learning Exchange scheme, which launches in 2022 and runs initially to 2026. The £65m investment from Welsh Government includes HE, FE and schools, inbound and outbound students and staff with reciprocity a key feature of the scheme. We will be applying for funds to help Welsh Government achieve their target of 15,000 outbound and 10,000 inbound students over four years.

GLOBAL PARTNERSHIPS

We have continued to engage with our strategic partners in Texas and Grenoble, and have also launched an official partnership with the University of Canberra to deliver joint research, teaching and student exchanges, and to broaden our University's international reach and profile for sporting endeavour.

GLOBAL REPUTATION

In order to strengthen our global reputation, we undertook a review of our brand position to establish ourselves as 'the emerging force in global research', with a research marketing campaign on the theme 'great things happen when ideas collide'. The campaign supports our target to achieve a QS ranking world top 350 position by 2025. In 2021 we achieved a 34-place improvement climbing from 474 to 440, and a 195-place climb in employer reputation ranking.

Our Physical Estate

Our University's physical estate is managed and governed through the University's Estate Strategy, which encompasses People, Built form, Finance, Sustainability, Innovation, and Governance and Operations. Our focus over the last 18 months has been to seek greater efficiencies through appropriate resourcing and operational interventions, within the context of addressing University needs arising from the Covid-19 pandemic.

From a strategic perspective, we have published our updated Estates Strategy, approved a student accommodation policy relating to the medium to long-term provision of student housing both on and off campus, and have completed the masterplan to inform the future development and operation of the Sketty Lane Sports Village in partnership with Swansea City Council. We also delivered the 'New Normal' operational directive as part of our Covid-19 recovery and return-to-campus planning, with the aim of driving operational savings from enhanced optimisation and utilisation of the estate.

In terms of ensuring the safe return of students and staff to campus, our primary focus has included recommissioning of all buildings within the estate, undertaking and assisting in the formulation of risk assessments, ensuring adequate catering provision at each campus, implementing appropriate social distancing measures and cleaning regimes, adapting the timetable to cater for the blended learning delivery, ensuring adequate generic study spaces for student on campus, and facilitating appropriate public transport between campuses.

Some of our transformational projects this year include the move to a new catering model, with the catering service function to be outsourced from January 2022.

SUPPORTING SUSTAINABILITY

We are ranked in the top ten of the People and Planet University League for the third year running, climbing by more than 110 places since 2011 as a result of our sustainability strategies, Biodiversity Action Plan, Carbon Management Plan and Environmental Management System.

This year we published our most ambitious Sustainability Strategy to date, our Sustainability and Climate Emergency Strategy (2021-2025), which is aligned to our overarching Strategic Vision and Purpose and commits us to actions across four key themes: the climate emergency, our natural environment, our working environment and our travel.

The University received £5.8m of additional capital funding from HEFCW, £0.4m of which was spent on active decarbonisation projects related to the Sustainability Strategy. These fell into the category of active travel (£31k) and renewable energy (£380k). Further projects are planned including the installation of 1MW of renewable wind electricity and 300KW of renewable solar PV electricity at the Bay Campus, and a further 1MW of renewable solar PV electricity capacity and the installation of 2MW low carbon power and heat capacity at Singleton Campus.

In order to minimise waste, we established the UniGreenScheme, which enables us to collect and re-sell unwanted specialist equipment, with proceeds going directly back to the Faculties. We also participate in a free recycling programme designed for hard to recycle wastes including snack packets, coffee pods and writing instruments, (with proceeds donated to local charitable organisations). We have provided and incentivised reusable or more sustainable alternatives to single-use plastics on campuses, and have banned plastic buffet platters, straws and stirrers. We also participated in a successful city-wide waste and recycling campaign, and Wales' biggest recycling campaign 'Be Mighty, Recycle' launched by WRAP Cymru.

This year, we became the first 'Refill' university in Wales, collaborating with students and the local community to map over 80 publicly accessible free drinking water points across our campuses and in the surrounding area.

Through our SWell app, we engaged more than 50% of staff and have nudged behaviours towards lowering our individual and collective carbon footprints.

Finally, we increased knowledge of wildlife on campus and in the Site of Special Scientific Interest adjacent to the Bay Campus. We delivered a programme of walks, talks and other events, and published wildlife information sheets to encourage our community to get involved in studying and protecting nature on campus.

As a result of our commitment to sustainability, this year we have secured Carbon Trust Standard for Waste certification for our work to reduce waste around our campuses, and enjoyed success in the Laboratory Efficiency Assessment Framework (LEAF), which encourages participating universities to make their research and teaching more resource efficient.

Enhancing our digital infrastructure

In a year dominated by the pandemic, it was our digital provision that underpinned our ability to deliver teaching and to support our students and staff with new ways of learning and working. As our staff and students migrated to accessing more services, learning resources and teaching online, we invested in digital infrastructure and platforms to support learning and teaching, and to facilitate improved customer service through automation and increased self-service.

We also made good progress towards defining a blueprint for stable digital foundations, starting with a redesign of our network and a review of our cybersecurity controls to help safeguard the University's future digital delivery.

£5.8m of additional capital funding from HEFCW was used to accelerate investment in a number of estates and digital initiatives relating to the 'New Normal' resulting from COVID-19. £5.4m was used to fund enhancements to AV facilities, accelerate the purchase of PC's and other IT-related equipment. This investment will contribute to a more resilient workforce allowing the University to move to a more flexible and sustainable way of working.

We were also supported by significant investment through the HEFCW Higher Education Investment and Recovery programme, which allocated £0.9m towards digital provision, and which enabled us to accelerate the development and implementation of digital platforms particularly those that support our international student recruitment strategy.

Together, these funds enabled us to modify the design of audio-visual and desktop services and standards, established remote access to educational and administrative systems (with 2,750 PCs available to students remotely), and introduced new tools to allow remote and hybrid education and administration, such as Panopto for lecture recording (17,860 users), Respondus for remote proctoring (1,748 students), and Calamari for leave and absence management (1,573 staff users).

We also consolidated the use of internet based "soft" phones to support telephone communication, particularly for colleagues working from home, and expanded our use of collaboration tools such as Microsoft Teams and Zoom, which is now supporting 11,337 active users in our University. Zoom has enabled 574,927 meetings and 117 webinars attended by 58,604 participants. We accelerated the implementation of the new Canvas learning environment, which has supported 7,386,888 sessions (a 53.72% increase on the previous year, when we used Blackboard). Our Canvas platform was accessed by colleagues and students from 177 different countries.

We also implemented new Engagement Analytics tools to help keep our students on track, as well as meeting our commitments for UKVI reporting. We addressed issues of digital disadvantage and poverty by increasing our pool of loan devices, as well as defining bandwidth limits for our educational content to help ensure that as many students as possible were able to access them remotely.

As Covid restrictions ease, our digital services will continue to provide the enabling infrastructure that supports us through the recovery, enabling access to blended and online learning opportunities for students, and to support our staff while they continue to work remotely.

Financial Strategy

The primary objective of the University's Financial Strategy remains the generation of sufficient cash resources to deliver its' strategic objectives and ensure long term financial sustainability. This strategy has worked particularly well during the COVID pandemic as having a good level of cash reserves has helped to mitigate the risks created by the uncertainty during this period.

As we start to transition back to a more normal way of working, we will be directing our attention in the following areas:

- Funding capital investment, particularly in the estate and IT infrastructure, optimising the use of our own cash reserves, partnerships and grant funding.
- Keeping liquidity and debt ratios under close review to ensure we are managing our working capital efficiently.
- Continuing to review our processes and develop systems in order to improve efficiency and cost effectiveness.
- Monitoring our commitment to pensions for our employees, taking note of both current and future cash requirements as well as the scale of provisions for pension fund deficits.

FINANCIAL OUTLOOK

The unprecedented circumstances caused by the COVID pandemic, and which affected both 2019/20 and 2020/21, have been effectively managed by the University with an outstanding response from our staff and students. We have successfully transitioned to new ways of teaching and working during 2020/21 and we are now focussing on sustainable business operations.

The multi-year Operational Improvement Programme has delivered the expected outcomes. The work to bring the seven Colleges into three Faculties was implemented during 2020/21 and is driving transformational change across both academic delivery and Professional Service operations enabling further synergy expenditure savings, income growth and improvement in organisational efficiency and effectiveness. The level of strategic investment has been below what was originally forecast for the last two years, and a key objective now is to use the cash that has been generated to implement the estates and digital strategies and create a sustainable environment which is fit for the future.

The Senior Leadership Team has regularly reviewed the potential risks facing the University and these are summarised on pages 34-36.

Recruitment remains a significant risk but despite the impact of grade inflation on the Clearing and Confirmation activity, 2021/22 is looking encouraging with the January entry programmes providing additional opportunities for the forecast income growth, particularly in international students.

However, we have tested the assumptions in our forecasts by creating a number of scenarios which model the potential financial impact of a worst, best and realistic case for recruitment. This work has demonstrated that the University has appropriate mitigations in place to manage the impact of a range of plausible events, specifically sufficient cash reserves and headroom on banking covenants.

In light of this work the University is confident that it has reasonable expectations that it has adequate resources to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis for preparing the accounts.

FINANCIAL HIGHLIGHTS AND KEY FINANCIAL INDICATORS

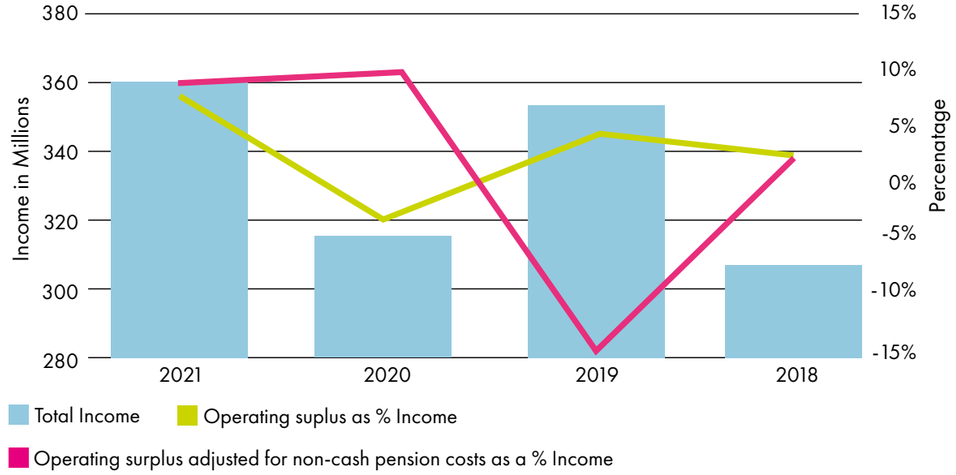
Income and Expenditure	**2021**	2020
Income	**£361m**	£318m
Expenditure	**£333m**	£285m
Operating Surplus	**£28m**	£32m
EBITDA	**£66m**	£14m
Cashflow		
Net cash flow from operating activities	**£48m**	£16m
Cash at the end of the year	**£141m**	£97m

Key financial indicators	**2021**	2020
Operating surplus as % income	**7.7%**	10.2%
EBITDA as % of income	**18.2%**	4.4%
Net cash flow from operating activities as % of income	**13.3%**	5.0%
Liquidity days	**168**	136

OVERVIEW

The University saw an operating surplus of £27.9m in the year to July 2021. This includes a non-cash pension credit of £4.3m (2020: £39.4m) and represents an increase from an adjusted deficit of £7.7m in 2020. This resulted in a net cash inflow from operating activities of £48.5m and cash increasing by 45% to £141.0m.

Income and Operating Surplus as a % of income



Despite the financial challenges in 2021, the University's income increased by £43.2m to £360.8m. Tuition fee income rose by 8% from £171.2m to £184.3m following an increase in student numbers, with funding body grants increasing by £23.1m (85%) following the additional grants received to assist both the University and students through COVID. Research income recovered, increasing from £56.2m to £62.1m (10%), after a fall in 2020 when research facilities closed temporarily during the COVID lockdown.

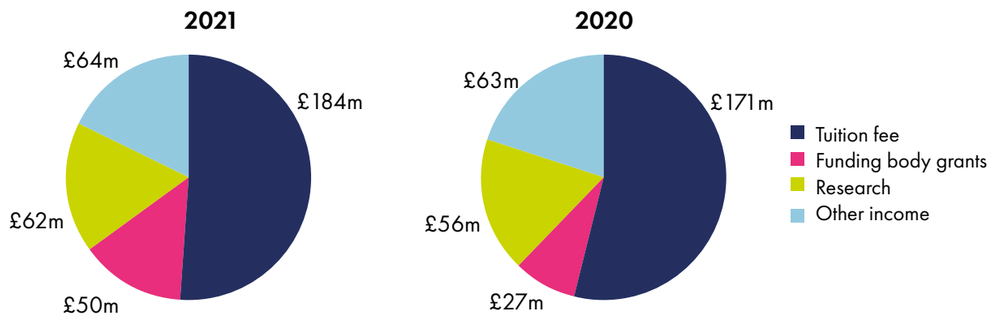
Expenditure in 2021 was £332.9m which, after adjusting for the USS pension valuation movement, represented an increase of 4% from 2020. Staff costs decreased in 2021 by 1% to £181.2m from £182.7m in 2020, whilst other operating expenditure increased by 12% from £103.3m to £116.0m.

The receipt of funding body grants totalling £10.6m to specifically support both the University and students through COVID significantly added to the increase in other operating expenditure in the year. Further restructuring costs of £6.0m were incurred during 2021 as the Voluntary Exit Scheme (VES) continued. During the year there was an increase in equipment capitalisation and a corresponding increase in depreciation in the year. Loan interest increased in 2021 due to the renegotiation of the EIB interest rates and the receipt of £7.3m SURE loan from the UK Government, whilst interest in total decreased due to lower pension charges.

Net Assets increased by £40.5m whilst tangible fixed assets remained constant. Capital spend on buildings remained at relatively low levels, with the significant spend being research funded, whilst capital spend on equipment increased. The drawdown of the SURE loan increased the loan balance, but the liability for the residential service concession arrangements continued to fall as the liability was unwound. Actuarial gains, changes to expected contributions and actual deficit contributions paid resulted in the pension provisions decreasing by £16.5m.

INCOME

Income by category



Tuition fee income increased by 8% to £184.3m. Student recruitment was better than expected with 437 students enrolling on 165 programmes made available from January 2021 and 40% of the total overseas postgraduate taught students enrolling for January entry. Overall, home tuition fee income increased by £9.4m mainly due to higher enrolments in September. Overseas fee income increased by £3.6m reflecting the success of the January entry programmes and a 3% average increase in fees.

	2021			2020
	SEPTEMBER ENTRY	JANUARY ENTRY	TOTAL ENTRY	SEPTEMBER ENTRY
Home Undergraduate	12,559	27	12,587	11,856
Home Postgraduate Taught	1,323	59	1,382	1,197
Home Postgraduate Research	641	-	641	610
NHS Commissioned	1,651	-	1,651	1,833
Overseas Undergraduate	1,371	71	1,442	1,498
Overseas Postgraduate Taught	389	280	668	630
Overseas Postgraduate Research	143	-	143	111
Total	**18,077**	**437**	**18,514**	**17,735**

Funding body grants increased by 85% to £50.4m as one off grant funding relating to COVID of £10.6m was received along with £10.6m of capital funding. 10,000 students were supported with a hardship payment from the £6.3m that was received specifically for this purpose. A further £0.8m was received to support students whilst self-isolating and quarantining. The University received £0.7m grant funding to contribute towards COVID including cleaning, PPE, outdoor spaces and a further £0.2m on self-service equipment.

Research income increased by £5.9m to £62.1m in the year to 31 July 2021, reflecting the continued success in expanding the research grant capture in recent years. Despite this increase, research work undertaken on individual grants was impacted by COVID reducing the planned amount of research work able to be undertaken in the year.

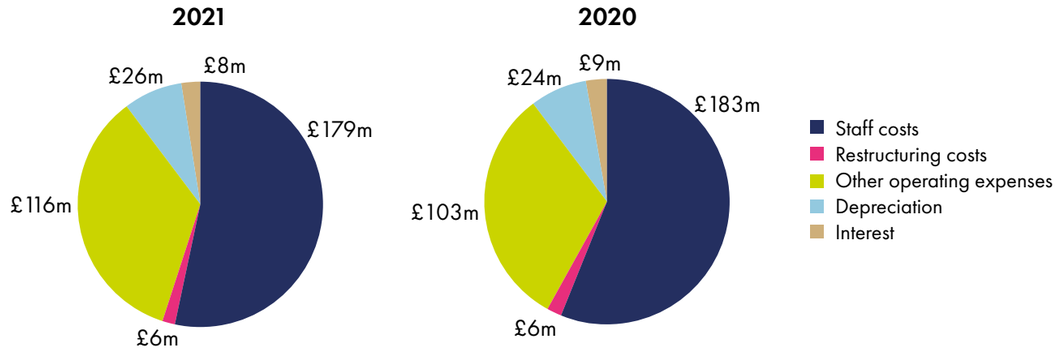
Other income reflected the impact of COVID on residences, catering and conference activities with this income decreasing by £1.4m in the year to £22.4m, which was a 19% decrease from 2019. Rent rebates totalling £2.7m were given to students who were unable to occupy their accommodation during the national lockdown from January to March 2021.

During the year the University received £0.4m in Government funding under the Coronavirus Job Retention Scheme (CJRS), a fall of £0.4m from 2020 reflecting the reduction in the number of staff furloughed from September 2020 onwards.

EXPENDITURE

Expenditure in the year (excluding USS valuation adjustments) increased by £12.7m to £337.2m Staff costs decreased by 1% following a two-year Voluntary Exit Scheme (VES) programme whilst non-pay expenditure increased by 12%. The University spent a further £6.0m on VES payments to staff during 2021, in addition to the £5.6m paid in 2020.

