CARDIFF METROPOLITAN UNIVERSITY

England & Wales · Charity number 1140762

Details

Other names	UNIVERSITY OF WALES INSTITUTE CARDIFF, UWIC
Status	Registered
Legal form	Other
Registered	2011-03-10
Register	View on the Charity Commission register

Contact

Address	Llandaff Campus Western Avenue Cardiff CF5 2YB
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Website	www.cardiffmet.ac.uk

Activities

Objects: FROM THE EDUCATION REFORM ACT 1988 AS AMENDED: (A) TO PROVIDE HIGHER EDUCATION; (B) PROVIDE FURTHER EDUCATION;(C) TO CARRY OUT RESEARCH AND TO PUBLISH THE RESULTS OF THE RESEARCH OR ANY OTHER MATERIAL ARISING OUT OF OR CONNECTED WITH IT IN SUCH MANNER AS THE CORPORATION THINK FIT;(D) TO DO ANYTHING WHICH APPEARS TO BE NECESSARY OR EXPEDIENT FOR THE PURPOSE OF OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS CONFERRED ON IT BY SUBSECTIONS 124 (1) AND (2) OF THE 1988 ACT,

Activities: Teaching and research opportunities for the public benefit

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Accommodation/housing, Arts/culture/heritage/science, Amateur Sport, Economic/community Development/employment
- **Who:** Children/young People, The General Public/mankind

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Geography

- Bulgaria
- China
- Egypt
- Greece
- India
- Ireland
- Lebanon
- Malaysia
- Morocco
- Singapore
- South Africa
- South Korea
- Sri Lanka
- Caerphilly
- Cardiff
- Denbighshire
- Neath Port Talbot
- Rhondda Cynon Taff
- Southwark
- Vale Of Glamorgan

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£148,589,000	£146,766,000	£180,861,000	1660
2024-07-31	£144,860,000	£144,897,000	£185,620,000	1689
2023-07-31	£153,234,000	£147,638,000	£188,288,000	1574
2022-07-31	£137,176,000	£137,885,000	£136,362,000	1450
2021-07-31	£122,289,000	£119,428,000	£51,431,000	1319
2020-07-31	£107,124,000	£108,410,000	£31,100,000	1305

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Trustees

Name	Role	Appointed
John Edward Taylor CBE	Chair	2021-08-01
Aled Huw Rowlands		2026-06-01
Charlotte Elizabeth Bull		2026-01-05
Christopher Pilgrim		2021-08-01
Dr Cathryn Elizabeth Withycombe		2024-12-01
Dr Clare Frances Glennan		2023-08-01
Dr Giri Shankar MBE		2024-02-22
Dr Iva Gray		2023-10-19
Fergus Gerard Feeney		2023-10-19
John Anthony Graystone		2026-06-01
John Scott Waddington		2018-11-27
Karen Marie Fiagbe		2021-08-01
Kellie Louise Beirne		2023-10-19
Kevin Savio Marc Coutinho MBE		2024-02-22
Matthew Tossell		2021-08-01
PETER DUNCAN KENNEDY		2023-10-19
Professor Rachael Elizabeth Langford		2024-02-01
Roisin Lara Connolly		2021-08-01
Souparnika Parameswaran Namboothiri		2025-07-01

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CARDIFF METROPOLITAN UNIVERSITY

England & Wales - Charity number 1140762

Accounts

Charity Name:

Cardiff Metropolitan University

Charity Registration Number:

1140762

Registered Office:

Maritime House

Llandaff Campus

Cardiff CF5 2YB

www.cardiffmet.ac.uk

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Introduction from the Chair of the Board of Governors

It has been an honour and a privilege to be the Chair of the Board of Governors over the last year. On behalf of the Board, I would like to thank the Vice Chancellor, managers, staff and students for their enthusiasm, commitment and continued hard work. Cardiff Metropolitan University has faced a challenging and demanding year, but through collective endeavour has ended it with strengthened fundamentals in place - including an excellent and innovative programme offer for students, an enhanced focus on student experience, and significantly improved finances. The University is now on the right path to meet future challenges and confidently embrace future opportunities.

The Board has sought to play its full part in ensuring that the University benefits from having robust and rigorous governance arrangements in place. This has been particularly important in helping the University meet its financial challenges - to achieve financial recovery and sustainability, and plan for transformation and future growth. Over the last year, the University has had to contend with rising operating costs, the decreasing value of tuition fees (due to inflation), and geopolitical instability. This was not a situation unique to our University as many universities (arguably most) have had to grapple with similar challenges. The Board has played an integral role in providing effective and constructive challenge to the University's Executive in the development and implementation of proposals to manage and reduce costs, increase income, and ensure that the University is both resilient and financially sustainable for the long term.

The Board received regular reports from the University's Executive on the implementation of the University's Voluntary Severance Scheme and the development of proposals for organisational change and redesign. The Board is pleased to report that these proposals were implemented successfully to achieve cost savings whilst also retaining operational effectiveness of Schools and departments and ensuring that staff and students were supported through the process. The Board would like to place on record its thanks to the University's management, trade unions, and staff for working together effectively and constructively in the interests of the whole University community.

The Board has worked in partnership with the Vice Chancellor on the design and implementation of the University's new senior leadership structure. The new streamlined structure increased the University's senior leadership capacity, spans of managerial control and agility/flexibility in decision-making whilst also achieving cost savings. As part of this work the Board was pleased to appoint Professor Katie Thirlaway as Deputy Vice Chancellor and Provost and Ruth Davies as University Secretary. There were rigorous and competitive recruitment processes for both positions with several high-quality candidates considered.

The Board introduced a new Board-level committee structure for 2024-25. The new structure included a new Finance Committee that had a specific focus on the financial health of the University. The Committee considers financial management, income generation, entrepreneurship, and sustainability. The new structure also included a People, Health and Wellbeing Committee that has a specific focus on people related matters. The Committee had a key task of looking at how the University is developing its culture. The Committee had a significant role in considering both staff wellbeing and student experience in what are pressurised times. The new structure ensured that the University's governance arrangements aligned with the delivery of the University's Strategy 'Strategy 2030' and that the Board provided maximum added value.

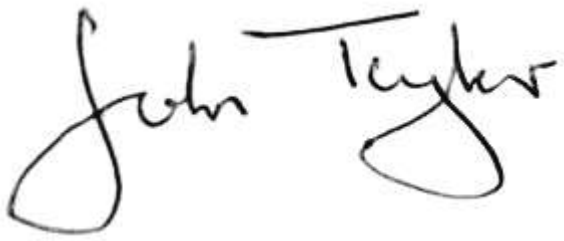
The Board was pleased to welcome the Chief Executive of Medr to an all Governor Briefing session in February 2025. The Board was also pleased to engage with Medr on its Strategic Plan 2030 consultation exercise later in the year. Whilst the Board recognises the financial and other challenges faced by the sector, it is committed to having a constructive, collaborative, and enduring partnership with Medr. The Board will continue to work to ensure that the interests of students and the 'Learner Voice' are placed at the centre of everything the University does.

The University has achieved noteworthy success across a variety of areas over the last year, far too many to mention them all here. It was particularly pleasing for Cardiff Met Students' Union and the University to have been awarded the Outstanding Impact in Education award at the Mental Health and Wellbeing Wales Awards 2024. The University was also named as The Mail University Guide 2025's Welsh University of the Year. The

University also continues to demonstrate its credentials in addressing climate action and sustainability. The University has very recently won the Outstanding Contribution to Environmental Leadership at the Times Higher Education Awards 2025.

We should also not lose sight of the important contribution which the University is making to the economy of Wales and beyond through its applied research and working with partners such as Cardiff Capital Region. We also, despite all of the challenges of the last year, have continued to offer support to schools, colleges and the wider community.

I would like to conclude by highlighting the excellent work on student recruitment over the last year. The University has in September 2025 achieved its second highest ever intake of students. This is a noteworthy achievement given the increasingly competitive student recruitment market. This success was achieved through a combination of effective planning, hard work, innovation and of course the quality and variety of programmes offered. It has been wonderful to see so many new students at the University start their student journey with us.



John Taylor CBE
Chair of the Board of Governors
Cardiff Metropolitan University

1 December 2025

Introduction from the President and Vice-Chancellor

Cardiff Metropolitan University delivers education that transforms lives, research that solves real-world problems, and collaborations that create success locally, nationally and globally. Over the past year the University has generated tangible positive outcomes for students, for our external partners and for society more widely through our teaching, research and civic engagement activity.

The University's Strategy 2030 committed to putting student success at the heart of everything we do. We are therefore extremely proud that Cardiff Met ranks as the top university in Wales in the 2025 Graduate Outcomes survey, with 95% of graduates in employment or further study within 15 months. This success reflects our systematic approach to embedding employability skills across all our programmes of study, and to proactively preparing students for the world of work.

The University's motto is 'Gorau meddiant gwybodaeth' - 'the most valuable possession is knowledge' - and our inclusive approach to widening participation in university study helps remove barriers and aid access to knowledge and skills for all. This year we added a new Degree Apprenticeship in Dental Technology to our existing degree apprenticeship programmes in data, statistical analysis, cyber and software engineering, increasing our commitment to diverse routes of study in subjects that make a difference. We see the outcomes from this focus on inclusivity every year at Graduation, and this year once again we heard stories from those who returned to education later in life, and those who had overcome significant adversity to achieve success.

Through our network of educational partners, including Further Education Colleges here in Wales and our partner colleges across the globe, we also open up access to Cardiff Metropolitan University degree programmes beyond our campuses, locally and internationally. Over 5,000 students graduated from our partner institutions in 2024/25, expanding our community, increasing our educational and societal impact, and supporting students to enhance their prospects with a Cardiff Met qualification wherever they are.

Student wellbeing underpins academic success. We were honoured that the University and our Students' Union jointly received the Outstanding Impact in Education award at the Mental Health and Wellbeing Wales Awards 2024 for our comprehensive support enabling students to flourish personally and academically. In addition, our partnership with the Artists' Futures Fund supports artists to overcome barriers and succeed creatively and professionally, and one of our postgraduate Fine Art students was selected as a Breakthrough Artists Fellow for 2024. Further, in a sector first for Wales, Cardiff Met now provides bespoke anti-racist training to all undergraduate Initial Teacher Education students, equipping the next generation of teachers to champion inclusion in classrooms across the nation.

We have worked consistently over the past year to put our university and facilities at the heart of our communities. The School of Art & Design welcomed hundreds of visitors to the Community Day, where hands-on workshops fostered creativity and wellbeing through arts, crafts and making. As Wales' Sporting University, we are committed to helping our communities move more, and our innovative Open Campus initiative continues to increase opportunities for physical activity and health and wellbeing improvements in the Cardiff City region and beyond. Over the past year there have been over 8,500 attendances including from 42 local schools, for free programmes of activity on and off campus. Last year saw us celebrate a decade of Met Community. For 10 successful years, the city of Cardiff's sport development team has been based at the University, tackling inequalities through sport and physical activity, and positioning the University as the 'go to' body for health and wellbeing improvements through community sport partnership.

Students are at the heart of our community engagement, and we have been delighted to see individual students recognised on a larger stage. Molly Leonard won the King's Trust Young Achiever Award at the 2024 Pride of Britain Awards. While suffering from a long-term illness that kept her in hospital far from home for long periods, Molly developed her crafting skills and used her passion for mindful making to help others with their wellbeing. Molly has gone on to set up a company providing sessions in schools, with youth services and in her community.

Our staff have also been recognised for outstanding work in the community. Liam Mackay, Youth Justice Sport Coordinator, was named Wales' winner of the BBC Sports Personality of the Year 2024 Unsung Hero Award. Liam leads Cardiff Met Sport's 'Step into Sport' project, an innovative partnership with the South Wales Police Youth Trust. The project uses the power of sport to address youth offending, offering early interventions to

reduce crime and promote positive futures. By fostering confidence and motivation, Liam's work through the project empowers young people in Caerau and Ely to overcome challenges and unlock their potential.

Cardiff Met's research improves the lives of people in Wales and further afield. Over the past year, we have strengthened our reputation as a hub for applied research and innovation, with a particular highlight in health and social care. Cardiff Met researchers secured over £1 million in Health and Care Research Wales funding, supporting pioneering projects in paediatric speech and language therapy and interventions for language development in children born with cleft palate. A Cardiff Met partnership secured £3 million from Health and Care Research Wales and the British Heart Foundation to co-lead the National Cardiovascular Research Network. This five-year initiative will advance prevention, diagnosis, and treatment of cardiovascular disease. Cardiff Met's International Centre for Design and Research, PDR, won twice at one of the world's foremost and prestigious design award bodies, the 2025 iF Design Awards, for a pioneering personalised monitoring system for menopausal symptoms, and for co-creation in assistive technology, reinforcing PDR's status as a global leader in applied design research. Further afield, podiatry researchers are working in India to educate people living with leprosy on the importance of foot care to health outcomes. The long-term aim is establishing a podiatric design and development facility in Hope Foundation's leprosy care village.

Our commitment to working with business continues, and we were proud to celebrate the strengths of our expert staff. Professor Brian Morgan was awarded an OBE in the King's Birthday Honours List, recognising his outstanding contributions to business development, entrepreneurship and the Welsh economy. Through Circular Economy Innovation Communities (CEIC), Cardiff Met supports organisations across Wales to create innovation networks working towards a sustainable future. CEIC was highly commended as an Innovation Thought Leader in the Innovation Awards 2024. We are also proud of our entrepreneurial approach and the work undertaken to empower students and graduates to develop entrepreneurial skills and thinking. This includes the Changemakers Challenge designed to explore social entrepreneurship and purpose-led business, with students generating ideas to tackle social issues. Cardiff Met hosted 'Meet and Mingle: Community Through Business' in October, bringing together founders, students and local businesses to share insights and strengthen Cardiff's entrepreneurial ecosystem. In addition, a Cardiff Met spinout company focused on innovations in imaging technology secured investment from the Development Bank Wales to further its development.

Sport remains central to the University's identity. The past year's achievements reflect both elite performance and our commitment to inclusion in physical activity and wellbeing. Accolades have highlighted the University's commitment to developing talent and promoting equality in sport. Cardiff Met has become the first university in Wales to receive an Inclusive Employers Standard (IES) accreditation, an organisation making inclusion an everyday reality in the workplace. The Inclusive Employers Standard Sport category accreditation was awarded to Cardiff Met Sport, who scored above the industry average. We are working in partnership with Glamorgan Cricket to launch a new Glamorgan Girls' Academy for 2025. Additionally, for the 2025-26 season we have been granted Football Association of Wales Girls' Academi status, recognising the team's outstanding quality and commitment to developing young female footballers in Wales.

Cardiff Met Women's Rugby were crowned British Universities and Colleges Sport (BUCS) Super Rugby Milk Championship winners, marking an historic first in more than 25 years of women's rugby at the University. Lisa Newton, Head Coach of Women's Rugby, was also awarded BUCS Coach of the Year following an outstanding season and in recognition of her player-centred approach. Cardiff Met was named Lawn Tennis Association's University of the Year 2025 in September 2024, and our men's cricket team became BUCS National Trophy Champions, reflecting the strength and growth of Cardiff Met's cricketing provision. In basketball, Phil Pratt led Team GB's men's Wheelchair Basketball team to an incredible silver medal at Paris 2024, and many of our athletes put in remarkable performances at the games. Off the pitch, Cardiff Met Sport TV made a stunning debut at the prestigious National Student Television Awards 2025, bringing home two golds and a bronze, and we were shortlisted for Educational Institute of the Year at the Fevo Sports Industry Awards 2025, alongside global sporting powerhouses such as Team GB and the Premier League.

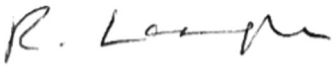
Cardiff Met continues to invest in addressing climate action and advancing environmental sustainability. We are pleased to have been shortlisted for Outstanding Contribution to Environmental Leadership at the Times Higher Education Awards and to have moved significantly up the world QS Sustainability rankings from 1501+ last year, to 670 in 2025. We reinforced our commitment to community action supporting environmental sustainability on our campuses and are once more first in Wales, and 12th in the UK, for sustainability in the People & Planet University League. At the Association of University Directors of Estates (AUDE) Awards 2025

celebrating the exceptional achievements of estates and facilities professionals in the UK higher education sector, Cardiff Met was awarded silver for our substantial improvement journey in on-campus sustainability.

Our talented staff have earned accolades and recognition with too many to list. It is however worth highlighting some noteworthy achievements. Professor Nick Clifton and Professor Delyth James, along with Board of Governors members Paul Matthews and Menai Owen-Jones, have become Fellows of the Learned Society of Wales. They were chosen because of their expertise and experience in public life, and their research and knowledge leadership. Their election is a significant honour both for them personally, and for Cardiff Met. In addition, Professor Gary Beauchamp was awarded the Learned Society of Wales's prestigious Hugh Owen Medal for his outstanding educational research in Wales.

Like many universities across the UK, the past year at Cardiff Met has required us to navigate a very challenging financial landscape characterised by rising operating costs, the decreasing value against inflation of tuition fees, and global geopolitical instability. In response, we have taken proactive steps to manage our costs and increase our income, to ensure the University remains financially sustainable and resilient for the long term, recognising the imperative to provide strong stewardship through difficult times.

Despite the past year's challenges, this annual review provides a flavour of just how successful, entrepreneurial and innovative our university community continues to be. Our commitment to supporting our students' and stakeholders' success is unwavering. Over the year to come, we will continue our journey to address long term financial sustainability as we strengthen our reputation as an innovative, supportive partner and deliver on our ambitions as a leading modern university that creates significant positive impact for our students, our community, and the wider world.



Professor Rachael Langford

President and Vice-Chancellor

1 December 2025

Report of the Board of Governors

Key Facts and Figures

2024-2025

Financial Performance

Operating accounting deficit		£3.9m
Operational cash surplus	£7.9m	
Long term debt as % income		11.1%

Student Numbers

Postgraduates	2612
Undergraduates	8669
International students	16.6%

Cardiff Met HESA student data 2023-24

Staffing

Total staff (head count)		1897
Academic staff (head count)		912
Full-time equivalent (FTE)	1566	

Cardiff Met HESA staff data 2023-24

Student Success

Highlights from the July 2025 National Student Survey include:

- 92 per cent for the question 'How good are teaching staff at explaining things?'
- 93 per cent for the question 'How often have your received assessment feedback on time?'
- 93 per cent for the question 'I was allocated placement(s) suitable for my course'

Graduate Outcomes

Cardiff Met is ranked as the top university in Wales in the 2025 Graduate Outcomes survey, which showed 95 per cent of Cardiff Met graduates are in some form of work or further study 15 months after graduating.

Research

Results from the Research Excellence Framework 2021 showed that 70% of our overall submission was judged to be either Internationally Excellent or World Leading.

Report of the Board of Governors continued

Key Facts and Figures continued

Postgraduate Research Experience Survey (PRES)

Cardiff Met once again performed well, with an 85% general satisfaction rate. This is 2% higher than the average satisfaction rate across HEIs.

Further highlights were the 90% satisfaction rate for Research skills and Supervision, 89% for Online Learning Resources, 86% for On Campus Resources and 84% for Professional Development, landing us in the top quartile for all these areas.

Postgraduate Taught Experience Survey (PTES)

The overall rate of satisfaction is 87% with areas of best practice including:

- career preparation at 94% (12 percentage points higher than sector benchmark)
- promptness of feedback at 93% (11 percentage points higher than sector benchmark)

UK league tables

- 66th in the Complete Uni Guide League (2026)
- 87th in the Guardian Good Uni Guide (2026)
- 71st in the Times and Sunday Times Good University Guide (2026)

World university league tables

- 1001-1200 in the Times Higher World University rankings (2026)
- 351-400 in Times Higher Education Young University Rankings (2025)
- 101-140 for Sports related subjects QS World University Rankings (2025)
- 151-160 for Hospitality and Leisure Management QS World University Rankings (2025)
- 521-530 in the QS Europe University Ranking (2025)

Sustainability

- Cardiff Met was ranked UK's twelfth most sustainable university in the People and Planet University League 2024/25, out of 149 universities across the UK. This is also the fourth consecutive year that Cardiff Met has been first in Wales in the league table.
- Cardiff Met has risen sharply in the world QS Sustainability rankings, moving from 1501+ in 2024, to 670 in 2025. The University is ranked 271 in Europe and 71 in the UK from over 2000 providers.

Report of the Board of Governors continued

Strategy and Performance

Strategy 2030 was refreshed in 2024/25 to support the then recently appointed Vice-Chancellor. Its clear focus on the four strategic pillars – Learning, Teaching and Student Success; Research and Innovation; International; and Civic Mission – are supported by cross-cutting missions putting students at the heart of the University and providing a framework to help prioritise decision-making. There are 14 key performance indicators (KPIs) which measure and benchmark performance in strategically important areas, they provide focus and ensure accountability. Performance in the KPIs is monitored annually by the Board of Governors and sense checked to ensure they still provide challenge and stretch. The KPIs relate to the strategic pillars, financial and environmental sustainability and institutional culture.

Strategy 2030 Refresh

Our ambition is to be renowned as a leading modern university that is distinctive and progressive.

We will build and maintain a strong reputation for excellent student experience and outcomes, innovative professional partnerships, and significant local, national and global reach and impact.

Our high-quality teaching and learning experiences will be informed by excellent applied research and innovation, transforming lives and communities in Wales and the wider world.

Cultural change will be a significant part of the transformation programme. We will embed a culture of dignity and respect at work and study, and be as transparent as possible in our decision making.

There are four strategic pillars:

1. **Learning, Teaching and Student Success**

We will deliver an outstanding student experience, widening access and inclusion by extending learning opportunities beyond our traditional undergraduate and postgraduate offers through short courses, degree apprenticeships and micro-credentials, including through the medium of Welsh and via transnational education.

We will design our learning and teaching experiences, including learning spaces, to develop a sense of belonging that supports learners to reach their academic potential and maximise their graduate outcomes.

2. **Research and Innovation**

We will enhance our research and innovation profile through a strengthened research environment and improved quality, intensity, reach and impact in our research and innovation outputs.

We will work within Wales and the UK to support initiatives that benefit social, economic, physical and mental wellbeing, contributing to a fairer and greener economy that benefits all.

Report of the Board of Governors continued

Strategy and Performance continued

3. **International**

We will shape our high-quality, strategic, off-campus transnational educational partnerships to extend our impact, reach and reputation, to support the development of skills and capacity overseas and contribute to the wellbeing of individuals, economies and societies globally.

We will proactively support our international on-campus students to increase success, improving retention, engagement and progression, and promoting the benefits of engaging as graduate members of active global alumni networks.

4. **Civic Mission**

We will extend our civic mission activity to enrich economic, social, environmental and cultural wellbeing. Through partnerships and collaboration, we will support communities, businesses and industries to prosper by expanding access to our facilities, talents and resources.

Cross-cutting missions

Our four pillars of activity are supported by four cross-cutting missions, which will allow us to prioritise activity:

- Putting our commitment to excellent student experience and outcomes at the heart of everything we do;
- Placing our commitment to equality and environmental sustainability at the forefront of decision making;
- Defining and delivering Wales' Sporting University, with an outstanding experience for student athletes and demonstrable contributions to a healthy, active Wales;
- Becoming a 'thinking organisation' through the use of data, research insights and innovation to support highly effective governance and self-reflection for continuous improvement.

Report of the Board of Governors continued

Corporate Governance and Statement of Internal Control

The University is committed to high standards of corporate governance. The University is a higher education corporation formed by statute and has charitable status. The University wants to demonstrate that its governance is undertaken in an open and accountable manner and that it complies with best practice within the higher education sector.

This Statement describes the way the University has applied the principles set out in the Committee of University Chairs Higher Education Code of Governance (September 2020) both during the year and up to the date of approval of the financial statements. Its purpose is to help the reader of the annual report and financial statements understand how these principles have been applied.

The University's Board of Governors carries the overall responsibility for ensuring there is a sound system of risk management, control and governance. This system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Governors discharge this responsibility through the following elements:

- Effective review by the governing body and relevant committees, particularly the Audit Committee, Governance and Nominations Committee and Finance Committee.
- Ensuring that effective control systems are in place, including policies, objectives and plans, management of key risks and opportunities, monitoring of financial and operational performance, physical safeguarding of assets, segregation of duties, authorisation and approval procedures, and information systems.
- Ensuring that appropriate arrangements are in place for an effective internal and external audit service.
- The identification and management of risk embedded in all business systems.

The University complies with the Committee of University Chairs Higher Education Code of Governance (published September 2020). The approach for the effective management of risk is set out below:

- The University focuses on the active management of risk as an integral part of the management process within all parts of the organisation.
- The University clearly identifies various risks to the achievement of its objectives through its risk management framework. These risks may be strategic or operational and may present potential implications for the University's reputation, its financial position or its routine operations.
- The University integrates risk management into the annual planning process which helps the Executive to determine and co-ordinate the University's academic and other activities.
- The University proactively encourages all managers to consider risk implications of each major decision, contract or project as a normal part of their everyday work.
- The Executive endeavours to identify and focus on immediate and transient risks with strategic implications, as well as on the more permanent and substantial risks which are identified in the University's risk register.
- Managers are expected to link risk identification to action, whether in mitigation of the risk or in response to it.
- The Executive works with the five Deans of School and the Directors of Professional Services departments to encourage and support effective risk management as part of routine management of the organisation, and specifically to help them identify, evaluate, manage and report risk.
- The Board requires the Audit Committee to review the University's risk register in detail on a termly basis. This is then reported to the Board.

Report of the Board of Governors continued

The Audit Committee agreed a three-year Audit Strategy and an annual Internal Audit Plan for 2024-25 at the start of the financial year with its Internal Auditors. The Internal Audit Plan set out the proposed risk-based approach to internal control, the audit strategy methodology and the rolling programme of audits that covered business, operational and compliance risks as well as financial risk. The Audit Committee re-approved an Internal Audit Charter as part of its Audit Strategy and Internal Plan for 2023-24. This was in line with Public Sector Internal Audit Standards (PSIAS). The Audit Committee regularly reviews the adequacy of the process of risk management at the University as it continues to be developed.

The Internal Auditors conducted 16 planned internal audit reviews during 2024-25. These were designed to ascertain the extent to which the internal controls in the system were adequate to ensure that activities and procedures were operating to achieve the University's objectives. The Internal Auditors provided an opinion that the University had achieved a 'reasonable' level of assurance overall in its risk management arrangements. The Internal Auditors advised that the University had reasonable and effective risk management, control and governance processes in place. Of the 16 internal audit reviews undertaken, 10 achieved Substantial assurance and 6 achieved Reasonable assurance. No reviews achieved Limited or No assurance.

The Board is of the view that there was an ongoing process for identifying, evaluating and managing the University's significant risks in place for the year ended 31 July 2025 and that this process is still in place up to the date of approval of the Financial Statements and Annual Review. The process is regularly reviewed by the Board and accords with the internal control guidance for directors on the UK Corporate Governance Code as amended by the British Finance Directors Group.

The University's Internal Auditors directly assessed the University's corporate governance arrangements as part of an Internal Audit review of Strategic Controls during 2022-23. A 'substantial' level of assurance was achieved and no Strategic Controls review was undertaken in 2024-25. The Board of Governors will continue to keep its risk management and corporate governance arrangements under regular review. This accords with guidance for directors contained within the UK Corporate Governance Code as amended by the British Finance Directors Group.

The University's Board of Governors comprises members appointed in accordance with the University's Articles and Instrument of Government. The Board is comprised of a majority of independent (lay) members, and elected staff and student governors. The Vice-Chancellor is also an ex-officio member. Members who served on the Board during 2024-25, including photos and their attendance, are listed below. All Governors were members of the Board for the entire reporting period other than where indicated.

The majority of Governors are lay independent members with relevant knowledge and experience in business and the professions. The role of the Chair of the Board is separated from the University's President and Vice-Chancellor. Those matters specifically reserved to the Board for decision are set out in the University's Articles and Instrument of Government. This is supported by a wider governance framework which includes the University's agreed Scheme of Delegation, terms of reference for individual committees and financial regulations. The Board holds to itself the responsibilities for the ongoing strategic direction of the University, the effective and efficient use of resources and the approval of major developments, and receives regular reports from senior management.

The University ensures the independence of its Lay Members of the Board of Governors by ensuring that each of these individuals have no material relationship with the University nor any related persons. The University manages conflicts of interest through carrying out an annual review of its Register of Interests, asking members to update their declaration whenever there is a change, and to announce any conflict prior to the start of any Board or Committee meetings. The University asks the following individuals to complete an annual return for the Register of Interests: all members of the Board, all senior University staff at Levels 1 to 3, as well as other key staff who work in close enough proximity to the University's decision-making, contract, or procurement processes.

Report of the Board of Governors continued

The Board met five times during 2024-25. During this time, the Board had six governor-level Committees within its structure, these were:

- Audit Committee
- Finance Committee
- Governance and Nominations Committee
- People, Health and Wellbeing Committee
- Remuneration Committee
- Strategic Planning and Performance Committee

All committees were formally constituted, with terms of reference and membership comprised exclusively or mainly of independent members of the Board.

The Board and its committees had a clear schedule of meetings and an agreed work programme for 2024-25. Additional meetings were convened on an exceptional basis to meet the University's decision-making exigencies as required.

Board meetings were primarily held as in-person meetings during 2024-25. There was also an option for participants to join Board meetings remotely. All Committee meetings continued to be held remotely during 2024-25.

Statement of Internal Control

The Audit Committee reviews the process for ensuring the effectiveness of the financial and other (non-academic) internal control systems. In doing this, the Audit Committee makes recommendations on the appointment of internal audit, reviews their reports, including follow up reports on implementation and the scope and effectiveness of their work. The Audit Committee also makes recommendations on the appointment of external audit and reviews the financial statements of the University prior to submission to the Board. The Audit Committee reviews the management letter and receives and considers progress reports on areas of significant risk identified by the Executive. In addition, the Audit Committee receives and considers reports from the Medr as they affect the University's business and monitors adherence with regulatory requirements.

The Chair of Audit Committee is an independent member of the Board of Governors who is an experienced member of the Committee. In addition to the Chair and two Independent members, the Audit Committee also included two external co-opted members who were not members of the Board and who thus provided additional externality to the Committee's deliberations. In line with Financial Management Code requirements, no Audit Committee members were permitted to serve on the Finance Committee. Whilst senior members of the Executive attended meetings of the Audit Committee as and when required, they were not members of the Committee.

The Audit Committee met four times during 2024-25 with attendance by the University's internal and external auditors as appropriate. The Committee also met privately with the University's Internal Auditors before each meeting and with the External Auditors as required.

Specific Work to Support Good Governance

The Board undertook specific work during 2024-25 to support good governance. This included the work below:

- The Board received regular reports from the University's Executive on progress made against the University's Financial Recovery Plan (which had been agreed by the Board in May 2024). With an agreed reporting schedule in place the Board was able to provide effective scrutiny and challenge in the implementation of the Plan. The Plan detailed a phased approach to achieve cost reductions and transformation whilst also ensuring the University's long term financial sustainability and viability. The Board received regular updates on the implementation of the University's Voluntary Severance

Report of the Board of Governors continued

Scheme (which had been agreed by the Board in April 2024). As part of the work on Financial Recovery, the Board held a Special Meeting in March 2025 to specifically consider and endorse headline principles for organisational change prior to formal collective consultation with the Trade Unions. The Board, through its committees, also provided detailed scrutiny and assurance on the University's finances and related borrowings and arrangements for submitting audited accounts to Medr.

- The Board introduced a suite of updated supporting governance documents in 2024-25 to ensure alignment with the revised Articles and Instrument of Government that had been introduced in March 2024. At its November 2024 meeting the Governance and Nominations Committee reviewed and endorsed an updated Statement of Primary Responsibilities, updated Standing Orders for Board and Committees, and an updated Governors' Code of Conduct. These documents were subsequently approved by the Board in November 2024. At its meeting in March 2025 the Governance and Nominations Committee considered newly drafted procedures covering the Appointment of Chairs of Committees and the Appointment of Members to Committees. The Procedures aimed to support both a consistent and transparent approach in appointments. The Procedures were subsequently approved by the Board in April 2025.
- The Board introduced a new governor-level committee structure in 2024-25. The new structure introduced a Finance Committee that had a specific focus on the financial health of the University included (but not limited to) financial management, income generation, entrepreneurship and sustainability. The Finance Committee replaced the Resources Committee. The new structure also introduced a new People, Health and Wellbeing Committee that provided assurance on people related matters for both staff and students. The new structure is designed to reflect the requirements of 'Strategy 2030' and ensure that Board members are well placed to add value to the process in delivering against the aims and ambitions of the strategy. The new structure also aimed to reflect the requirements of Medr as the regulator for Tertiary Education and Research in Wales.
- The Board appointed Menai Owen-Jones as Senior Independent Governor (SIG) from October 2024 following the retirement of Nick Capaldi OBE from the Board. At its March 2025 meeting the Governance and Nominations Committee undertook its annual review of the SIG role and endorsed proposals for the role to continue within the governance structure for a further year. This decision was subsequently approved by the Board in April 2025. The Board concluded that the SIG role continued to add value to the University's governance structure. Whilst no referrals had been received by the SIG from Board members on governance related matters it was felt that the role would stand the University in good stead in the event that any concerns or complaints were received in future.
- The Statement of the Relationship Between the Board and the Executive was reviewed by the Governance and Nominations Committee in March 2025. (The Statement had been introduced in February 2022 in line with HE sector best practice). The Committee considered a revised Statement that provided greater emphasis on the Board's role in ensuring that the University has effective arrangements in place to achieve good governance and high levels of assurance. The updated Statement was endorsed by the Committee and subsequently approved by the Board in April 2025.
- The University's Scheme of Delegation was routinely reviewed each term by the Governance and Nominations Committee and Board throughout 2024-25 to ensure that the Scheme remained compliant with legal and regulatory requirements and took account of organisational changes. This work was particularly important given the changes to the University's senior leadership structure during the year.
- The Board approved a Board Succession Plan in July 2025. The Plan provided a vital framework designed to foster good governance and business continuity. The Plan aims to promote transparency, accountability, and diversity in leadership appointments, aligning with best practice in the HE sector and business. The Plan was comprised of three parts, the Board Succession Plan itself, a Skills Survey and Matrix, and the Governors' Equality, Diversity and Inclusion Plan. The Plan was developed by the Governance and Nominations Committee over the course of the year.

Report of the Board of Governors continued

- Arrangements for the Chair and all Governors to receive an annual appraisal/review (originally introduced in 2022) were repeated in the summer of 2025. The process helped identify key areas around enhancing Governor contributions, involvement in future change, views on the University's governance and future training and development needs. Exit interviews were also conducted with Governors who retired from the Board within the same period.
- The Governance and Nominations Committee had specific responsibility for Board membership, skills, training and development. The Committee ensured the training and development programme provided to Board members during 2024-25 continued to be member-led and drew on internal and external expertise as necessary.
- The Audit Committee co-opted Colin Arnold as an External Co-opted Member of the Committee at its meeting in March 2025. This followed the retirement of Adrian Piper who had served on the Committee. The recruitment of Mr Arnold ensured that the Committee had the required financial knowledge and experience at its disposal in undertaking its work.

Governance Charter for Universities in Wales and Commitment to Action

The University has adopted the Governance Charter and Commitment to Action for Universities in Wales (published February 2020) and has implemented all the Charter's recommendations.

Confirmation of Compliance with the CUC Code

The University confirms that it is compliant with the requirements of the CUC Code of Governance (published September 2020) and the related CUC HE Senior Staff Remuneration Code (published November 2021).

Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control continued

Board of Governors - membership

Board member	Category	Attendance
John Taylor CBE	Chair of the Board and Independent Governor	5/5
Kellie Beirne	Independent Governor	5/5
Charlie Bull	Professional Services Staff Governor	4/5
Nick Capaldi OBE	Independent Governor (until October 2024)	1/1
Vaishnavi Chopde	Student Governor (from July 2025)	1/1
Róisín Connolly	Independent Governor	5/5
Kevin Coutinho MBE	Independent Governor	5/5
Fergus Feeney	Independent Governor	4/5
Karen Fiagbe	Independent Governor	3/5
Daniel Flaherty Jr	Student Governor (until April 2025)	3/4
Dr Clare Glennan	Academic Staff Governor	4/5
Dr Iva Gray	Independent Governor	5/5
Peter Kennedy	Independent Governor	3/5
Professor Rachael Langford	President and Vice Chancellor	5/5
Professor Helen Marshall OBE	Independent Governor	4/5
Paul Matthews	Independent Governor	2/5
Menai Owen-Jones	Independent Governor	5/5
Souparnika Parameswaran Namboothiri	Student Governor (from July 2025)	1/1
Kirsty Palmer	Academic Board Representative Governor (until November 2024)	2/2
Christopher Pilgrim	Independent Governor	2/5
Dr Giri Shankar MBE	Independent Governor	2/5
Matthew Tossell	Vice Chair of the Board and Independent Governor	5/5
Rewathi Viswanatham	Student Governor (until June 2025)	5/5
Scott Waddington	Independent Governor	3/5
David Warrender	Independent Governor (until November 2024)	2/5
Dr Cathryn Withycombe	Academic Board Representative Governor (from December 2024)	4/4

Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control | Board of Governors continued


John Taylor CBE


Kellie Beirne


Charlie Bull


Nick Capaldi OBE


Vaishnavi Chopde


Róisín Connolly


Kevin Coutinho MBE


Fergus Feeney


Karen Fiagbe


Daniel Flaherty Jr


Dr Clare Glennan


Dr Iva Gray


Peter Kennedy


Professor Rachael Langford


Professor Helen Marshall OBE


Paul Matthews


Menai Owen-Jones


Souparnika Parameswaran Namboothiri


Kirsty Palmer


Christopher Pilgrim


Dr Giri Shankar MBE


Matthew Tossell


Rewathi Viswanatham


Scott Waddington


David Warrender

Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control | Board of Governors continued



Dr Cathryn Withycombe

Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control continued

Audit Committee

The Audit Committee is responsible for ensuring the University's operations are conducted ethically, efficiently, and effectively. This oversight includes evaluating risk management and governance systems, reviewing whistleblowing mechanisms, overseeing internal and external audits, scrutinising financial statements, and assessing investment and procurement decisions. By fulfilling these responsibilities, the Audit Committee plays a crucial role in safeguarding the University's assets, maintaining its reputation, and promoting accountability.

The Committee met four times in 2024/25 and considered the following key items of business:

- The Annual Report and Finance Statements and Annual External Audit Statement of Opinion for 2023/24
- The Internal Audit Plan and Programme of Advisory and Assurance Reviews
- Progress updates on the implementation of internal audit recommendations
- The University Risk and Issues Register
- Annual Reports on Prevent Duty Compliance, Information Compliance, and Financial Fraud and Modern Slavery Statement
- Annual Review of Governors' Register of Interests and Gifts and Hospitality Declarations
- Annual Review of compliance with the HEFCW (Medr) Financial Management Code
- Annual Review of the University's Accounting Policy Procedures
- Review of the University's Fraud and Corruption Policy
- Provision for consideration of referrals under the Whistleblowing Procedure (none received in 2024/25)
- The University's Cyber Seccurity Arrangements
- The University's Student Lifecycle Project

The Membership of the Audit Committee was as follows:

Member	Meetings Attended
Scott Waddington (Chair and Independent Governor)	4/4
Colin Arnold (External Co-opted Member of Audit Committee)	2/2
Dr Iva Gray (Independent Governor)	1/2
Professor Helen Marshall (Independent Governor)	3/4
Paul Matthews (Independent Governor)	1/4
Menai Owen-Jones (Independent Governor)	2/2
Matthew Tossell (Independent Governor)	2/2
Lisa Winstone (External Co-opted Member of Audit Committee)	2/4

The Chair, Staff and Student members of the Board of Governors are not members of Audit Committee. Furthermore, Audit Committee members are not members of the Finance Committee. At least one member of the committee has relevant experience.

Report of the Board of Governors continued

Finance Committee

The Finance Committee advises the Board on matters related to the University's financial matters. This includes financial management, income generation, entrepreneurship, corporate sustainability, value for money procurement, capital expenditure approvals and oversight of the financial strategy. For capital projects, the Committee reviews the University's capital plans to ensure they align with the agreed strategy

The Committee met three times in 2024/25 and considered the following key items of business:

- Annual Budget Proposals, prior to final approval by the Board of Governors
- Outturn reports on the University's in-year financial performance
- Review of the SU's Annual Audited Accounts, monitoring of its financial performance and review of the provisional budget for the following academic year
- Annual Review of the Financial Regulations (including the Financial Management code) to ensure robust financial and management control systems within the University
- Changes to the University's bank loan covenants
- Financial recovery planning
- Regular review of procurement activity and expenditure requests

The Membership of the Finance Committee was as follows:

Member	Meetings Attended
Matthew Tossell (Chair and Independent Governor) (from December 2024)	3/3
David Warrender (Chair and Independent Governor) (until November 2024)	1/1
Roisin Connolly (Vice-Chair & Independent Governor)	2/2
Kevin Coutinho (Independent Governor)	3/3
Fergus Feeney (Vice Chair and Independent Governor)	2/3
Daniel Flaherty Jr (Student Governor) (until April 2025)	2/2
Professor Rachael Langford (Vice-Chancellor)	2/3
Kirsty Palmer (Academic Board Rep Governor) (until November 2024)	1/1
Dr Giri Shankar (Independent Governor)	1/3
Dr Cathryn Withycombe (Academic Board Representative Governor) (from December 2024)	2/2

The Finance Committee did not have any members with specific professional finance and or accountancy qualifications during 2024-25. However, some members of the Committee did have significant financial experience gained from working in other senior director level roles that involved financial management responsibilities.

Report of the Board of Governors continued

Governance and Nominations Committee

The Governance and Nominations Committee is responsible for ensuring that the University adheres to best practices in corporate governance. This includes overseeing the recruitment and development of skilled governors, ensuring succession planning to address skill gaps, establishing a framework for evaluating governor performance, and working with other committee chairs to assess committee effectiveness and recommend improvements. By fulfilling these responsibilities, the Governance and Nominations Committee contributes to a more effective governing body that can effectively guide the University towards its strategic objectives.

The Committee met three times in 2024/25 and considered the following key items of business:

- Membership of Committees and Terms of Reference for 2024-25
- Annual Review of the Senior Independent Governor Role
- Annual Review of the Statement of Relationship between the Board and the Executive
- Development of a Board Succession Plan
- Review of the Governor Appraisal Process for 2024
- Review of Supporting Governance Documents
- Review of the University's Scheme of Delegation
- Development of a Financial Recovery Reporting Schedule
- Consideration of Board Members' Length of Service
- Approval of Nominations for Honorary Fellowships
- Governor Induction, Training and Development Programme
- Plans for the next Board Effectiveness Review

The Membership of the Governance and Nominations Committee was as follows:

Member	Meetings Attended
Menai Owen-Jones (Chair and Independent Governor)	3/3
Charlie Bull (Professional Services Staff Governor)	3/3
Karen Fiagbe (Independent Governor)	3/3
Dr Iva Gray (Independent Governor)	3/3
Professor Rachael Langford (Vice-Chancellor) (from February 2024)	2/3
Paul Matthews (Independent Governor)	1/3
Kirsty Palmer (Academic Board Representative Governor)	1/1
Rewathi Viswanatham (Student Governor)	3/3
David Warrender (Independent Governor)	1/1
Dr Cathryn Withycombe (Academic Board Representative Governor)	2/2

Where required, the Chair of the Board also attended in support of the work of the Committee.

Report of the Board of Governors continued

People, Health and Wellbeing Committee

The Committee advises the Board on the People and Culture elements of Strategy 2030, ensuring a focus on staff and student wellbeing, health and safety. Providing oversight that the University discharges its commitment to the 2010 Equality Act.

The Committee met three times in 2024/25 and considered the following key items of business:

- The People and Culture element of the University's Transformation Programme
- Staff Survey Results 2024 and management response
- Equality, Diversity and Inclusion Annual Report and the Equality and Diversity Audit.
- University's Gender, Ethnicity and Pay Gap report.
- Health and Safety Assurance Report.
- Race Equality Charter submission.
- Athena Swan Working Group Annual Report

The Membership of the People, Health and Wellbeing Committee was as follows:

Member	Meetings Attended
Peter Kennedy (Chair and Independent Governor)	2/3
Kevin Coutinho (Vice-Chair & Independent Governor)	3/3
Charlie Bull (Professional Services Staff Governor)	3/3
Daniel Flaherty Jr (Student Governor) (until April 2025)	2/2
Dr Clare Glennan (Academic Staff Governor)	2/3
Professor Rachael Langford (Vice-Chancellor)	3/3
Menai Owen-Jones (Independent Governor)	2/3
Dr Giri Shankar (Independent Governor)	0/3
Rewathi Viswanatham (Student Governor) (from May 2025)	1/1

Report of the Board of Governors continued

Remuneration Committee

The Remuneration Committee is responsible for overseeing the compensation and benefits of senior University staff. This includes reviewing appointments, appraisals, suspensions, and dismissals, determining terms and conditions of service, and establishing a pay framework for all employees. The committee ensures that compensation arrangements align with the University's strategic goals, facilitate the recruitment, motivation, and retention of senior staff, and comply with relevant regulations and best practices.

The Committee met four times in 2024-25 and considered the following key items of business:

- Remuneration Committee Annual Report 2023-24.
- Annual Pay Policy Statement 2023-24
- Senior Staff Remuneration Policy Framework 2023-24 and 2024-25
- Senior Leadership Recruitment
- The University's Organisational Change Proposals
- The University's Voluntary Severance Scheme
- Annual Review of Pay and Performance for Level 1 and Level 2 Staff.
- Benchmarking of HE Institution Comparators for Levels 1, 2 and 3 Salaries.

The Membership of the Remuneration Committee was as follows:

Member	Meetings Attended
Christopher Pilgrim (Chair and Independent Governor)	4/4
Kellie Beirne (Independent Governor)	1/3
Dr Iva Gray (Independent Governor)	4/4
Peter Kennedy (Independent Governor)	4/4
John Taylor CBE (Chair of the Board and Independent Governor)	2/4
Matthew Tossell (Independent Governor)	3/3

Report of the Board of Governors continued

Strategic Planning and Performance Committee

The Strategic Planning and Performance Committee advises the Board on matters relating to strategic planning; the monitoring and evaluation of strategic priorities and performance against the Strategic Plan; the evaluation of progress relating to the overarching agenda of growth, diversification and improvement; and horizon scanning. The Committee also reviews the University's performance in: the Research Excellence Framework, Academic Quality Assurance, and key league tables and surveys.

The Committee met three times in 2024/25 and considered the following key items of business:

- The financial position of the University and the external Higher Education sector.
- The four pillars of Strategy 2030 (Learning, Teaching and Student Engagement; Research and Innovation; International; and Civic Mission) and Transformation Programme
- Environment Scanning
- The Key Performance Indicators (KPIs), which were developed to track progress towards strategic goals
- Monitoring of student recruitment activity
- Annual Quality Assurance Report and other reports covering academic quality and performance
- University League Table Performance
- Welsh Language Standards Monitoring
- Research and Innovation Assurance
- Graduate Outcomes
- Fee and Access Plan Evaluation
- Complaints and Conduct Annual Report

The Membership of the Strategy, Planning and Performance Committee was as follows:

Member	Meetings Attended
John Taylor (Chair and Independent Governor)	3/3
Professor Helen Marshall (Vice-Chair & Independent Governor)	0/3
Kellie Beirne (Independent Governor)	2/3
Roisin Connolly (Independent Governor)	3/3
Fergus Feeney (Independent Governor)	1/3
Dr Clare Glennan (Academic Staff Governor)	2/3
Professor Rachael Langford (Vice-Chancellor)	2/3
Rewathi Viswanatham (Student Governor)	2/3

Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control |

Academic Board

The Academic Board is a Committee of the Board of Governors and is the University's senior decision-making body. The Academic Board is responsible for delegations set out in the Articles of Government, as well as supporting, advising and assisting the Vice-Chancellor in the performance of their duties as delegated in the Articles, and advising the Board of Governors on relevant matters.

The Academic Board is both the University's academic authority and its senior decision-making body for resources which support the University at a strategic level. The Academic Board is responsible for Financial Planning and Sustainability, Strategic and Academic Planning, Academic Quality and Assurance and Risk Management.

The Academic Board met seven times in 2024/25.