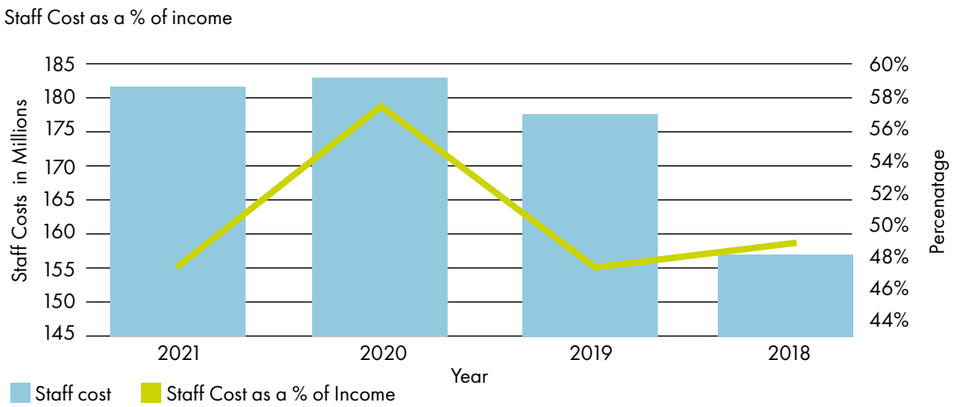
Expenditure by category



Staff costs have reduced from £182.7m to £181.2m in the year to 31 July 2021. Salaries paid decreased by 3% to £128.2m with social security and pension costs remaining consistent with the previous year. Salary costs in the year fluctuate depending on roles given up under VES, pay awards granted by the University and through the NHS and the nature and duration of casual roles required or overtime worked in specific part time roles.

Staff full time equivalent (FTE) numbers remained almost constant at 3,627 with a decrease of 16 FTE in the year. Most of the posts lost through VES were from the 2021/22 year so the impact of this has not yet been seen in the staff numbers.

Staff costs as a percentage of income has decreased in the year from 58% to 50%. This decrease is due to the additional income received, in particular the COVID related funding body grants that was spent largely on non-pay.

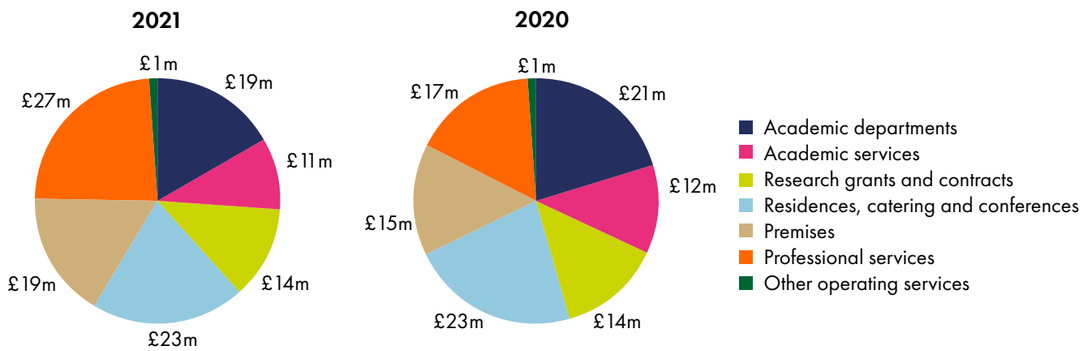


The USS pension charge or credit is calculated annually to reflect the estimated change in expected contributions and is based on the valuation and discount rates at 31 July. This is an accounting adjustment and not a cash transaction.

At 31 July 2021 this resulted in a credit and therefore a reduction in expenditure of £4.3m. This follows a USS credit in 2020 of £39.4m and a charge of £57.0m in 2019.

Non-Pay expenditure increased by 12.3% to £116.0m at 31 July 2021 from £103.3m in 2019/20. The continuation of the Operational Improvement Programme introduced in 2019 and the impact of COVID resulted in a reduction in the spend of the University's own funds. However, overall expenditure increased due to additional grant funding received in the year to address the expected impacts of COVID.

Non pay expenditure by activity



Non pay in Academic Departments decreased by £1.5m in the year mainly as a result of COVID whilst expenditure in Academic Services remained fairly consistent with 2020, along with residences, catering and conferences, albeit at reduced pre-COVID values from 2019.

Premises expenditure on repairs and maintenance in the year increased by £3.7m from the prior year following the freeze during 2020 on all non-critical works.

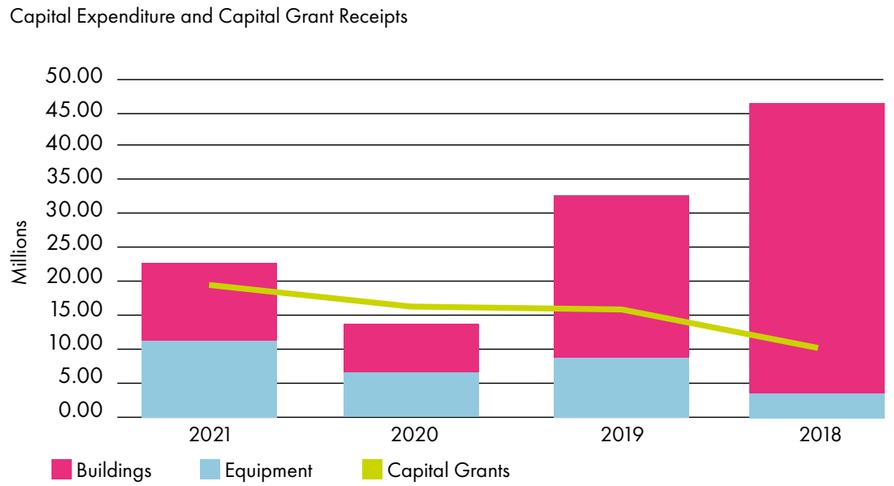
Non-pay within Professional Services increased significantly in the year from £17.4m to £26.6m. Professional services includes student related spend on health and sports facilities, bursaries, scholarships, and student funding as well as central functions such as Human Resources and Finance. An additional £8.8m was spent in the year on supporting students following grants received from HEFCW, with further HEFCW grant funding of £4.0m to support research related investment and recovery activities An additional £0.3m was granted to the Students' Union and was used to provide COVID safe social and support initiatives. The University incurred costs of £0.8m relating directly to COVID, mainly on AV equipment, digital works and enhanced cleaning.

BALANCE SHEET

The University has a strong balance sheet with net assets increasing by £40.5m in the year to 31 July 2021. Non-current assets remained constant whilst current assets increased by £50.0m following an increase to both debtors (£6.1m) and cash (£43.7m). A new loan of £7.3m and an increase in grants received in advance of £18.0m contributed towards the increase in creditors of £25.3m, whilst the pension provision decreased by £16.5m.

CAPITAL EXPENDITURE AND CAPITAL GRANT RECEIPTS

Capital expenditure peaked in the years prior to 2018 with the creation and expansion of the Bay Campus. The Bay Campus continues to be expanded with new grant funded research buildings but at a significantly reduced rate. Non-critical and non-grant funded capital expenditure was frozen in March 2020 to mitigate the impact of COVID; this spend recommenced during 2021, but at a reduced level.



The main project during 2021 was the continuation of the build of The Centre for Integrative Semiconductor Materials (CISM) on the Bay Campus, which is a grant funded research facility (£7.7m). On Singleton Park Campus smaller projects were undertaken including work on facilities to teach the new Pharmacy programme (£1.1m) and the Institute of Creative Aging Industries Pilot Lab (£0.8m).

Capital expenditure on equipment increased in 2021 to £11.3m.

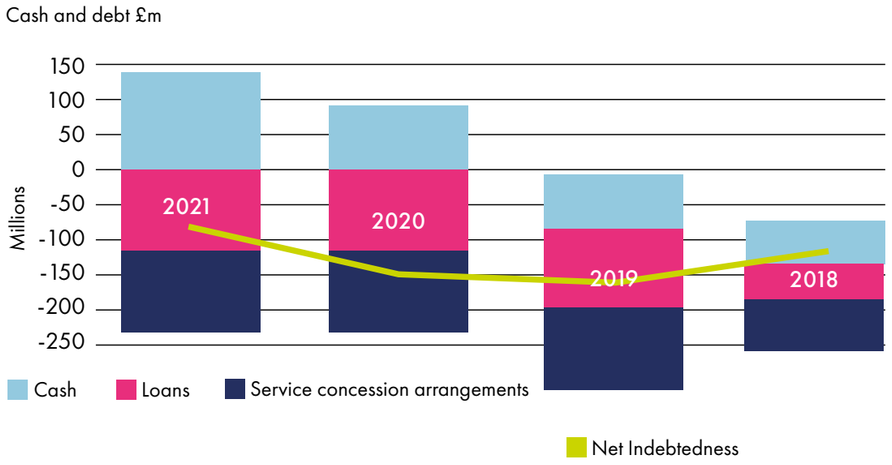
CASH AND DEBT

Cash increased to £141.0m at 31 July 2021, from £97.1m at 31 July 2020.

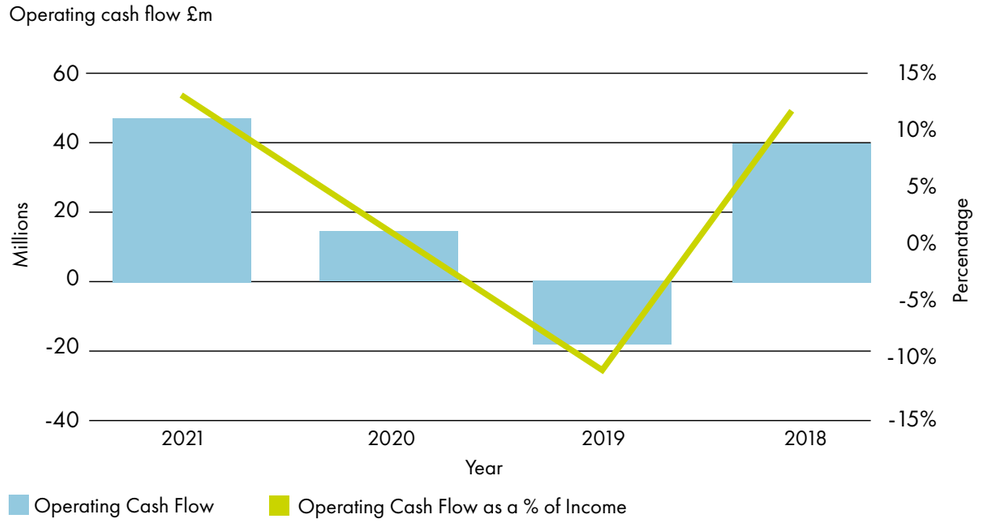
The University's financial strategy is to generate sufficient cash to provide resilience and to enable investment in the estate and infrastructure projects. During 2020/21 the University took a cautious approach to incurring costs focussing on essential spend and spend related to measures to support staff and students during the pandemic. The additional, one-off revenue and capital funding from Welsh and UK governments was very welcome and helped to mitigate a significant part of the COVID spend.

Operating expenditure did increase towards the end of the financial year resulting in an increase in accruals and cash, and significant research income was received in advance during the year which also contributed to the increase in cash and year end debtors.

Net debt reached a four-year low at £95.0m due to the increase in cash at 31 July 2021 despite taking advantage of a Sustaining Research Expertise (SURE) loan of £7.3m from the Department for Business, Energy and Industrial Strategy.



The service concession arrangement debt on the residences reduced to £122.0m at 31 July 2021 following the unwinding of the lease (£2.9m).



Net cash inflow from operating activities increased to £48.5m from £15.7m in 2019/20. As a percentage of income this is an increase from 4.9% in 2019/20 to 13.4% in 2020/21.

Net cash from operating activities is highly volatile, being impacted by large movements in debtors and creditors. An increase in creditors of £15.5m at 31 July 2021, was only partially offset by an increase in debtors of £6.6m and contributed towards the cash increase by £8.9m.

PENSION PROVISIONS

The University is a member of the Universities Superannuation Scheme (USS) which provides pensions for academic and professional staff. As at the last triennial valuation in March 2018, the scheme has a deficit of £3.6bn. During the year the University's share of the deficit decreased from £49.0m to £43.0m follow the payment of £2.1m in deficit contributions and a £3.9m movement in the provision to reflect the deficit recovery agreement, less interest costs.

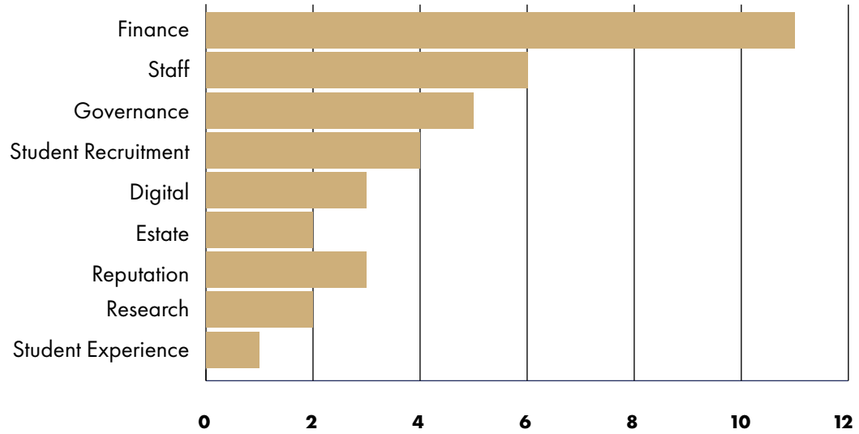
On 1st October 2021 the Trustees approved the latest triennial valuation. The latest valuation increases the University share of the deficit from £43.0m to £130.2m. The increase in the deficit follows a small increase in contribution rates and a longer deficit recovery period as a result of the decision to proceed with benefit change by the JNC.

The University operates a final-salary defined-benefit pension scheme that non-academic employees of the University can participate in, called the Swansea University Pension Scheme (SUPS). This scheme is closed to new entrants. During the year the SUPS deficit decreased from £71.7m to £61.2m as a £12.6m gain in comprehensive income was recognised and deficit contributions paid.

The institutional risk register is reviewed regularly by the Senior Leaderhip Team and Audit, Assurance and Risk Committee, on behalf of Council.

The distribution of risks reflects the current external environment, most notably, the ongoing impact of COVID on finances, our operations and on our people.

Number of University risks by category



However, the highest ranking risks from the University register, according to the residual risk score, reflect the long-term nature of causes such as COVID, changes to pension contributions and benefits, workload pressures, as well as the recognised need to invest in IT infrastructure.

Key Risks

RISK TITLE	RISK DESCRIPTION	STRATEGIC OBJECTIVE	MITIGATING ACTIONS
IT - service delivery and resilience	Failure to invest in IT staffing, systems, infrastructure and hardware leads to local or widespread service failure, resulting in negative impacts on the delivery of services to staff and students, compliance breaches and damage to the University's reputation	We will expand and enhance our digital infrastructure and experiences that support our academic mission	• Implementation of the Digital Strategy • Business case with options for delivery to be developed • Development of IT infrastructure asset management plan • Key new posts identified and appointed • Creation of IT Disaster Recovery Plan
Cyber Security	Inadequate information management controls leads to reduced ability to protect, process and access information, resulting in increased successful cyber-attacks, a loss of reputation, compliance breaches, fines and penalties and increased costs, (recovery)	We will expand and enhance our digital infrastructure and experiences that support our academic mission	• Cyber security review undertaken by external consultants • Review of reporting and governance surrounding the information security function • Business case with options for delivery to be developed • Key new posts identified and appointed • Review of access controls
Pension schemes	Overall affordability of defined benefit pension schemes – USS and the Swansea University Pension Scheme (SUPS) Potential changes to the USS arising from the 2020 valuation lead to significant increases in contribution rates / reduction in benefits, resulting in staff unrest, industrial action and disruption to service delivery	We will work with our community to find more ways to reward and recognise colleagues, and to encourage their personal and career development	• Engagement with the USS trustee consultations on the 2020 valuation • Engagement with the Swansea University Pension Scheme trustees • Continuation of the weekly engagement with campus unions • Development of a communication strategy for staff, students and other stakeholders to include webinars, provision of information, case studies and Q & A forum • Seeking appropriate independent professional pension advice • Review business continuity plans
Staff morale and wellbeing	Sustained increased workloads arising from COVID, structural changes, the Transformation Programme and other initiatives lead to reduced staff morale, resulting in increased stress, absence and turnover, reduced wellbeing, engagement and productivity	We will work with our community to find more ways to reward and recognise colleagues, and to encourage their personal and career development	• Clear, timely and transparent communication with staff and Unions • Health and wellbeing services being closely monitored • 'New normal' plans being developed to incorporate flexibility for employees • Pulse surveys being carried out to elicit feedback from staff • Leadership training being provided to ensure staff have appropriate skills
Strategic relationships	Lack of centralised oversight, governance and co-ordination leads to failure to appropriately manage key strategic relationships, resulting in failure to optimise benefits and align to strategic objectives	We will build genuine local and regional partnerships that are based upon transparency, accountability and shared purpose, which will drive economic, social and cultural development in Wales and beyond	• Local registers of key stakeholders • University level schedule of key relationships • Review of relevant policies and processes to ensure they provide sufficient clarity, particularly around governance and need for transparency
International student recruitment	Covid-19, Brexit, changes to international tax laws, challenges with internal admissions procedures and increased competition lead to inability to meet forecast international student recruitment numbers, resulting in reduced financial sustainability	We will plan responsibly to ensure that we are financially resilient and able to invest in the foundations that will support our core activities	• Appointment of PVC International • International Strategy produced and approved • Further TNE opportunities being explored • Ongoing partnership with Navitas • Taking advantage of opportunities to diversity markets

RISK TITLE	RISK DESCRIPTION	STRATEGIC OBJECTIVE	MITIGATING ACTIONS
Home student recruitment	Covid-19, changes to A level exam process and increased competition lead to inability to meet forecast student recruitment numbers, resulting in reduced financial sustainability	We will plan responsibly to ensure that we are financially resilient and able to invest in the foundations that will support our core activities	• Overview by the Recruitment and Conversion Strategy Board • Improved levels and targeting of marketing • Strategic move to focus on recruitment in year with less reliance on clearing • Review and renewal of recruitment of those from under-represented groups
Financial sustainability	Poor implementation of plans leads to failure to generate the net income growth, release savings and improve ways of working, resulting in reduced reputational standing and impacting the financial sustainability of the University	We will plan responsibly to ensure that we are financially resilient and able to invest in the foundations that will support our core activities	• Comprehensive business planning process including performance monitoring • Further monitoring via monthly management accounts • Performance reporting to Senior Leadership Team, Finance and Strategy Committee and Council • Dedicated project team supporting delivery of the Transformation programme • Strategic finance support from dedicated Business Partners
COVID response and recovery	Covid-19 - response and recovery - continue to disrupt work of staff and students, resulting in long term impacts on staffing capacity/capability, student recruitment, teaching, research and financial sustainability	We will plan responsibly to ensure that we are financially resilient and able to invest in the foundations that will support our core activities	• Covid-19 Operations Group evolved into Recovery Group, chaired by Registrar and COO to address specific issues • New policies and working practices developed to facilitate resumption of operations • Programme management in place to co-ordinate the work • Financial planning and modelling incorporating impact of scenarios, availability of contingencies and investment decisions

Corporate Governance and Internal Control

The University conducts its activities in accordance with both the Committee of University Chairs (CUC) Higher Education Code of Governance and Higher Education Senior Staff Remuneration Code, and in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).

The University is committed to the highest standards of openness, probity and accountability, conducts its affairs in a responsible manner and has in place a Public Interest Disclosure policy to enable staff, students and other members of the University to raise concerns that are in the public interest.

CONSTITUTION AND POWERS

The University is an independent corporation, whose legal status derives from a Royal Charter originally granted in 1920. Its objects, powers and framework of governance are set out in its current Charter ('the Supplemental Charter'), approved by the Privy Council in 2007, and it's supporting Statutes the latest amendments to which were approved by the Privy Council in 2021. The University registered as a charity in October 2010 (1138342).

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 determining the strategic direction of the University, and for the finance, property, investments and general business of the University.

The Council meets at least four times a year and exercises its responsibilities through the executive management and standing committees set out below. During 2020/21, the Council held nine meetings, including five special meetings, that focused on governance, financial and regulatory matters, extraordinary business and the COVID-19 pandemic. All except one of these meetings was held remotely. The Council has also received regular reports on the University's response to the COVID-19 pandemic.

The Council comprises independent (described as lay), staff and student members appointed in accordance with the Statutes of the University. The membership of the Council shall not exceed 19 and the majority of Council members are non-executive lay members who are not members of staff or registered students of the University. As the University is a registered charity Council also acts as the Board of Trustees and members of Council are also Charity Trustees. None of the lay members receives any payment, apart from the reimbursement of expenses, for the work they do for the University. Lay members of Council serve for a period of four years but may be re-appointed for one further period of four years. The role of the Chair of Council, which can only be undertaken by a lay member, is separate from the role of the University's Chief Executive, the Vice-Chancellor.

CUC HIGHER EDUCATION CODE OF GOVERNANCE

The University is committed to high standards of corporate governance and to continuously improving its governance in line with best practice within the higher education sector. The University's governance structure has been developed to align with the principles and practices set out in CUC Higher Education Code of Governance revised in 2020. The Council commissioned an External Effectiveness Review in 2019, which was undertaken by James O'Kane, former Registrar and Chief Operating Officer of Queen's University Belfast. This External Review concluded that the Council was discharging its duties appropriately and effectively as the governing body of the University. A number of recommendations were identified to ensure the Council continued to, and enhanced its alignment with the Code, and to ensure a fit-for-purpose Council. The majority of these have now been implemented including several key recommendations concerning the membership of Council, including reducing the membership of Council from 28 to 19,

which required amendments to the Statutes. These amendments were approved by the Privy Council in March 2021 and have now been implemented. The remaining recommendations will be considered alongside the recommendations from the independent review of governance in Wales, led by Gillian Camm (the Camm Review), published in February 2020. The next independent review of governance effectiveness is scheduled to be conducted during the 2022-23 academic year. In respect of the year ended 31 July 2021, the Council can report that there was no primary element of the Code of Governance with which the University's procedures was not consistent.

REVIEW OF GOVERNANCE OF THE UNIVERSITIES IN WALES

The Council is committed to implementing the recommendations from the Camm Review many of which align with recommendations arising from the Council's own External Effectiveness Review and the action plan identified by HEFCW in December 2019. In September 2020, the Council formally adopted the Governance Charter for Universities in Wales and Commitment to Action published in response to the Camm Review. While some actions have been delayed due to the COVID-19 pandemic, good progress has been made through 2020/21 including:

- in relation to understanding culture, the University has developed a University Strategic Vision and Purpose, through a wide ranging consultation process involving staff and students across the University, which places people, values, culture and behaviour at its heart and has incorporated a Leadership, Cultures and Values work stream in the University Transformation Programme to expand on work already undertaken to align and to create a values approach that promotes Swansea University's culture and reflects the whole University. The University has also enhanced staff engagement through regular and timely communications, SLT webinars and Q&A sessions, Staff Wellbeing Surveys and a new Staff Intranet; and as part of the Internal Audit evaluation process identified areas which would benefit from cultural improvements;

- in relation to stakeholder engagement, the University has continued to engage with its key stakeholders including introducing weekly engagement meetings between the Trade Unions and the Executive and regular external meetings with the Local Authorities and Health Boards. The Council now has monthly informal meetings between the Trade Unions and the Chair of Council, is undertaking a review of the terms of reference of the Staff Consultative Committee in consultation with the Trade Unions, and during 2021/22 will review its practices in light of the anticipated good practice guide on stakeholder engagement. The University's Court also plays an important and influential role on behalf of the University's stakeholders;

- in relation to the size and shape of the Council, with the approval of the Privy Council (as set out above), the Council has amended the University's Statutes concerning the Council membership to reduce the membership, to ensure a lay member majority, to restrict the length of membership terms, and to enhance the Governance and Nominations Committee's role in leading on the appointment of all lay members. The Council has also reviewed and defined its governance roles and responsibilities for its statutory officer roles - the Chair of Council, the Pro-Chancellor and University Treasurer;

- in relation to ensuring effective strategic oversight, the Council has approved the University's new Strategic Vision and Purpose, and, with the agreement of Council, the Senior Leadership Team is developing key performance indicators and other methods through which progress will be measured and monitored. Council also has undertaken a review of Council Committees with reference to regulatory requirements and best practice across the sector. Due to the COVID-19 pandemic no Council away days were held during 2020/21, however, away days held in September and in October 2021 the former of which dealt specifically with the development of key performance indicators;

- in relation to lay governor independence and conflict management, the University implements a robust approach to the identification and management of conflicts of interest for all staff, Council Members and any individual acting on behalf of the University. As part of the appointment process for prospective lay members of Council, individuals are required to make a declaration of interest which is reviewed by the Governance and Nominations Committee to ensure the individual has no vested interest which may affect their ability to challenge effectively and constructively and/or which may prevent them being appointed as a lay member of Council and/or as a Charity Trustee. Lay members of Council are required to make a declaration of interest on appointment to Council, to update their declaration whenever there is change, and to review their declaration at least annually. Declarations are reviewed by both the Chair and the Secretary of Council, in accordance with the University's Declaration of Interest Policy and procedure, to ensure there are no potential or perceived conflicts, or if there are to ensure they are dealt with appropriately. The Council has adopted the role description for the Secretary to Council, developed in response to the Camm Review, which contains a clear statement of the Secretary's accountability for highlighting issues of independence or conflict to the Chair. The Secretary to Council also maintains a register of interests for all members of Council, which is reviewed annually by the Governance and Nominations Committee. At the start of all Council and Council Committee meetings, all members are asked to identify any specific items on which a declared interests may have a bearing and, if required, members do not take part in the relevant discussion or decision, and/or may leave the meeting at the appropriate point. Any declarations identified and member's participation in specific items is recorded in the minutes of the meeting. The University's governing documents currently define 'independent' as not members of staff or registered students of the University. The Council is also reviewing its institutional practices in light of the guide on independence for lay members developed in response to the Camm Review;

- in relation to lay member recruitment, the Council is committed to promoting equality and diversity, and endeavours to be inclusive, valuing the diverse nature of its staff, students and community. The Council, on the recommendation of the Governance and Nominations Committee, has reviewed its recruitment and appointment processes for all members of Council including its lay members to ensure that it is clear and transparent, to enhance its commitment to equality, diversity and inclusivity, and to ensure that it has due regard for the overall skills and experience of the Council, as part of which a new skills and experience matrix for lay members has been introduced. Vacancies for lay members of the Council are advertised externally, with expressions of interest particularly welcome from under-represented groups. The Governance and Nominations Committee is responsible for overseeing the recruitment process, for considering expressions of interest against the Council's current skills and experience matrix to ensure that members possess the skills and experience that meet the Council's requirements, and for recommending new lay members to Council for approval;

- in relation to remuneration governance, following a review of its remuneration governance in July 2018 and Council's adoption of the CUC HE Senior Staff Remuneration Code, a further review its Remuneration Committee's terms of reference has been undertaken in light of the recommendations of the Camm Review and the outcomes of the independent UK review by Advance HE on behalf of CUC of the CUC Remuneration Code undertaken in November 2020;

- in relation to succession planning, following a review of Council Committees, Council has reviewed and enhanced the terms of reference of its Governance and Nominations Committee to include oversight for succession planning including reviewing the University's approach to Council member succession planning and monitoring succession planning for key University roles;

- in relation to diversity and inclusivity, in addition to work around lay member

recruitment (set out above), the University has enhanced the process for collecting and analysing data on the protected characteristics of all members of Council and other Council Committees and developed an enhanced/diversity report to enable the Governance and Nominations Committee to monitor diversity of each committee in order to inform its understanding of where to target activities for improving diversity. The Council's gender balance is currently 44% (male)/56% (female). The Committee will also review its institutional practices in light of the work being undertaken by the sector in Wales around the development of a diversity strategy, and recruitment and induction of Council members, and will report to Council on strategies to ensure that Council is reflective of the community it serves;

- in relation to risk management, the Audit, Assurance and Risk Committee exercises oversight of Internal Audit and risk management and the Council has reviewed and agreed revised terms of reference for the Committee based on guidance in the new CUC HE Audit Committee Code of Practice. During 2020, the University introduced a new risk management policy and framework ensuring that risks are aligned with the Strategic Vision and Purpose and are managed in accordance with the following core principles: clarity, scope, appropriate response, ownership, and responsibility and are assigned as strategic, operational and project. The Senior Leadership Team has also introduced a Strategic Opportunities Project Board which has oversight of all major projects, including their governance, business cases, and monitoring delivery. The Audit, Assurance and Risk Committee exercises oversight of Internal Audit, reviews the Internal Audit Strategy and the Audit Programme in the light of the University risk register, monitors the performance and effectiveness of Internal Audit annually and meets separately with Head of Internal Audit on a regular basis. The effectiveness of the internal audit function is reviewed as part of the External Audit. The Committee and the Chair of the Committee meet regularly with the Head of Internal Audit;
- in relation to whistleblowing, the Audit, Assurance and Risk Committee receives standing reports at each meeting on actions taken under the University's ethical and other behaviors policies including whistleblowing. The University's Whistleblowing Policy, which is available to all staff on the University's website, has been reviewed to ensure it complies with guidance and legislation, and is fit for purpose, visible, easily accessible and user friendly. The Council will also receive an annual report related to whistleblowing;
- in relation to annual reporting, the University continues to make progress on implementing the new annual reporting template as recommended by the Camm Review;
- in relation to information, the University's Strategic Vision and Purpose sets out the University's overarching vision, as part of a tiered Strategic Plan approach, under which are a number of strategic pillars each of which will be supported by strategic enablers, which set out targets, activities and measures of success. The University is developing key institutional performance indicators to enable Council to evaluate the performance of the University against these targets, activities and measures identified;
- in relation to governor development, the Council, through its Governance and Nominations Committee, has in place a structured induction process to support all new Council members, as well as ongoing internal and external training and support for serving members, to ensure that all members are able to make a valuable contribution. The Committee continuously reviews this support and will also review its institutional practices in light of the work being undertaken by the sector in Wales around recruitment and induction and with reference to the governor development resources and information "hub" being developed by HEFCW.

SENATE

The Senate, which is established by the University's Charter, is the academic authority of the University and draws its membership entirely from the academic staff and students of the institution. The Senate's membership, powers and duties are set out in Ordinance 4, which is available on the University's website. It is chaired by the Vice-Chancellor and its membership also includes the Provost, the Pro-Vice-Chancellors, Pro-Vice-Chancellors/Executive Deans, all professorial staff, Chairs and Deputy Chairs of the Boards of the Learning and Teaching Quality Committee and the Faculty Associate Deans, fourteen elected non-professorial staff representatives and eight students appointed by the Students' Union. The Senate normally meets four times each year. During the 2020/21 academic session, the Senate held three meetings all of which were held remotely. Senate has established five committees to assist it in discharging its responsibilities: Committee for Research and Innovation Strategy, Learning and Teaching Quality Committee, Recruitment and Admissions Committee, Research Integrity, Ethics and Governance Committee and Welsh Language Strategy Group.

COURT

The Court, which is established by the University's Charter, is a large, mainly formal body which serves as a forum for the engagement of the wider community with the University. The Court's membership, powers and duties are set out in Ordinance 6, which is available on the University's website. The Court is chaired by the University's Chancellor and most of its members are from outside the University, representing the local community and other designated bodies with an interest in the work of the University. The membership also includes representatives of the staff of the University (both academic and non-academic) and the student body. The Court ordinarily meets once a year to receive the University's annual report and audited financial statements of the University. Due to the COVID-19 pandemic, the Court last met on 4 February 2020.

ACCOUNTABLE OFFICER

The Vice-Chancellor is the chief executive and principal academic and administrative officer of the University and has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal financial memorandum between the University and HEFCW, the Vice-Chancellor is the accountable officer of the University and in that capacity may be required to appear before the Public Accounts and Public Administration Committee of the Senedd Cymru alongside the Chief Executive of HEFCW.

EXECUTIVE TEAM

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. Members of the Senior Leadership Team and the Directors of Professional Services all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council. The membership of the Senior Leadership Team, which is chaired by the Vice-Chancellor, includes the Provost, Registrar and Chief Operating Officer, the Pro-Vice-Chancellors, Pro-Vice-Chancellors/Executive Deans, and the Chief Financial Officer.

COMMITTEES

The Council has established four governance committees, at which much of its detailed work is initially handled: an Audit, Assurance and Risk Committee; a Finance and Strategy Committee; a Governance and Nominations Committee; and a Remuneration Committee. All of these committees are chaired by lay members of Council and have a majority of lay members. Senior officers of the University attend meetings as necessary. All Committees report their decisions to Council, and are formally constituted, with their own terms of reference and membership approved by the Council on the recommendation of the Governance and Nominations Committee. The role of the Secretary to Council is defined in the University's Ordinances and the Secretary to Council also acts as the Secretary to most of the Committees of Council.

FINANCE AND STRATEGY COMMITTEE

The Finance and Strategy Committee has oversight of and monitors the financial health of the University on behalf of the Council. The Committee is chaired by the University Treasurer (Mr Goi Ashmore), a lay member of the Council appointed by the Council, and during 2020/21 its membership comprised of the Chair of Council (Mr Bleddyn Phillips), lay members of Council (Professor Edward David and Dr Angus Muirhead), co-opted lay members (Ms Amerjit Barret (from May 2021), Mr Huw Jones (until July 2021), Ms Jeannette McLellan (until January 2021), Mr Steve Smith, and Mr Eifion Williams (until March 2021)), the Vice-Chancellor (Professor Paul Boyle) and the Provost (Professor

Steve Wilks). During the year, three co-opted lay members stood down from the Committee having served for a number of years and one new member was appointed through the recruitment process for new lay members of Council. In line with HEFCW's Financial Management Code, there is no cross-representation between the Finance and Strategy Committee and the Audit, Assurance and Risk Committee.

The Committee normally meets six times a year. During 2020/21, the Committee held eight meetings, two of which were special meetings that focused on the financial issues around the COVID-19 pandemic. All except one of these meetings was held remotely. Attendance at meetings during the year was high with over 90% of members attending seven meetings and 80% attending on the other.

The Finance and Strategy Committee's key responsibilities are (i) to ensure the medium and long-term financial sustainability of the University through regular reviews of the University's financial position, (ii) to ensure the University operates a robust system of internal financial control, (iii) to monitor financial performance and compliance, (iv) to have financial oversight of all relevant strategies and (v) to play a critical role in applying test and challenge to all financial decisions. The Committee advises and makes recommendations to Council in respect of all financial matters.

During 2020/21, the Committee's business focused on financial sustainability challenges facing the University and the sector largely as a result of the COVID-19 pandemic, the management of key financial risks including cash flow management and financial commitments, business planning processes, strategic investment priorities and opportunities, pensions, facilities management contracts and the Estates Strategy. In response to the potential financial impact of the pension challenges facing the University and the sector, the Committee, with the approval of the Council, established a Pensions Sub-Committee to provide a strategic oversight, guidance and monitoring function in relation to all pensions related matters and to make recommendations to the Senior Leadership Team, Finance and Strategy Committee and Council as appropriate.

GOVERNANCE AND NOMINATIONS COMMITTEE

The Governance and Nominations Committee reviews and advises Council on the University's governance arrangements, ensuring that the University pursues good practice and complies with external governance requirements. Following a review of Council Committees, Council approved revised terms of reference and membership for the Committee in July 2020 and in February 2021 updated the constitution to increase the number of lay members from two to three to ensure the Committee had a lay majority. The Committee is chaired by the Chair of Council (Mr Bleddyn Phillips) and during 2020/21 its membership comprised of the Pro-Chancellor (Sir Roderick Evans), lay members of Council (Ms Elin Rhys, Professor Keshav Singhal and Ms Anne Tutt), the Vice-Chancellor (Professor Paul Boyle), staff members appointed by Senate (Professor Elwen Evans QC and Professor Ryan Murphy) and the President of the Students' Union (Ffion Davies). The Committee normally meets four times a year. During 2020/21, the Committee held five meetings, one of which was a special meeting that focused on Council membership and recruitment key recommendations arising from the External Effectiveness Review of Council and the Camm Review. All meetings were held remotely. Attendance at meetings during the year was high with over 80% of members attending three meetings and 100% of members attending two meetings.

The Governance and Nominations Committee's key responsibilities are (i) to ensure compliance with external governance requirements, (ii) to review the membership of Council and its Committees ensuring it has the necessary balance of skills and experience to enable it to fulfil its responsibilities, (iii) to review and make recommendations on changes to the University's governing documents, (iv) to review, advise and make recommendations on the recruitment and appointment of lay members of Council and its Committees, (v) to review, advise and make recommendations on succession planning, (vi) to oversee the induction, development and appraisal of Council members, (vii) to review Council's Register of Interests and ensure a robust process is in place to identify any potential conflicts of interest and (viii) to review the diversity of Council and its Committees.

During 2020/21 the Committee's business focussed on the implementation of the recommendations from the External Effectiveness of Council and the Camm Review, and the revised HE CUC Code of Governance. In particular, the Committee implemented revised recruitment and appointment processes for members of Council and Council Committees, oversaw the new declaration of interest processes and register for Council members, reviewed and recommended to Council amendments to the University's Ordinances on the role of the Secretary to Council, and reviewed and recommended to Council a new role descriptor and appointment process for the Pro-Chancellor role including considering the roles and responsibilities of a Senior Independent Governor as identified in the Camm Review.