Membership of Academic Board as follows:

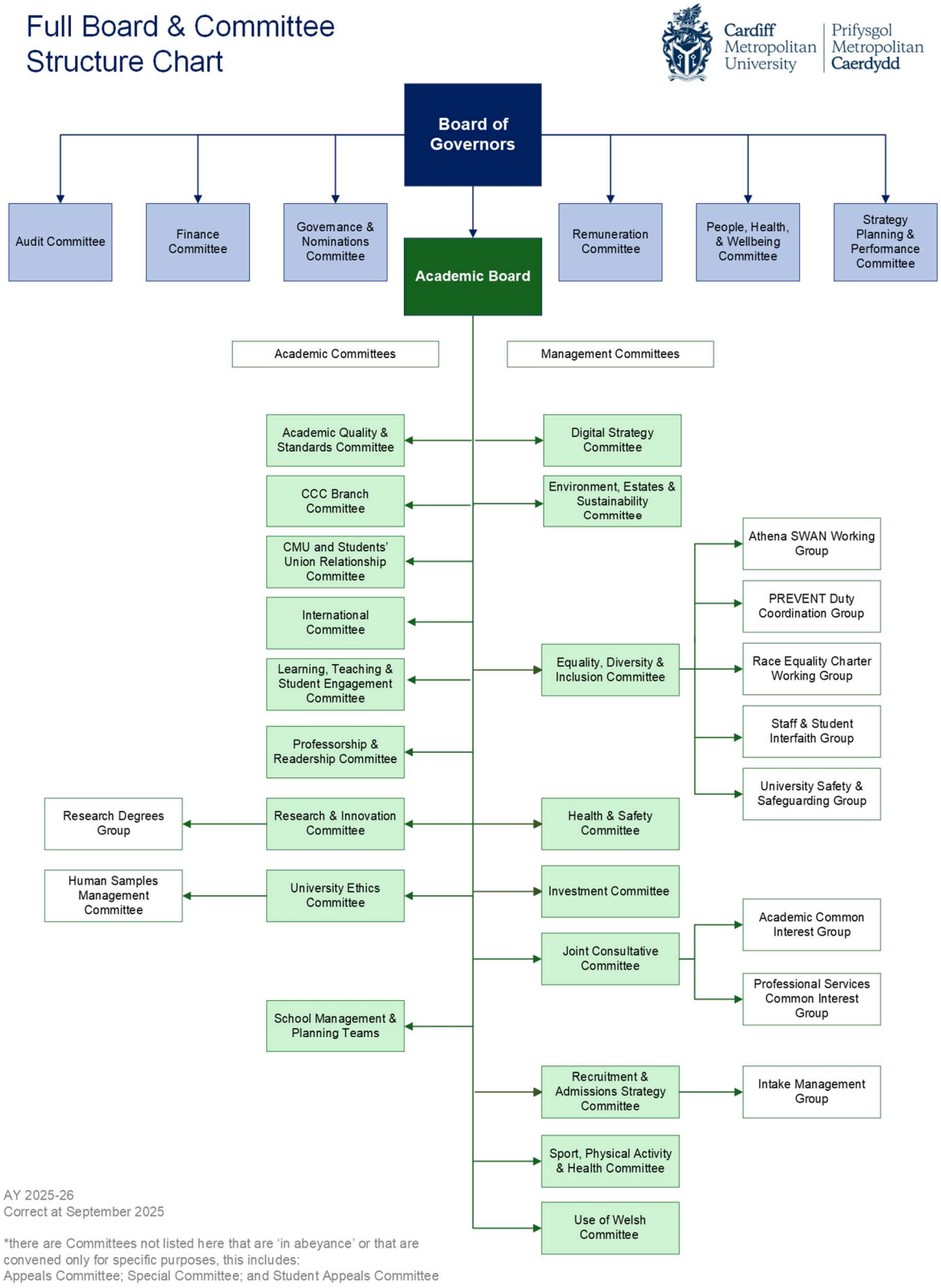
Member	Meetings Attended
Professor Rachael Langford (President and Vice-Chancellor)	6/7
Mark Barry (Director of Commercial Services) (to end of 2024)	1/3
Rob Blagden (Director of Digital & Library Services) (to April 2025)	3/4
Professor David Brooksbank (Pro Vice-Chancellor for Business, Global and Civic Engagement)	6/7
Hywel Bufton (Head of Digital Services)	1/2
Ruth Davies (University Secretary) (from May 2025)	3/3
Anna Dukes (Director of Global Engagement)	7/7
Daniel Flaherty Jr (Students' Union President) (to April 2025)	3/4
Stephen Forster (Interim Chief Financial Officer) (from January 2025 to July 2025)	4/4
Dr Bethan Gordon (Dean of Cardiff School of Art & Design)	5/7
Dr Cecilia Hannigan-Davies (Acting Dean of Cardiff School of Education and Social Policy) (from March 2025)	2/4
Professor Sheldon Hanton (Pro Vice-Chancellor Research, Innovation and Enterprise)	6/7
Mairwen Harris (Head of Strategy, Planning and Performance)	7/7
Dr Joanna Hendy (Director of Learning Enhancement) (to end of 2024)	3/3
James Hirst (Deputy Director of Student Services Employability)	4/4
Tracey Horton (Elected Professional Services Staff Member) (from December 2024)	5/5
Simon Landy (Deputy Director of Finance)	6/7
Mark Lester (Elected Professional Services Staff Member) (to November 2024)	2/2
Rebecca Lever (Chief Officer Marketing, Communications and Student Recruitment)	6/7

Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control |

Graham Lewis (Chief Officer University Environments and Property) from December 2025	4/5
David Llewellyn (Chief Officer Resources) (to February 2025)	3/3
Professor Julia Longville (Dean of Teaching and Learning)	7/7
Professor Richard Neill (Deputy Director of Research	5/7
Ben O'Connell (Director of Sport)	6/7
Kirsty Palmer (Director of Student Services) (to end of 2024)	3/3
Professor Jon Platts (Dean of Cardiff School of Technologies)	5/7
Ben Rogers (Director of Registry Services) (to end of 2024)	3/3
Mark Samuels (Elected Academic Staff Representative)	5/7
Matthew Taylor (Director of Innovation)	5/7
Professor Katie Thirlaway (Deputy Vice-Chancellor and Provost)	5/7
Gaby Tobin (Head of Quality Enhancement)	4/4
Rewathi Viswanatham (Students' Union Vice President)	6/7
Professor Christopher Wallis (Elected Professoriate Staff Member) (from November 2024)	5/6
Lowri Williams (Chief People Officer)	6/7
Dr Huw Wiltshire (Acting Dean of Cardiff School of Sport and Health Sciences)	1/1
Dr Cathryn WIthycombe (Elected Academic Staff Representative)	7/7

Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control | Academic Board continued

Several Committees and Working Groups reported to Academic Board (as the parent body) during 2024/25. These were designated as either Academic or Management Committees and are detailed in the structure chart below.



Report of the Board of Governors | Corporate Governance and Statement of Internal Control | Statement of Internal Control continued

University Executive Group

The University Executive Group (**UEG**) is the senior leadership team of the University and assists the Vice-Chancellor in providing strategic leadership for all the Executive portfolios.

The UEG members in 2024-25 included:

President and Vice-Chancellor (Professor Rachael Langford)

Deputy Vice-Chancellor and Provost (Professor Katie Thirlaway from July 2025)

Pro Vice-Chancellor for Business, Global and Civic Engagement/Dean of Cardiff School of Management (Professor David Brooksbank)

Pro Vice-Chancellor for Student Engagement (Professor Jacqui Boddington until September 2024)

Pro Vice-Chancellor for Research, Innovation and Enterprise (Professor Sheldon Hanton)

Chief Officer Resources (David Llewellyn until February 2025)

Chief Finance Officer (Stephen Forster from January 2025)

Chief People Officer (Lowri Williams from January 2025)

Interim University Secretary and Chief Operating Officer (Jon Price until September 2024)

Dean of Cardiff School of Art and Design (Dr Bethan Gordon)

Dean of Cardiff School of Education (Professor Julia Longville until January 2025. Dr Cecilia Hannigan Davies from January 2025 as Acting Dean)

Dean of Cardiff School of Sport and Health Sciences (Professor Katie Thirlaway until June 2025. Dr Huw Wiltshire from July 2025 as Acting Dean)

Dean of Cardiff School of Technologies (Professor Jon Platts)

Dean of Teaching and Learning (Professor Julia Longville from January 2025)

*University Secretary (Ruth Davies from May 2025)

UEG generally meets weekly and focuses on the monitoring of financial performance, including budget setting, alongside general monitoring and oversight of strategy, operational performance and policy development.

*The University Secretary is not a University Executive Group member but is in routine attendance for meetings.

Report of the Board of Governors continued

Report from 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 of the Vice-Chancellor and other senior members of staff.

The Remuneration Committee comprises independent lay members of the Board of Governors who possess relevant knowledge and expertise. The Vice-Chancellor and Chief People Officer are in attendance at Remuneration Committee meetings, but the Vice-Chancellor is not in attendance for and does not play a part in the discussions and decisions about their own remuneration. Furthermore, no member of staff is present for the discussion of their own remuneration.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits, and conditions of employment of the Higher Education sector, and wider where appropriate.

In determining the remuneration awarded, the Remuneration Committee considers the University's approach to recognising performance for all roles in scope and refers to sector benchmarking information provided from the Universities and Colleges Employers Association (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 Code of Governance and more specifically the CUC Senior Staff Remuneration Code which focusses on the three key elements: a) a fair, appropriate and justifiable level of remuneration; b) procedural fairness and c) transparency and accountability.

In line with the above, the remuneration for the Vice-Chancellor and the Senior Leadership team are reviewed annually using a fair and transparent process that reflects the performance of each individual in the context of the University's performance.

Approach to Remuneration

The University's approach to the remuneration of senior post holders is detailed in the Senior Staff Remuneration Policy Framework. The Framework is reviewed annually by the Remuneration Committee and was reviewed in February 2025.

Remuneration 2024-2025

Each year, People Services prepares for the Remuneration Committee a paper benchmarking the base salary of the Vice-Chancellor and other senior postholders against the annual salary of institutions of comparable size and scope. This data is drawn from the annual Universities and colleges Employer Association (UCEA) Senior Staff Remuneration Survey, and the annual CUC Vice-Chancellor Salary Survey.

The Remuneration Committee considers a number of factors when considering performance reward proposals. These include but are not limited to:

- Performance in support of the University's strategic objectives in the areas of teaching; research; innovation and engagement; leadership and management; leadership of staff; partnerships and external relations internationally, nationally and locally; major initiatives and projects
- The size and complexity of the University
- The nature of the HE markets and issues of recruitment and retention
- The University's objectives in relation to the diversity of the workforce; and
- Salary benchmarking data

Report of the Board of Governors continued

Report from Remuneration Committee **continued**

The senior postholder jobs are supported by the Hay job evaluation methodology and the posts were last reviewed in 2022. The Hay job evaluation methodology is the most widely used job evaluation scheme.

During the year 2024-25, the Remuneration Committee did not award any cost-of-living salary increase to the Vice-Chancellor and the Senior staff in August 2024.

Vice-Chancellor Remuneration

The Remuneration Committee decides the remuneration package of the Vice-Chancellor, taking account the breadth of leadership and financial responsibilities and delivery against the University's strategic objectives.

In meeting the University's vision as a progressive university, working with purpose, impact and compassion to make economies more prosperous, societies fairer, cultures richer, environment greener and communities healthier, 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 11,281 campus-based students and 20,071 off campus students (2023-24 HESA data), more than 1500 (fte) paid staff (2023-24 HESA data) and an income of £148.6m.

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 salary benchmarking information with comparator universities.

The Vice-Chancellor's performance is assessed by the Chair of the Board of Governors after taking soundings and feedback from all members of the Board of Governors. 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. Each year, the Remuneration Committee receives a report by the Chair of the Board of Governors on the Vice-Chancellor's Performance and Development Review and agreed objectives for the following year.

The Vice-Chancellor's base salary is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agreed a consolidated increase to the Vice-Chancellor's base pay. Any such increase would be reported through the financial accounts in the following year.

The University does not operate a performance-related bonus scheme.

Report of the Board of Governors continued

Report from Remuneration Committee continued

The Vice-Chancellor's Reward package is detailed below:

	VC from 01.02.2024*** Year Ended 31 July 2025	VC from 01.02.2024** Year Ended 31 July 2024	VC until 31.01.2024* Year Ended 31 July 2024
Emoluments of the Vice-Chancellor	£	£	£
Salary	260,000	130,000	145,084
Pension contributions	74,568	35,117	-
Payments in lieu of pension contributions	-	-	25,915
	334,568	165,117	170,999

* Outgoing VC (part year) /** Incoming VC (part year) / *** Incoming VC (full year)

The Vice-Chancellor's basic salary in 2024-25 is 6.0 times the median pay of staff, compared to 6.0 times in 2023-24. The staff median salary in 2024-25 is £43,074.

The Vice-Chancellor's total remuneration is 7.6 times the median pay of staff, compared to 7.6 times in 2023-24. The staff median total remuneration in 2024-25 is £43,918.

	Year Ended 31 July 2025 University		VC from 01.02.2024 (pro-rated) Year Ended 31 July 2024 University		VC until 31.01.2024 (pro-rated) Year Ended 31 July 2024 University	
Vice-Chancellor remuneration as a multiple of the median	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration
Vice-Chancellor	£260,000	£334,568	£260,000	£330,235	£290,168	£341,998
Median salary	£43,074	£43,918	£42,978	£43,587	£42,978	£43,587
Pay multiple	6.0	7.6	6.0	7.6	6.8	7.8

The median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University to its staff. Agency and atypical staff have been excluded from the above calculations, as full-time equivalent data is not available.

The Key Management Personnel are the University's Executive Group. In 2024-25 the group comprised; the President & Vice-Chancellor, Deputy Vice-Chancellor, PVC (Research and Innovation), PVC (Business, Global and Civic Engagement), Chief Officer (Resources). In-year, this changed with the departure of the Chief Officer (Resources), and the Chief Finance Officer and Chief People Officer joined the University's Executive Group membership.

Report of the Board of Governors continued

Senior Staff Remuneration

The performance of Senior members of staff is assessed by the Vice-Chancellor, after taking soundings and feedback from the Chair and members of the Board of Governors. 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. Each year the Remuneration Committee receives a report by the Vice-Chancellor about the Senior Staff Performance and Development Reviews and agreed objectives for the following year.

The base salary for Senior staff is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agree a consolidated increase to the Senior Staff's base pay.

In 2024-25 the Remuneration Committee considered the pay of 3 members of Senior staff; the Vice-Chancellor; the Pro Vice-Chancellor (Research and Innovation); and the Chief Officer (Resources).

The numbers of staff paid above £100k per annum are published in the financial statements (note 7), broken down into £5k pay bands. In 2024-25, as a result of a structure change, there were 11 members of staff with a basic salary over £100k per annum, compared with 16 in 2023-24.

Higher Paid Staff	Year Ended 31 July 2025 No.	Year Ended 31 July 2024 No.
£100,000 to £104,999	1	3
£105,000 to £109,999	2	5
£110,000 to £114,999	2	1
£115,000 to £119,999	-	2
£120,000 to £124,999	4	1
£130,000 to £134,999	-	1
£140,000 to £144,999	-	1
£155,000 to £159,999	-	-
£165,000 to £169,999	-	-
£170,000 to £174,999	-	1
£175,000 to £179,999	1	1
£180,000 to £184,999	1	-
	11	16

Report of the Board of Governors continued

Payment of compensation for loss of office to higher paid staff was as follows:

	Year Ended 31 July 2025	Year Ended 31 July 2025	Year Ended 31 July 2024	Year Ended 31 July 2024
	£'000	Number of staff	£'000	Number of staff
Higher paid staff: loss of office	384*	7	25	1

* Non optional strain payment to Local Government Pension Scheme.

Remuneration for other staff groups

The majority of other staff are on the New JNCHES pay spine and covered by the University's Grading Structure, which consists of nine grades. These grades are supported by the Higher Education Role Analysis (HERA) role evaluation methodology.

Staff on the New JNCHES pay spine gain incremental pay increases annually based on skills, knowledge and experience, until they reach the top of the grade's range. They are also subject to any nationally agreed pay awards. The University deferred the implementation of the 24/25 national pay award by 11 months i.e. until 1st July 2025, with no backdating.

The University offers a comprehensive range of both financial and non-financial workplace benefits.

Living Wage Employer

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

Exit Policy

All settlement agreements, including voluntary severance, for senior staff are agreed by the Remuneration Committee. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.

Report of the Board of Governors continued

Operating and Financial Review

Scope of the Financial Statements

These financial statements relate to the year ended 31 July 2025 and represent the 32nd Annual Report of the University since its incorporation in April 1992. The financial statements consolidate the main activity of the University with that of its subsidiary companies and have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102.

Principal Activities

The principal activity of the University is the provision of higher education from campuses in Cardiff and through collaborative activities elsewhere in the UK and overseas. The University's portfolio extends across undergraduate, postgraduate and research activities and is complemented by training, consultancy and other commercial spin offs which are provided to local, national, and international organisations. The University also provides conferencing and residential services, together with sports and catering facilities, for students and external users. Many of these commercial activities are carried out through a subsidiary company, Cardiff Met Company Ltd, which gifts any taxable profit back to the University through the Gift Aid scheme.

Financial and Investment Strategy

The University approved its revised and updated Finance Strategy during July 2023. The Strategy has the key objectives of growing and diversifying income; ensuring financial stability; and promoting long-term financial sustainability. The Strategy includes challenging performance objectives in support of the University's aspirations for the future. The Finance Strategy is one of four enabling strategies that together with the People, Estates and Digital strategies, support the University 2030 Strategy.

Results for the Year

The University's total income increased by £3.7m to £148.6m (2024: £144.9m), with student recruitment underpinning performance. During the year, the University undertook a significant transformation programme to improve the efficiency of its operations through a series of targeted workstreams. This transformation programme has realigned the cost base to future income expectations through targeted cost reductions of circa £14.5m. The financial results for the year show that the group delivered an accounting deficit of £3.9m (2024: deficit of £3.0m), with the accounting result being impacted by the £5.1m fixed asset impairment, and investment in a subsidiary company impairment of £0.6m. Had it not been for these charges a £1.8m surplus position would have been achieved. An operational cash surplus of £7.9m (2024: £3.2m) was achieved as outlined in the following table. The result also includes restructuring costs for the year of £3.6m (2024: £1.4m). The accounting result benefitted by circa £0.4m resulting from a lower than anticipated actuarial assessment of finance charges and current and past service costs for the Cardiff & Vale of Glamorgan Pension Fund (CVGPF). The university's two defined benefit pension schemes, the CVGPF and the Universities Superannuation Scheme, remain in a surplus position, brought about by changed economic conditions which have resulted in increased interest rates and, by association, an increase in the discount rate (the amount by which future liabilities are discounted).

The group's main income stream is derived from tuition fees from UK and EU undergraduate and postgraduate students that together amounted to £76.3m (2024: £71.1m) and accounted for 51% (2024: 49%) of total income. When international fees and educational contracts are included, this rises to £106.9m (2024: £107.3m) and accounts for 72% (2024: 74%) of total income. Full time undergraduate annual tuition fees for UK students increased to £9,535 (2024: £9,000) during the year, providing some mitigation against inflationary costs.

Report of the Board of Governors continued

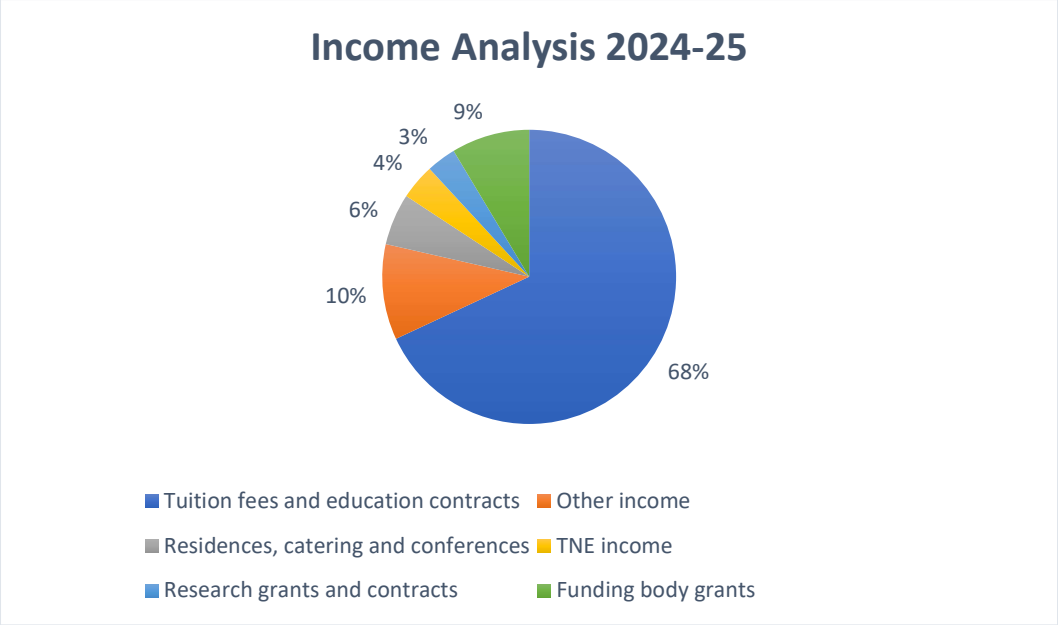
Operating and Financial Review | Results for the Year continued

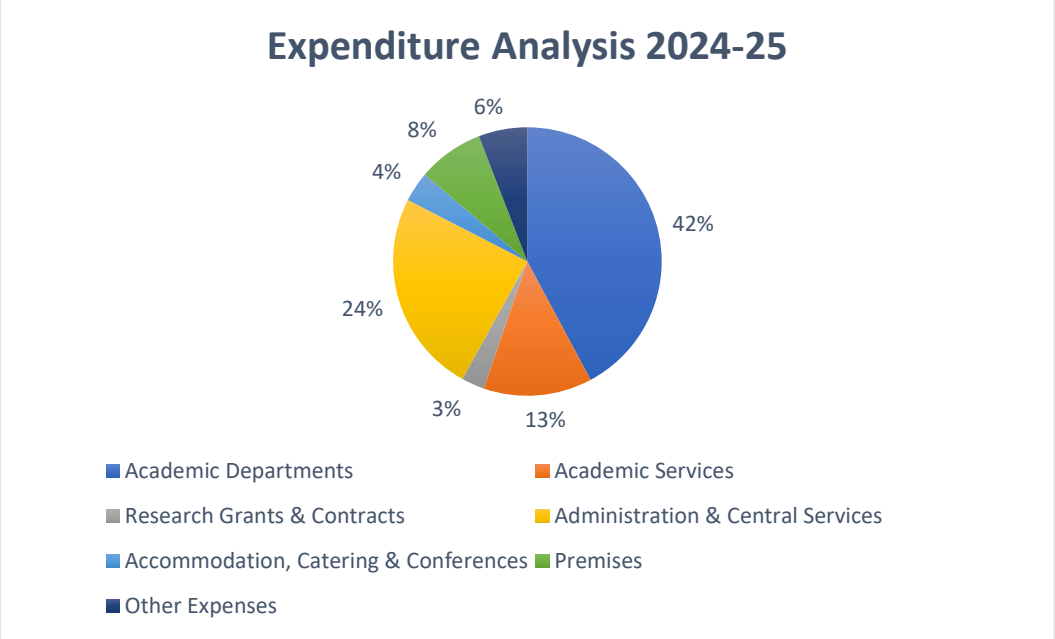
The group invested £5.7m (2024: £11.7m) in its infrastructure during the year. Of this, £2.8m (2024: £5.8m) was invested in the estate, and included refurbishment and improvement investments in academic, residential, professional service, and sporting facilities. Expenditure amounting to £2.9m (2024: £5.9m) was also invested in equipment, fixtures and fittings, IT infrastructure, and corporate digital systems. During the year, an 'Asset in the Course of Construction' was impaired in full.The total costs capitalised relating to the system at 31 July 2024 were £4.6m, with further additions of £0.5m in-year, leading to a total impairment of £5.1m.

Net assets on 31 July 2025 amounted to £180.9m (2024: £185.6m).

Summary of Consolidated Results	2024/2025 £000	2023/2024 £000
Income	148,589	144,860
Expenditure	146,767	144,897
Surplus/(Deficit) for the year before exceptional costs	1,823	(37)
Impairment	(5,683)	(2,981)
Loss in subsidiary	(333)	(20)
Gain on disposal of subsidiary	304	-
Deficit for the year	(3,889)	(3,038)
Add back		
Depreciation	6,275	6,680
Impairment and loss in subsidiary	6,016	3,001
Gain on disposal of subsidiary	(304)	
Pension Provision Credits	(361)	(3,577)
Annual Leave Accrual Movement	198	175
Operational Cash Surplus excluding Working Capital Movements	7,935	3,241

Report of the Board of Governors | Operating and Financial Review | Results for the Year continued





Liquidity & Cash

The group's cash and short-term investment resources at the year-end amounted to £44.2m (2024: £42.9m) and represents an improvement against budgeted expectations. Investments in the estate and infrastructure during the year were funded entirely by cash generated from operating activities. Loan repayments during the year totalled £1.95m thereby reducing the group's long-term debt from £18.4m to £16.5m. The gearing ratio at the year-end amounted to 11.1% (2024: 12.7%). The modest decrease in the gearing ratio was due to an increase in income during the year coupled with capital repayments reducing the remaining loans. The strong cash base continues to provide a solid and stable operating base.

Report of the Board of Governors | Operating and Financial Review continued

The Financial Outlook

The University continues to recruit well across Home and International domiciles and programmes of study. The development and expansion of 'mid-year' programme starts has been successful financially. The cost base has been rebalanced and further aligned to service delivery, with the University setting a modest surplus budget in 2025-2026. Bank covenants are forecast to be met at July 2026 and cash reserves are stable.

There remain higher rates of inflation in the economic system that present operational challenges to University activity and will require ongoing careful financial management. The full-time undergraduate tuition fee in Wales has been allowed to increase to £9,535 from September 2025, thereby aligning the fee charged by Welsh institutions to that charged by English institutions. This is welcomed, alongside the recent Welsh government announcement to raise the tuition fee cap in Wales for 2026-27. The University has also absorbed the effect of the increase in the employers' rate of national insurance from 13.8% to 15%, combined with a £4,100 reduction in the salary threshold at which national insurance becomes payable, from £9,100 to £5,000. The Welsh Government has announced that the International Student Levy will not be applied in Wales, which is welcomed.

Charitable Status

The University became a Registered Charity (No. 1140762) on 10 March 2011.

Membership of the Board of Governors

The membership of the Board for the year 1 August 2024 to 31 July 2025 is set out on page 17 of this report.

Over the reporting period, governors claimed £4,454 in expenses (2024: £2,965). This covered items such as mileage, public transport and parking fees to enable travel to meetings and other activities on behalf of the University. No other payments are made to trustees. Information about related third party transactions can be found in note 7.

Independent Auditors

The external independent auditors for the year were PricewaterhouseCoopers LLP. The internal auditors for the year were TIAA Ltd.

Equality of Opportunity

The University works to ensure compliance with equality legislation and is committed to proactively integrating the principles of equality into all its activities. A Strategic Equality Plan has been agreed and implemented. The University is active in widening access to education, and in providing an inclusive approach to learning, teaching, and research.

Report of the Board of Governors | Operating and Financial Review continued

Health and Safety at Work

The health, safety and welfare of staff, students and visitors are essential to the success of the University. The University's Health & Safety Committee considers all relevant aspects of health, safety and welfare. The Committee receives regular monitoring reports of periodic audits of schools/units' health and safety management arrangements and of initiatives and/or issues emanating from School/Unit health and safety meetings. Additionally, the Committee disseminates updates on legislation and guidance on good practice and monitors accident/incident levels and work-related stress sickness. The Minutes of the Committee are presented to the Academic Board. An Annual Health and Safety Review is provided to the Board of Governors through People, Health and Wellbeing Committee, to enable it to meet its statutory obligation to ensure compliance with health and safety legislation.

Modern Slavery and Human Trafficking Statement

The University produces and publishes an annual Modern Slavery and Human Trafficking Statement. The University is committed to improving our business practices to combat modern slavery and / or human trafficking in our supply chains or in any part of our business to ensure that, wherever possible, we are not complicit in any human rights violations. The University's policies and procedures demonstrate its commitment to acting ethically and with integrity in all its business activities, ensuring compliance with the requirements of the Modern Slavery Act 2015. The procurement function has had an Ethical Supply Chains Policy in place since 2011. The Policy is reviewed and updated in accordance with the University's policy cycle and was last amended and updated in March 2024 to ensure it continues to reflect relevant good practice. The University's employment and workplace policies and procedures have been reviewed and amended to ensure they reflect the intent of the Welsh Government 'Ethical Employment in Supply Chain' Code of Practice. These policies and procedures demonstrate the University's commitment to acting ethically and with integrity in all its business relationships by helping to ensure that modern slavery and human trafficking do not occur within its UK and international workforces or business activities.

The University was accredited as a Living Wage employer by the Living Wage Foundation in November 2019 and has paid the Living Wage rate as a minimum to all staff since August 2018. The University is committed to ensuring that all staff pay grades are at or above the Real Living Wage and all key outsourced contractors who work at the university are paid the Living Wage. Guidance and training materials, to raise modern slavery awareness, is available on the University's intranet site and existing training and guidance materials for new staff was updated and amended in the last financial year.

Criminal Finance Act Statement

The University and its subsidiary companies commit to ensuring that its employees, agents, and other associated persons acting on its behalf are not facilitating tax evasion by another party. The University regularly reviews its risks and associated processes and procedures to ensure that all steps are taken to prevent tax evasion. The University includes the risk of tax evasion on its Risk Register. The risk is reviewed and updated three times a year. This includes the review of controls to mitigate risks. The University reviews its policies and guidance in relation to the Criminal Finance Act on a regular basis, in line with similar policies (Anti-Bribery, Counter Fraud and Corruption, Anti-Money Laundering policies and Financial Regulations).

Report of the Board of Governors | Operating and Financial Review continued

Commitment to Sustainability

The University is committed to minimising its impact on the climate and the environment. Council has adopted a corporate commitment to achieve net-zero greenhouse gas emissions for Scopes 1–2 by 2030, alongside an additional target of a 30% reduction in carbon emissions by 2030 against a 2018/19 baseline (the last full year prior to the pandemic). These targets align with the Welsh Government's ambition for the public sector to achieve net zero by 2030.

Progress against carbon targets is compiled and reported by the University Environments team. The data is submitted to the Higher Education Statistics Agency on an annual basis, in conjunction with reporting to the Board of Governors on progress. Annual auditing is undertaken as part of the ISO 14001 surveillance.

Our Carbon Management Plan 2024–2030 sets out the baseline, targets, actions and delivery approach. Delivery is underpinned by clear leadership and governance, robust analysis and planning, and active engagement with collaborators and stakeholders.

Environmental impacts are managed through our ISO 14001-accredited Environmental Management System (EMS). Objectives and targets are set annually, owners report termly, and the system is externally audited for assurance each year. The EMS covers all University activities—from energy and utilities to waste and recycling—and embeds education for sustainable development (ESD) within the curriculum, research and enterprise.

Investment over the coming years will prioritise energy demand reduction, on-site generation, removal of gas systems, and the refurbishment and repurposing of existing buildings and facilities, in preference to new build, to minimise whole-life carbon. The Dean of the Cardiff School of Art and Design is the executive lead for sustainability.

Climate Impact Public Benefit Statement

As an educational charity, the University advances public benefit by enabling collaborative learning and collective action on climate and sustainability for students, staff and the wider community.

On campus we have initiated a range of energy and carbon reduction schemes, increased our solar photovoltaic renewable energy installations by 548% from 40kWp to 259kWp, been replacing gas fired boilers with heat pumps, replacing incandescent lighting with energy efficient lighting, and run a fleet of electric vehicles. We expand skills and participation through Repair Workshops, Community Days, Green Workshops and Litter Picks, and we provide Carbon Literacy training for staff and students.

We are Fairtrade accredited, a Living Wage employer, and hold a Sustainable Restaurant Association (Food Made Good) 3-star rating for sustainable food practices. We support safer, fairer environments through the Can't Buy My Silence pledge and have offered sustainability work placements for students.

Regionally, we are members of EAUC and the One Cardiff Climate Emergency Board, partnering across the Cardiff region. Our Internet of Things (IoT) programme improves understanding of space use and building performance, enabling carbon avoidance by reducing the need for new construction and guiding the improvement of existing stock. Findings have been published and shared externally to support wider public-sector decarbonisation.

Our earlier work using Internet of Things (IoT) technologies to inform our understanding of space use and performance has resulting in a significant reduction in plans to construct new buildings, and informed our prioritisation for the improvement of existing stock. The findings of this work have been set out through academic publication and presented externally resulting in public recognition through cross sector awards, through which we have shared opportunities to reduce carbon and cost we believe to be relevant across the public estate and beyond.

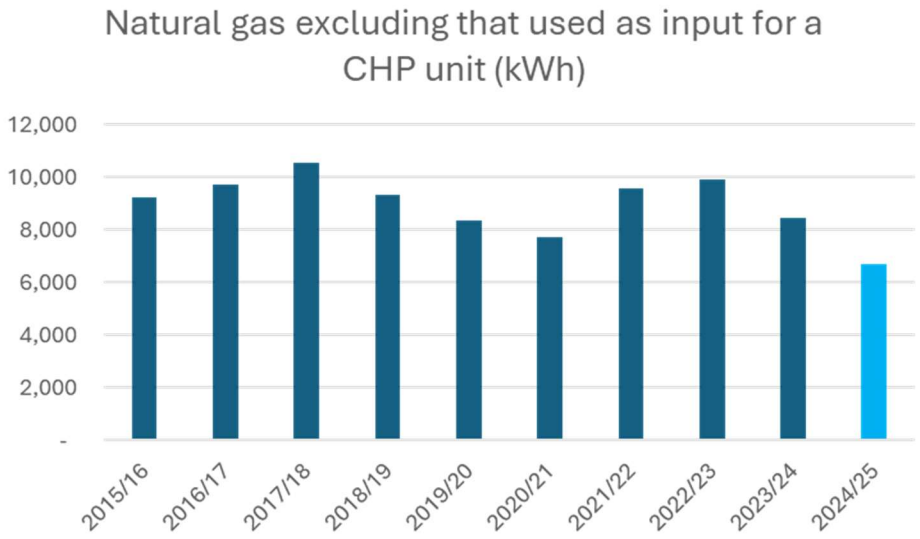
Report of the Board of Governors | Operating and Financial Review continued

Climate Impact Statement

During the year, the University established a Climate Action team within the University Environments portfolio to coordinate student and staff engagement, professional services and academic activity related to sustainability and carbon reduction. A Head of Climate Action joined in November 2025.

Operational efficiency.

Following our work in the prior academic year to understand space utilisation, a disconnect was identified between building occupancy and energy consumption. Whilst our energy consumption was already below sector benchmarks, our resultant "Halve the Half" initiative delivered over 20% reduction in gas, over 7% in electricity, and over 11% in water (academic year 2024/25 vs 2023/24), generating savings of over £1.0m versus prior-year utilities expenditure. Energy saved totalled 2.2 GWh and water saved comprised 9,776m^3. The graph below shows the annual gas consumption across the estate, showing the scale of reduction in the prior 12 months.



Our research and professional services action taken is progressively revealing the scale of disconnect between occupancy and energy across the built environment. This research, coupled with our success in rapidly reducing energy cost and carbon without the need for significant capital investment, grid upgrades or planning permissions, has resulted in the development of a Phase 2 pilot project, to create a building benchmarking tool to reveal out-of-hours energy waste. The initiative has resulted in data-sharing agreements with 12 participating universities, including all eight Welsh universities. As well as reducing our consumption, our solar photovoltaic capacity has expanded by 548% in year, from 40 kWp to 259 kWp (~6.5×, +548%), further reducing grid dependency and demand.

<u>Performance and recognition.</u>

The University ranked 12th in People & Planet's Green League 2024–25 (out of 149 universities) and achieved Food Made Good – 3 stars with exceptional scores (98% Society; 95% Environment). We also hold Fairtrade status.

Our earlier work on space utilisation that resulted in significant carbon avoidance was recognised as the Innovation Accelerator Winner at the Construction News TechFest Awards, Asset Management Best Practice at the Digital Construction Awards, and a Silver Award in the AUDE Sustainability Impact Initiative. We await the outcome of our shortlisting for The Times Higher Education Awards 'Outstanding Contribution to Environmental Leadership, and the TechFest Best Use of Technology: Carbon Reduction in Construction and Management relating to our Halve the Half initiative.

Report of the Board of Governors | Operating and Financial Review continued

Partnerships and planning.

We are an active partner of the Cardiff Council Climate Emergency Board and work with Welsh Government Energy Service on funding options, having secured an Ynni Cymru grant for a direct current microgrid scheme, and await the outcome of our low-interest loan application for Digarbon Round 2 which would fund the delivery of refurbishment to S block and the installation of further significant solar PV and battery capacity.

Policies and investment.

The University maintains policies covering Business Travel; Ethical Investment and Banking; Ethical Supply Chains; Fairtrade; Sustainable Procurement; Clean Air; Energy and Carbon Management; Thermal Comfort; Environment and Sustainability; Sustainable Food; and Sustainable Seafood. Capital investment focuses on controls linked to occupancy, heating system upgrades, a comprehensive roll-out of LED lighting, mechanical ventilation where appropriate, and replacement of gas water heating with electric point-of-use heaters and heat pumps, subject to available resources.

Report of the Board of Governors | Operating and Financial Review | continued

Public Benefit Statement

The University delivers professionally recognised degrees, together with impactful research and innovation, in art and design, business and management, education and public services, sport and health sciences, and technologies and engineering. The University is proud to have been awarded the Times Higher UK and Ireland University of the Year for 2021-22 and ranked 12th in the UK and 1st in Wales for sustainability in the People and Planet's Green League 2024/25, a comprehensive and independent league table of all UK universities ranked by environmental and ethical performance.

The University seeks to advance higher education and research within South-East Wales, Wales, the UK and internationally. Its charitable objective is to inspire and enable individuals, organisations, and communities to succeed through innovation in high quality learning, applied, impactful research and enterprise. The benefit of this charitable objective is derived through the intellectual development of individuals and by providing the opportunity for them to enter professional life in many fields of public and private provision. The beneficiaries are the public at large to whom education is open and who our research and innovation activities ultimately benefit. The University's provision has been aligned with the Welsh Government's strategy for higher education and serves the public benefit by contributing to regional regeneration, preservation of the environment and promotion of social justice.

The University offers degrees in a range of subjects including health and social care, teacher education, and environmental management with over 50 professional bodies accrediting its courses. It also engages with partners in business, the public sector, and communities in a variety of ways. Specifically, during 2024/25 the University:

- Reached a ten-year milestone of working with Met Community, an initiative which has changed the lives of thousands of individuals across Cardiff by improving health and wellbeing through sport. The University is proud to work with Cardiff Council, Sport Wales, Cardiff & Vale University Health Board, The Police & Crime Commission, Youth Trust Fund and Disability Sport Wales. This partnership is critical in contributing to a healthy and active Wales through work with a range of community groups, including schools, homeless people, disabled people, refugees, and older adults.
- Continued the development of our Open Campus programme, which is a partnership between Met Sport, CSSHS and Cardiff City Council. The programme sustained over 4,000 in-curricular and over 4,300 extra-curricular attendances from 42 local schools, across eight year groups.
- Participated, as a part of its widening access programme, in the Reaching Wider Initiative which encourages the importance of learning amongst lower quartile Welsh Index of Multiple Deprivation areas and schools in South-East Wales. Adult learners also benefitted from free taster courses as part of a commitment to ensure that people of any age, background or ethnic group are given a fair and equal opportunity to access Higher Education.
- Secured funding, with Swansea University, to bring researchers, health professionals, patient representatives, and others together to improve the prevention, diagnosis and treatment of cardiovascular disease in Wales and beyond. This represents a significant step forward in the fight against cardiovascular disease.
- Operated the Cardiac Rehab, Cancer Prehabilitation and Exercise for Health clinics supported by undergraduate and postgraduate students. These have reached over 2,340 people.
- Worked with Welsh Government to provide Knowledge Transfer Partnerships as an effective interface between academia and Welsh business - providing access to research, development, expertise, facilities and knowledge to a wide range of technology-led businesses.
- Launched the Centre for Speech, Hearing and Communication Research bringing together expertise in clinical speech and language therapy research; healthy and impaired hearing; and bilingual and multilingual development. This will make a real difference to service users, ensuring the services received are effective, efficient and informed by evidence from high-quality research.

Report of the Board of Governors continued

- Continued the next phase of The Helix Programme – an initiative funded by the Welsh Government - where Cardiff Met's ZERO2FIVE Food Industry Centre, provides Welsh food and drink companies with access to facilities as well as technical and commercial support. This pan-Wales programme has delivered a £676 million impact for the Welsh food and drink sector since 2016.
- Continued to drive forward student wellbeing in conjunction with Cardiff Met Students' Union. Work on harm reduction and the support and education provided to students on the effects and risks associated with drug and alcohol use, was recognised at the Mental Health and Wellbeing Wales Awards 2024.
- Shared findings from a clinical study into long-COVID highlighting new biomedical insights that could help move researchers closer to finding treatment for patients living with the condition.
- Used its sports facilities to provide junior sport programmes for local children and training facilities for all levels of athlete, thereby supporting world class participants in a range of national and international sports. The University launched 'Game Changers', a pilot programme building confidence and leadership skills of young people across Cardiff through physical activity workshops.
- Supported over 100 children per week through a thriving junior tennis coaching programme and launched a new community tennis initiative based in Llandaff Fields as part of Tennis Wales' Parks Strategy.
- Operated a Community Borrower Scheme, which provides the public with direct access to the University's library collections, enabling them to borrow books or other audio-visual education materials.
- Supported public and third sector organisations in the Cardiff Capital Region and Swansea Bay City Region to develop new service solutions and deliver circular economy benefits. Circular Economy Innovation Communities (CEIC), a collaborative project between Cardiff Met and Swansea University, has supported 191 practitioners across 81 organisations in co-producing solutions for net zero and the circular economy. The project has created 28 innovations that have saved more than £100,000 and over 2,600kg of CO2 emissions.
- Hosted the annual Creative Exhibition, now in its eighth year, enabling children from over 60 schools to share their artwork with each other, parents, and the wider public.
- Continued to support Volunteer Zambia into its 20th year, enhancing the quality of life for Zambian youth through sport and recreational activities. This pioneering international sport initiative has empowered over 160,000 young people across Zambia and the UK since its launch in 2005.
- Hosted Community Days which bring together and engage the campus community with its neighbours and surrounding communities. These events raise awareness and promote partnership working with local traders, charities and small businesses operating alongside University activities. Cardiff Met also offers students, staff, and the community the opportunity to attend free Repair Cafes, and to take part in litter picks in the areas surrounding each Campus.
- Secured funding to enhance Welsh primary school children's reading skills. This project will adapt 'Peer-Assisted Learning Strategies' (PALS) to align with the Curriculum for Wales and Welsh language requirements. Implementation in other countries found pupils who received PALS instruction made, on average, two months' added progress in reading.
- Participated in Step into Sport - an innovative project developed between Cardiff Met Sport and The South Wales Police Youth Trust. This programme uses the power of sport to address youth offending, offering early interventions to reduce crime and promote positive futures. This year saw the work of Liam Mackay, Youth Justice Sport Coordinator, recognised for outstanding contributions as he was named Wales' winner of the BBC Sports Personality of the Year 2024 Unsung Hero Award.
- In partnership with Public Health Wales, Met Sport delivered the Move More community health programme to tackle inactivity and get people moving more. This includes schemes encouraging older adults to move more and improve their physical and mental health.

Report of the Board of Governors continued

- Enhanced the provision of sports injury support to help the wider community, staff, and students. This collaboration sees the integration of Cardiff Met's existing Sports Injury Clinic with the newly established Welsh Athletics Sports Injury Clinic, ensuring accessible, high-quality rehabilitation services for athletes of all levels.
- Launched a range of art and design evening and weekend short courses open to all abilities, giving the wider community an opportunity to hone their skills and to access the specialist facilities in the School of Art & Design.
- Partnered with Cardiff Bus to provide the MetRider bus service. This is a subsidised service providing additional routes across the city for university students and the public.
- Facilitated a community-based aphasia choir supporting people with stroke and other neurological conditions, such as Parkinson's. A previous pilot demonstrated several benefits to patients, including increased mood and perceived improvements for their conditions.
- Via the UK Shared Prosperity Fund, the University has supported 3,000+ learners, schools, and businesses across South Wales with digital skills training, aiding curriculum implementation and workforce competitiveness. The Digital Technology Learning Support Network (DTLSN) delivered free training in areas like AI, cybersecurity, and coding, enhanced teacher confidence in Computer Science, promoted gender equality in STEM, and improved job prospects and resilience in rural and disadvantaged areas.

During the year, Welsh domiciled students at the University were able to access the Assembly Learning Grant and English domiciled students were able to access the Maintenance Grant; the University also offered its own bursaries. Various other schemes were also available to aid students to access higher education, and the University administered a discretionary contingency fund for those who required financial support to continue their studies. The University offered a wide range of accredited taster sessions at outreach centres and bespoke projects designed to raise the aspirations amongst disadvantaged/under-represented communities.

In common with other charitable higher education corporations in the UK, the University is overseen by a Board of Governors, the majority of whom are non-remunerated and otherwise independent of the University. The Board of Governors includes staff and student representation.

Report of the Board of Governors continued

The Board of Governors' Responsibilities in Respect of the Annual Report and the Financial Statements

In accordance with the Education Reform Act 1988 the Board of Governors are responsible for the effective and efficient use of resources, the solvency of the University and for safeguarding its assets. To this end, the Board is responsible for keeping adequate accounting records sufficient to show and explain the University's transactions and disclose the financial position of the University. It has responsibility for setting out the internal controls necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities which may occur.

Articles of Government and the Instrument of Government are the legal documents which govern the way Cardiff Met conducts itself and carries out its operation. These documents set out key responsibilities of the Board of Governors, Vice-Chancellor, and Academic Board, and the basis of which these responsibilities can be delegated, as well as procedural rules.

The Board has adopted a Statement of Primary Responsibility, as recommended by the Committee of University Chairs, which is published on the University's website. It sets out the primary responsibilities of the Board of Governors at Cardiff Met.

The Board is responsible for approving the Annual Budget, the Annual Financial Statements, and the Corporate Strategic Plan. The Board of Governors has established a Finance Committee which has delegated authority from the Board in relation to financial matters. However, the Board cannot delegate the approval of the Annual Budget or its principal responsibility for the solvency of the University. The President & Vice Chancellor is the designated Accounting Officer for the University and is responsible to the Board for preparing annual budgets and financial statements and for the management of resources within those budgets. Except when provided to the contrary, the President & Vice Chancellor may delegate functions in line with the Scheme of Delegation which is approved by the Board of Governors, but may not delegate ultimate responsibility and accountability, to other staff.

The Board is responsible for preparing the Annual Report and the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the Accounts Direction issued by Medr, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions (2019), the Charities Act 2011 and other relevant accounting standards.

The Board of Governors is required to prepare financial statements which give a true and fair view of the financial position of the Group and University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the financial statements, the university is required to:

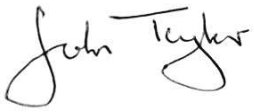
- ensure suitable accounting policies are selected and consistently applied.
- that judgements and estimates are reasonable and prudent.
- state that applicable UK accounting standards and the Statement of Recommended Practice have been applied, subject to disclosure and explanation in the financial statements of any material departures.
- that the going concern basis of accounting is appropriate.

In addition, the Board is responsible for ensuring:

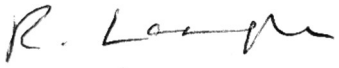
- funds from external sources, administered by the University for specific purposes have been properly managed and applied.

- income, has been applied in accordance with HEFCW's (MEDR's) Financial Management Code.
- The Board of Governors' Responsibilities in Respect of the Annual Report and the Financial Statements continued
- Funding Council grants have been applied in accordance with the terms and conditions attached to them and used for the purposes for which they were received.
- the University's resources and expenditure are secure and controlled, with economic, efficient, and effective management.
- the assets of the University are safeguarded to prevent and detect fraud and other irregularities.
- appropriate financial and management controls are in place to safeguard public and other funds.
- the University provides internal Financial Regulations defining delegated responsibilities, with clearly defined and formalised requirements for approval and control of expenditure, with investment decisions being subjected to detailed appraisal and review. Completes comprehensive planning, and budgeting processes, which integrate the preparation of annual income, expenditure, and capital budgets. Regular reviews of the performance of each of the University's planning and budgetary units are undertaken, including monthly reviews of financial results involving variance reporting and the updating of forecasts.

The Report of the Board of Governors was approved by the Board of Governors on 26th November 2025 and signed on its behalf on 1st December by



John Taylor (CBE)
Chair of the Board of Governors



Professor Rachael Langford
President & Vice-Chancellor

Independent auditors' report to the Governing Body of Cardiff Metropolitan University (the "university")

Report on the audit of the financial statements

Opinion

In our opinion, Cardiff Metropolitan University's group financial statements and University financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and the University's affairs as at 31 July 2025, and of the group's and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the consolidated and University Statements of Financial Position as at 31 July 2025; the consolidated and University Statements of Comprehensive Income and Expenditure, the consolidated and University Statements of Changes in Reserves and the consolidated Cash Flow Statement for the year then ended; 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 University'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 Governing body'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 University's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Governing body 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 Governing Body 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.

Report of the Board of Governors

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Report of the Board of Governors 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 Governing Body for the financial statements

As explained more fully in The Board of Governors' Responsibilities in Respect of the Annual Report and the Financial Statements set out on page 46, the Governing Body 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 Governing Body 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 Governing Body is responsible for 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 the Governing Body either intends to liquidate the group and University 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 University/industry, we identified that the principal risks of non-compliance with laws and regulations related to Medr Accounts Direction (Medr/2025/03), 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. 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 the posting of inappropriate transactions designed to overstate the financial performance and/or position of the group or University.

Audit procedures performed included:

- Reviewing the minutes of meetings of those charged with governance and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Using computer-based audit techniques to identify and test higher risk journal entries, in particular those we considered to have unusual account combinations;
- Reviewing the appropriateness of the assumptions used in estimating the valuation of the defined benefit pension scheme; and
- Obtaining third party confirmations of the group's banking and financing arrangements.

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 University's Governing Body as a body in accordance with Article 9(1) of the University's Articles of Government and section 124B of the Education Reform Act 1988 as amended by section 71 of the Further and Higher Education Act 1992 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') ('Medr' from 1 August 2024') Audit Code of Practice included within the Financial Management Code issued under the Higher Education (Wales) Act 2015 and Accounts direction to higher education institutions in Wales for 2024/25 (Medr/2025/03) issued by Medr

The regulation of the Welsh higher education sector was transferred from the Higher Education Funding Council for Wales ('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 our opinion, in all material respects:

- the requirements of Medr's accounts direction have been met;
- funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- the institution has applied income, where appropriate, in accordance with the Financial Management Code (FMC) (HEFCW W17/16HE) paragraph 145; and
- 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.

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 University; or
- the University 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

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
1 December 2025

Statement of Principal Accounting Policies

1 Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102; the Accounts Direction issued by Medr and the Charities Act 2011. The regulation of the Welsh higher education sector was transferred from the Higher Education Funding Council for Wales ('HEFCW') to Medr, the Commission for Tertiary Education and Research on 1 August 2024. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). The principal accounting policies have been applied consistently except as where described otherwise and are set out below.

2 Basis of Consolidation

The consolidated financial statements include Cardiff Metropolitan University and its wholly owned subsidiary undertakings, Cardiff Met Company Ltd and Cardiff Metropolitan University Football Club Ltd. In addition, at 1 August 2024 the University held a majority (55%) share interest in a spin out company Fovo Technology Ltd, the balance of the shares being held by two of the University's academics. New shares were issued in Fovo Technology Ltd in March 2025, reducing the University's share to 48%. This company's activity is also consolidated into these financial statements until March 2025, and it is held as an investment in associate on the balance sheet in Cardiff Metropolitan Company Ltd from March 2025. The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or significant influence over policy decisions. Intra-group sales and profits are eliminated fully on consolidation.

3 Going Concern

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

The operating outlook for the HE sector remains challenging. The University has prepared cash flow forecasts, including consideration of downside risks, for the going concern assessment period, being 12 months from the date of approval of these financial statements. The University meets its day to day working capital requirements through existing unrestricted cash balances which are adequate to meet liabilities as and when they fall due for the foreseeable future. Financial forecasts demonstrate that the University will meet its loan covenants as at 31 July 2026.

To ensure longer term financial sustainability, the University undertook a transformation programme during 2024/2025 to improve the efficiency of its operations through a series of targeted workstreams. This transformation programme has realigned the cost base to future income expectations through targeted annualised cost reductions of circa £14.5m, thereby restoring financial stability prior to the commencement of the 2025/2026 financial year. That work supports ongoing covenant compliance and provides financial headroom for decision making aligned with the University's long term strategic options. The University has set a modest surplus budget for 2025/2026, reflecting the financial improvement from the transformation programme coupled with positive income expectations. The University has strong liquidity going into the 2025/2026 financial year and is confident that it will continue to 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 and therefore have prepared the financial statements on a going concern basis.

Statement of Principal Accounting Policies | continued

4 Income Recognition

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

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount, income receivable is shown net of the discount. Fee scholarships are treated as a discount and are deducted from income.