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for determining the reward strategy of the University and the remuneration of the most senior staff of the University including the Vice-Chancellor. The Committee is aligned with the CUC Higher Education Senior Staff Remuneration Code (published in 2018) and publishes an annual report, which is available on the University website. The Committee has a wholly independent membership. It is chaired by a lay member of Council appointed by Council - Dr Angus Muirhead was appointed Chair in September 2020 replacing Mr Gordon Anderson whose term as a lay member of Council was coming to an end - and during 2020/21 its membership comprised of the Chair of Council (Mr Bleddyn Phillips), the Pro-Chancellor (Sir Roderick Evans) and a further lay member of the Council (Ms Elin Rhys). In July 2021, following a review of the constitution of the Committee, Council agreed to increase the number of lay members of Council on the Committee in total from 5 to 6 in line with sector practice and to appoint Professor Edward David and Professor Kathryn Monk as members of the Committee.

The Remuneration Committee's key responsibilities are (i) to develop an overall reward strategy and policy for senior employees of the University, (ii) to review and determine the remuneration, benefits and conditions of employment of the Senior Leadership Team taking account of affordability, comparative information on remuneration, benefits and conditions of employment in the University sector and elsewhere as appropriate, (iii) to agree an annual framework of work and (iv) to review and report to Council on progress through its annual report which is transparent and meets the requirements of good governance.

During 2020/21, the Committee held 4 meetings and the Committee's business focussed on considering and agreeing proposals regarding the remuneration process and remuneration arrangements for senior roles, discussing and agreeing the frequency of Remuneration Committee meetings and receiving reports on severance arrangements. All meetings were held remotely. Attendance at meetings during the year was high with 100% attendance at all four meetings.

AUDIT, ASSURANCE AND RISK COMMITTEE

The Audit, Risk and Assurance Committee is responsible for advising and assisting Council in respect of the entire assurance and control environment of the University. All members of the Committee and its Chair are appointed by Council, on the recommendation of the Governance and Nominations Committee, and all members are independent of the University's management, although senior executives attend meetings as necessary. The Committee is chaired by a lay member of Council appointed by Council - Dr Kerry Beynon was appointed Chair in September 2020 replacing Mrs Rosemary Morgan whose term as a lay member of Council had come to an end - and during 2020/21 its membership comprised of lay members of Council (Mr Gordon Anderson (until March 2021), Professor Kathryn Monk and Ms Anne Tutt (from October 2020)) and co-opted lay members (Ms Alison Vickers and Mrs Navjot Kalra (from June 2021)). In line with HEFCW's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee.

The Committee normally meets four times a year. During 2020/21, the Committee held five meetings, one of which was a special meeting focussing on reviewing draft assurance and regulatory reports. All meetings were held remotely. Attendance at meetings during the year

was high with 100% of members attending four meetings.

The Committee's key responsibilities are to ensure that the University complies with statutory, University and external regulatory requirements in relation to both its financial and non-financial activities and in respect of the issues within its terms of reference, and the Committee has the authority to make recommendations to the University, its organisational units and its members.

During 2020/21, the Committee's business focused on ensuring suitable arrangements were in place to ensure the sustainability of the University particularly in relation to the impact of the COVID-19 pandemic, internal and external audit arrangements including approving and monitoring annual audit plans, reviewing risk management arrangements and the implementation of a new risk framework, and overseeing the University's policies related to ethical and other behaviours. The Committee also reviewed its terms of reference and operation in light of the CUC HE Audit Committee Code of Practice published in May 2020, and which were approved by Council in November 2020.

INTERNAL CONTROL

The Council is responsible for ensuring there is a sound system of internal control to support the achievement of the University's aims, strategic objectives and policies, while safeguarding the public and other funds and assets for which it is responsible. The system of internal control is risk based and designed to manage, rather than eliminate the risk of failure to achieve strategic objectives and as such, the system provides reasonable, but not absolute, assurance against material misstatement or loss. Council acts in accordance with the responsibilities assigned to it in the University's Charter and Statutes, and the regulatory framework in which the University operates.

The key elements of the University's system of risk identification and effective risk management include the following:

- linking the identification and management of risk to the achievement of institutional objectives through an on-going annual planning process;
- all risks, including governance, management, quality, reputational and financial are included within the University's Risk Register, which is managed and maintained by the University's Senior Leadership Team through a clearly articulated policy and approach. The Risk Register produces a balanced portfolio of risk exposure which focuses on the most important key risks;
- evaluating the likelihood and impact of risks becoming a reality as part of that same process and establishing mitigating controls;
- having review procedures that cover business, operational, compliance and financial risk;
- embedding risk assessment and internal control processes in the ongoing operations of all units;
- reporting regularly to the Audit, Assurance and Risk Committee, and then to Council, on internal control and risk;
- the Audit, Assurance and Risk Committee receives regular reports from internal audit and the internal audit and strategy plan is approved by the Audit, Assurance and Risk Committee;
- reporting annually to Council the principal results of risk identification, evaluation and management review;
- regular monitoring and review of the effectiveness of the internal control system processes and procedures is informed by the University's professional Internal Auditors giving rise to monitored action where necessary and appropriate.

The University's Senior Leadership Team has formal processes in place for evaluating and managing significant risks faced by the institution on an on-going basis. This involves identification of the types of risks through a top down and bottom up process at both corporate and departmental level, which are prioritised in terms of potential impact and likelihood of occurrence in accordance with an established and risk management policy. Risks are monitored along with the associated controls and risk mitigation actions on an on-going basis by the Senior Leadership Team. The Audit, Assurance and Risk Committee receives an update on risk at each of its meetings, the Finance and Strategy Committee receives updates on relevant risks at meetings and appropriate reports and recommendations are presented to the Council.

The University has a process for dealing with significant control issues, which involves immediate notification to the Chair of Council, Chairs of the Audit, Assurance and Risk Committee and the Finance and Strategy Committee and necessary senior staff, along with notification to HEFCW and the Charity Commission and any other relevant authority as appropriate depending on the nature of the issue.

Public Benefit Statement

Swansea University has been a registered charity (no.1138342) since October 2010. Our constitutional framework is defined in our Charter and Statutes and Article three of the Supplemental Charter highlights our University's objectives "to advance learning and knowledge by teaching and research, and to engage in activities to promote and contribute to cultural, social and economic development within Wales and beyond". In setting and reviewing objectives and activities and in making decisions, the University's Council has had due regard to the Charity Commissions public benefit guidance and supplementary guidance on the advancement of education.

OUR COVID-19 RESPONSE

In addition to the research projects described above, we have continued to support our community through the pandemic.

Nearly a thousand of our healthcare and medical students volunteered their time to support the NHS. Our final year medical students were inducted as doctors after the General Medical Council offered early provisional registration, 662 nursing students were placed within the health boards, more than 100 paramedic students signed up to work with the Welsh Ambulance Service, and the entire third year of midwifery degree students assisted qualified midwives. The students' contributions were acknowledged by Santander, through Santander Universities, with a donation of £27,500 to provide vouchers to use in local businesses.

Our University, through the South West Wales Reaching Wider Partnership, helped more than a thousand pupils in South Wales during lockdown by providing educational activity packs and revision-based materials for GCSE students, and running two book clubs. The Swansea University Science for School's Scheme (S4) has also provided science outreach workshops for schools in South Wales and developed video and online content to keep pupils engaged during lockdown. The S4 team also printed and delivered hundreds of science workbooks to schools for Key Stage 3 pupils. We also provided 12 local schools with hand sanitiser produced by the SPECIFIC project team, who temporarily pivoted from producing solar technology. The team also supplied the NHS, care homes and housing associations.
Our student volunteering charity, Discovery SVS, was awarded two grants from Welsh Government, to aid the charity's supported volunteering scheme (which usually pairs student volunteers with disabled adults from the local community) and to create a Covid-secure food distribution scheme with local growers in Siavonga, Zambia.

We made Covid-related hardship payments to about 10,000 students and provided laptops, food parcels and other support through a scheme made possible by funding from the Higher Education Funding Council for Wales. At the start of semester two, the Faculty of Science and Engineering also loaned 3D printers to 70 students on a digital manufacturing module, enabling them to practice with the technology, build their own parts, and produce the work needed to complete their module.

SUPPORTING WIDENING ACCESS

We play an active role in widening access and supporting education. Swansea University is the lead partner in the HEFCW-funded South West Wales Reaching Wider Partnership and also funds and delivers the Step Up to Swansea University programme as part of the Reaching Wider Institutional Plan. Both programmes aim to increase participation in higher education by people from underrepresented groups and communities in South West Wales, with a specific focus on the Welsh Index of Multiple Deprivation, looked-after children and care leavers. During lockdown, both programmes played an active role in supporting school and college pupils through delivering online sessions and posting out 'hands on' activity packs to pupils' homes including science experiments and wellbeing resources.

The Technocamps initiative delivers hands-on workshops for secondary schools to encourage pupils to take up computing and STEM subjects at GCSE, A-level and beyond. As the lead partner, our new STEM Academy (with funding support from the Welsh Government) hosted a week of free science-based activities on Singleton campus for pupils from Years 7 and 8.

The Further Maths Support Programme Wales provides a full range of activities and events for students in years 9-13 including Maths careers talks, study and revision days, problem solving workshops, as well as A/AS level mathematics and further maths support workshops for teachers. We also provide progression pathways through foundation years in Engineering, Science, Arts and Humanities and the School of Management for individuals unable to gain direct entry to the first year of a full-time undergraduate degree.

SUPPORTING HEALTH AND WELLBEING

As the full scale of the pandemic started to evolve in March 2020, the MyUniSupport Team was established as single point of contact for students, staff and external partners in local Test, Trace and Protect teams, centralising the operational provision of all support needs for students, from basic living needs to targeted welfare and wellbeing provision. This provided a clear mechanism for communicating with students identified as COVID positive and those in their accommodation that also needed to isolate.

This support enabled students to continue their studies uninterrupted, while those struggling through illness, anxiety or isolation were provided with direct support. Isolating students received regular and targeted communications on support, with a wide range of well-being activities delivered online. On campus isolating students also received check-ins from Campus Security. Student feedback shows high levels of satisfaction and good levels of engagement levels with online wellbeing activities.

We were also pleased to be able to reopen our Health and Wellbeing Academy osteopathy services to the general public in September. Based at our Singleton Park Campus, the Academy offers a range of affordable and flexible services for a wide range of conditions including back pain, repetitive strain injury, arthritis, sports injuries, neck pain, postural problems and pain during pregnancy.

SUPPORTING SPORT AND CULTURE

One of the overarching commitments set out in Swansea University: Our Strategic Vision and Purpose is to transform the Swansea Bay City Region as the capital for sport in Wales. While the restrictions imposed during the coronavirus pandemic unfortunately resulted in a greatly reduced 'on field' programme for our student athletes, we used the opportunity to focus on the continued development and implementation of a new Sport Swansea: Active University Strategy. The short-term strategic framework covers the period up to 2023-24 and aims to build on recent performance, consolidate operations and provide a firm basis for sustainable growth and success across student sport. The Strategy is built with a 'sport for all' ethos across three core pillars ensuring our programmes reach everyone in the University community and remove barriers to participation:

INSPIRE - High performance sport

ASPIRE - Recreational and competitive sport

ENGAGE - Introductory activity and active lifestyles

Central to our vision and aspiration is the sport and leisure infrastructure which will provide the environment and catalyst to develop programmes and opportunities for the University and regional community. We have continued to develop our facilities with additional sport provision at the Bay Campus (due for completion in early 2022) including full size, hard surface MUGA and gym annex, and replacement of our water-based hockey pitch at Sketty Lane with an exclusive Tokyo 2020 specification surface, which provides Wales' premier hockey facility. Work is also ongoing to progress a City Deal initiative to develop new facilities for Sport and Exercise Science, Life Sciences and SportsTech innovation at our Swansea Bay Sports Park on Sketty Lane.

We have renewed/continued all our key strategic and performance partnerships with Swansea City AFC, Ospreys, Scarlets, Hockey Wales, Swim Wales, Welsh Rugby Union and Table Tennis Wales. Swansea University was the front of shirt sponsor for Swansea City Football Club in the 2020/21 season, and has renewed its sponsorship for the 2021/22 season. The partnership has secured significant positive publicity for the club and the University, as it is seen as a welcome move away from teams being sponsored by betting companies. The University also retains its status as Swansea City's exclusive Higher Education partner.

We have secured funding for a Wales-wide research project to help enhance the performance of Welsh athletes. The Welsh Institute of Performance Science, led by Swansea University and involving industry partners, has already been in operation for five years and helped drive the success of Wales's Commonwealth Games athletes. A new grant of £440,000 from Sport Wales will allow its research to continue for a further four years.

A number of our students and alumni represented Great Britain at the Tokyo Olympic Games alumni, and we were also pleased to host the Wales Women's rugby team during their preparations for their Six Nations match against Scotland. Our Futsal team were crowned Welsh Champions and made an inaugural appearance in the UEFA Champions League, and we have appointed James Hook (former Welsh international and British and Irish Lions rugby player) as Attack Coach for our University rugby team.

In terms of our cultural offering, although our theatres and cinema were closed due to the pandemic, we have continued to support initiatives such as the annual Swansea University Dylan Thomas Prize. The University's activity at the Hay Festival, included talks on what the history of influenza can teach us about living with COVID-19, and a conversation between the actor Michael Sheen, former Plaid Cymru leader Leanne Wood, and Professor Daniel G Williams about the life, work, and continued relevance of the writer Raymond Williams.

We were also proud to be part of a landmark project to publish a digital collection of manuscripts, notebooks and photographs relating to Dylan Thomas, in collaboration with the Harry Ransom Center at The University of Texas, which holds the largest collection in the world of transcripts and letters by the Swansea-born poet and dramatist.

SUPPORTING PUBLIC ENGAGEMENT

Our Oriel Science exhibition reopened in May at a new venue in the heart of Swansea city centre. Open on weekends and during school holidays, the free exhibition highlights some of our University's world-class research.

This year, the Swansea Science Festival, in partnership with the Waterfront Museum, was held online, enabling us to deliver a diverse programme of events to people around the world. More than 30 live and pre-recorded events explored topics ranging from our planet and the future of the universe, to time travel, dreams, machines, and some of the world's deadliest animals. Special guests included Professor Brian Cox, Steve Backshall, David Baddiel, Konnie Huq, Iolo Williams and Lyn Evans.

Our Cultural Institute was chosen as one of four hubs for Being Human 2020, the UK's only national festival of the humanities, which took place in November. This year's theme was 'New Worlds', timed to reflect on the radical global changes of 2020, from the COVID-19 pandemic to the Black Lives Matter protests and the US election.

We were also proud to partner with Amgueddfa Cymru – National Museum Wales to support a free exhibition about the life of actor Richard Burton. The exhibition featured Burton's diaries, papers and personal objects on display for the public for the very first time.

Independent auditors' report to the Council of Swansea University (the "institution")

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, Swansea 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 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 of the group 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 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 Financial Review 2021 (the "Annual Report"), 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 Statement of Cash Flow for the year then ended; and the Statement of Principal Accounting Policies; and the notes to the financial statements.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

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 institution's ability to continue as a going concern for a period of at least twelve months from the date on which 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 and 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 Statement of Council's Responsibilities in Respect of the consolidated financial statements set out on page 54, 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 is 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 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 the Council either intends to liquidate the group and institution or to cease operations, or has 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 institution 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 and 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 Charities Act 2011, the Statement of Recommended Practice

– Accounting for Further and Higher Education and HEFCW's Accounts Direction to Higher Education Institutions for 2020/21 (W21/19HE) . 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 inappropriate journal entries and management bias in accounting estimates . Audit procedures performed included:

- Discussions with management to enquire of any known instances of non-compliance with Laws and Regulations and Fraud
- Reading board minutes for evidence of breaches of regulations and reading relevant correspondence
- Challenging assumptions and judgements made by management in their significant accounting estimates
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations
- Incorporating unpredictability into the nature, timing and/or extent of our testing

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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;
- funds provided by HEFCW have been applied in accordance with the HEFCW Financial Management Code, the Memorandum of Assurance and Accountability 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 institution; or
- the 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.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
29 November 2021

Statement of Council's Responsibilities in respect of the consolidated financial statements

The Council is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations and 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").

In accordance with the University's Charter and Statutes, the Council is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control is in place and maintained, and is required to present audited Financial Statements for each financial year.

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time the financial position of the University and Group, and to ensure that the financial statements are prepared in accordance with the University's Charter and Statutes; the Accounts Direction issued by the Higher Education Funding Council for Wales (HEFCW); the Statement of Recommended Practice on Accounting for Further and Higher Education, the Charities Act 2011 and other relevant accounting standards. In addition, within the terms and conditions of a Memorandum of Assurance and Accountability and a Financial Management Code agreed between the Council of the University and HEFCW, the Council, through the Vice-Chancellor as its designated 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 Group of the surplus or deficit and cash flows for that year.

In preparing these financial statements, the Council has ensured that:

- suitable accounting policies were selected and applied consistently;
- judgements and estimates were made that were reasonable and prudent;
- applicable accounting standards were followed, subject to any material departures disclosed and explained in the financial statements;
- financial statements were prepared on the going-concern basis, unless it is inappropriate to presume that the University group will continue in operation.

The Council is satisfied that the University and Group has adequate resources to continue in operation for the foreseeable future; for this reason, the going-concern basis continues to be adopted in the preparation of the financial statements.

The Council has taken reasonable steps to:

- ensure that funds from HEFCW are used only for the purposes for which they have been given and in accordance with the Memorandum of Assurance and Accountability with HEFCW, and any other conditions which HEFCW 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 (see further detail under Principal Risk and System of Internal Controls in the Corporate Governance Statement section);
- safeguard the assets of the University and the Group to prevent and detect fraud;
- secure the economical, efficient and effective management of the resources and expenditure of the University and its subsidiaries.

The key elements of the University and the Group's system of internal control, which is designed to discharge the responsibilities set out above, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and professional services departments;
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets, the overall budget being approved by the Council;
- regular reviews of financial results involving variance reporting and updates of forecast out-turns;
- clearly defined and formalised requirements for approval and control of expenditure, with significant investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal by the Finance and Strategy Committee;
- comprehensive financial regulations, detailing financial controls and procedures, approved by the Finance and Strategy Committee; and
- a professional Internal Audit service whose annual programme is approved by the Audit, Assurance and Risk Committee and whose head provides the Council, through the Audit, Assurance and Risk Committee with a report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the University's system of internal control, including internal financial control.

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

The Council has reviewed the key risks to which the University is exposed together with the operating, financial and compliance controls that have been implemented to mitigate these risks. The Council is of the view that there is a formal on-going process for identifying, evaluating and managing the University's significant risks that has been in place for the year ending 31 July 2021 and up to the date of approval of the financial statements.