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

a) Grant Funding

Grant funding including funding council grants; research grants from government sources; and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Consolidated Statement of Financial Position and released to income as the conditions are met.

b) Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds.

Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

Investment income and 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 restrictions applied to the individual endowment fund.

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

- Restricted donations - the donor has specified that the donation must be used for a particular objective;
- 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;
- Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital;
- 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.

c) Capital Grants

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

Statement of Principal Accounting Policies | continued

5 Accounting for Retirement Benefits

The University operates three pension schemes for University staff: the Cardiff and Vale of Glamorgan Pension Fund (CVGPF), the Teachers' Pension Scheme (TPS) and the Universities' Superannuation Scheme (USS). The CVGPF and USS are funded schemes.

The CVGPF is valued every three years by a professionally qualified actuary using the projected unit method, the rate of contribution payable being determined by the Administering Authority on the advice of the actuary.

The TPS is subject to an actuarial valuation every five years by the Government Actuarial Department using the age entry method. The rate of contribution for the TPS is determined by the Teachers' Pension Agency on the advice of the actuary. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the surplus for the year in the Consolidated Statement of Comprehensive Income and Expenditure is equal to the contributions payable to the scheme for the year.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities attributable to the University at member level due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

However, in accordance with FRS102, a liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

a) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees. Given the nature of the TPS, contributions to that scheme are accounted for on this basis.

b) Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. 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. The University does not anticipate being able to enjoy any refund, or any future reduction in contributions resulting from any reported surplus, and so has not recognised an asset in relation to this.

c) CVGPF – Local Government Scheme

The Cardiff and Vale of Glamorgan Pension Fund is a defined benefits scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Contributions are set every three years as a

Statement of Principal Accounting Policies | continued

result of the actuarial valuation of the fund required by the regulations. The latest actuarial valuation of the fund was carried out as at 31 March 2022 and has set contributions for the period 1 April 2023 to 31 March 2026.

The actuary has completed calculations for pension accounting purposes based on the following items of data, which were received from the Cardiff and Vale of Glamorgan Pension Fund.

- The results of the valuation as at 31 March 2022, which was carried out for funding purposes and the results of the 31 July 2025 FRS102 report, which was carried out for accounting purposes.
- Estimated whole fund income and expenditure items for the period to 31 July 2025.
- Fund investment returns for the period to 30 April 2025 and market returns (estimated where necessary) thereafter for the period to 31 July 2025.
- Estimated fund income and expenditure in respect of the employer for the period to 31 July 2025.
- Details of any new early retirements for the period to 31 July 2025 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost; and
- Details of any settlements for the period to 31 July 2025.

The assets of the Fund are not segregated or separately allocated to employers within the fund. The asset balance included in the financial statements is therefore a notional allocation estimated by the actuary using the information referred to above. The allocation is rolled forward from that agreed when the employer was admitted to the Fund and is not recalculated at each triennial valuation.

6 Employment Benefits

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

7 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.

8 Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Consolidated Statement of Financial Position date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit. 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.

Statement of Principal Accounting Policies | continued

9 Fixed Assets

a) Land and Buildings

Certain items of land and buildings that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation, less accumulated depreciation, and accumulated impairment losses.

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

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 of between 20 and 75 years.

b) Equipment

Equipment costing less than £10,000 per individual item or group of related items is written off to the Consolidated Statement of Comprehensive Income and Expenditure in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated on a straight-line basis over its useful economic life of between three and ten years.

Equipment purchased for research projects is treated and depreciated on the same basis as other equipment expenditure.

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

c) Assets under construction

During the construction phase, assets are capitalised at cumulative directly attributable costs minus impairment. Upon completion, these assets are then transferred to the appropriate asset category.

Assets under construction are not depreciated until brought into use.

d) Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

10 Investments

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

Investments in subsidiaries are carried at cost less impairment in the University's financial statements.

Current asset investments are held on the Consolidated Statement of Financial Position at amortised cost less impairment.

Statement of Principal Accounting Policies | continued

11 Stock

Stocks are stated at the lower of cost and net realisable value and is measured using an average cost formula.

12 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, with a notice period of three months or less, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the financial statements when:

- The University has a present obligation (legal or constructive) as a result of a past event.
- It is probable that an outflow of economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

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

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 uncertain 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 Consolidated Statement of Financial Position but are disclosed in the notes.

14 Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to 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. No charge for taxation has been included in respect of the Subsidiary Companies' activities since the entire taxable profit of these companies is transferred to the University under the Gift Aid scheme.

Deferred tax is provided in full on timing differences which result in an obligation at the Consolidated Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at

Statement of Principal Accounting Policies continued

rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

15 Reserves

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

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

16 Critical accounting judgements and estimation uncertainty

Pension schemes: assumptions used in the calculation of the CVGPF pension deficit provisions represent a key accounting estimate based on the sensitivity of assumptions (note 19 and note 24). 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. The University does not anticipate being able to enjoy any refund, or any future reduction in contributions resulting from any reported surplus, and so has not recognised an asset in relation to this.

Recoverability of Debtors: The University makes an estimate for the recoverable value of outstanding debt. In arriving at this value, the University considers the age profile of debts, knowledge of individual debtors and an assessment of prevailing economic conditions.

17 Exceptional Items

Transactions are classified as exceptional where they relate to an event that falls outside the ordinary activities of the group. These may include, but are not restricted to: restructuring and site closure costs, costs related to acquisitions and disposals, and other items due to their significance, size or nature.

Consolidated and University Statements of Comprehensive Income and Expenditure

year ended 31 July 2025

	Note	Year ended 31 July 2025		Year ended 31 July 2024	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	106,889	106,861	107,349	107,331
Funding body grants	2	12,767	12,767	9,761	9,761
Research grants and contracts	3	4,851	3,641	4,543	3,189
Other income	4	22,684	15,000	21,424	15,866
Investment income	5	1,394	1,394	1,765	1,765
Donations	6	4	-	18	11
Total income		**148,589**	**139,663**	**144,860**	**137,923**
Expenditure					
Staff costs	7	99,937	93,264	95,192	88,926
Other operating expenses		39,545	37,931	41,983	40,445
Depreciation	10	6,275	6,275	6,680	6,680
Interest and other finance costs	8	1,009	1,009	1,042	1,042
Total expenditure	**9**	**146,766**	**138,479**	**144,897**	**137,093**
Surplus/(Deficit) before exceptional costs		**1,823**	**1,184**	**(37)**	**830**
Impairment of fixed asset	10, 11	(5,083)	(5,083)	(3,001)	-
Impairment of intercompany balances	14	-	-	-	(2,263)
Impairment of loan to associate	12	(600)	-	-	-
Loss in subsidiary		(333)	-	-	-
Gain on disposal of subsidiary	23	304	-	-	-
Deficit for the year		**(3,889)**	**(3,899)**	**(3,038)**	**(1,433)**
Actuarial gain/(loss) in respect of pension schemes	24	(870)	(870)	370	370
Total comprehensive expense for the year		**(4,759)**	**(4,769)**	**(2,668)**	**(1,063)**

Represented by:				
Unrestricted total comprehensive expense for the year attributable to the Group and University	(4,609)	(4,769)	(964)	(1,063)
	(4,609)	(4,769)	(964)	(1,063)
Deficit for the year attributable to:				
Non-controlling interest 45%	(150)	-	(1,704)	-
Total Comprehensive expense for the year attributable to:				
Non-controlling interest 45%	(150)	-	(1,704)	-

All items of income & expenditure relate to continuing activities.

Consolidated and University Statements of Changes in Reserves

year ended 31 July 2025

Consolidated	Group	NCI	Total Reserves
	£'000	£'000	£'000
Balance at 1 August 2023	188,387	(99)	188,288
Deficit for the year	(1,334)	(1,704)	(3,038)
Other comprehensive income	370	-	370
Total comprehensive expense for the year	(964)	(1,704)	(2,668)
Balance at 31 July and 1 August 2024	187,423	(1,803)	185,620
Deficit for the year	(3,739)	(150)	(3,889)
Other comprehensive expense	(870)	-	(870)
Loss of control of subsidiary	(1,953)	1,953	-
Total comprehensive (expense)/income for the year	(6,562)	1,803	(4,759)
Balance at 31 July 2025	180,861	-	180,861

University	Total Reserves
	£'000
Balance at 1 August 2023	185,570
Deficit for the year	(1,433)
Other comprehensive income	370
Total comprehensive income for the year	(1,063)
Balance at 31 July and 1 August 2024	184,507
Deficit for the year	(3,899)
Other comprehensive income	(870)
Total comprehensive expense for the year	(4,769)
Balance at 31 July 2025	179,738

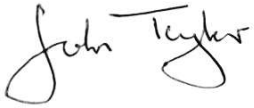
All reserves are unrestricted

Consolidated and University Statements of Financial Position

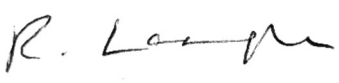
As at 31 July 2025

		As at 31 July 2025		As at 31 July 2024	
	Note	Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Non-current assets					
Tangible assets	10	180,214	180,214	185,884	185,884
Intangible assets	11	-	-	-	-
Investment in subsidiaries	12	-	-	-	-
Current assets					
Stock	13	139	139	142	142
Trade and other receivables	14	9,942	9,130	9,643	8,604
Investments	15	327	327	1,853	1,853
Cash and cash equivalents	20	43,856	42,257	41,029	39,725
		54,264	51,853	52,667	50,324
Less: Creditors: amounts falling					
due within one year	16	(36,385)	(35,097)	(34,537)	(33,307)
Net current assets		17,879	16,756	18,130	17,017
Total assets less current liabilities		198,093	196,970	204,014	202,901
Creditors: amounts falling due after more than one year	17	(15,102)	(15,102)	(16,454)	(16,454)
Provisions					
Pension provisions	19	(2,130)	(2,130)	(1,940)	(1,940)
Total net assets		180,861	179,738	185,620	184,507
Unrestricted reserves					
Income and expenditure reserve		180,861	179,738	187,423	184,507
		180,861	179,738	187,423	184,507
Non controlling interest		-	-	(1,803)	-
Total reserves		180,861	179,738	185,620	184,507

The Financial Statements on pages 58 to 93 were approved by the Board of Governors on 26th November 2025 and signed on its behalf on 1st December 2025 by



John Taylor (CBE)
Chair of the Board of Governors



Professor Rachael Langford
President & Vice-Chancellor

Consolidated Cash Flow Statement

year ended 31 July 2025

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Cash flow from operating activities		
Deficit for the year	(3,889)	(3,038)
Adjustment for non-cash items		
Depreciation	6,275	6,680
Impairment	5,683	3,001
Decrease/(Increase) in stock	3	(43)
(Increase)/Decrease in debtors	(899)	3,560
Increase/(Decrease) in creditors	2,751	(5,489)
Difference between pension charge and cash contributions	(610)	(3,960)
Adjustment for investing or financing activities		
Investment income	(1,394)	(1,765)
Interest payable	1,009	1,042
Capital grant income	(3,789)	(965)
Gain on the disposal of subsidiary	(304)	
Net cash inflow/(outflow) from operating activities	4,836	(977)
Cash flows from investing activities		
Capital Grants receipts	3,789	965
Redemption of investments	1,853	45,046
Investment income	1,394	1,765
Payments made to acquire fixed assets	(5,687)	(12,292)
Purchase of investments	(327)	(1,853)
Net cash inflow from investing activities	1,022	33,631
Cash flows from financing activities		
Interest paid	(1,079)	(977)
Repayments of amounts borrowed	(1,952)	(786)
Net cash outflow from financing activities	(3,031)	(1,763)
Increase in cash and cash equivalents in the year	2,827	30,891
Cash and cash equivalents at beginning of the year	41,029	10,138
Cash and cash equivalents at end of the year	43,856	41,029
Increase in cash and cash equivalents in the year	2,827	30,891

Consolidated Cash Flow Statement continued

Reconciliation of net cash flow to movement in net funds	Year ended 31 July 2025	Year ended 31 July 2024 (restated)
	£'000	£'000
Increase in cash in the year	2,827	30,891
Decrease in investments	(1,526)	(43,193)
Repayments of amounts borrowed	1,952	786
Movement in net funds in the year	3,253	(11,516)
Net funds at 1 August	24,476	35,992
Net funds at 31 July	27,729	24,476

Notes to the Financial Statements

1 Tuition fees and education contracts	Year Ended 31 July 2025		Year Ended 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Full-time home and EU students	74,600	74,572	69,602	69,602
Full-time & part time international students	20,946	20,946	25,837	25,837
Part-time home and EU students	1,707	1,707	1,534	1,534
Transnational education income	5,760	5,760	6,256	6,256
Education contracts with NHS & Coleg Cymraeg	3,702	3,702	3,765	3,765
Research training support grants	174	174	355	337
	106,889	106,861	107,349	107,331

2 Funding body grants	Year Ended 31 July 2025		Year Ended 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Recurrent grant				
MEDR	10,760	10,760	8,162	8,162
Specific Grant Initiatives	2,007	2,007	1,599	1,599
	12,767	12,767	9,761	9,761

3 Research grants and contracts	Year Ended 31 July 2025		Year Ended 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Research councils	875	875	826	826
Research charities (UK and overseas)	321	321	390	364
Government (UK and overseas)	2,995	2,023	2,806	1,827
Industry and commerce (UK and overseas)	660	422	521	172
	4,851	3,641	4,543	3,189

Notes to the Financial Statements continued

4 Other income	Year Ended 31 July 2025		Year Ended 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Other services rendered	12,438	5,766	10,877	6,388
Residences operations	5,677	5,651	5,548	5,527
Catering and conferencing operations	2,757	2,176	2,572	2,316
Other EU grant income	292	292	249	249
Other operating income	1,520	1,115	2,178	1,386
	22,684	15,000	21,424	15,866

Included in the 'Other services rendered' figure above is an amount of £35k (2024: £63k) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world supporting the government's Global Britain objectives.

5 Investment income	Year Ended 31 July 2025		Year Ended 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Other investment income	1,394	1,394	1,765	1,765
	1,394	1,394	1,765	1,765

6 Donations	Year Ended 31 July 2025		Year Ended 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Donations	4	-	18	11
	4	-	18	11

Notes to the Financial Statements continued

7 Staff costs	Year Ended 31 July 2025		Year Ended 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Salaries	73,668	68,355	75,255	70,202
Social security costs	8,234	7,686	7,921	7,442
Other pension costs	14,778	13,966	14,279	13,545
Severance Costs	3,548	3,548	1,379	1,379
Movement on USS provision	-	-	(3,330)	(3,330)
CVGPF costs below contributions	(291)	(291)	(312)	(312)
	99,937	93,264	95,192	88,926

Notes to the Financial Statements | Note 7 Staff Costs continued

Average staff numbers by major category:	Year Ended 31 July 2025 No.	Year Ended 31 July 2024 No.
Academic	668	669
Administrative, support and projects	911	928
Technicians	40	32
Ancillary	41	60
	1,660	1,689

	Year Ended 31 July 2025	VC from 01.02.2024 Year Ended 31 July 2024	VC until 31.01.2024 Year Ended 31 July 2024
Emoluments of the Vice-Chancellor	£	£	£
Salary	260,000	130,000	145,084
Pension contributions	74,568	35,117	-
Payments in lieu of pension contributions	-	-	25,915
	334,568	165,117	170,999

Vice-Chancellor remuneration as a multiple of the median	Year Ended 31 July 2025 University		VC from 01.02.2024 (pro-rated) Year Ended 31 July 2024 University		VC until 31.01.2024 (pro-rated) Year Ended 31 July 2024 University	
	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration
Vice-Chancellor	£260,000	£334,568	£260,000	£330,235	£290,168	£341,998
Median salary	£43,074	£43,918	£42,978	£43,587	£42,978	£43,587
Pay multiple	6.0	7.6	6.0	7.6	6.8	7.8

The median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University to its staff. Agency and atypical staff have been excluded from the above calculations, as full-time equivalent data is not available. During 2023-24 a new Vice-Chancellor was appointed. The figures for

Notes to the Financial Statements | Note 7 Staff Costs continued

both the previous and the new Vice-Chancellor have been pro-rated to a full-year equivalent. Further details on VC remuneration are set out in the Report from the Remuneration Committee on page 30.

Higher Paid Staff	Year Ended 31 July 2025	Year Ended 31 July 2024
	No.	No.
£100,000 to £104,999	1	3
£105,000 to £109,999	2	5
£110,000 to £114,999	2	1
£115,000 to £119,999	-	2
£120,000 to £124,999	4	1
£130,000 to £134,999	-	1
£140,000 to £144,999	-	1
£160,000 to £164,999	-	-
£165,000 to £169,999	-	-
£170,000 to £174,999	-	1
£175,000 to £179,999	1	1
£180,000 to £184,999	1	-
	11	16

Payment of compensation for loss of office to higher paid staff was as follows:

	Year Ended 31 July 2025 £'000	Year Ended 31 July 2025 Number of staff	Year Ended 31 July 2024 £'000	Year Ended 31 July 2024 Number of staff
Higher paid staff: loss of office	384	7	25	1

The Key Management Personnel are the University's Executive Group. In 2024-25 the group comprised; the President & Vice-Chancellor, Deputy Vice-Chancellor, PVC (Research and Innovation), PVC (Business, Global and Civic Engagement), Chief Officer (Resources). In-year, this changed with the departure of the Chief Officer (Resources), and the Interim Chief Finance Officer and Chief People Officer joined the University's Executive Group membership.

	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Key management personnel remuneration (excludes pension costs)	935	975

Notes to the Financial Statements | Note 7 Staff Costs continued

Due to the nature of the University's operations and the composition of the Board, it is inevitable that transactions will take place with organisations in which a Member of the Board or a senior member of staff may have an interest. The financial regulations require an individual to declare an interest and to withdraw from discussions should a conflict of interest potentially arise. Written assurances are obtained annually from all Governors and key personnel in respect of themselves and their close family. For the financial year to 31 July 2025 the returns state that there has been no undue influence between the University and related parties (as defined by FRS102).

Notes to the Financial Statements continued

8 Interest and other finance costs	Year Ended 31 July 2025 Consolidated £'000	Year Ended 31 July 2025 University £'000	Year Ended 31 July 2024 Consolidated £'000	Year Ended 31 July 2024 University £'000
Loan interest	1,079	1,079	977	977
Net (credit)/charge on pension scheme	(70)	(70)	65	65
	1,009	1,009	1,042	1,042

9 Total expenditure	Year Ended 31 July 2025 Consolidated £'000	Year Ended 31 July 2025 University £'000	Year Ended 31 July 2024 Consolidated £'000	Year Ended 31 July 2024 University £'000
Academic and related expenditure	81,099	81,099	85,025	86,759
Administration and central services	35,987	32,502	31,518	28,042
Premises (including service concession cost)	11,705	11,705	12,207	12,207
Residences, catering, and conferences	5,293	4,943	5,393	5,196
Research grants and contracts	4,091	1,251	3,914	1,448
Other expenses	8,592	6,979	6,840	3,441
	146,767	138,479	144,897	137,093

Other operating expenses include:	£'000	£'000	£'000	£'000
External independent auditors' remuneration in respect of audit services	104	87	89	60
External independent auditors' remuneration in respect of non-audit services	53	53	19	19

Included in the 'Administration and central services' figure above is an amount of £21k (2024: £63k) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world, supporting the government's Global Britain objectives.

Notes to the Financial Statements continued

10 Tangible Assets

		Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment (re-stated) £'000	Assets in the Course of Construction (re-stated) £'000	Total (re-stated) £'000
Consolidated					
Cost or valuation	At 1 August 2024	207,927	36,624	4,562	249,113
	Additions	2,830	2,336	521	5,687
	Disposals	-	-	-	-
	Impairment	-	-	(5,083)	(5,083)
	At 31 July 2025	210,757	37,641	-	249,718
Consisting of valuation at:	1 August 2014	72,268	-	-	72,268
	Cost	138,489	38,961	-	177,450
	At 31 July 2025	210,757	38,961	-	249,718
Accumulated Depreciation	At 1 August 2024	38,310	24,918	-	63,228
	Charge for the year	3,200	3,076	-	6,276
	Disposals	-	-	-	-
	At 31 July 2025	41,510	27,994	-	69,504
Net book value	At 31 July 2025	169,247	10,967	-	180,214
	At 31 July 2024	169,617	11,706	4,562	185,885

Notes to the Financial Statements | Note 10 Tangible Assets continued

		Freehold Land and Buildings	Fixtures, Fittings and Equipment (re-stated)	Assets in the Course of Construction (re-stated)	Total (re-stated)
		£'000	£'000	£'000	£'000
University					
Cost or valuation	At 1 August 2024	207,927	36,336	4,562	248,825
	Additions	2,830	2,336	521	5,687
	Disposals	-	-	-	-
	Impairment	-	-	(5,083)	(5,083)
	At 31 July 2025	210,757	38,672	-	249,429
Consisting of valuation at:	1 August 2014	72,268	-	-	72,268
	Cost	138,489	38,672	-	177,161
	At 31 July 2025	210,757	38,672	-	249,429
Accumulated Depreciation	At 1 August 2024	38,310	24,631	-	62,941
	Charge for the year	3,200	3,074	-	6,274
	At 31 July 2025	41,510	27,705	-	69,215
Net book value	At 31 July 2025	169,247	10,967	-	180,214
	At 31 July 2024	169,617	11,705	4,562	185,884

As at 31 July 2025, freehold land and buildings included £52.598m (2024: £52.598m) in respect of freehold land and is not depreciated.

During December 2024 the University took the decision to cease development of a single digital IT system, and has accordingly recognised an impairment of total capitalised costs of £5.1m in the year ended 31 July 2025. This note has been restated to appropriately present the costs relating to the digital IT system as Assets in the course of Construction, where these had previously been included within Fixtures, Fittings & Equipment. The total costs capitalised relating to the system at 31 July 2024 were £4.6m, with further additions of £0.5m up to the point that the decision was taken to abandon the project. There are no further amounts identified as Assets in the course of Construction at 31 July 2025 or 31 July 2024.

Notes to the Financial Statements continued

	Consolidated £'000	University £'000
11 Intangible Assets		
Cost of Intellectual Property		
At 1 August 2023	2,403	-
Additions	577	-
Impairment	(2,980)	-
At 31 July 2024	-	-
Cost of Intellectual Property		
At 1 August 2024	-	-
Additions	-	-
Impairment	-	-
At 31 July 2025	-	-

The full amount of the intangible asset was impaired to nil during 2023-2024. This related to the intellectual property developed in Fovo Technology Ltd. The intangible impairment was included as an exceptional item in the Consolidated Statements of Comprehensive Income and Expenditure for 2023-24.

	University £'000
12 Investment in Subsidiaries	
Cost or valuation and net book value	
At 1 August 2024	-
Additions	-
Impairment	-
At 31 July 2025	-
Cost or valuation and net book value	
At 1 August 2023	-
Additions	-
Impairment	-
At 31 July 2024	-

The investments represent shares in group undertakings (note 23). During the financial year 2024/25 there were no additions or impairments.

During the year Fovo Technology Ltd issued new shares in the company and as a result is no longer a subsidiary of the ultimate parent Cardiff Metropolitan University. From March 2025 the investment in Fovo Technology Ltd is held on the balance sheet in Cardiff Metropolitan Company Ltd as an investment in associate (note 23).

Notes to the Financial Statements continued

	At 31 July 2025		At 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
13 Stock				
General consumables (Catering & other)	139	139	142	142
	139	139	142	142

	At 31 July 2025		At 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
14 Trade and other receivables				
Amounts falling due within one year:				
Trade receivables	5,538	4,861	5,203	4,811
Prepayments and accrued income	4,404	3,890	4,440	3,495
Amounts due from subsidiary companies	-	379	-	298
	9,942	9,130	9,643	8,604

During the year 2024/25 no impairment took place relating to intercompany balances (2024: £2,263k). Total provision against trade receivables in 2024/25 amounted to £3,730k (2024: £2,048k). During the year 2024/25 a loan to associate was impaired by £600k (2024: £nil).

	At 31 July 2025		At 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
15 Investments				
Corporate Bonds	327	327	1,853	1,853
	327	327	1,853	1,853

	At 31 July 2025		At 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
16 Creditors: amounts falling due within one year				
Secured loans	102	102	102	102
Unsecured loans	1,250	1,250	1,850	1,850
Trade payables	4,849	4,525	4,848	4,968
Social security and other taxation payable	1,999	1,999	1,907	1,907
Accruals and deferred income	28,185	27,221	25,830	24,480
	36,385	35,097	34,537	33,307

Notes to the Financial Statements continued

	At 31 July 2025		At 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
17 Creditors: amounts falling due after more than one year				
Secured loans	102	102	204	204
Unsecured loans	15,000	15,000	16,250	16,250
	15,102	15,102	16,454	16,454
Analysis of secured and unsecured loans:				
Due within one year or on demand	1,352	1,352	1,952	1,952
Due between one and two years	1,352	1,352	1,352	1,352
Due between two and five years	3,750	3,750	3,252	3,252
Due in five years or more	10,000	10,000	11,850	11,850
Due after more than one year	15,102	15,102	16,454	16,454
Total secured and unsecured loans	16,454	16,454	18,406	18,406

18 Lender	Secured and unsecured loans	Amount As at 31 July 2025 £'000	Amount as at 31 July 2024 £'000	Repayable by	Interest	Borrower
NatWest	Secured loan	204	306	2027	Variable	University
Barclays	Unsecured loan	7,800	9,000	2038	5.10	University
Santander	Unsecured loan	8,450	9,100	2038	5.10	University

19 Pension Provisions

	Pension enhancement on termination (Note 24)	Defined Benefit Obligations (Note 24)	Total Pensions Provisions
	£'000	£'000	£'000
Consolidated and University			
At 1 August 2024	(1,940)	-	(1,940)
Utilised in year	320	-	320
(Addition)/release in year	(90)	(288)	(378)
Actuarial (loss)/gain in year	(420)	36,590	36,170
Unrecognised asset	-	(36,302)	(36,302)
At 31 July 2025	(2,130)	-	(2,130)

USS deficit

The obligation to fund the past service deficit of the University's Superannuation Scheme (USS) arises from a contractual obligation to fund benefits arising from past performance. This obligation is reassessed every three years using the scheduled triennial valuation of the scheme. In reassessing the value of the required provision during the current year management has used the March 2023 valuation of the scheme. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The latest available actuarial valuation of the scheme at 31 July 2025 was the March 2023 valuation.