Mr Bleddyn Phillips, Chair of Council
29 November 2021

COUNCIL MEMBERSHIP FOR THE YEAR ENDED 31 JULY 2021

On 31 March 2021 the Privy Council approved amendments to the University's Statutes concerning the membership of Council. The Council membership prior to, and following these amendments being implemented are set out below.

Council membership prior to 30 March 2021

MEMBER CATEGORY	ROLE	MEMBER	START TERM	END OF TERM	ATTENDANCE[1]
Lay	Chancellor	Professor Dame Jean Thomas	01.01.18	31.12.21	(7/7)
Lay	Pro-Chancellor and Chair of Council	Mr Bleddyn Phillips	13.12.19	12.12.23	(7/7)
Lay	Pro-Chancellor	Sir Roderick Evans	01.04.17	31.03.21	(5/7)
Lay	Treasurer	Mr Goi Ashmore	01.08.20	31.07.24	(7/7)
Staff	Vice-Chancellor	Professor Paul Boyle	26.07.19	25.07.24	(7/7)
Staff	Pro-Vice-Chancellors	Provost Professor Steve Wilks Professor Martin Stringer	30.12.18 01.09.19	31.12.22 31.08.23	(7/7) (5/7)
Lay	Six Members appointed by and from the Court of Swansea University	Mr Gordon Anderson Mrs Jill Burgess Professor Edward David Professor Kathryn Monk Ms Elin Rhys	30.01.17 30.01.18 04.02.20 27.01.18 04.02.20	31.01.21 31.01.22 03.02.24 26.01.22 03.02.24	(7/7) (7/7) (7/7) (6/7) (7/7)
Staff	Four members of the academic staff appointed by and from Senate	Professor Nuria Lorenzo-Dus Professor Joy Merrell Dr Ryan Murphy Dr Sian Rees	01.12.18 19.10.16 04.07.19 04.07.19	30.11.22 18.10.20 03.07.23 03.07.23	(6/7) (7/7) (7/7) (6/7)
Lay	Six members co-opted by the Council of Swansea University	Dr Kerry Beynon Mrs Rosemary Morgan Dr Angus Muirhead Ms Anne Tutt Mrs Marcia Sinfield Professor Keshav Singhal	04.02.20 10.09.19 21.03.20 06.07.20 01.12.20 01.12.20	03.02.24 10.09.20 20.03.24 05.07.24 30.11.24 30.11.24	(6/7) (0/1) (7/7) (7/7) (3/4) (4/4)
Staff	Two employees of Swansea University nominated by the University's recognised Trades Unions	Mr Adrian Jenkins Professor Sue Jordan	27.09.19 11.09.19	29.07.21 10.09.23	(7/7) (7/7)
Staff	President and Sports Officer of the Students' Union	Ms Ffion Davies	01.07.20	30.06.21	(7/7)

Council membership from 31 March 2021

MEMBER CATEGORY	ROLE	MEMBER	START TERM	END OF TERM	ATTENDANCE[2]
Lay	Pro-Chancellor and Chair of Council	Mr Bleddyn Phillips	13.12.19	12.12.23	(2/2)
Lay	Pro-Chancellor	Sir Roderick Evans	01.04.21	31.03.25	(2/2)
Lay	Treasurer	Mr Goi Ashmore	01.08.20	31.07.24	(1/2)
Staff	Vice-Chancellor	Professor Paul Boyle	26.07.19	25.07.24	(2/2)
Staff	Two members of the academic staff appointed by Senate	Professor Nuria Lorenzo-Dus Dr Sian Rees	01.12.18 04.07.19	30.11.22 03.07.23	(2/2) (2/2)
Lay	Nine Members co-opted by the Council	Dr Kerry Beynon Professor Edward David Professor Kathryn Monk Dr Angus Muirhead Ms Elin Rhys Ms Anne Tutt Mrs Marcia Sinfield Professor Keshav Singhal	04.02.20 04.02.20 27.01.18 21.03.20 04.02.20 06.07.20 01.12.20 01.12.20	03.02.24 03.02.24 26.01.22 20.03.24 03.02.24 05.07.24 30.11.24 30.11.24	(2/2) (2/2) (2/2) (2/2) (2/2) (2/2) (2/2) (2/2)
Staff	Two employees of Swansea University as prescribed by the Ordinances	Mr Adrian Jenkins Professor Sue Jordan	27.09.19 11.09.19	29.07.21 10.09.23	(2/2) (2/2)
Student	President of Students' Union and one other member appointed by the Students' Union	Ms Ffion Davies Ms Theresa Ogbekhiulu Ms Katie Phillips Ms Liza Leibowitz	01.07.20 31.03.21 01.07.21 01.07.21	30.06.21 30.06.21 30.06.22 30.06.22	(1/1) (1/1) (0/1) (1/1)

Statement Of Principal Accounting Policies

1. GENERAL INFORMATION

Swansea University is registered with the Higher Education Funding Council in Wales (HEFCW). The address of the registered office is: **Swansea University, Singleton Park, Swansea, SA2 8PP**

2. STATEMENT OF COMPLIANCE

The Consolidated and University financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2020 edition).

They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2021, the Royal Charter, the Accounts Direction issued by the Higher Education Funding Council for Wales (HEFCW), and the terms and conditions of funding for higher education institutions issued by HEFCW.

The University is registered as a charity. The Financial Statements have been prepared in compliance with the Charities Act 2011.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

3. BASIS OF PREPARATION

The Consolidated and University financial statements are prepared in accordance with the historic-cost convention (modified by the revaluation of fixed assets and the measurement of certain financial instruments at fair value).

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the operational and financial review, which forms part of the Members of Council's report. This review also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities. The Members of Council have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future.

The financial statements have been prepared under the going concern basis of accounting. The Members of Council feel that this is appropriate as the University has considerable financial resources together with a significant value of contracted income over the medium term. The Members of Council have reviewed forecasts and forecast covenant compliance throughout the year. Therefore, the Members of Council believe that they are well placed to manage its business risks despite the on-going changes in sector funding. Judgements made by management in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in accounting policy note 23.

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2021. Intra-group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

Joint ventures are accounted for using the equity method.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £'000.

4. EXEMPTIONS UNDER FRS 102

The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate financial statements.

5. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with the share of the results of joint ventures and associates for the financial year to 31 July 2021.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the University and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity; the part relating to the University's share is eliminated.

The consolidated financial statements do not include the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method.

6. INCOME RECOGNITION

Income from the sale of goods or services (exchange transactions) is credited to the Statement of Comprehensive Income when the amount of revenue can be reliably measured, the stage of completion at the end of the reporting period can be reliably measured, it is probable that the economic benefits associated with the transaction will flow to the University and when costs of services delivered or due to be delivered can be measured reliably.

Tuition Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. 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. Education contracts are recognised when the University is entitled to the income, which is the period in which the students are studying, or where relevant, when performance conditions have been met.

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.

Investment income is credited to the statement of income and expenditure on a receivable basis.

GRANT FUNDING

Government grants including Funding Council block grant and research grants from Government sources and other grants from non-government sources including research grants from non-government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and performance-related conditions have been met. Income received in advance of performance-related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Commercial research contracts are accounted for in line with the policy for income from the sale of goods or services (exchange transactions) above.

Other grants and donations received from non-government sources including research grants from non-government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and the performance-related conditions have been met. Income received in advance of performance related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

CAPITAL GRANTS

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

DONATIONS AND ENDOWMENTS

Non-exchange transactions without performance-related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the Statement of Comprehensive Income when the University is entitled to the income. 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.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

Donations with no restrictions are recorded within the Statement of Comprehensive Income when the University is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

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 can convert the donated sum into income.
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.

Donations of tangible assets are included within income. The income recognised is valued using a reasonable estimate of their gross value or the amount actually realised. Donated tangible assets are valued and accounted for as tangible assets under the appropriate asset category.

7. ACCOUNTING FOR RETIREMENT BENEFITS

The three principal schemes for the University's staff are the Universities Superannuation Scheme (USS), the Swansea University Pension Scheme (SUPS), and the National Employment Savings Trust (NEST). SUPS was closed to new members from 1st January 2012 when new staff were invited to join NEST. The University also contributes to the NHS Pension Scheme.

USS and SUPS are defined-benefit schemes, which are externally funded and contracted out of the State Second Pension. Each fund is valued every three years by professionally qualified independent actuaries. NEST is a defined contribution scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities of each University, due to the mutual nature of the scheme. Therefore, the scheme is accounted for as a defined contribution retirement benefit scheme.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

DEFINED CONTRIBUTION PLAN

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

MULTI-EMPLOYER SCHEMES

Where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the University has entered into an agreement with such a multi-employer scheme that determines how the University will contribute to a deficit recovery plan, the University recognises a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

DEFINED BENEFIT PLAN

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. 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 University.

The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.
Annually the University engages independent actuaries to calculate the obligation for each scheme. The present value is determined by discounting the estimated future payments at a discount rate based on market yields on high quality corporate bonds denominated in sterling with terms approximating to the estimated period of the future payments.

The fair value of a scheme's assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the University's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements. The net interest cost is calculated by applying the discount rate to the net liability. This cost is recognised in expenditure as a finance cost.

Further detail is provided on the specific pension schemes in note 30 to the accounts.

8. 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 the service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement. Unused annual leave entitlement at 31 July is recognised as a creditor for administrative staff. There is no creditor for unused annual leave for academics as no obligation exists.

9. FINANCE LEASES

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so

as to produce a constant periodic rate of interest on the remaining balance of the liability.

10. SERVICE CONCESSION ARRANGEMENTS

Fixed assets held under service concession arrangements are recognised on the Balance sheet at the present value of the minimum lease payments when the assets are brought into use with the corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The Bay Campus residences and Singleton residences are classified as Service Concession Arrangements.

11. 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.

12. FOREIGN CURRENCY

Transactions in foreign currencies are translated to Pound Sterling at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are re-translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

13. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

LAND AND BUILDINGS

Land and buildings are capitalised at cost on initial recognition.

After initial recognition, land and buildings are subsequently measured at costs less accumulated depreciation and accumulated impairment losses.

Land and buildings in existence upon transition to FRS102 and the new HE SORP 2015, were revalued to fair value on the date of transition. These are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation. 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 on an annual basis.

Costs incurred to land and buildings after initial purchase or construction, are capitalised to the extent that they increase the expected future benefits to the University.
Where parts of the assets have different useful lives, they are accounted for as separate items of fixed assets.

Freehold 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 to the University of between 12 and 75 years.

No depreciation is charged on assets in the course of construction and depreciation is accelerated when there is a known demolition date.

Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years.

EQUIPMENT

Equipment costing more than £25,000 per individual item is capitalised in the year of acquisition. Equipment purchased as part of a package or replacement programme, with the total package costing more than £25,000 is also capitalised in the year of acquisition. All other equipment is written off in the year of acquisition, unless there is a specific reason to capitalise.

Capitalised equipment is stated at cost and depreciated over its useful expected life. The useful expected life is 3-5 years except in exceptional circumstances where the useful life is deemed longer or shorter.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

VESSELS

Vessels are stated at cost and depreciated over their useful expected lives.

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

BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Comprehensive Income in the period in which they are incurred.

IMPAIRMENT

A review for impairment of property, plant and equipment is carried out if events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

14. HERITAGE ASSETS

Works of art and other valuable artefacts are capitalised and recognised at the cost or value of the acquisition, where a cost or value is reasonably obtainable.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

15. INVESTMENT PROPERTIES

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Statement of Comprehensive Income. Properties are not depreciated but are revalued or reviewed annually according to market conditions as at 31 July each year.

16. INVESTMENTS

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

Investments in jointly-controlled entities, subsidiaries and associates are carried at cost less impairment in the University's accounts.

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income.

17. STOCK

Stock is held at the lower of cost and net realisable value.

18. 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.

19. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised in the financial statements when:

a) the University has a present obligation (legal or constructive) as a result of a past event;

b) it is probable that an outflow of economic benefits will be required to settle the obligation; and

c) a reliable estimate can be made of the amount of the obligation.

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

A contingent liability arises from a past event that gives the University a possible obligation

whose existence will only be confirmed by the occurrence or otherwise of certain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.
A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

20. ACCOUNTING FOR JOINT OPERATIONS, JOINTLY CONTROLLED ASSETS AND JOINTLY CONTROLLED OPERATIONS

The University accounts for its share of joint ventures using the equity method.

The University accounts for its share of transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income.

21. TAXATION

The University is a charity within the meaning of Para 1 of schedule 6 of the Finance Act 2010 and 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 (CTA 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.

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

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

22. RESERVES

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanent restricted fund as the University must hold the fund to perpetuity.

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

23. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

TANGIBLE FIXED ASSETS

Land and buildings were revalued on adoption of FRS102. The revaluation was performed by qualified quantity surveyors based upon their independent review of the estate and supporting information from the University.

During the revaluation of land and buildings the estimated useful lives of buildings were reviewed and updated by the independent surveyors based upon an assessment of the age and condition of the estate

RECOVERABILITY OF DEBTORS

The policy for provision for bad and doubtful debts is specific for each class of debt and based on circumstances and post-year-end recovery of actual debts. Any non-provided debts are deemed recoverable.

RETIREMENT BENEFIT OBLIGATIONS

The University operates its own scheme, Swansea University Pension Scheme (SUPS), which is a defined-benefit scheme (now closed to new members). Actuarial valuations of the scheme are carried out as determined by the Trustees at intervals of not more than three years.

Pension costs under the HE SORP and FRS102 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 decisions between the actuary and management. The assumptions are documented in note 30.

Management are 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 funding plan in existence at the date of approving the financial statements.

As the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2017 actuarial valuation, which defines the deficit payment required as a percentage of future salaries. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 30.

Financial Statements for the year ended 2021

CONSOLIDATED AND INSTITUTION STATEMENTS OF COMPREHENSIVE INCOME YEAR ENDED 31ST JULY 2021

	NOTES	CONSOLIDATED YEAR ENDED 31 JULY 2021 £000	UNIVERSITY YEAR ENDED 31 JULY 2021 £000	CONSOLIDATED YEAR ENDED 31 JULY 2020 £000	UNIVERSITY YEAR ENDED 31 JULY 2020 £000
INCOME					
Tuition fees and education contracts	1	**184,265**	**184,265**	171,197	171,197
Funding body grants	2	**50,416**	**50,416**	27,310	27,310
Research grants and contracts	3	**62,074**	**62,074**	56,184	56,184
Other income	4	**63,572**	**62,787**	61,934	61,047
Investment income	5	**87**	**87**	631	631
Donations and Endowments	6	**339**	**339**	249	249
Total income		**360,753**	**359,968**	317,505	316,618
EXPENDITURE					
Staff costs	7	**181,194**	**180,887**	182,735	182,376
USS change in contributions	7	**(4,250)**	**(4,250)**	(39,368)	(39,368)
Restructuring costs	7	**5,952**	**5,952**	5,612	5,612
Other operating expenses		**116,010**	**115,267**	103,303	102,820
Depreciation	11	**26,401**	**26,270**	23,871	23,738
Interest and other finance costs	8	**7,613**	**7,610**	8,936	8,934
Total expenditure	9	**332,920**	**331,736**	285,089	284,112
Surplus before other gains, losses and share of operating of joint ventures and associates		**27,833**	**28,232**	32,416	32,506
Gain/(Loss) on disposal of tangible assets		**68**	**68**	(530)	(530)
Gain/(loss) on investments	14/22	**250**	**(111)**	82	181
Share of operating (deficit) in associate	14	**(236)**	**(236)**	(254)	(254)
Surplus before taxation		**27,915**	**27,953**	31,714	31,903
Taxation	10	**(14)**	**-**	(14)	-
Surplus for the year		**27,901**	**27,953**	31,700	31,903
Other Comprehensive Income/(Expense					
Actuarial gain/(loss) in respect of pension schemes	31	**12,600**	**12,600**	(10,800)	(10,800)
Total comprehensive income for the year		**40,501**	**40,553**	20,900	21,103
Represented by:					
Endowment comprehensive income for the year	22	**524**	**524**	207	207
Unrestricted comprehensive income for the year		**41,009**	**41,061**	21,725	21,928
Revaluation reserve comprehensive (expense) for the year		**(1,032)**	**(1,032)**	(1,032)	(1,032)
		40,501	**40,553**	20,900	21,103

All items of income and expenditure relate to continuing activities.
The accompanying notes and policies on pages 68 to 93 from part of these financial statements

CONSOLIDATED AND INSTITUTION STATEMENTS OF CHANGE IN RESERVES YEAR ENDED 31ST JULY 2021

	INCOME AND EXPENDITURE RESERVE ENDOWMENT £000	INCOME AND EXPENDITURE RESERVE UNRESTRICTED £000	REVALUATION RESERVE £000	TOTAL £000
CONSOLIDATED				
At 1 August 2019	6,774	105,905	45,718	**158,397**
Surplus from the income and expenditure statement	207	31,493	-	**31,700**
Other comprehensive expense	-	(10,800)	-	**(10,800)**
Transfers between revaluation and income and expenditure reserve	-	1,032	(1,032)	-
Release of endowment and restricted funds spent in the year	-	-	-	-
At 31 July 2020	6,981	127,630	44,686	**179,297**
At 1 August 2020	**6,981**	**127,630**	**44,686**	**179,297**
Surplus from the income and expenditure statement	569	27,332	-	**27,901**
Other comprehensive income	-	12,600	-	**12,600**
Transfers between revaluation and income and expenditure reserve	-	1,032	(1,032)	-
Release of endowment and restricted funds spent in the year	(45)	45	-	-
Total comprehensive Income/(expense) for the year	524	41,009	(1,032)	**40,501**
At 31 July 2021	**7,505**	**168,639**	**43,654**	**219,798**
UNIVERSITY				
At 1 August 2019	6,774	106,294	45,718	**158,786**
Surplus from the income and expenditure statement	207	31,696	-	**31,903**
Other comprehensive expense	-	(10,800)	-	**(10,800)**
Transfers between revaluation and income and expenditure reserve	-	1,032	(1,032)	-
Release of endowment and restricted funds spent in the year	-	-	-	-
At 31 July 2020	6,981	128,222	44,686	**179,889**
At 1 August 2020	**6,981**	**128,222**	**44,686**	**179,889**
Surplus from the income and expenditure statement	569	27,384	-	**27,953**
Other comprehensive income	-	12,600	-	**12,600**
Transfers between revaluation and income and expenditure reserve	-	1,032	(1,032)	-
Release of endowment and restricted funds spent in the year	(45)	45	-	-
Total comprehensive income/(expense) for the year	524	41,061	(1,032)	**40,553**
At 31 July 2021	**7,505**	**169,283**	**43,654**	**220,442**

CONSOLIDATED AND INSTITUTION STATEMENTS OF FINANCIAL POSITION AT 31ST JULY 2021

	NOTES	CONSOLIDATED 31 JULY 2021 £000	UNIVERSITY 31 JULY 2021 £000	CONSOLIDATED 31 JULY 2020 £000	UNIVERSITY 31 JULY 2020 £000
NON-CURRENT ASSETS					
Tangible assets	11	**451,533**	**450,590**	451,902	450,834
Heritage assets	11	**945**	**945**	945	945
Investments	14	**288**	**-**	452	-
Investments in subsidiaries	14	**-**	**1,929**	-	2,389
Investments in associates	14	**1,780**	**1,780**	2,016	2,016
		454,546	**455,244**	455,315	456,184
CURRENT ASSETS					
Stocks	15	**124**	**28**	158	13
Trade and other receivables	17	**45,680**	**45,309**	39,551	39,127
Investments	16	**5,269**	**5,269**	4,855	4,855
Cash and cash equivalents		**140,960**	**140,638**	97,389	97,117
		192,033	**191,244**	141,953	141,112
Less creditors falling due within one year	18	**(97,400)**	**(96,665)**	(70,640)	(70,076)
NET CURRENT ASSETS		**94,633**	**94,579**	71,313	71,036
Total assets less current liabilities		**549,179**	**549,823**	526,628	527,220
Creditors: amounts falling due after more than one year	19	**(225,212)**	**(225,212)**	(226,657)	(226,657)
PROVISIONS					
Pension provision	21	**(104,169)**	**(104,169)**	(120,674)	(120,674)
Total net assets		**219,798**	**220,442**	179,297	179,889
RESTRICTED RESERVES					
Income and expenditure reserve - endowment reserve	22	**7,505**	**7,505**	6,981	6,981
UNRESTRICTED RESERVES					
Income and expenditure reserve - unrestricted		**168,639**	**169,283**	127,630	128,222
Revaluation reserve		**43,654**	**43,654**	44,686	44,686
Total reserves		**219,798**	**220,442**	179,297	179,889

The financial statements were approved by Council on 29 November 2021 and were signed on its behalf on that date by:
The accompanying notes and policies form part of these financial statements.