Notes to the Financial Statements continued

20 Cash and cash equivalents	At 1 August 2024 £'000	Cash Flows £'000	At 31 July 2025 £'000
Consolidated			
Cash and cash equivalents	41,029	2,827	43,856
	41,029	2,827	43,856

	At 1 August 2023 £'000	Cash Flows £'000	At 31 July 2024 £'000
Consolidated			
Cash and cash equivalents	10,138	30,891	41,029
	10,138	30,891	41,029

	At 31 July 2025		At 31 July 2024	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
21 Capital commitments				
Commitments contracted for	411	411	740	740
	411	411	740	740

Notes to the Financial Statements continued

22 Commitments under operating leases

At 31 July Cardiff Metropolitan University had future minimum lease payments under non-cancellable operating leases as follows:

	2025	2024
	£'000	£'000
Not later than 1 year	83	157
Later than 1 year and not later than 5	-	-
	83	157

23 Subsidiary undertakings

Company	Principal Activity	Status
Cardiff Metropolitan Company Ltd	Undertakes non primary purpose trading activities which are non-charitable.	100% owned
Cardiff Metropolitan University Football Club Ltd	A football club comprising of a Men's team and Women's team, competing in the relevant FAW leagues. It also has a Junior academy.	100% owned
Fovo Technology Ltd	Developing a new technology that improves the nature of visual experience.	55% owned until Feb 2025
		48% owned from March 2025

During the year Fovo Technology Ltd issued new shares in the company and as a result is no longer a subsidiary of the ultimate parent Cardiff Metropolitan University. From 12 March 2025 the investment in Fovo Technology Ltd is held on the balance sheet in Cardiff Metropolitan Company Ltd as an investment in associate. No consideration was received. The retained 48% interest has been recognised at its fair value of £nil. The gain on loss of control of £304k has been recognised within "Exceptional costs" in the consolidated statement of comprehensive income. The calculation is set out below.

	£
Proceeds received	-
Share of net liabilities disposed	303,794
Gain on disposal	303,794

Notes to the Financial Statements continued

24 Pension Obligations

The contributions payable to the scheme were

	As at 31 July 2025 £'000	As at 31 July 2024 £'000
Contribution for TPS	**8,634**	7,806
Contribution for CVGPF	**6,635**	5,715
Contribution for USS	**579**	758
	15,848	14,279

The costs recognised within the University's staff costs for the year were

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Cost for TPS	**8,634**	7,806
Cost for CVGPF	**6,344**	5,402
Cost for USS	**579**	(2,572)
	15,557	10,636

Cardiff & Vale of Glamorgan Pension Fund (CVGPF)

CVGPF is a local government superannuation scheme. The most recent full actuarial valuation was carried out as at 31 March 2022 and has been updated by independent actuaries to the Cardiff & Vale of Glamorgan Pension Fund to take account of the requirements of FRS102 in order to assess the liabilities of the Fund as at 31 July 2025. The next triennial valuation of the fund is expected to be reported during December 2025.

The principal assumptions used for the purposes of FRS102 are as follows

	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2023
Discount rate	**5.8%**	5.0%	4.9%
CPI inflation	**2.5%**	2.6%	2.6%
Rate of increase to pensions in payment	**2.5%**	2.6%	2.6%
Rate of revaluation of pension accounts	**2.5%**	2.6%	2.6%
Rate of increase in deferred pensions	**2.5%**	2.6%	2.6%
Rate of general increase in salaries	**3.5%**	3.6%	3.6%

Mortality assumption

Notes to the Financial Statements | Note 24 Pension Obligations continued

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2023
Assumed life expectancy at 65 years			
- retiring today male/(female)	**21.9 (24.2)**	21.8 (24.1)	22.0 (24.2)
- retiring in 20 years male/(female)	**22.2 (25.0)**	22.1 (24.9)	22.6 (25.3)

Asset Allocation	**Value at 31 July 2025**	Value at 31 July 2024
Equities	**66.2%**	68.1%
Property	**5.8%**	6.0%
Government bonds	**7.8%**	7.9%
Corporate bonds	**5.2%**	7.0%
Multi Asset Credit	**5.4%**	5.2%
Cash	**0.6%**	4.1%
Other	**9.0%**	1.7%
Total	**100.0%**	100.0%

Amounts recognised in income statement

	Year ended 31 July 2025		Year ended 31 July 2024	
	£'000	**£'000**	£'000	£'000
	Funded	**Unfunded**	Funded	Unfunded
Operating cost				
- current service cost	**5,050**	**-**	5,510	-
- past service cost	**1,070**	**-**	10	-
Financing Cost				
- interest on net defined benefit liability	**(600)**	**90**	(110)	100
- interest on unrecognised asset	**440**	**-**	-	-
Pension expense recognised in income statement	**5,960**	**90**	5,410	100

Notes to the Financial Statements | Note 24 Pension Obligations continued

Amounts recognised in comprehensive income

	Year ended 31 July 2025		Year ended 31 July 2024	
	£'000		£'000	
	Funded	**Unfunded**	Funded	Unfunded
Asset gains/(losses) arising during the period	**9,082**	**-**	6,900	-
Actuarial gains/(losses) due to changes in financial assumptions	**28,000**	**90**	3,280	20
Actuarial gains/(losses) due to changes in demographic assumptions	**-**	**-**	1,480	10
Actuarial gains/(losses) due to liability experience	**(1,230)**	**(510)**	(420)	10
Adjustment gain/(loss) due to restriction of surplus	**(36,302)**	**-**	(10,910)	-
Total amount recognised in comprehensive income	**(450)**	**(420)**	330	40

Changes to the present value of the defined benefit obligation

	2025		2024	
	£'000	**£'000**	£'000	£'000
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**161,620**	**1,940**	154,330	2,200
Current service cost	**5,050**	**-**	5,510	-
Interest expense on defined benefit obligation	**8,000**	**90**	7,530	100
Contributions by participants	**2,300**	**-**	2,430	-
Actuarial (gains)/losses on liabilities	**(26,770)**	**420**	(4,340)	(40)
Net benefits paid out	**(5,680)**	**(320)**	(3,850)	(320)
Past service cost/curtailment	**1,070**	**-**	10	-
Closing value	**145,590**	**2,130**	161,620	1,940

Changes to the fair value of assets

	2025		2024	
	£'000	**£'000**	£'000	£'000
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**170,430**	**-**	153,580	-
Interest income on assets	**8,160**	**-**	5,540	-

Notes to the Financial Statements | Note 24 Pension Obligations continued

Remeasurement gains on assets	**9,082**	**-**	6,900	-
Contributions by the employer	**6,410**	**320**	5,830	320
Contributions by participants	**2,300**	**-**	2,430	-
Net benefits paid out	**(5,680)**	**(320)**	(3,850)	(320)
Closing value	**190,702**	**-**	170,430	-

Actual return on assets	2025 £'000	2024 £'000
Interest income on assets	8,160	5,540
Gain/(loss) on assets	9,082	6,900
Actual return on assets	17,242	12,440

Reconciliation of funded status to Consolidated Statement of Financial Position

	At 31 July 2025		At 31 July 2024	
	£'000	**£'000**	£'000	£'000
	Funded	**Unfunded**	Funded	Unfunded
Fair value of assets	**190,702**	**-**	170,430	-
Present value of defined benefit obligation	**(145,590)**	**(2,130)**	(161,620)	(1,940)
Funded Status	**45,112**	**(2,130)**	8,810	(1,940)
Unrecognised asset	**(45,112)**	**-**	(8,810)	-
Liability	**-**	**(2,130)**	-	(1,940)

Virgin Media judgement

In June 2023, the High Court handed down a decision (Virgin Media Ltd v NTL Pension Trustees II Limited), which was subsequently upheld by the Court of Appeal in July 2024. The ruling potentially has implications for the validity of amendments made by pension schemes, including the LGPS, which were contracted-out on a salary related basis between 6 April 1997 and the abolition of contracting-out in 2016. The ruling related to the requirement on the trustees to obtain the scheme actuary's confirmation that a scheme continued to provide a minimum level of benefits (known as a 'reference scheme test') following certain types of rule amendments. Without this confirmation (sometimes referred to as a section 37 confirmation, by reference to section 37 of the Pension Schemes Act 1993, which sets out that scheme rules can only be altered as prescribed in the relevant regulations), the amendment may be void and ineffective.

At time of writing the government has not yet confirmed that they have been able to locate the actuarial confirmations from the Government Actuary's Department for all LGPS amendments between 1997 and 2016. There remains some uncertainty in this area and so, to give sponsoring employers clarity around scheme liabilities and member benefit levels, the Department for Work and Pensions announced on 05 June 2025 that legislation would be introduced to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards.

Notes to the Financial Statements | Note 24 Pension Obligations continued

Given the uncertainty, no allowance for the possible impact of the ruling has been made, as it is currently unclear whether any additional liabilities might arise, and if they were to arise, how they would be reliably measured.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme took place, in line with directions issued by HM Treasury and using membership data, as at 31 March 2020. As a result of this valuation, TPS employer contributions rose by 5 percentage points to 28.68%, effective 01 April 2024, from 23.68% at the 2016 valuation.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The Government's remedy to address this discrimination against younger members of such pension schemes (The Mccloud remedy) came into effect for the TPS from 1 October 2023 and include provision for the cost of this remedy.

HM Treasury have been clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. These implications were reflected in the most recent scheme valuation, based on April 2020 data, and were implemented from April 2024 resulting in the increased employer contribution rate.

Notes to the Financial Statements | Note 24 Pension Obligations continued

Universities' Superannuation Scheme

The University participates in the Universities' Superannuation Scheme. The Scheme is a hybrid pension scheme which provides benefits based on final pensionable salary for Final Salary members until 2016 (closed to new entrants in 2011); Career Revalued Benefits (CRB) up to an indexed salary threshold for new entrants since 2011 and for Final Salary members since 2016; and defined contribution benefits above the same salary threshold and for members wishing to make additional contributions. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. As a result, the University is exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a wholly defined-contribution scheme. The amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme for the year. A liability is also recorded within provisions for any contractual commitment to fund past deficits within the scheme. Movements in this provision can also give rise to charges to the Consolidated Statement of Comprehensive Income and Expenditure as shown in note 19 above.

The appointment of directors to the board of trustees is determined by the Company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board.

Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation for the scheme was completed on 20 December 2023, valuing the assets and technical provisions as at 31 March 2023 (the valuation date). The 2023 valuation was the seventh valuation 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.

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 because the scheme was in surplus on a technical provisions' basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

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

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

Notes to the Financial Statements | Note 24 Pension Obligations continued

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

The key financial assumptions used in the 2023 valuation are described below.

Price inflation - Consumer Prices Index (CPI)	3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0% p.a. to 2030, reducing to 0.1%p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

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

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for female
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	Year ended 31-Jul-25	Year ended 31-Jul-24
- retiring today male/(female)	**23.8 (25.5)**	23.7 (25.6)
- retiring in 20 years male/(female)	**25.7 (27.2)**	25.4 (27.2)

Notes to the Financial Statements | Note 24 Pension Obligations continued

Creditor Balances

Cardiff Metropolitan University's balances as at 31 July for each scheme are as follows:

	2025	2024
	£'000	£'000
TPS	949	987
CVGPF	629	683
USS	76	75
	1,654	1,745

US Federal Loans – Supplementary Schedule

25 Conversion to US GAAP format

This schedule has been compiled from the Section 3 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations

Line	Statement of Financial Position	2024-25	2023-24
		£'000	£'000
1	Cash and cash equivalents	44,183	42,882
2	Accounts receivable, net	5,538	5,203
3	Other debtors and Prepaid expenses	4,404	4,440
4	Related party receivables	-	-
5	Contributions receivable, net	-	-
6	Student loans receivable, net	-	-
7	Investments in subsidiaries	-	-
8	Property, plant and equipment, net (includes Investment property & Heritage assets)	180,214	185,884
9	Lease right-of-use asset, net	-	-
10	Goodwill	-	-
	Other intangible assets	-	-
11	Inventories	139	142
12	Total assets	**234,478**	**238,551**
13	Line of credit - short term	-	-
14	Line of credit - short term for CIP	-	-
15	Accrued expenses/Accounts payable	6,848	6,755
16	Accruals and Deferred revenue	28,185	25,830
17	Post-employment and pension liability	2,130	1,940
18	Line of credit - operating	-	-

Notes to the Financial Statements | Note 25 US Federal Loans continued

19	Other liabilities	-	-
20	Notes payable	-	-
21	Lease right-of-use asset liability	-	-
22	Line of credit for long term purposes	16,454	18,406
23	Total liabilities	**53,617**	**52,931**
24	Net assets without donor restrictions	180,861	185,620
	Net Assets with Donor Restrictions		
25	Annuities	-	-
26	Term endowments	-	-
27	Life income funds	-	-
28	Other restricted by purpose and time	-	-
29	Restricted in perpetuity	-	-
30	Total Net Assets with Donor Restrictions	-	-
31	Total Net Assets	**180,861**	**185,620**
32	Total Liabilities and Net Assets	**234,478**	**238,551**
	Changes in Net Assets Without Donor Restrictions		
	Operating Revenue and Other Additions		
33	Tuition and fees, net	106,889	107,349
34	Funding body income	12,767	9,761
35	Investment return appropriated for spending	1,394	1,765
36	Other income	22,688	21,442
37	Research income	4,851	4,543
38	Total Operating Revenue and Other Additions	**148,589**	**144,860**

Notes to the Financial Statements | Note 25 US Federal Loans continued

	Operating Expenses and Other Deductions		
39	Education and research expenses	139,482	137,175
40	Depreciation and Amortization	6,275	6,680
41	Interest expense	1,009	1,042
42	Auxiliary enterprises	-	-
43	Total Operating Expenses	**146,766**	**144,897**
44	Changes in Net Assets from Operations	**1,823**	**(37)**
	Non-Operating changes		
45	Investments, net of annual spending, gain/(loss)	(333)	-
46	Other components of net periodic pension costs	(870)	370
47	Pension-related changes other than net periodic pension costs	-	-
48	Change in value of split-interest agreements	-	-
49	Other gains/(losses)	(5,683)	(3,001)
50	Sale of fixed assets, gains/(losses)	304	-
	Taxation	-	-
	Total Non-Operating Changes	**(6,582)**	**(2,631)**
51	Total Change in Net Assets	**(4,759)**	**(2,668)**
	Change in Net Assets with Donor Restrictions		
52	Contributions	-	-
53	Net assets released from restriction	-	-
54	Change in Net Assets with Donor Restrictions	-	-
55	Change in Net Assets without restrictions	(4,759)	(2,668)
56	Net Assets, Beginning of Year	185,620	188,288
57	Net Assets, End of Year	180,861	185,620

Notes to the Financial Statements | Note 25 US Federal Loans continued

Note for Line 9 - Lease right-of-use assets		2024-25	2023-24
A	Lease right-of-use assets - pre-implementation	-	-
B	Lease right-of-use assets - post-implementation	-	-
	Total	**-**	**-**

Note for Line 21 - Lease right-of-use asset liability			
A	Lease right-of-use asset liability - pre-implementation	-	-
B	Lease right-of-use asset liability - post-implementation	-	-
	Total	**-**	**-**

Note for Line 8 - Net Property, Plant and Equipment			
A	Pre-implementation Property, Plant and Equipment	179,610	174,170
B	Post-implementation Property, Plant and Equipment purchased with debt	-	-
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Const'n in P'gress	(4,562)	-
D	Post-implementation Property, Plant and Equipment - no debt	(4,562)	-
	Total	**170,486**	**174,170**

Notes to the Financial Statements | Note 25 US Federal Loans continued

A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less and depreciation or disposals		
B	This is the balance of assets purchased after the implementation of the regulations that was purchased by obtaining debt		
C	Asset value of the Construction work in progress		
D	Post-implementation Property, Plant and Equipment with no outstanding debt		
Note for Line 14,20 and 22 - Long-term debt for long term purposes			
A	Pre-implementation Long-term Debt	16,454	18,406
B	Allowable Post-Implementation Long-term Debt:		
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Construction in progress - debt	-	-
D	Long-term debt not for the purchase of Property, Plant and Equipment or liability greater than assets value	-	-
	Total	**16,454**	**18,406**
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less in repayments		
B	This is the lessor of actual outstanding debt or each asset value or the value of the asset		
C	All debt associated with Construction in progress up to the asset value for construction in process is included		
D	Long-term debt not for the purchase of Property, Plant and Equipment		

Notes to the Financial Statements | Note 25 US Federal Loans continued

Supplementary schedule - Sterling £ '000 This schedule has been compiled from the Section 2 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations		2024-25	2023-24
Lines	Expendable Net Assets		
24	Net assets without donor restrictions	180,861	185,620
30	Net assets with donor restrictions	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
8	Property, plant and equipment, net (includes Construction in progress)	180,214	185,884
FS Note line 8A	Property, plant and equipment - pre-implementation	179,610	174,170
FS Note line 8B	Property, plant and equipment - post-implementation with outstanding debt for original purchase	0	0
FS Note line 8D	Property, plant and equipment - post-implementation without outstanding debt for original purchase	(4,562)	0
FS Note line 8C	Construction in progress	(4,562)	0
9	Lease right-of-use asset, net	0	0
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0
M9 Note Leases	Lease right-of-use asset post-implementation	0	0
10	Intangible assets	0	0
10	Intangible assets	0	0
17	Post-employment and pension liabilities	2,130	1,940
14,20,22	Long-term debt - for long term purposes	16,454	18,406
M14,20,22, Note Debt A	Long-term debt - for long term purposes pre-implementation	16,454	18,406

Notes to the Financial Statements | Note 25 US Federal Loans continued

M14,20,22, Note Debt B	Long-term debt - for long term purposes post-implementation	0	0
M14,20,22, Note Debt C	Line of Credit for Construction in process	0	0
21	Lease right-of-use asset liability	0	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
Line 21 Note Leases	Post-implementation right-of-use leases	0	0
25	Annuities with donor restrictions	0	0
26	Term endowments with donor restrictions	0	0
27	Life income funds with donor restrictions	0	0
29	Net assets with donor restrictions: restricted in perpetuity	0	0
	Total Expenses and Losses		
43	Total expenses without donor restrictions - taken directly from Statement of Activities	146,766	144,897
(35),45,46,47,48,49	Non-Operating and Net Investment (loss)	5,492	866
(35),45	Net investment losses	(1,061)	(1,765)
47	Pension-related changes other than net periodic costs	0	0

	Modified Net Assets	2024-25	2023-24
24	Net assets without donor restrictions	180,861	185,620
30	Net assets with donor restrictions	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Modified Assets		
12	Total Assets	234,478	238,551
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0

Notes to the Financial Statements | Note 25 US Federal Loans continued

Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Net Income Ratio		
55	Change in Net Assets Without Donor Restrictions	(4,759)	(2,668)
38, (35), 50	Total Revenue and Gains	**147,499**	**143,095**

CARDIFF METROPOLITAN UNIVERSITY

England & Wales - Charity number 1140762

Accounts

Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd



Annual Report & Financial Statements 2023-2024



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Introduction from the Chair of the Board of Governors



It has been an honour and a privilege to be the Chair of the Board of Governors over the last year. On behalf of the Board, I would like to thank the Vice-Chancellor, managers, staff and students for their energy, commitment and continued hard work. It has been an interesting and challenging year for the University with many opportunities and demands.

The University has achieved noteworthy success across a variety of areas over the last year. The University was named The Mail University Guide 2025's Welsh University of the Year. The University also achieved its best position in the Times and Sunday Times University Guide 2025 (66th in the UK – up twelve places) and improved in the Guardian University Guide 2025 (82nd in the UK - up 18 places). The University made considerable progress in improving student satisfaction (as demonstrated in the National Student Survey) and was ranked first in Wales for Graduate Outcomes. It was also particularly pleasing for the University to retain its top ten status in the UK People and Planet University League for environmental sustainability.

The Board was pleased to appoint Professor Rachael Langford as the University's new President and Vice-Chancellor from February 2024 following the retirement of Professor Cara Aitchison from the role in January 2024. Professor Langford had served as the University's Deputy Vice-Chancellor from September 2021. The Board led on a rigorous and competitive recruitment process during the autumn term with a number of high-quality candidates considered.

Much of the Board's work over the last year has focussed on supporting the University in meeting its significant financial challenges that had in the main been caused by an under recruitment of students against planned targets for the 2023-24 academic year. The University, was no different from many others in the UK in that it has experienced a notable drop in international student recruitment, faced reductions in public funding, increased operating costs, and the adverse impact of inflation on the value of tuition fees. The Board collaborated effectively with the new President and Vice-Chancellor and the University Executive Group in providing the required governance and scrutiny in the development of plans to achieve financial recovery and sustainability. The Board approved the University's Financial Recovery Plan at its meeting in May 2024. The Plan detailed a phased approach to achieve cost reductions whilst also ensuring the University's long term financial sustainability and viability.

The Board also approved arrangements for the introduction of the University's Voluntary Severance Scheme at a Special Meeting in April 2024 as part of initial work to achieve financial recovery and sustainability. The Board considered and approved the design principles and eligibility criteria of the Scheme together with proposed payment thresholds based on sector benchmarks. The Board was pleased to note that the Scheme was successfully implemented. This enabled the University to achieve

the initial targeted cost reductions whilst also retaining operational effectiveness of Schools and departments and ensuring that staff and students were supported through the process.

The Board was pleased that the University was able to implement its updated Articles and Instrument of Government in March 2024 following approval by Welsh Government and Privy Council. The updated Articles and Instrument of Government provide a modern, streamlined suite of documents that support good governance. These will serve the University well in future years. Importantly, they will enable staff and student governors to participate on a wider range of Board-level committees to support inclusive decision making.

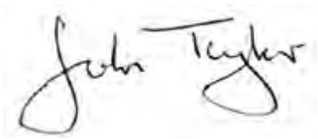
The Board also finalised arrangements for the introduction of a new Board-level committee structure for 2024-25. The new structure includes a new Finance Committee that will have a specific focus on the financial health of the University. The Committee will cover financial management, income generation, entrepreneurship, and sustainability. The new structure also includes a People, Health and Wellbeing Committee that will have a specific focus on people related matters. The Committee will have the key task of looking at how the University is developing its culture. It will cover a holistic approach to both staff experience and student wellbeing in what are pressurised times. The new structure ensures that the University's governance arrangements align with the delivery of the University's Strategy 'Strategy 2030' and that the Board provides maximum added value.

The Board was pleased to recruit seven new Independent Governors over the course of the autumn and spring terms. The new Independent Governors bring with them an extensive range of skills, knowledge and experience that will prove invaluable to the University as it works towards achieving financial recovery and embarks on its transformation and journey. The Board now has a strong and diverse membership with effective Board succession plan arrangements in place.

The Board was regularly informed of developments by Welsh Government to establish Medr (the Commission for Tertiary Education and Research) over 2023-24. Whilst the Board recognises the financial and other challenges faced by the sector, it is committed to having a constructive, collaborative, and enduring partnership with Medr. The Board will continue to work to ensure that the interests of students and the 'Learner Voice' are placed at the centre of everything the University does.

The Board will continue to work closely with the Senior Management Team both in meeting the current financial challenges and in ensuring a strong, stable and sustainable future for the University which will continue to support the social and economic wellbeing of Wales and beyond.

This will meet the Civic Duty responsibility.



John Taylor (CBE)
Chair of the Board of Governors

29 January 2025

Introduction from the President and Vice-Chancellor



As a University, Cardiff Met is committed to making the world a better place through teaching and learning, research and innovation, and working with communities locally and internationally.

Never has that commitment shone through as much as in this past year, with our students and staff working alongside our partners to lead the way in making a positive difference – in Wales and throughout the world.

We are proud to have again been named the top University in Wales in the People & Planet University League and our commitment to environmental sustainability continues to be reinforced in many ways – from our on-campus community repair cafes and student education initiatives to sector-leading research and curriculum innovation.

Our School of Art & Design, for example, has completed a three-year Royal Academy of Engineering funded research project to embed sustainability and carbon literacy across all the school's programmes, translating into a natural dye garden, sustainable photography darkroom, and material pigment libraries. This has led to the development of a Future Generations curriculum, focusing on the future, the planet, our communities, and making sustainable choices.

And our commitment to working with businesses to drive sustainable practises received a royal stamp of approval in June 2024 when Cardiff Met's ZERO2FIVE Food Industry Centre hosted a visit by His Royal Highness The Prince of Wales. The visit, in partnership with The Earthshot Prize, was a celebration of the flourishing seaweed industry and food innovation in Wales.

This past year has also seen us make big strides forward in improving our student satisfaction in the National Student Survey and we were proud to be first in Wales in the 2024 Graduate Outcomes survey. This showed that an impressive 96% of Cardiff Met graduates are in work or further study 15 months after graduating.

These metrics helped us achieve our best position in the Times and Sunday Times Good University Guide as the biggest climber in Wales. We also climbed 18 places in the Guardian University Guide and were selected as The Mail University Guide 2025's 'Welsh University of the Year'.