Professor P Boyle (Vice-Chancellor)

B. Phillips (Chair of Council)

CONSOLIDATED STATEMENT OF CASH FLOW YEAR ENDED 31ST JULY 2021

	NOTES	2021 £000	2020 £000
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year before taxation		**27,915**	31,714
ADJUSTMENT FOR NON-CASH ITEMS			
Depreciation	11	**26,401**	23,871
Service Concession Income		**(9,466)**	(9,466)
Service Concession Interest		**3,141**	3,221
Gain on Investments		**(250)**	(82)
Decrease/(increase) in stock		**34**	(32)
(Increase)/decrease in debtors		**(6,565)**	12,838
Increase/(decrease) in creditors		**15,477**	(10,559)
Decrease in pension provisions		**(3,905)**	(38,704)
Share of operating deficit in associate		**236**	254
ADJUSTMENT FOR INVESTING OR FINANCING ACTIVITIES			
Investment income		**(87)**	(631)
Capital grant income		**(10,552)**	(3,538)
Interest payable		**6,251**	6,299
Endowment Income		**(88)**	(4)
(Gain) / Loss on the sale of tangible assets		**(68)**	530
Cash flows from operating activities		**48,474**	**15,711**
Taxation		**(14)**	(14)
Net cash inflow from operating activities		**48,460**	15,697
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital grant receipts		**19,262**	16,296
Proceeds from sales of tangible assets		**350**	-
Payments made to acquire tangible assets		**(22,890)**	(14,308)
Proceeds from disposal of non-current investments		**-**	40
Investment income		**87**	631
		(3,191)	2,659
CASH FLOWS FROM FINANCING ACTIVITES			
Interest paid		**(3,110)**	(3,078)
Interest element of finance lease and service concession arrangements		**(3,141)**	(3,221)
New endowments		**88**	4
Liquidation of endowments		**-**	225
New unsecured loans		**7,297**	-
Repayment of amounts borrowed		**(2,976)**	(2,093)
		(1,842)	(8,163)
Increase in cash and cash equivalents in the year		**43,427**	10,193
Cash and cash equivalents at beginning of the year		**97,136**	86,943
Cash and cash equivalents at end of the year		**140,563**	97,136

1 TUITION FEES AND EDUCATION CONTRACTS

	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
Full - time home and EU students	**126,333**	**126,333**	116,697	116,697
Full - time international students	**40,115**	**40,115**	36,027	36,027
Part - time students	**2,919**	**2,919**	3,719	3,719
Educational contracts with the NHS	**14,664**	**14,664**	14,439	14,439
Non-accredited course fees	**234**	**234**	315	315
	184,265	**184,265**	171,197	171,197

To generate the full - time home and EU tuition fee the University has spent £4.1 million (2020: £5.4 million) in relation to bursaries in accordance with the fee plan.

2 FUNDING BODY GRANTS

Grant received in year - recurrent	**23,379**	**23,379**	21,294	21,294
	23,379	**23,379**	21,294	21,294
Specific grants received in year				
Student Hardship	**8,805**	**8,805**	-	-
Higher Education Investment Recovery Fund - digital	**1,494**	**1,494**	-	-
Other	**6,186**	**6,186**	2,268	2,268
Capital	**10,552**	**10,552**	3,748	3,748
	27,037	**27,037**	6,016	6,016
	50,416	**50,416**	27,310	27,310

Income from capital grants includes £2,473k in respect of buildings (2020: £3,478) and £8,079k in respect of equipment (2020: £0k). There was no released of deferred capital grants brought forward (2020: £0).

3 RESEARCH GRANTS AND CONTRACTS

Research Councils	**20,248**	**20,248**	16,071	16,071
UK-based charities	**2,359**	**2,359**	2,644	2,644
UK industry and commerce	**3,500**	**3,500**	3,293	3,293
Government (UK and overseas)	**33,981**	**33,981**	32,414	32,414
Other	**1,986**	**1,986**	1,762	1,762
	62,074	**62,074**	56,184	56,184

There is no income from capital grants in respect of buildings within Research grants and contracts in 2021 (2020: £0)

4 OTHER INCOME

Residences, catering and conferences	**22,383**	**22,383**	23,746	23,746
Other services rendered	**3,493**	**3,493**	3,957	3,957
Other capital grants	**-**	**-**	1,353	1,353
Income from service concession agreements	**9,466**	**9,466**	9,466	9,466
Other income	**15,564**	**14,779**	14,639	13,752
NHS income in respect of the College of Medicine	**11,837**	**11,837**	8,279	8,279
Research Council full-time Doctoral/Collaborative Training Award	**829**	**829**	494	494
	63,572	**62,787**	61,934	61,047

During the year, the University received £595k from the Coronavirus Job Retention Scheme (2020: £1,041k).

5 INVESTMENT INCOME

	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
Investment income on endowments	**92**	**92**	141	141
Interest from short-term investments	**(5)**	**(5)**	490	490
	87	**87**	631	631

6 DONATIONS AND ENDOWMENTS

New endowments	**88**	**88**	4	4
Unrestricted donations	**251**	**251**	245	245
	339	**339**	249	249

7 STAFF COSTS

The staff costs for the financial year were:				
Salaries	**130,679**	**130,372**	132,358	131,999
Social security costs	**14,225**	**14,225**	14,035	14,035
Other pension costs	**36,290**	**36,290**	36,342	36,342
Total staff costs	**181,194**	**180,887**	182,735	182,376
USS change in contributions	**(4,250)**	**(4,250)**	(39,368)	(39,368)
Restructuring costs	**5,952**	**5,952**	5,612	5,612

A Voluntary Exit Scheme (VES), where enhanced compensation payments were made to employees wishing to leave the University voluntarily, was initiated in 2019/20. The aim of this is to re-balance the overall cost base of the University to more appropriately match forecast income levels and ensure financial sustainability. The cost of £5,952k (2020: £5,612K) includes all requests that had been approved by the Registrar, Director of Finance, Director of HR and Head of Legal Services and accepted by the individual member of staff at 31 July 2021.

A further breakdown of pension costs has been included in note 31, Pensions Schemes.

Total remuneration of the Vice-Chancellor:

	2021 £000	2020 £000
Salary	**303**	293
Employer pension contributions	**6**	6
	309	299
Other Taxable Benefits:		
Subsidised accommodation and associated costs	**20**	19
University car and associated costs	**-**	24
Other benefits	**5**	9
	25	52

7 STAFF COSTS - CONTINUED

Decisions on the reward of the Vice-Chancellor are made by the University's Remuneration Committee taking account of the breath of leadership and financial responsibilities and delivery against the University's strategic objectives. Benchmarking against comparator universities is also undertaken.

The University took the decision not to pay any performance related pay during 2020/21. The Vice-Chancellors salary remains unchanged from the previous year.

On 23 April 2020, the Council of the University agreed to dispose of the Vice-Chancellor's Residence and consequently the Remuneration Committee agreed that from 22 March 2021, the University will pay to the Vice-Chancellor an accommodation allowance of £15,000 per annum. The Vice-Chancellor is enrolled in the enhanced opt out arrangement within the Universities' Superannuation Scheme (the USS).

The head of the provider's basic salary is 8.6 times the median pay of staff (2020: 8.3 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The head of the provider's total remuneration is 9.3 times the median total remuneration of staff (2020: 9.9 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University to its staff.

Higher paid staff

The number of staff with a basic salary over £100k per annum has been included below.

Remuneration of higher paid staff (excluding the Vice Chancellor), excludes employer's pension contributions but including payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contracts of employment and which are reimbursed to the University by the NHS, was:

	UNIVERSITY 2021 NUMBER	UNIVERSITY 2020 NUMBER
In 2021 there were 59 higher paid members of staff (2020: 61)		
£100,000 - £104,999	**10**	13
£105,000 - £109,999	**7**	9
£110,000 - £114,999	**12**	4
£115,000 - £119,999	**4**	7
£120,000 - £124,999	**7**	3
£125,000 - £129,999	**1**	4
£130,000 - £134,999	**3**	2
£135,000 - £139,999	**-**	7
£140,000 - £144,999	**1**	-
£145,000 - £149,999	**1**	2
£150,000 - £154,999	**2**	1
£155,000 - £159,999	**2**	1
£160,000 - £164,999	**1**	1
£165,000 - £169,999	**1**	1
£170,000 - £174,999	**-**	-
£175,000 - £179,999	**1**	1
£180,000 - £184,999	**2**	2
£185,000 - £189,999	**-**	-
£190,000 - £194,999	**1**	1
£195,000 - £199,999	**1**	2
£200,000 - £204,999	**1**	-
£205,000 - £209,999	**1**	-
Compensation totaling £1,005k was payable during the year to higher paid earners (2020: £0), split between ten higher paid staff.		
Compensation for loss of office payable to higher paid staff:	**£000**	£000
Compensation and severance paid to University higher paid staff	**1,005**	-
Number of University higher paid staff who received compensation or severance	**10**	-

7 STAFF COSTS - CONTINUED

Average number of staff

The average number of staff employed during the year expressed as FTE (full-time equivalents):

	2021 NUMBER FTE	2020 NUMBER FTE
Academic	**1,128**	1,111
Research	**490**	452
Management and specialist	**956**	972
Technical	**156**	159
Other	**897**	949
	3,627	3,643

KEY MANAGEMENT PERSONNEL

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the institution. Key management consists of the senior executive officers including the Vice-Chancellor, Provost, Pro-Vice-Chancellors, the Registrar, Director of Finance and the Faculty Deans.

	2021 £000	2020 £000
KEY MANAGEMENT PERSONNEL	**1,703**	954

The Key Management Personel comprise of the members of the Senior Management Team. Following the creation of Faculties, three new Executive Dean PVCs were created, heading up each Faculty. This increased the members of the Senior Leadership Team from six to nine. One further PVC joined the Senior Leadership team in August 2021 taking the current number of Key Management Personnel to ten.

During the year, there were a number of changes to the Senior Leadership Team. The Three Executive Dean PVCs were appointed to their new roles in September 20 joining the Senior Leadership Team, along with the PVC for Research who joined the University in August 20. The Registrar left the University in May 2021, with the Interim Registrar commencing work in July 2021.

	NOTES	**CONSOLIDATED 2021 £000**	**UNIVERSITY 2021 £000**	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
8 INTEREST AND OTHER FINANCES					
Loan interest		**3,110**	**3,107**	3,078	3,076
Finance leases including service concession arrangements		**3,141**	**3,141**	3,221	3,221
Unwinding of USS discount factor		**362**	**362**	1,437	1,437
Net pension interest cost	31	**1,000**	**1,000**	1,200	1,200
		7,613	**7,610**	8,936	8,934

9 ANALYSIS OF EXPENDITURE BY ACTIVITY

	CONSOLIDATED 2021					UNIVERSITY 2021					CONSOLIDATED 2020					UNIVERSITY 2020				
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Pay	Non Pay	Interest	Depreciation	Total	Pay	Non Pay	Interest	Depreciation	Total	Pay	Non Pay	Interest	Depreciation	Total	Pay	Non Pay	Interest	Depreciation	Total
Academic departments	92,577	19,277	-	3,279	115,133	92,577	19,277	-	3,279	115,133	97,238	20,757	3	2,600	120,598	97,238	20,757	4	2,600	120,599
Academic services	12,124	11,500	-	1,197	24,821	12,124	11,500	-	1,197	24,821	13,057	11,960	-	-	25,017	13,057	11,960	-	-	25,017
Research grants and contracts	32,912	14,469	-	7,077	54,458	32,912	14,469	-	7,077	54,458	32,004	13,993	-	6,995	52,992	32,004	13,993	-	6,995	52,992
Residences, catering and conferences	1,925	23,438	-	-	25,363	1,925	23,438	-	-	25,363	2,895	23,349	-	-	26,244	2,895	23,349	-	-	26,244
Premises	4,334	18,686	3,100	7,632	33,752	4,334	18,686	3,100	7,632	33,752	5,159	15,047	3,071	7,079	30,356	5,159	15,047	3,071	7,079	30,356
Professional services	33,046	26,589	6	22	59,663	33,046	26,589	6	22	59,663	30,055	17,420	-	-	47,475	30,055	17,420	-	-	47,475
USS change in contributions	(4,250)	-	362	-	(3,888)	(4,250)	-	362	-	(3,888)	(39,368)	-	1,437	-	(37,931)	(39,368)	-	1,437	-	(37,931)
Other operating expenses	10,228	2,051	4,145	7,194	23,618	9,921	1,308	4,142	7,063	22,434	7,939	777	4,425	7,197	20,338	7,580	294	4,422	7,064	19,360
Total expenditure	**182,896**	**116,010**	**7,613**	**26,401**	**332,920**	**182,589**	**115,267**	**7,610**	**26,270**	**331,736**	148,979	103,303	8,936	23,871	285,089	148,620	102,820	8,934	23,738	284,112

OTHER OPERATING EXPENSES INCLUDE:	2021	2020
	£000	£000
Service concession arrangements	10,204	10,283
Restructuring costs	5,952	5,612

During the year the Institution undertook significant restructuring which resulted in £5,936k (2020: £5,612K) in compensation for loss of office (see note 7).

EXTERNAL AUDITORS REMUNERATION	CONSOLIDATED 2021	UNIVERSITY 2021	CONSOLIDATED 2020	UNIVERSITY 2020
	£000	£000	£000	£000
Audit of the University and its subsidiaries	96	73	107	83
Audit related assurance services	16	16	52	52
Taxation compliance services	7	-	6	-
Taxation advisory services	7	7	21	21
Total non-audit services	30	23	79	73

	NOTES	CONSOLIDATED 2021	UNIVERSITY 2021	CONSOLIDATED 2020	UNIVERSITY 2020
		£000	£000	£000	£000
10 TAXATION					
Recognised in the statement of comprehensive income					
CURRENT TAX					
Current tax expense		**14**	**-**	14	-
Total tax expense		**14**	**-**	14	-

11 NON-CURRENT ASSETS - FIXED ASSETS - CONSOLIDATED

	FREEHOLD LAND AND BUILDINGS	SERVICE CONCESSION ARRANGEMENTS	FIXTURES, FITTINGS AND EQUIPMENT	VESSELS	ASSETS IN THE COURSE OF CONSTRUCTION	HERITAGE ASSETS	TOTAL
	£000	£000	£000	£000	£000	£000	£000
COST							
At 1 August 2020	369,361	154,202	44,031	1,566	4,302	945	574,407
Additions	-	3,424	9,570	-	13,320	-	26,314
Transfers	2,457	-	347	-	(2,804)	-	-
Disposals	(350)	-	-	-	-	-	(350)
At 31 July 2021	**371,468**	**157,626**	**53,948**	**1,566**	**14,818**	**945**	**600,371**
CONSISTING OF VAUATION AS AT:							
At 31 July 2021	43,654	-	-	-	-	-	43,654
Cost	327,814	157,626	53,948	1,566	14,818	945	556,717
At 31 July 2021	**371,468**	**157,626**	**53,948**	**1,566**	**14,818**	**945**	**600,371**
ACCUMULATED DEPRECIATION							
At 1 August 2020	52,746	38,722	30,019	73	-	-	121,560
Charge for year	11,536	7,063	7,739	63	-	-	26,401
Disposals	(68)	-	-	-	-	-	(68)
At 31 July 2021	**64,214**	**45,785**	**37,758**	**136**	**-**	**-**	**147,893**
CARRYING AMOUNT							
At 31 July 2021	**307,254**	**111,841**	**16,190**	**1,430**	**14,818**	**945**	**452,478**
At 1 August 2020	**316,615**	**115,480**	**14,012**	**1,493**	**4,302**	**945**	**452,847**

NON - CURRENT ASSETS - FIXED ASSETS - UNIVERSITY

COST							
At 1 August 2020	369,361	154,202	42,035	1,566	4,302	945	572,411
Additions		3,424	9,564	-	13,320		26,308
Transfers	2,457	-	347	-	(2,804)	-	-
Disposals	(350)	-	-	-	-	-	(350)
At 31 July 2021	**371,468**	**157,626**	**51,946**	**1,566**	**14,818**	**945**	**598,369**
CONSISTING OF VALUATION AS AT:							
31st July 2014	43,654	-	-	-	-	-	43,654
Cost	327,814	157,626	51,946	1,566	14,818	945	554,715
At 31 July 2021	**371,468**	**157,626**	**51,946**	**1,566**	**14,818**	**945**	**598,369**
ACCUMULATED DEPRECIATION							
At 1 August 2020	52,746	38,722	29,091	73	-	-	120,632
Charge for year	11,536	7,063	7,608	63	-	-	26,270
Disposals	(68)	-	-	-	-	-	(68)
At 31 July 2021	**64,214**	**45,785**	**36,699**	**136**	**-**	**-**	**146,834**
CARRYING AMOUNT							
At 31 July 2021	**307,254**	**111,841**	**15,247**	**1,430**	**14,818**	**945**	**451,535**
At 1 August 2020	**316,615**	**115,480**	**12,944**	**1,493**	**4,302**	**945**	**451,779**

A full valuation of the University's land and property was carried out on 31st July 2014 by qualified chartered surveyors in accordance with the RICS valuation - Professional Standards 2014 (the Red Book). Under FRS 102 paragraph 35.10, the University has elected to measure land and property at fair value at the transition date of 31 July 2014 and use the fair value as the deemed cost on that date. The properties are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to the Income and expenditure reserve. At 31st July 2021, freehold land and buildings included £16.5 million (2020: £16.5 million) in respect of freehold land which is not depreciated.