These league table successes reflect the dedication of our staff to delivering the highest quality student experience and driving attainment, but we are, of course, about so much more than that at Cardiff Met.

Our students have incredible opportunities and achieve amazing things. They are also at the heart of our civic mission.

As an example, more than 1,000 of them have been instrumental in delivering and designing Cardiff Met's hugely successful Open Campus programme in this past year.

This is a powerful collaboration between University and community, delivering sustainable change in sport, physical activity, outdoor play, and health and wellbeing opportunities in the Cardiff City region and beyond.

Open Campus enabled more than 9000 members of the community, including 41 schools, 25 from communities in deprived areas, to access free and paid for activities and programmes on and off campus, supported by our students and staff.

Open Campus drives degree outcomes, professional placements and research and innovation. We are incredibly proud of its impact, just as we celebrate the many students and staff who achieve incredible sporting success and provide performance support to elite level athletes and teams.

Our Cardiff Met community all watched on with pride as our students, alumni and staff played a starring role at the Paris 2024 Olympics and Paralympics – some performing on the biggest sporting stage but many more performing crucial roles behind the scenes.

Performance Sport continues to thrive at our University. We have recently partnered with Tennis Wales to establish a new National Training Programme, and our Football Club Academy has been upgraded to a Category A Academy, deemed to offer outstanding level of quality provision, for the 2024-25 season.

Our School of Sport and Health Sciences is also a pioneer in improving health and wellbeing outcomes in our region. In January 2024, Eluned Morgan MS, First Minister for Wales, opened the groundbreaking Allied Clinical Health Hub on our Llandaff Campus.

The hub is a sector-leading facility that is enabling health and social care students to engage in authentic learning experiences whilst also offering a range of valuable clinics for the local community, from podiatry to dietetics. It includes the Exercise for Health Hub, which is providing follow-up care to cardiac patients, helping to keep people active and reduce readmissions to hospital.

Our School of Education and Social Policy is training so many of our nation's teachers and early years professionals, but has also launched a Centre for International Research into Leadership Education and won a Times Higher Education Award for developing an anti-racist learning model for education professionals.

Chantelle Haughton, Director and Founder of DARPL (Diversity and Anti-Racist Professional Learning) and Principal Lecturer in Early Years Education, was also recently honoured with the British Educational Research Association (BERA) Equality in Education award.

Institutionally, Cardiff Met received the Advance HE prestigious Silver Athena Swan award in recognition of our commitment to gender equality and inclusivity.

With students and staff from 130 countries on our Cardiff campuses and our programmes being delivered by 12 global education partners, fostering a culture of belonging and offering a warm welcome to all is so important to our Cardiff Met community.

A large proportion of our international students are on programmes within our School of Management, which prides itself on its global reach and impact, but also in leading the way in fostering economic development and prosperity in Wales.

In April 2024, we became the first university in Wales and just the third in the UK to receive the Business School Impact System (BSIS) label from the European Foundation for Management Development for our positive economic impact on the Cardiff Capital Region.

Additionally, our Centre for Entrepreneurship has been recognised in the Times Higher Education Awards for its groundbreaking work in building a culture of innovation and creativity. Our holistic approach to start-up support has placed Cardiff Met in the top 20% of UK universities for student start-ups for the last five years, currently having the sixth highest number of students start-ups which have survived beyond three years.

This culture of entrepreneurship is evident in so much of our activity, but also in our academic community, with too many examples of innovative practise to cover here. However, it does feel appropriate to single out our two winners of Advance HE's prestigious National Teaching Fellowship and Collaborative Award for Teaching Excellence:

Dr Fiona Carroll, Reader in Human Computer Interaction, leads the Creative Computing Research Centre and coordinates ethics at the School of Technologies, while Dr Esyin Chew is Director of the EUREKA Robotics Centre - one of the 11 specialist robotics centres in the UK. She has led million-pound Government or industrial-funded global projects, including the award-winning PIE ethical AI programme for Women in STEM.

Another award winner, Rhian Griffiths, Senior Lecturer in Teacher Education and Professional Learning (Welsh Medium) has won Coleg Cymraeg's prestigious Cenedlaethol 'Celebrate Your Lecturer' prize for her 'tireless work' to support her students.

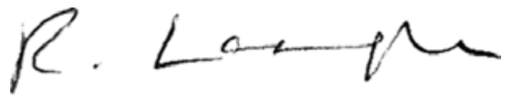
This last year saw a further increase in the number of students studying through the medium of Welsh with 324 students studying at least 40 credits (a third) of their modules through this medium. We have a thriving Welsh community here at Cardiff Met and continue to set ourselves stretching targets in this area, recognising the key role that we play in protecting the Welsh language and culture.

There has certainly been a long list of achievements to celebrate, and it is important for me to acknowledge how much of this has been accomplished against a challenging backdrop.

Like so many universities across the UK, Cardiff Metropolitan University is operating in a challenging financial climate, due in part to falling in numbers of international students, reductions in public funding, increased operating costs, and the impact of inflation on the value of our main source of income – tuition fees.

In planning to meet this financial challenge, we will remain focused on delivering an excellent student experience, continuing to grow our reputation as an impactful, supportive partner and delivering on our ambitions as a civic university.

In the coming months, we will be talking more to our students, staff and partners about the university we aspire to be as we continue to shape our future together. A heartfelt thank you to all those who have contributed to our many successes – inside and outside our Cardiff Met community - and continue to support us to deliver our longer-term strategic ambitions.



Professor Rachael Langford
President and Vice-Chancellor

29 January 2025

Key Facts & Figures

Financial Performance

Operating accounting deficit	£3.04m
Operational cash surplus	£3.2m
Long term debt at % income	13%

Student Numbers

Postgraduates	2635
Undergraduates	8811
International students	16%

Cardiff Met HESA student data 2023-24

Staffing

Total staff (head count)	1897
Academic staff (head count)	912
Full-time equivalent (FTE)	1566

Cardiff Met HESA staff data 2023-24

Student Success

Highlights from the July 2024 National Student Survey include:

- 81 per cent for overall satisfaction
- 93 per cent for the question 'How good are teaching staff at explaining things?'
- 93 per cent for the question 'How often have your received assessment feedback on time?'
- 93 per cent for the question 'I was allocated placement(s) suitable for my course'.

Research

Research Excellence Framework 2021 submission. Results showed that 70% of our overall submission was judged to be either Internationally Excellent or World Leading.

Graduate Outcomes

Cardiff Met is first in Wales in the 2024 Graduate Outcomes survey, which showed 96 per cent of Cardiff Met graduates are in some form of work or further study 15 months after graduating.

Postgraduate Research Experience Survey (PRES)

For the fifth year in a row Cardiff Met ranked in the top 10 for General Satisfaction in the Postgraduate Research Experience Survey (PRES), ranked 9th out of the 53 HEIs that took part, with a rating of 87 per cent against a sector average of 81 per cent.

UK league tables

- 62nd in the Complete Uni Guide League (2025)
- 82nd in the Guardian Good Uni Guide (2025)
- 66th in the Times and Sunday Times Good University Guide (2025)

World university league tables

- 1001-1200 in the Times Higher World University rankings (2025)
- 351-400 in Times Higher Education Young University Rankings (2024)
- 101-140 for Sports related subjects QS World University Rankings (2024)
- 151-160 for Hospitality and Leisure Management QS World University Rankings (2024)
- 521-530 in the QS Europe University Ranking (2025)

Sustainability

Cardiff Met was ranked UK's sixth most sustainable university in the People and Planet University League 2023/24, out of 151 universities across the UK. This is also the third consecutive year that Cardiff Met has been first in Wales in the league table.

Strategy & Performance

Strategy 2030 has been refreshed to support the Vice-Chancellor in leading the University and to underpin our transformation work. There is continued focus on the four strategic pillars, which are now supported by four cross-cutting missions to help prioritise activity. There are 14 key performance indicators (KPIs) to monitor performance, which will be reviewed as data become available and sense checked annually. The KPIs relate to each of the strategic pillars.

Strategy 2030 Refresh

Our ambition is to be renowned as a leading modern university that is distinctive and progressive.

We will build and maintain a strong reputation for excellent student experience and outcomes, innovative professional partnerships, and significant local, national and global reach and impact.

Our high-quality teaching and learning experiences will be informed by excellent applied research and innovation, transforming lives and communities in Wales and the wider world.

Cultural change will be a significant part of the transformation programme. We will embed a culture of dignity and respect at work and study, and be as transparent as possible in our decision making.

There are four strategic pillars:

1. Learning, Teaching and Student Success
We will deliver an outstanding student experience, widening access and inclusion by extending learning opportunities beyond our traditional undergraduate and postgraduate offers through short courses, degree apprenticeships and micro-credentials, including through the medium of Welsh and via transnational education.

We will design our learning and teaching experiences, including learning spaces, to develop a sense of belonging that supports learners to reach their academic potential and maximise their graduate outcomes.

2. Research and Innovation
We will enhance our research and innovation profile through a strengthened research environment and improved quality, intensity, reach and impact in our research and innovation outputs.

We will work within Wales and the UK to support initiatives that benefit social, economic, physical and mental wellbeing, contributing to a fairer and greener economy that benefits all.

3. International
We will shape our high-quality, strategic, off-campus transnational educational partnerships to extend our impact, reach and reputation, to support the development of skills and capacity overseas and contribute to the wellbeing of individuals, economies and societies globally.

We will proactively support our international on-campus students to increase success, improving retention, engagement and progression, and promoting the benefits of engaging as graduate members of active global alumni networks.

4. Civic Mission
We will extend our civic mission activity to enrich economic, social, environmental and cultural wellbeing. Through partnerships and collaboration, we will support communities, businesses and industries to prosper by expanding access to our facilities, talents and resources.

Cross-cutting missions

Our four pillars of activity are supported by four cross-cutting missions, which will allow us to prioritise activity:

- Putting our commitment to excellent student experience and outcomes at the heart of everything we do;
- Placing our commitment to equality and environmental sustainability at the forefront of decision making;
- Defining and delivering Wales' Sporting University, with an outstanding experience for student athletes and demonstrable contributions to a healthy, active Wales;
- Becoming a 'thinking organisation' through the use of data, research insights and innovation to support highly effective governance and self-reflection for continuous improvement.



Corporate Governance & Statement of Internal Control

The University is committed to high standards of corporate governance. The University is a higher education corporation formed by statute and has charitable status. The University wants to demonstrate that its governance is undertaken in an open and accountable manner and that it complies with best practice within the higher education sector.

This Statement describes the way the University has applied the principles set out in the UK Corporate Governance Code (published January 2024) both during the year and up to the date of approval of the financial statements. Its purpose is to help the reader of the annual report and financial statements understand how these principles have been applied.

The University's Board of Governors carries the overall responsibility for ensuring there is a sound system of risk management, control and governance. This system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Governors discharge this responsibility through the following elements:

- Effective review by the governing body and relevant committees, particularly the Audit Committee, Governance and Nominations Committee and Resources Committee.
- Ensuring that effective control systems are in place, including policies, objectives and plans, management of key risks and opportunities, monitoring of financial and operational performance, physical safeguarding of assets, segregation of duties, authorisation and approval procedures, and information systems.
- An effective internal and external audit service.
- The identification and management of risk embedded in all business systems.

The University is required to comply with the Committee of University Chairs' Higher Education Code of Governance (published September 2020). The approach for the effective management of risk is set out below:

- The University focuses on the active management of risk as an integral part of the management process within all parts of the organisation.
- The University clearly identifies various risks to the achievement of its objectives through its risk management framework. These risks may be strategic or operational and may present potential implications for the University's reputation, its financial position or its routine operations.
- The University integrates risk management into the annual planning process which helps the Executive to determine and co-ordinate the University's academic and other activities.
- The University proactively encourages all managers to consider risk implications of each major decision, contract or project as a normal part of their everyday work.
- The Executive endeavours to identify and focus on immediate and transient risks with strategic implications, as well as on the more permanent and substantial risks which are identified in the University's risk register.
- Managers are expected to link risk identification to action, whether in mitigation of the risk or in response to it.
- The Executive works with the five Deans of School and the Directors of Professional Services departments to encourage and support effective risk management as part of routine management of the organisation, and specifically to help them identify, evaluate, manage and report risk.
- The Board requires the Audit Committee to review the University's risk register in detail on a termly basis. This is then reported to the Board. The risk register identifies significant risks and contains details of: risk definition; risk owner; risk likelihood; risk impact; overall risk Red Amber Green 'RAG' rating; response to risk – treat, tolerate or terminate; mitigating actions; risk trend – increase, decrease or unchanged; risk manager; and risk proximity.
- The Audit Committee agreed an Audit Strategy for 2023-2026 and an Internal Audit Plan for 2023-24 at the start of the financial year with its Internal Auditors. The Internal Audit Plan set out the proposed risk-based approach to internal control, the audit strategy methodology and the rolling programme of audits that covered business, operational and compliance risks as well as financial risk.
- The Audit Committee regularly reviews the adequacy of the process of risk management at the University as it continues to be developed.

Over the course of 2023-24 the professional relationship between the University and its Internal Auditors continued to develop as processes, systems and ways of working were further enhanced. The Audit Committee re-approved an Internal Audit Charter as part of its Audit Strategy and Internal Plan for 2023-24. This was in line with Public Sector Internal Audit Standards (PSIAS).

The Internal Auditors conducted 18 planned internal audit reviews during 2023-24. Of these, 15 reviews were designed to ascertain the extent to which the internal controls in the system were adequate to ensure that activities and procedures were operating to achieve the University's objectives. The Internal Auditors provided an opinion that the University had achieved a 'reasonable' level of assurance overall in its risk management arrangements.

The Internal Auditors advised that the University had reasonable and effective risk management, control and governance processes in place. This was the same level of assurance as for 2021-22 and for 2022-23. The Internal Auditors explained that it would be unusual for an organisation of the University's significant size to achieve the higher 'substantial' level of overall assurance.

The Board is of the view that there was an ongoing process for identifying, evaluating and managing the University's significant risks in place for the year ended 31 July 2024 and that this process is still in place up to the date of approval of the Financial Statements and Annual Review. The process is regularly reviewed by the Board and accords with the internal control guidance for directors on the UK Corporate Governance Code as amended by the British Finance Directors Group.

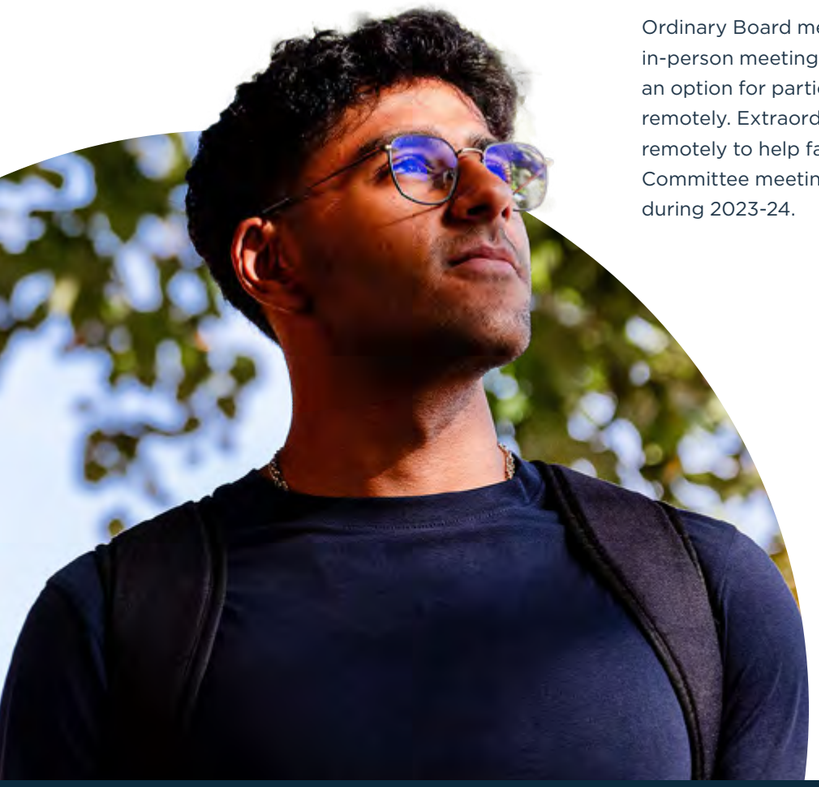
The University's Internal Auditors directly assessed the University's corporate governance arrangements as part of an Internal Audit review of Strategic Controls during 2022-23. A 'substantial' level of assurance was achieved and no Strategic Controls review was undertaken in 2023-24. The Board of Governors will continue to keep its risk management and corporate governance arrangements under regular review. This accords with guidance for directors contained within the UK Corporate Governance Code as amended by the British Finance Directors Group.

The University's Board of Governors comprises members appointed in accordance with the University's Articles and Instrument of Government. The Board is comprised of a majority of independent (lay) members, and elected staff and student governors. The Vice-Chancellor is also an ex-officio member. Members who served on the Board during 2023-24, including photos and their attendance, are listed below. All Governors were members of the Board for the entire reporting period other than where indicated.

The majority of Governors are lay independent members with relevant knowledge and experience in business and the professions. The role of the Chair of the Board is separated from the University's President and Vice-Chancellor. Those matters specifically reserved to the Board for decision are set out in the University's Articles and Instrument of Government.

This is supported by a wider governance framework which includes the University's agreed Scheme of Delegation, terms of reference for individual committees and financial regulations. The Board holds to itself the responsibilities for the ongoing strategic direction of the University, the effective and efficient use of resources and the approval of major developments, and receives regular reports from senior management.

The University ensures the independence of its Lay Members of the Board of Governors by ensuring that each of these individuals have no material relationship with the University nor any related persons. The University manages conflicts of interest through carrying out an annual review of its Register of Interests, asking members to update their declaration whenever there is a change, and to announce any conflict prior to the start of any Board or Committee meetings. The University asks the following individuals to complete an annual return for the Register of Interests: all members of the Board, all senior University staff at Levels 1 to 3, as well as other key staff who work in close enough proximity to the University's decision-making, contract, or procurement processes.



The Board met eight times during 2023-24. During this time, the Board had six governor-level Committees within its structure, these were:

- Audit Committee
- Campus 2030 Programme Board
- Governance and Nominations Committee
- Remuneration Committee
- Resources Committee
- Strategic Planning and Performance Committee

All committees were formally constituted, with terms of reference and membership comprised exclusively or mainly of independent members of the Board - with the exception of the Campus 2030 Programme Board, which is a joint body of Board and the Executive members.

The Board and its committees had a clear schedule of meetings and an agreed work programme for 2023-24. Additional meetings were convened on an exceptional basis to meet the University's decision-making exigencies as required.

Ordinary Board meetings were primarily held as in-person meetings during 2023-24. There was also an option for participants to join Board meetings remotely. Extraordinary Board meetings were held remotely to help facilitate member participation. All Committee meetings continued to be held remotely during 2023-24.

Statement of Internal Control

The Audit Committee reviews the process for ensuring the effectiveness of the financial and other (non-academic) internal control systems. In doing this, the Audit Committee makes recommendations on the appointment of internal audit, reviews their reports, including follow up reports on implementation and the scope and effectiveness of their work. The Audit Committee also makes recommendations on the appointment of external audit and reviews the financial statements of the University prior to submission to the Board. The Audit Committee reviews the management letter and receives and considers progress reports on areas of significant risk identified by the Executive. In addition, the Audit Committee receives and considers reports from the Higher Education Funding Council for Wales (now Medr) as they affect the University's business and monitors adherence with regulatory requirements.

The Chair of Audit Committee is an independent member of the Board of Governors who is an experienced member of the Committee. In addition to the Chair and two Independent members, the Audit Committee also included two external co-opted members through the course of 2023-24 who were not members of the Board and who thus provided additional externality to the Committee's deliberations. In line with previous years and Financial Management Code requirements, no Audit Committee members were permitted to serve on the Resources Committee. Whilst senior members of the Executive attended meetings of the Audit Committee as and when required, they were not members of the Committee

The Audit Committee met three times during 2023-24 with attendance by the University's internal and external auditors as appropriate. The Committee also met privately with the University's Internal Auditors before each meeting and with the External Auditors as required.

Specific Work to Support Good Governance

The Board undertook specific work during 2023-24 to support good governance. This included the work below:

- The University started operating to its updated Articles and Instrument of Government from 1 March 2024 following formal approval by Welsh Government and Privy Council. The updated Articles and Instrument provided the University with a modern, streamlined suite of documents that will support good governance. The updated Articles and Instrument will also enable greater participation by Staff and Student Governors across a wider range of Committees.
- The Board recruited seven new Independent Governors during 2023-24 with a diverse range of skills and experience. This helped support the work of the Board and its committees in providing effective governance and assurance. The recruitment was integral to future succession planning of the Board.
- The Board was extensively involved in the recruitment and appointment of the University's new President and Vice-Chancellor, Professor Rachael Langford, who started in her new role on 1 February 2024. Professor Langford had previously been Deputy Vice-Chancellor from September 2021. The appointment followed the retirement of Professor Cara Aitchison on 31 January 2024. Professor Aitchison had served as President and Vice-Chancellor at the University since October 2016.
- The Board provided effective governance and scrutiny in the development of plans to achieve financial recovery and sustainability following a challenging student recruitment round in 2023-24 and resultant financial pressures. The Board approved the University's

Financial Recovery Plan at its meeting in May 2024. The Financial Recovery Plan detailed a phased approach to achieve cost reductions whilst also ensuring the University's long term financial sustainability and viability.

- The Board approved arrangements for the introduction of the University's Voluntary Severance Scheme at its meeting in April 2024 as part of initial work to achieve financial recovery and sustainability. The Board considered and approved the design principles and eligibility criteria of the Scheme together with proposed payment thresholds based on sector benchmarks.
- The Board finalised arrangements for the introduction of new governor-level committee structure in 2024-25. The new structure introduced a Finance Committee that will have a specific focus on the financial health of the University included (but not limited to) financial management, income generation, entrepreneurship and sustainability. The Finance Committee will replace the Resources Committee. The new structure also introduced a new People, Health and Wellbeing Committee that will provide assurance on people related matters for both staff and students. The new structure is designed to reflect the requirements of 'Strategy 2030' and ensure that Board members are well placed to add value to the process in delivering against the aims and ambitions of the strategy. The new structure will also aim to reflect the requirements of Medr the new regulator for Tertiary Education and Research in Wales.
- The University's Scheme of Delegation was routinely reviewed by the Governance and Nominations Committee and Board throughout 2023-24 to ensure that the Scheme accurately reflected the University's updated Articles and Instrument of Government and decision-making arrangements.
- The Senior Independent Governor (SIG) role within the University's governance arrangements (originally introduced in October 2021) was reviewed by the Board in February 2024. (The role had been introduced in line with HE sector best practice). The Board concluded that the SIG role continued to add value to the University's governance structure. Whilst no referrals had been received by the SIG from Board members on governance related matters it was felt that the role would stand the University in good stead in the event that any concerns or complaints were received in future.
- The Statement of the Relationship Between the Board and the Executive (introduced in February 2022) was reviewed by the Board in February 2024 (The Statement had been introduced in line with HE sector best practice). The Board approved an updated version of the document that provided a positive and clear statement on how the Board and the Executive would work together effectively.
- Arrangements for the Chair and Governors to receive an annual appraisal (originally introduced in 2022) were repeated in 2024. Appraisals were completed during June and July 2024. Exit interviews were also conducted with Governors who retired from the Board within the same period.
- The Governance and Nominations Committee had specific responsibility for Board membership, skills, training and development, and received regular reports at each meeting. The Committee ensured the training and development programme provided to Board members during 2023-24 continued to be member-led.
- John Taylor CBE was reappointed as Chair of the Board for a second three-year term (from August 2024 to July 2027 at the Board meeting in July 2024. Matthew Tossell was appointed as Vice-Chair of the Board (from February 2024 to February 2027) at the Board meeting in February 2024.

Governance Charter for Universities in Wales and Commitment to Action

The University has adopted the Governance Charter and Commitment to Action for Universities in Wales (published February 2020) and has implemented all the Charter's recommendations.

Confirmation of Compliance with the CUC Code

The University confirms that it is compliant with the requirements of the CUC Code of Governance (published September 2020) and the related CUC HE Senior Staff Remuneration Code (published November 2021).



Board of Governors - Membership

Board member	Category	Attendance
John Taylor CBE	Independent (Chair)	8/8
Professor Rachael Langford	President and Vice-Chancellor (from February 2024)	5/5
Professor Cara Aitchison	President and Vice-Chancellor (retired January 2024)	2/3
Kellie Beirne	Independent (from October 2023)	4/7
Charlie Bull	Professional Services Staff Governor	8/8
Nick Capaldi OBE	Independent (Senior Independent Governor)	7/8
Róisín Connolly	Independent	8/8
Kevin Coutinho	Independent (from February 2024)	5/5
Fergus Feeney	Independent (from October 2024)	5/7
Karen Fiagbe	Independent	5/8
Dr Clare Glennan	Academic Staff Governor	6/8
Dr Iva Gray	Independent (from October 2024)	7/7
Peter Kennedy	Independent (from October 2024)	5/7
Professor Helen Marshall OBE	Independent (from October 2024 with a sabbatical)	2/3
Paul Matthews	Independent	5/8
Menai Owen-Jones	Independent	6/8
Kirsty Palmer	Academic Board Representative Governor	7/8
Christopher Pilgrim	Independent	1/8
Natalia-Mia Roach	Student Governor	7/7
Dr Giri Shankar MBE	Independent (from February 2024)	4/5
Alison Thorne	Independent	4/8
Matthew Tossell	Independent	4/8
Rewathi Viswanatham	Student Governor	8/8
Scott Waddington	Independent	5/8
David Warrender	Independent	7/8


John Taylor CBE


Professor Rachael Langford (from 1 February 2024)


Kellie Beirne


Charlie Bull


Nick Capaldi OBE


Róisín Connolly


Kevin Coutinho


Fergus Feeney


Karen Fiagbe


Dr Clare Glennan


Dr Iva Gray


Peter Kennedy


Professor Helen Marshall OBE


Paul Matthews


Menai Owen-Jones


Kirsty Palmer


Christopher Pilgrim


Natalia-Mia Roach


Dr Giri Shankar MBE


Alison Thorne


Matthew Tossell


Rewathi Viswanatham


Scott Waddington


David Warrender


Professor Cara Aitchison (until 31 January 2024)

Audit Committee

The Audit Committee is responsible for ensuring the University's operations are conducted ethically, efficiently, and effectively. This oversight includes evaluating risk management and governance systems, reviewing whistleblowing mechanisms, overseeing internal and external audits, scrutinising financial statements, and assessing investment and procurement decisions. By fulfilling these responsibilities, the Audit Committee plays a crucial role in safeguarding the University's assets, maintaining its reputation, and promoting accountability.