Following review of tangible assets, no impairment was considered necessary in 2021 (2020: £0)

12 NON-CURRENT ASSETS - HERTIAGE ASSETS

Heritage assets included on the Statement of Financial Position refer largely to the University's Art Collection. There are also other heritage assets which due to their nature we are unable to value and therefore have not been included.

The Egypt Centre holds the Wellcome Collection which includes Egyptian antiques and artefacts. These assets are unique and not replaceable. The Egypt Centre is a recognised museum, accredited by the Arts Council and a recognised ACCES partner. It aims to collect, interpret and care for Egyptian archaeological material and documents and preservation is critical to their work. All policies in place are reviewed by the Arts Council. The Wellcome Collection is available to view by all University staff and students, local schools as well as the wider general public.

The picture and art collection is recognised on the Statement of Financial Position under Heritage Assets was valued in 2008 by an independent valuer and has been taken as deemed cost on transition. The majority of this art collection can be viewed around the University.

The University also holds a silver collection which includes but is not limited to competition cups, bowls and vases dating between the 1950s and 1980s. No price can be attributed to this collection, hence they are not held on the Statement of Financial Position. The collection is stored securely but can be available for inspection upon request.

The University also holds Dylan Thomas manuscripts which were purchased out of University funds

13 SERVICE CONCESSION ARRANGEMENTS

The University has six Service Concession Arrangements in the Statement of Financial Position.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT ASSETS

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2021 is £111,841k (31 July 2020 £115,480K).

The reduction of £3,639k is as a result of £7,063K of depreciation less the addition of £3,424K which occurred following the additional guarantee given on the three Bay Campus residences, increasing the occupancy guarantee from 50% to 100% for one academic year only.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT LIABILITIES

The total liabilities relating to service concession arrangements included in the Statement of Financial Position as at 31 July 2021 were £122,015K (31 July 2020 £124,916K). Liabilities were reduced by £6,325K during the year following repayment and accounting adjustments. Additional occupancy guarantees were given in the year in relation to the three Bay Campus residences increasing the liability by £3,424K, reducing the overall reduction in the liability to £2,901K.

FUTURE COMMITMENTS

The following table analyses the University's future commitments in relation to the service concession arrangements.

£'000	PAYABLE IN 1 YEAR	PAYABLE IN 2-5 YEARS	PAYABLE IN >5 YEARS	TOTAL
Liability repayments	6,408	12,838	102,769	122,015
Finance charge	3,058	11,329	40,170	54,557
	9,466	**24,167**	**142,939**	**176,572**

Prior to conversion of the Financial Statements to reflect FRS102, the University had entered into the following leases which were previously held off the Statement of Financial Position. These leases have now been brought onto the Statement of Financial Position as Service Concession Arrangements. The notes below give more information on these arrangements:

GWALIA RESIDENCES

Gwalia Phase 1 - A 30-year lease was entered into in 2004 to build three new blocks of accommodation with 272 units. The occupancy guarantee is 100%.

Gwalia Phase 2 - A 30-year lease was entered into in 2010 comprising of 351 units with the lower floors shelled for University activities. The occupancy guarantee is 100%.

BAY RESIDENCES - PHASE 1A

In September 2015, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1a of the student accommodation on the Bay Campus, providing 899 rooms for 923 students. In February 2018, the third - party , with the University' s consent, entered into a transaction to transfer the contract to another third- party. Under the terms of the new agreement, the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,485K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES - PHASE 1B

In January 2016, the University commenced a 45-year contract with a third-party provider for the provision and maintenance of phase 1b of the student accommodation on the Bay Campus, providing 545 single rooms. In February 2018, the contract was transferred to another third party and the lease was extended to 2062.

13 SERVICE CONCESSION ARRANGEMENTS - CONTINUED

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £823K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES - PHASE 1C

On 15th December 2015, the University entered into a 45-year contract with a third-party provider for the provision and maintenance of phase 1c of the student accommodation on the Bay Campus, providing 538 single rooms.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,056K recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University further has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of 45-year contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

THE COLLEGE ACADEMIC BUILDING

On 8th September 2017, the University entered into a 20 year contract with a third-party provider for the provision and maintenance of an Academic Building.

The University has guaranteed 35% of the building amounting to committed gross annual payments of £357K.

The University has exclusive rights over the allocated 35% of the building and controls the use within this area.

14 NON-CURRENT INVESTMENTS

	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
Investment in associates	**1,780**	**1,780**	2,016	2,016
Investment in subsidiaries	**-**	**1,929**	-	2,389
Other investments	**288**	**-**	452	-
	2,068	**3,709**	2,468	4,405

INVESTMENT IN ASSOCIATE

The Institution holds the following 50% investments in both Swan Global Education LLP (2020: 50%) and Wales National Pool Swansea (2020: 50%). The investments are accounted for at cost less impairment in the Institution financial statements and using the equity method in the consolidated financial statements.

At 1 August 2020	**2,016**	**2,016**	2,270	2,270
Share of (loss) retained by associate	**(236)**	**(236)**	(254)	(254)
At 31 July 2021	**1,780**	**1,780**	**2,016**	2,016

INVESTMENT IN SUBSIDIARY

At 1 August 2020	**-**	**2,389**	-	2,389
Additions	**-**	**65**	-	-
Impairment	**-**	**(525)**	-	-
At 31 July 2021	-	**1,929**	-	2,389

The £65k addition relates to capital investment in the wholly owned subsidiary SU Pathway College Ltd.

The Dylan Thomas Prize Ltd ceased trading on 31st July 2021 with all assets being donated to the University as a restricted gift prior to this date.

14 NON-CURRENT INVESTMENTS - CONTINUED

OTHER INVESTMENTS

	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
AT 1 AUGUST 2020	452	-	591	-
Additions	117	-	-	-
Disposals	(50)	-	(25)	-
Impairment	-	-	69	-
Revaluations	(231)	-	(183)	-
At 31 July 2021	**288**	-	452	-

OTHER INVESTMENTS CONSIST OF:

At fair value:				
Market securities	181	-	354	-
At cost less impairment:				
Group investments in spin outs	107	-	98	-
	288	-	452	-

Details of investments in which the consolidated group and University hold 20% or more of the nominal value of any class of shares are as follows:

COMPANY	REGISTERED ADDRESS	PRINCIPLE ACTIVITY	HOLDING	SHAREHOLDING
Gower Innovations Ltd	Swansea University, SA1 8EN	Other manufacturing not elsewhere classified	Ordinary shares	20%
SPMicrotech Ltd	C/O Azets, SA7 9FS	Dormant	Ordinary shares	20%
Trovinos Ltd	C/O Azets, SA7 9FS	Dormant	Ordinary shares	20%
Grove Nanomaterials Ltd	C/O Azets, SA7 9FS	Dormant	Ordinary shares	20%
Refiex Ltd	C/O Azets, SA7 9FS	Dormant	Ordinary shares	20%
PulmonIR Ltd	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	24%
Trameto Ltd	C/O Azets, SA7 9FS	Manufacture of electronic components	Ordinary shares	25%
Bay Campus Developments LLP	Swansea University, SA2 8PP	Dormant	Partner	50%
WNPS	Wales National Pool SA2 8QG	Operation of sports facilities	Guarantee	50%
Swan Global Education	Littlemore Park, OX4 4FY	Educational	Partner	50%
Swansea Materials Research and Testing	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	100%
Swansea Innovations	Swansea University, SA2 8PP	Management consultancy activities other than financial management	Ordinary shares	100%
SU Developments	Swansea University, SA2 8PP	Dormant	Ordinary shares	100%
SU Pathway College Ltd	Swansea University, SA2 8PP	Combined facilities support activities	Ordinary shares	100%

Investments in subsidiary companies are measured at transaction price (including transaction costs) and considered annually for impairment.

15 STOCKS

	CONSOLIDATED 31ST JULY 2021	UNIVERSITY 31ST JULY 2021	CONSOLIDATED 31ST JULY 2020	UNIVERSITY 31ST JULY 2020
	£000	£000	£000	£000
Stock	**28**	**28**	13	13
Work in progress	**96**	**-**	145	-
	124	**28**	158	13

16 CURRENT INVESTMENTS

	CONSOLIDATED 31ST JULY 2021	UNIVERSITY 31ST JULY 2021	CONSOLIDATED 31ST JULY 2020	UNIVERSITY 31ST JULY 2020
	£000	£000	£000	£000
Short-term investments in shares	**2,236**	**2,236**	1,832	1,832
Short-term bonds	**2,382**	**2,382**	2,295	2,295
Other short-term investments	**325**	**325**	472	472
Short-term deposits	**326**	**326**	256	256
	5,269	**5,269**	4,855	4,855

The increase in fair value of short-term deposits in the year was £414k (2020: decrease of £44K)

Deposits are held with banks and building societies operating in the London market and licences by the Financial Services Authority with more than three months maturity at the Balance Sheet date. The interest rates for those 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 deposits was 0.95% (2020: 1.0%). The fair value of these deposits was not materially different from their book value. The yield decreased in the year due to the Covid-19 pandemic as companies massively reduced their dividend pay-outs. The yield is therefore not an accurate reflection of what the actual yield should have been had the pandemic not occurred.

17 TRADE AND OTHER RECEIVABLES

	CONSOLIDATED 31ST JULY 2021	UNIVERSITY 31ST JULY 2021	CONSOLIDATED 31ST JULY 2020	UNIVERSITY 31ST JULY 2020
	£000	£000	£000	£000
Amounts falling due within one year:				
Trade Debtors	**11,018**	**10,850**	6,965	6,799
Less trade debtor impairment provision	**(1,328)**	**(1,328)**	(987)	(987)
Net trade debtors	**9,690**	**9,522**	5,978	5,812
Research grant claims receivable	**6,468**	**6,468**	6,827	6,827
Accrued income - Research grants	**14,303**	**14,303**	12,831	12,831
Prepayments and other accrued income	**15,219**	**15,005**	13,915	13,656
Amounts due from group undertakings	**-**	**11**	-	1
	45,680	**45,309**	39,551	39,127

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	CONSOLIDATED 31ST JULY 2021	UNIVERSITY 31ST JULY 2021	CONSOLIDATED 31ST JULY 2020	UNIVERSITY 31ST JULY 2020
	£000	£000	£000	£000
Bank overdraft	**397**	**-**	253	-
Unsecured loans	**5,712**	**5,712**	2,976	2,976
Service concession arrangements	**6,408**	**6,408**	6,325	6,325
Trade payables	**6,481**	**6,481**	7,122	7,122
Social security and other taxation payable	**5,232**	**5,226**	5,833	5,827
Accruals and deferred income	**73,170**	**72,681**	48,131	47,692
Amounts due to group undertakings	**-**	**157**	-	134
	97,400	**96,665**	70,640	70,076

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - CONTINUED

ACCRUALS AND DEFERRED INCOME

Included with accruals and deferred income are the following items which have been deferred:

	CONSOLIDATED 31ST JULY 2021	UNIVERSITY 31ST JULY 2021	CONSOLIDATED 31ST JULY 2020	UNIVERSITY 31ST JULY 2020
	£000	£000	£000	£000
Research grants received in advance	**22,543**	**22,543**	13,590	13,590
Other services rendered received in advance	**1,594**	**1,594**	927	927
Funding Council grants received in advance	**3,526**	**3,526**	3,405	3,405
Other grants received in advance	**10,922**	**10,922**	2,647	2,647
Other accruals	**34,585**	**34,096**	27,562	27,123
	73,170	**72,681**	48,131	47,692

Capital grants received in advance include £10,634k in relation to the CISM building (2020: £2,538k) and £288k for Legal Innovation Laboratory (2020: £110k). Capital grants are released to the Income and Expenditure account upon fulfilment of the grant conditions, and usually upon completion of the building.

19 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	CONSOLIDATED 31ST JULY 2021	UNIVERSITY 31ST JULY 2021	CONSOLIDATED 31ST JULY 2020	UNIVERSITY 31ST JULY 2020
	£000	£000	£000	£000
Service concession arrangements	**115,607**	**115,607**	118,591	118,591
Income in advance	**1,767**	**1,767**	1,812	1,812
Unsecured loans	**107,838**	**107,838**	106,254	106,254
Creditors due after more than one year	**225,212**	**225,212**	226,657	226,657

20 ANALYSIS OF UNSECURED LOANS:

	CONSOLIDATED 31ST JULY 2021	UNIVERSITY 31ST JULY 2021	CONSOLIDATED 31ST JULY 2020	UNIVERSITY 31ST JULY 2020
	£000	£000	£000	£000
Due within one year or on demand	**5,712**	**5,712**	2,976	2,976
Due within one and two years	**5,818**	**5,818**	5,001	5,001
Due within two and five years	**18,114**	**18,114**	15,621	15,621
Due in five years or more	**83,906**	**83,906**	85,632	85,632
Total unsecured loans repayable by 2044	**113,550**	**113,550**	109,230	109,230

Continued

LENDER	AMOUNT £000	INTEREST RATE	TERM	BORROWER
European Investment Bank	10,000	Fixed 2.46600%	June 2033	University
European Investment Bank	10,833	Fixed 2.31300%	January 2034	University
European Investment Bank	8,310	Fixed 3.7330%	August 2034	University
European Investment Bank	8,325	Fixed 3.8540%	January 2035	University
European Investment Bank	8,785	Fixed 4.0220%	August 2035	University
European Investment Bank	60,000	Fixed 2.4480%	April 2044	University
Sure Loan	7,297	Fixed 0.5500%	March 2031	University
Total	**113,550**			

21 PROVISIONS FOR LIABILITIES

CONSOLIDATED AND UNIVERSITY	OBLIGATION TO FUND DEFICIT ON USS	SUPS PENSION SCHEME PROVISION	TOTAL PENSION PROVISIONS
	£000	£000	£000
At August 2020	48,974	71,700	120,674
Utilised in year	(2,117)	2,100	(17)
Additions in year	(3,888)	(12,600)	(16,488)
At 31 July 2021	**42,969**	**61,200**	**104,169**

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in note 31.

Following the completion of the 2018 actuarial valuation, a deficit recovery plan was agreed which requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. The 2021 actuarial valuation had not been completed by the balance sheet date, or by the date of signing the financial statements.

The major assumptions used to calculate the USS obligation are:

	2021	2020
Discount Rate	0.89%	0.74%
Pensionable salary growth	1.00%	3.20%

Sensitivity Analysis - USS

	Approximate impact on provision	
	£000	£000
0.5% pa decrease in discount rate	863	1,191
0.5% pa increase in salary inflation over duration	842	1,149
0.5% pa increase in salary inflation year 1 only	210	237
0.5% increase in staff changes over duration	876	1,202
0.5% increase in staff changes year 1 only	224	235

22 ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

	RESTRICTED PERMANENT ENDOWMENTS	UNRESTRICTED PERMANENT ENDOWMENTS	EXPENDABLE ENDOWMENTS	2021 TOTAL	2020 TOTAL
BALANCES	£000	£000	£000	£000	£000
At 1 August 2020					
Capital	4,036	1,606	530	**6,172**	5,987
Accumulated income	678	62	69	**809**	787
	4,714	1,668	599	**6,981**	6,774
New donations and endowments	-	-	88	**88**	4
Investment income	40	26	1	**67**	64
Expenditure	(16)	(26)	(3)	**(45)**	(42)
Increase in market value of investments	257	151	6	**414**	181
At 31 July 2021	**4,995**	**1,819**	**691**	**7,505**	6981
Represented by:					
Capital	4,293	1,757	624	**6,674**	6,172
Accumulated income	702	62	67	**831**	809
	4,995	**1,819**	691	**7,505**	6,981

22 ENDOWMENT FUNDS - CONTINUED

	2021 TOTAL	2020 TOTAL
	£000	£000
Analysis by type of purpose:		
Lectureships	**22**	21
Scholarships and bursaries	**3,160**	2,935
Research support	**306**	290
Prize funds	**908**	862
General	**3,109**	2,873
	7,505	6,981
Analysis by Asset		
Current asset investments	**5,269**	4,855
Bank Balance - University	**2,236**	2,126
	7,505	6,981

23 RESTRICTED RESERVES

No restricted reserves were held during the year (2020: NIL).

24 CASH AND CASH EQUIVALENTS

	AT 1 AUGUST 2020	CASH FLOWS	AT 31 JULY 2021
CONSOLIDATED	£000	£000	£000
Cash and Cash equivalents	97,642	43,715	141,357
Bank overdraft	(253)	(144)	(397)
	97,389	**43,571**	**140,960**

25 CONSOLIDATED RECONCILIATION OF NET DEBT

	31 JULY 2021
	£000
Net debt 1 August 2020	**136,757**
Movement in cash and cash equivalents	43,715
Other non-cash changes	(85,867)
Net debt 31 July 2021	94,605
Change in net debt	**(42,152)**

	31 JULY 2021	31 JULY 2020
Analysis of net debt:	£000	£000
Cash and cash equivalents	**141,357**	**97,642**
Borrowings: amounts falling due within one year		
Unsecured loans	5,712	2,976
Bank overdraft	397	253
Service concession arrangements	6,408	6,325
	12,517	**9,554**
Borrowings: amounts falling due after more than one year		
Service concession liabilities due after one year	115,607	118,591
Unsecured loans	107,838	106,254
	223,445	**224,845**
Net debt	**94,605**	**136,757**

26 FINANCIAL INSTRUMENTS

	NOTE	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
FINANCIAL ASSETS					
Financial assets at fair value through Statement of Comprehensive Income		354	-	354	-
Financial assets that are equity instruments measured at cost less impairment					
Other investments		(66)	-	98	-
	14	**288**	**-**	452	**-**
Financial assets that are debt instruments measured at amortised cost					
Cash and cash equivalents		140,960	140,638	97,389	97,117
Other investments	16	5,269	5,269	4,855	4,855
Trade receivables	17	11,018	10,850	6,965	6,799
Other receivables	17	6,468	6,468	6,827	6,827
		163,715	**163,225**	**116,036**	**115,598**

	NOTE	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
FINANCIAL LIABILITIES					
Financial liabilities measured at amortised cost					
Bank overdrafts	18	397	-	253	-
Loans	20	113,550	113,550	109,230	109,230
Service concessions	18/19	122,015	122,015	124,916	124,916
Trade Creditors	18	6,481	6,481	7,122	7,122
		242,443	**242,046**	**241,521**	**241,268**

27 CAPITAL AND OTHER COMMITMENTS

A provision has not been made for the following capital commitments at 31 July 2021:

	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
Capital commitments:	**26,445**	**26,445**	1,256	1,256
	26,445	**26,445**	1,256	1,256

The increase in capital commitments is due to the commencement of the building of the Centre for Integrative Semiconductor Materials (CISM). CISM will deliver a bespoke, integrated facility for semiconductor research and technology development on the Bay Campus. The capital commitment relating to CISM at 31st July 2021 totals £24,401k and is largely grant funded.

28 CONTINGENT LIABILITIES

	CONSOLIDATED 2021 £000	UNIVERSITY 2021 £000	CONSOLIDATED 2020 £000	UNIVERSITY 2020 £000
Guarantees				
To Lloyds for SMaRT Ltd	**-**	**500**	-	500
	-	**500**	-	500

The University is acting as guarantor for Swansea Materials Research and Testing Limited in relation to the £500K overdraft facility only. The University believe there is only a limited possibility of the guarantee being paid as Swansea Materials Research & Testing Limited is a wholly-owned subsidiary controlled by senior University staff members. The extent of the guarantee being required will depend on the current overdraft in the subsidiary. If paid, there is unlikely to be any reimbursement for this contingent liability.

The University is a member of UMAL, a company limited by guarantee, formed to provide a mutual association for insurance risks. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro-rated share, spread using an internal loan facility over seven years. The potential for a shortfall and the value of a shortfall in any given year is unknown. There is not likely to be any possibility of reimbursement if this guarantee is called upon.

The Institution has given written undertakings to support the subsidiary companies and Wales National Pool Swansea at twelve months from the date of approval of these financial statements.

29 LEASE OBLIGATIONS

Total rentals payable under operating leases:

CONSOLIDATED AND INSTITUTION	2021 LAND AND BUILDINGS £'000	2020 LAND AND BUILDINGS £'000
Payable during the year	**1,137**	1011
Future minimum lease payments due:		
Not later than 1 year	**1,134**	694
Later than 1 year and not later than 5 years	**3,051**	1,697
Later than 5 years	**4,910**	5,072
Total lease payments due	**10,232**	8,474

During the year new leases were agreed and some existing leases renegotiated increasing the amount payable in the year and total future lease payments due. Significant leases undertaken or renegotiated during the year include the Bay Campus Car park with an annual cost of £267k expiring in September 2023 and units within Baglan Energy Park used for research purposes costing £120k per annum, expiring in August 2027.

During the year, the University was tenant on three significant leases, The College, a University joint venture company, Bay Campus Car Park and a unit within Baglan Energy Park. The lease with The College, which is within a building on the Bay Campus, runs until 2038.

Total rentals receivable under operating leases:
The University leases out small areas of space on both Singleton and Bay Campus. Leases include a dental surgery, a doctors surgery, a retail unit for the Students Union, laboratory space to Swansea Materials Research and Testing Ltd, a wholly owned subsidiary company, and lab space for Natural Resources Wales. The University also leases out small areas and offices to companies working alongside the University. The terms and break periods differ for each lease. The University does not hold any investment properties as part of its portfolio as rental areas are minor areas within larger buildings.

CONSOLIDATED AND INSTITUTION	2021 LAND AND BUILDINGS £'000	2020 LAND AND BUILDINGS £'000
Future minimum lease payments due:		
Not later than one year	**311**	360
Later than one year and not later than five years	**1,011**	1,032
Later than five years	**1,614**	1,826
Total lease payments due	**2,936**	3,218

There were no contingent rents receivable during 2020/21 (2019/20: £0).

30 EVENTS AFTER THE REPORTING PERIOD

In November 2020 the University committed to draw down a Government loan from Salix Finance of £2.4m. This loan is to improve energy efficiency, reduce carbon emissions and lower energy bills.

Since the year-end, following completion of the 2020 actuarial valuation, a new deficit recovery plan has been agreed. As at 31 July 2021 and with all other assumptions used to calculate the provision unchanged, this would have resulted in a revised provision of £130,154k, an increase of £87,186k from the current year-end provision.

31 PENSION SCHEMES

Different categories of staff were eligible to join one of the following schemes:

Universities' Superannuation Scheme (USS)

Swansea University Pension Scheme (SUPS) - Closed to new members 31 December 2011

National Employment Savings Trust (NEST) - from 1st January 2012

The University also contributes to the NHS Pension Scheme for a number of its employees.

USS and SUPS are both defined-benefits schemes. The assets of both schemes held in separate trustee-administered funds. NEST is a defined contribution scheme.

	CONSOLIDATED	UNIVERSITY	CONSOLIDATED	UNIVERSITY
	2021	**2021**	2020	2020
	£000	**£000**	£000	£000
Statement of comprehensive income - net pension cost				
USS	**22,336**	**22,336**	22,149	22,149
USS pension deficit charge	**(4,250)**	**(4,250)**	(39,368)	(39,368)
SUPS	**12,794**	**12,794**	13,038	13,038
Other	**1,160**	**1,160**	1,155	1,155
	32,040	**32,040**	(3,026)	(3,026)
Other comprehensive income - actuarial gain in respect of pension schemes				
SUPS	**12,600**	**12,600**	(10,800)	(10,800)
	12,600	**12,600**	(10,800)	(10,800)
Statement of Financial Position - pension scheme liability (note 21)				
USS	**42,969**	**42,969**	48,974	48,974
SUPS	**61,200**	**61,200**	71,700	71,700
	104,169	**104,169**	120,674	120,674

(i) The Universities' Superannuation Scheme

The University participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. 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 £22,336k (2020: £22,149k) including PensionChoice, but excluding the impact of the change in the deficit recovery plan, as shown in note 7.

Deficit recovery contributions due within one year for the institution are £2,117 (2020: £1,772k)

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme 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 USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £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%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

31 PENSION SCHEMES - CONTINUED

Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly to CPI - 0.73%
	Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21
	Years 21 +: CPI + 1.55%
Pension increase (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% 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 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table	**2018 VALUATION**
	PRE-RETIREMENT:
	71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.
	Post-retirement:
	97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 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:	**2018 VALUATION**	**2017 VALUATION**
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%, until 31 March 2028. The 2021 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2021	**2020**
Discount Rate	0.89%	0.74%
Pensionable salary growth	1.00%	3.20%

In the year ended 31 July 2020, the liability was based on the previous deficit recovery plan, which required payment of 5% of salaries over the period 1 April 2020 to 30 June 2034.

A further full valuation as at 31 March 2020 is currently underway. There is still work to be done agreeing the technical provisions assumptions, the extent of future investment risk, the duration of the deficit period and the level of deficit contributions. Rule changes in respect of strengthening the employer covenant are also in progress including restrictions on employer exits, debt monitoring and pari passu arrangements. The valuation has not met its statutory deadline of 30 June 2021 . It is anticipated that there will be an increase in the deficit provision and impact on cashflow as a consequence of the new schedule of contributions.

Since the year-end, following completion of the 2020 actuarial valuation, a new deficit recovery plan has been agreed. As at 31 July 2021 and with all other assumptions used to calculate the provision unchanged, this would have resulted in a revised provision of £130,154k, an increase of £87,186k from the current year-end provision.

(ii) Swansea University Pension Scheme

(Retirement Benefits) Disclosure for the accounting period ending 31 July 2021.

The University operates a final-salary defined-benefit pension scheme that non-academic employees of the University can participate in, called the Swansea University Pension Scheme (SUPS). The scheme is externally funded and is contracted out of the State Second Pension (S2P) of pension provision.

The last formal triennial actuarial valuation of the scheme was performed as at 1 August 2019 by a professionally-qualified actuary. The following are based on the results of the 1 August 2019 triennial valuation projected forward with allowance for benefit accrual, expected investment return and actual cashflows and have been adjusted for FRS102 assumptions detailed below.

During the accounting period, the University paid contributions to the pension scheme at the rate of 17.5% of pensionable salaries in respect of the future accrual of benefits, death in service premiums and expenses.

A number of potential issues associated with the Swansea University Pension Scheme have been identified. These relate to the documenting and implementing of decisions that have been made in respect of the Scheme and they have the potential to result in an increased liability for the Scheme. At this point it is impracticable to estimate the timing and financial impact of any outflow as there is significant additional information required in order to fully understand the implications.

31 PENSION SCHEMES - CONTINUED

Assumptions

The financial assumptions used to calculate scheme liabilities under FRS102 are

	AT 31 JULY 2021	AT 31 JULY 2020
Price Inflation (RPI)	3.3%	3.0%
Price Inflation (CPI)	2.8%	2.2%
Rate of increase in salaries	3.2%	2.9%
Rate of increase of pensions in payment for SUPS members	3.3%	3.0%
Increases to deferred pensions before retirement	2.8%	2.2%
Discount rate	1.7%	1.4%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65 and non pensioners who are currently aged 45.

	AT 31 JULY 2021	AT 31 JULY 2020
Pensioner - male	20.1	20.0
Pensioner - female	22.4	22.3
Non-pensioner (currently aged 45) - male	21.0	21.1
Non-pensioner (currently aged 45) - female	23.5	23.4

Scheme assets and expected rate of return for SUPS

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward-looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

The assets in the scheme were:

	FAIR VALUE AS AT 31 JULY		
	2021	2020	2019
	£m	£m	£m
Equities	54.8	41.2	43.0
Government bonds		-	-
Corporate bonds	8.1	7.3	9.2
Property	7.5	9.8	10.5
GARS Fund	14.6	14.1	13.6
Other	36.8	36.1	31.3
Total	121.8	108.5	107.6

31 PENSION SCHEMES - CONTINUED

The tables below include the disclosures for the Swansea University Pension Scheme.

	YEAR ENDED 31 JULY 2021	YEAR ENDED 31 JULY 2020
	£000	£000
ANALYSIS OF THE AMOUNT SHOWN IN THE BALANCE SHEET FOR SUPS		
Scheme assets	121,800	108,500
Scheme liabilities	183,000	180,200
Deficit in the scheme – net pension liability recorded within Statement of Financial Position	(61,200)	(71,700)
Current service cost	(2,500)	(2,800)
Past service costs	(2,500)	-
Total operating charge:	(5,000)	(2,800)
Analysis of the amount charged to interest payable/credited to other finance income for SUPS		
Interest cost	(2,500)	(3,300)
Expected return on assets	1,500	2,100
Interest on net deficit	-	-
Net charge to other finance income	(1,000)	(1,200)
Analysis of other comprehensive income for SUPS		
Gain on assets	14,100	1,000
Experience gain / loss on liabilities		
Loss on liabilities	(1,500)	(11,800)
Total other comprehensive income before deduction for tax	**12,600**	**(10,800)**

History of experience gains and losses – SUPS

	YEAR TO			
	31 JULY 2021	31 JULY 2020	31 JULY 2019	31 JULY 2018
DIFFERENCE BETWEEN ACTUAL AND EXPECTED RETURN ON SCHEME ASSETS:				
Amount (£000)	14,100	1,000	6,200	1,300
% of assets at end of year	11.6%	0.9%	5.8%	1.3%
Experience (gains)/losses on scheme liabilities:				
Amount (£000)	1,500	11,800	19,200	700
% of liabilities at end of year	0.8%	6.5%	11.5%	0.5%

31 PENSION SCHEMES - CONTINUED

	31 JULY 2021	31 JULY 2020
	£000	£000
Cumulative actuarial loss recognised as other comprehensive income for SUPS		
Cumulative actuarial losses recognised at the start of the year	(50,000)	(39,200)
Cumulative actuarial losses recognised at the end of the year	(37,400)	(50,000)
Analysis of movement in surplus/(deficit) for SUPS		
Deficit at beginning of year	**(71,700)**	**(59,900)**
Contributions or benefits paid by the University	4,400	3,500
Current service cost	(2,500)	(2,800)
Past service cost	(2,500)	-
Admin costs	(500)	(500)
Other finance charge	(1,000)	(1,200)
Loss / Gain recognised in other comprehensive income	12,600	(10,800)
Deficit at end of year	**(61,200)**	**(71,700)**
Analysis of movement in the present value of SUPS		
Present value of SUPS at the start of the year	**180,200**	**167,500**
Current service cost (net of member contributions)	2,500	2,800
Interest cost	2,500	3,300
Actuarial loss/(gain)	1,500	11,800
Actual benefit payments	(6,200)	(5,200)
Present value of SUPS liabilities at the end of the year	**180,500**	**180,200**
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	**108,500**	**107,600**
Expected return on assets	1,500	2,100
Actuarial gain on assets	14,100	1,000
Actual contributions paid by University	4,400	3,500
Non Investment expenses	(500)	(500)
Actual benefit payments	(6,200)	(5,200)
Fair value of scheme assets at the end of the year	**121,800**	**108,500**

SUPS assets do not include any of the University's own financial instruments, or any property occupied by the University.

Actual return on scheme assets	1,500	2,100
Expected return on scheme assets	14,100	1,000
Asset gain/(loss)	**15,600**	**3,100**

Estimated contributions for SUPS in the Financial Year 2021–22 is £1,500k (2020-21 £1,700k) assuming the contribution rate of 21.7% plus £2,300k PA fixed contribution (2020-21 21.7% plus £1,312K PA).

32 RELATED PARTY TRANSACTIONS

During the year the group entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and balances outstanding at 31 July 2021, are as follows:

The Institution has taken advantage of the exemption within FRS 102 and has not disclosed transactions with other group entities where it holds 100% of the voting rights.

	INCOME FROM RELATED PARTY	EXPENDITURE TO RELATED PARTY	BALANCE DUE FROM RELATED PARTY
	£'000	£'000	£'000
Wales National Pool Swansea	196	558	118
Swan Global Education LLP	163	2,499	187
	359	3,057	305

Throughout the year and at the Balance Sheet date the University held 50% investments in the associated companies Wales National Pool Swansea (2020: 50%) and Swan Global Education LLP (2020: 50%). The relationship with both companies are accounted for using the equity method such that 50% of the companies gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 50% the net income is reported in the University's consolidated income and expenditure account.

The Students Union is not controlled or owned by the University and is a separate legal entity, however the University provides grant funding to the Union to support the students. During the year the University provided the Students Union with the main block grant of £900k and a further £480k which included contributions towards outdoor spaces, support for students and a HEFCW grant of £50k.

Council Members

The Institution's council members are the trustees for charitable law purposes. Due to the nature of the Institution's operations and the compositions of the Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those identified below, are conducted at arms length and in accordance with the Institution's Financial Regulations and usual procurement procedures. Transactions totalling £18k, relating to the provision of services for productions, advertising and translations took place with Teledu Telesgop cyf, Glowg and Mener a Busness respectively, in which a member of Council has declared interest as a director (Teledu Telesgop cyf) and a non-executive director (Glowg, Mener a Busness).

No Council Member has received any remuneration or waived payments during the year (2020 - £0).

No expenses were paid to any Member of Council during the year (2020: £5K split between the Council Members representing expenses incurred in their official capacity as Council Members).

33 US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the 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
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. As set out above, 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.

33 US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE - CONTINUED

Primary Reserve Ratio

PAGE	LINE ITEM / DISCLOSURE		CONSOLIDATED 2021 £000	CONSOLIDATED 2020 £000
67.	Unrestricted reserve and revaluation reserve	Net assets no restriction	212,293	172,316
67.	Endowment reserve	Net assets with donor restriction	7,505	6,981
		Less		
		Restricted in perpetuity	-	-
		Annuities	-	
83.	Endowment total	Term endowments	(7,505)	(6,981)
		Life income funds	-	-
		Goodwill	-	-
76.	Fixed assets less Service concession arrange-ments	PPE	(340,637)	(337,367)
76.	Service concession arrangements	Lease - right of use, net	(111,841)	(115,480)
76.	Service concession arrangements at pre-implementation	Remove pre-implementation lease right-of-use asset	111,841	115,480
82.	Total pension provision	Pension liability	104,169	120,674
		Line of credit - short term for CIP	-	-
		Notes payable	-	-
81.	Total unsecured loans	Line of credit for long term purposes	113,550	109,230
		Modify for post implementation debt not related to purchase of assets	-	-
80/81.	Service concession arrangements	Lease right-of-use asset liability	122,015	124,916
	Service concession arrangements at pre-implementation	Remove pre-implementation lease right-of-use liability	(122,015)	(124,916)
		Related party receivable	-	-
			89,375	64,853
66.	Total expenditure (excluding Uss change in contributions)	Total operating expenses	337,170	324,457
		Other components of net periodic pension costs	-	-
		Change in value of split-interest agreements	-	-
66.	Share of operating (deficit) in associate	Other gains (losses)	(236)	(254)
			336,934	324,203

PAGE	LINE ITEM / DISCLOSURE		CONSOLIDATED 2021 £000	CONSOLIDATED 2020 £000
Equity Ratio				
67.	Unrestricted reserve and revaluation reserve	Net Assets without Donor Restriction	212,293	172,316
67.	Endowment reserve	Net Assets with Donor Restrictions	7,505	6,981
			219,798	179,297
68.	Non-current assets plus current assets	Total Assets	646,579	597,268
		Less		
76.	Service concession arrangement asset	Preimplementation Lease asset	(111,841)	(115,480)
			534,738	481,788

33 US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE - CONTINUED

Net Income Ratio

PAGE	LINE ITEM / DISCLOSURE		CONSOLIDATED 2021 £000	CONSOLIDATED 2020 £000
66.	Total comprehensive income	Change in net assets without donor restrictions	40,501	20,900
66.	Total income	Total operating revenue - unrestricted	360,753	317,505
		Less		
66.	Investment income	Investment return appropriated for spending	(87)	(631)
66.	Gain / (loss) on disposal of tangible assets	Sale of fixed assets	68	(530)
			360,734	316,344