The Committee met three times in 2023-24 and considered the following key items of business:

- The Annual Report and Finance Statements and Annual External Audit Statement of Opinion.
- The Annual Internal Audit Plan/ Programme and progress on the implementation of internal audit recommendations
- The Corporate Risk Report and University Risk Register
- Consideration of the closure of the China Office

Membership of the Audit Committee as follows:

Member	Meetings Attended
Scott Waddington (Chair and Independent Governor)	3/3
Adrian Piper (Vice-Chair and External Co-opted Member of Audit Committee)	3/3
Menai Owen-Jones (Independent Governor)	3/3
Matthew Tossell (Independent Governor)	1/3
Lisa Winstone (External Co-opted Member of Audit Committee)	3/3

The Chair, Staff and Student members of the Board of Governors are not members of Audit Committee. Furthermore, Audit Committee members are not members of the Resources Committee. At least one member of the committee has relevant experience.

Campus 2030 (Programme Board)

In abeyance during 2023-24.

Governance and Nominations Committee

The Governance and Nominations Committee is responsible for ensuring that the University adheres to best practices in corporate governance. This includes overseeing the recruitment and development of skilled governors, ensuring succession planning to address skill gaps, establishing a framework for evaluating governor performance, and working with other committee chairs to assess committee effectiveness and recommend improvements. By fulfilling these responsibilities, the Governance and Nominations Committee contributes to a more effective governing body that can effectively guide the University towards its strategic objectives.

The Committee met three times in 2023-24 and considered the following key items of business:

- Review of new proposals for the University's Board & Committee Structure
- Streamlining the process around Board Succession Planning and reviewing recruitment
- Induction, training and development
- The University's Scheme of Delegation

Membership of the Governance and Nominations Committee as follows:

Member	Meetings Attended
Nick Capaldi OBE (Chair and Independent Governor)	2/3
Professor Cara Aitchison (Vice-Chancellor) (til January 2024)	2/2
Charlie Bull (Professional Services Staff Governor)	3/3
Professor Rachael Langford (Vice-Chancellor) (from February 2024)	1/1
Paul Matthews (Independent Governor)	3/3
Kirsty Palmer (Academic Board Representative Governor)	3/3
David Warrender (Independent Governor)	3/3

Remuneration Committee

The Remuneration Committee is responsible for overseeing the compensation and benefits of senior University staff. This includes reviewing appointments, appraisals, suspensions, and dismissals, determining terms and conditions of service, and establishing a pay framework for all employees. The committee ensures that compensation arrangements align with the University's strategic goals, facilitate the recruitment, motivation, and retention of senior staff, and comply with relevant regulations and best practices.

The Committee met twice in 2023-24 and considered the following key items of business:

- Remuneration Committee Annual Report 2022-23.
- Annual Pay Policy Statement 2022-23.
- Senior Staff Remuneration Policy Framework 2023-24.
- Gender, Ethnicity and Disability Pay Gap Report 2023.
- Lifetime Allowance Changes to Pensions.
- Level 3 Pay Review.
- Annual Review of Pay and Performance for Level 1 and Level 2 Staff.
- Benchmarking of HE Institution Comparators for Levels 1, 2 and 3 Salaries.

Membership of the Remuneration Committee as follows:

Member	Meetings Attended
Christopher Pilgrim (Chair and Independent Governor)	2/2
Dr Iva Gray (Independent Governor)	2/2
Peter Kennedy (Independent Governor)	1/2
John Taylor CBE (Chair of the Board and Independent Governor)	1/2
Alison Thorne (Independent Governor)	0/2

Resources Committee

The Resources Committee advises the Board on matters related to the University's financial, physical, human, and digital resources. This includes financial management, income generation, sustainability, human resources, health and safety, estates, and environmental issues. The Committee also ensures that the University's resources are used efficiently and effectively, overseeing procurement and providing non-executive oversight of strategic resource management. For capital projects, the Committee reviews the University's capital plans to ensure they align with the agreed strategy.

The Committee met three times in 2023-24 and considered the following key items of business:

- Annual Budget Proposals, prior to final approval by the Board of Governors.
- Outturn reports on the University's in-year financial performance.
- Review of the SU's Annual Audited Accounts, monitoring of its financial performance and review of the provisional budget for the following academic year.
- Annual Review of the Financial Regulations (including the Financial Management Code) to ensure robust financial and management control systems within the University.
- Regular review of procurement activity.

Membership of the Resources Committee as follows:

Member	Meetings Attended
David Warrender (Chair and Independent Governor)	3/3
Professor Cara Aitchison (Vice-Chancellor) (until January 2024)	1/1
Kevin Coutinho (Independent Governor) (from February 2024)	2/2
Dr Clare Glennan (Academic Staff Governor)	1/3
Peter Kennedy (Independent Governor)	2/3
Professor Rachael Langford (Vice-Chancellor) (from February 2024)	2/3
Kirsty Palmer (Academic Board Representative Governor)	3/3
Natalia-Mia Roach (Student Governor)	3/3
John Taylor CBE (Chair of the Board and Independent Governor)	3/3

The Resources Committee did not have any members with specific professional finance and or accountancy qualifications during 2023-24. However, some members of the Committee did have significant financial experience gained from working in other senior director level roles that involved financial management responsibilities.

Strategic Planning and Performance Committee

The Strategic Planning and Performance Committee advises the Board on matters relating to strategic planning; the monitoring and evaluation of strategic priorities and performance against the Strategic Plan; the evaluation of progress relating to the overarching agenda of growth, diversification and improvement; and horizon scanning.

The Committee met five times in 2023/24 and considered the following key items of business:

- The financial position of the University and the external Higher Education sector.
- The four pillars of Strategy 2030 (Learning, Teaching and Student Engagement; Research and Innovation; International; and Civic Mission).
- The Measures of Success, which were developed following consultation with various stakeholders. Benchmarks in 2022-23 were measured and reviewed for progress to date.
- Fee & Access Plan Evaluation - all Welsh Universities are required to submit this plan to HEFCW, with the aim of widening participation of students from lower socio-economic backgrounds.
- Monitoring of student recruitment activity.
- Annual Quality Assurance Report and other reports covering academic quality and performance. This included confirmation of six statements on academic quality on behalf of the Board of Governors that was included in the Annual Assurance Review submission.

Membership of the Strategic Planning and Performance Committee as follows:

Member	Meetings Attended
John Taylor CBE (Chair and Independent Governor)	5/5
Professor Cara Aitchison (President and President and Vice-Chancellor) to February 2024	2/3
Professor Rachael Langford (President and President and Vice-Chancellor) from February 2024	2/2
Nick Capaldi OBE (Independent Governor)	4/5
Roísín Connolly (Independent Governor)	4/5
Paul Matthews (Independent Governor)	3/5
Natalia-Mia Roach (Student Governor)	5/5

Academic Board

The Academic Board is a Committee of the Board of Governors and is the University's senior decision-making body. The Academic Board is responsible for delegations set out in the Articles of Government, as well as supporting, advising and assisting the Vice-Chancellor in the performance of their duties as delegated in the Articles, and advising the Board of Governors on relevant matters.

The Academic Board is both the University's academic authority and its senior decision-making body for resources which support the University at a strategic level. The Academic Board is responsible for Financial Planning and Sustainability, Strategic and Academic Planning, Academic Quality and Assurance and Risk Management.

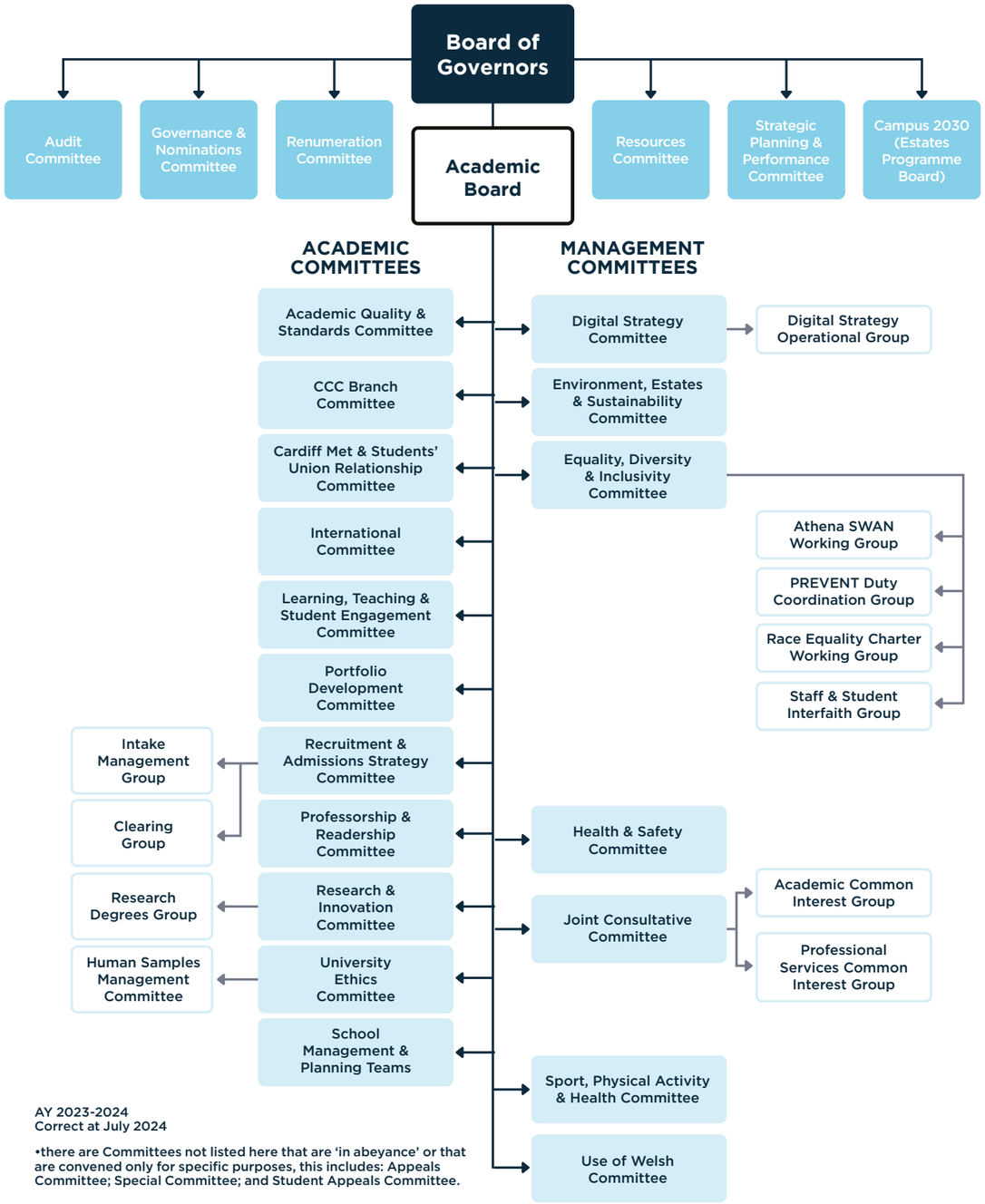
The Academic Board met eight times in 2023/24.

Membership of Academic Board as follows:

Member	Meetings Attended
Professor Cara Aitchison (President and Vice-Chancellor) (Chair) to February 2024	1/3
Professor Rachael Langford (President and Vice-Chancellor) (Chair) from February 2024 and Deputy Vice-Chancellor (Vice Chair) to January 2024	8/8
Mark Barry (Director of Commercial Services)	7/8
Rob Blagden (Director of Digital & Library Services)	6/8
Professor Jacqui Boddington (Pro Vice-Chancellor Student Engagement)	8/8
Professor David Brooksbank (Dean of Cardiff School of Management)	5/8
Anna Dukes (Director of Global Engagement)	7/8
Ashley Flaherty (Director of People Services)	1/1
Francesca Fryer (Director of Environment & Estates)	5/6
Professor Steve Gill (Director of Research)	7/8
Dr Bethan Gordon (Dean of Cardiff School of Art & Design)	6/8
Professor Sheldon Hanton (Pro Vice-Chancellor Research and Innovation)	8/8
Mairwen Harris (Head of Strategy, Planning and Performance)	8/8
Dr Joanna Hendy (Director of Learning Enhancement)	7/8
Mark Lester (Elected Professional Services Staff Member)	8/8
Rebecca Lever (Director of Marketing and External Relations)	6/8
David Llewellyn (Chief Officer Resources)	8/8
Professor Julia Longville (Dean of Cardiff School of Education and Social Policy)	8/8
Ben O'Connell (Director of Sport)	6/8
Kirsty Palmer (Director of Student Services)	7/8
Professor Jon Platts (Dean of Cardiff School of Technologies)	8/8
Emma Potts (Interim University Secretary) to February 2024	2/3
Jon Price (Interim Chief Operating Officer and University Secretary) from March 2024	4/4
Natalia-Mia Roach (Students' Union President)	7/7
Ben Rogers (Director of Registry Services)	8/8
Mark Samuels (Elected Academic Staff Representative)	8/8
Matthew Taylor (Director of Innovation)	8/8
Professor Katie Thirlaway (Dean of Cardiff School of Sport & Health Sciences)	6/8
Rewathi Viswanatham (Students' Union Vice President)	7/8
Professor Andrew Walters (Elected Professoriate Staff Member)	3/8
Lowri Williams (Director of People & Culture Services)	2/3
Dr Cathryn WIthycombe (Elected Academic Staff Representative)	5/5

Several Committees and Working Groups reported to Academic Board (as the parent body) during 2023/24. These were designated as either Academic or Management Committees and are detailed in the structure chart below.

Full Board & Committee Structure Chart



AY 2023-2024
Correct at July 2024

•there are Committees not listed here that are 'in abeyance' or that are convened only for specific purposes, this includes: Appeals Committee; Special Committee; and Student Appeals Committee.

University Executive Group

The University Executive Group (UEG) is the senior leadership team of the University and assists the Vice-Chancellor in providing strategic leadership for all the Executive portfolios. UEG members in 2023-24 included the President and Vice-Chancellor, Deputy Vice-Chancellor (until January 2024) Pro Vice-Chancellor (Student Engagement), Pro Vice-Chancellor (Research & Innovation), Interim University Secretary (until March 2024), Interim University Secretary and Chief Operating Officer (from March 2024), and Chief Officer (Resources).

UEG meets at least fortnightly and focuses on the monitoring of financial performance, including budget setting, alongside general monitoring and oversight of strategy, operational performance and policy development.





Report from 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 of the Vice-Chancellor and other senior members of staff.

The Remuneration Committee comprises independent lay members of the Board of Governors who possess relevant knowledge and expertise. The Vice-Chancellor and Director of People and Culture are in attendance at Remuneration Committee meetings, but the Vice-Chancellor is not in attendance for and does not play a part in the discussions and decisions about their own remuneration. Furthermore, no member of staff is present for the discussion of their own remuneration.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits, and conditions of employment of the Higher Education sector, and wider where appropriate.

In determining the remuneration awarded, the Remuneration Committee considers the University's approach to recognising performance for all roles in scope and refers to sector benchmarking information provided from the Universities and Colleges Employers Association (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 Code of Governance and more specifically the CUC Senior Staff Remuneration Code which focusses on the three key elements: a) a fair, appropriate and justifiable level of remuneration; b) procedural fairness and c) transparency and accountability.

In line with the above, the remuneration for the Vice-Chancellor and the Senior Leadership team are reviewed annually using a fair and transparent process that reflects the performance of each individual in the context of the University's performance.

Approach to Remuneration

The University's approach to the remuneration of senior post holders is detailed in a Senior Staff Remuneration Policy Framework. The Framework is reviewed annually by the Remuneration Committee and was reviewed in November 2023.

Remuneration 2023-2024

Each year, the Director of People and Culture prepares for the Remuneration Committee a paper benchmarking the base salary of the Vice-Chancellor and other senior postholders against the annual salary of institutions of comparable size and scope. This data is drawn from the annual Universities and colleges Employer Association (UCEA) Senior Staff Remuneration Survey, and the annual CUC Vice-Chancellor Salary Survey.

The Remuneration Committee considers a number of factors when considering performance reward proposals. These include but are not limited to:

- Performance in support of the University's strategic objectives in the areas of teaching; research; innovation and engagement; leadership and management; leadership of staff; partnerships and external relations internationally, nationally and locally; major initiatives and projects
- The size and complexity of the University
- The nature of the HE markets and issues of recruitment and retention
- The University's objectives in relation to the diversity of the workforce; and
- Salary benchmarking data

The senior postholder jobs are supported by the Hay job evaluation methodology and the posts were last reviewed in 2022. The Hay job evaluation methodology is the most widely used job evaluation scheme in the world.

During the year 2023-24, the Remuneration Committee awarded a 3% cost of living salary increase to the Vice-Chancellor and the Senior staff in August 2023. This was in line with the nationally agreed HE sector pay award for staff on the New JNCHES pay spine and covered by the University's Grading structure, which consists of 9 grades. These grades are supported by the Higher Education Role Analysis (HERA) job evaluation methodology.

Vice-Chancellor Remuneration

The Remuneration Committee decides the remuneration package of the Vice-Chancellor, taking account the breadth of leadership and financial responsibilities and delivery against the University's strategic objectives.

In meeting the University's vision as a progressive university, working with purpose, impact and compassion to make economies more prosperous, societies fairer, cultures richer, environment greener and communities healthier, 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 11,400 campus-based students and over 18,000 off campus students (2023-24 HESA data), more than 1500 (fte) paid staff and an income of £145m.

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 salary benchmarking information with comparator universities.

The Vice-Chancellor's performance is assessed by the Chair of the Board of Governors after taking soundings and feedback from all members of the Board of Governors. 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. Each year, the Remuneration Committee receives a report by the Chair of the Board of Governors on the Vice-Chancellor's Performance and Development Review and agreed objectives for the following year.

The Vice-Chancellor's base salary is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agreed a consolidated increase to the Vice-Chancellor's base pay. Any such increase would be reported through the financial accounts in the following year.

The University does not operate a performance-related bonus scheme.

The Vice-Chancellor's Reward package is detailed below.

	VC from 01.02.2024 Year Ended 31 July 2024	VC until 31.01.2024 Year Ended 31 July 2024	VC until 31.01.2024 Year Ended 31 July 2023
Emoluments of the Vice-Chancellor	£	£	£
Salary	130,000	145,084	268,476
Pension contributions	35,117	-	-
Payments in lieu of pension contributions	-	25,915	49,719
	165,117	**170,999**	**318,195**

The Vice-Chancellor's basic salary in 2023-24 is 6.0 times the median pay of staff, compared to 6.4 times in 2022-23. The staff median salary in 2023-24 is £42,978.

The Vice-Chancellor's total remuneration is 7.6 times the median pay of staff, compared to 7.5 times in 2022-23. The staff median total remuneration in 2023-24 is £43,587.

The former Vice-Chancellor's basic salary in 2023-24 is 6.8 times the median pay of staff, compared to 6.4 times in 2022-23. The staff median salary in 2023-24 is £42,978.

The former Vice-Chancellor's total remuneration is 7.8 times the median pay of staff, compared to 7.5 times in 2022-23. The staff median total remuneration in 2023-24 is £43,587.

The former Vice-Chancellor was under opt out arrangements within the Universities Superannuation Scheme (the USS). The current Vice-Chancellor does not have opt out arrangements from the pension scheme.

Senior Staff Remuneration

The performance of Senior members of staff is assessed by the Vice-Chancellor, after taking soundings and feedback from the Chair and members of the Board of Governors. 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. Each year the Remuneration Committee receives a report by the Vice-Chancellor about the Senior Staff Performance and Development Reviews and agreed objectives for the following year.

The base salary for Senior staff is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agree a consolidated increase to the Senior Staff's base pay.

In 2023-24 the Remuneration Committee considered the pay of five members of Senior staff; the Deputy Vice-Chancellor; the Pro Vice-Chancellor (Research and Innovation); the Pro Vice-Chancellor (Student Engagement); the Chief Officer (Resources) and the Interim University Secretary. All were awarded a base pay increase of 3% with effect from 1 August 2023. In addition, one senior staff member received a non-consolidated award in recognition of taking on additional responsibilities. One senior staff member received a base salary increase with effect from May 2024 to reflect the size and scope of the role and market data. An honorarium was awarded to one senior staff member in recognition of taking on additional interim responsibilities and a new Vice-Chancellor was appointed with effect from February 2024.

The numbers of staff paid above £100k per annum are published in the financial statements (note 7), broken down into £5k pay bands. In 2023-24 there were 16 members of staff with a basic salary over £100k per annum, compared with 12 in 2022-23.

Remuneration for other staff groups

The majority of other staff are on the New JNCHES pay spine and covered by the University's Grading Structure, which consists of nine grades. These grades are supported by the Higher Education Role Analysis (HERA) role evaluation methodology.

Staff on the New JNCHES pay spine gain incremental pay increases annually based on skills, knowledge and experience, until they reach the top of the grade's range. They are also subject to any nationally agreed pay awards.

The University offers a comprehensive range of both financial and non-financial workplace benefits.

Living Wage Employer

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

Exit Policy

All settlement agreements, including voluntary severance, for senior staff are agreed by the Remuneration Committee. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.



Operating & Financial Review

Scope of the Financial Statements

These financial statements relate to the year ended 31 July 2024 and represent the 32nd Annual Report of the University since its incorporation in April 1992. The financial statements consolidate the main activity of the University with that of its subsidiary companies and have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102.

Principal Activities

The principal activity of the University is the provision of higher education from campuses in Cardiff and through collaborative activities elsewhere in the UK and overseas. The University's portfolio extends across undergraduate, postgraduate and research activities and is complemented by training, consultancy and other commercial spin offs which are provided to local, national, and international organisations. The University also provides conferencing and residential services, together with sports and catering facilities, for students and external users. Many of these commercial activities are carried out through a subsidiary company, Cardiff Met Company Ltd, which gifts any taxable profit back to the University through the Gift Aid scheme.

Financial and Investment Strategy

The University approved its revised and updated Finance Strategy during July 2023. The Strategy has the key objectives of growing and diversifying income; ensuring financial stability; and promoting long-term financial sustainability. The Strategy includes challenging performance objectives in support of the University's aspirations for the future. The Finance Strategy is one of four enabling strategies that together with the People, Estates and Digital strategies, support the University 2030 Strategy.

Results for the Year

The University faced a challenging year, brought about by a significant international student recruitment shortfall, which saw total income fall by £8.4m to £144.9m (2023: £153.2m), which was over £15m short of the budgeted income target of £160m. The shortfall in international student recruitment was a national phenomenon which affected most UK universities. The financial results for the year show that the group delivered an accounting deficit of £3.038m (2023: surplus of £5.596m), with the accounting result being impacted by the £3.001m impairment of an intangible asset in a subsidiary company. Had it not been for this charge a £37k deficit (break-even) position would have been achieved. An operational cash surplus of £3.2m (2023: £16.0m) was achieved as outlined in the following table. The accounting result benefitted from the release of pension deficit provisions totalling circa £3.6m resulting from the improved funding position of the University's two funded pension schemes, namely, the Universities Superannuation Scheme and the Cardiff & Vale of Glamorgan Pension Fund. Both schemes have now returned to a surplus position, brought about by changed economic conditions which have resulted in increased interest rates and, by association, an increase in the discount rate (the amount by which future liabilities are discounted).

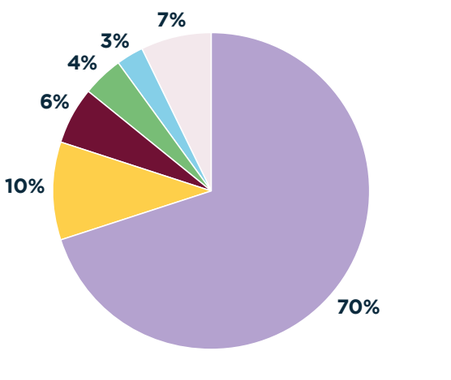
The group's main income stream is derived from tuition fees from UK and EU undergraduate and postgraduate students that together amounted to £71.1m (2023: £70.2m) and accounted for 49% (2023: 46%) of total income. When international fees and educational contracts are included, this rises to £107.3m (2023: £115.7m) and accounts for 74% (2023: 76%) of total income. Full time undergraduate tuition fees for UK students remained capped at £9k during the year, resulting in no inflationary uplift to the value of the fee.

The group invested £11.7m (2023: £18.2m) in its infrastructure during the year. Of this, £5.8m (2023: £9.9m) was invested in the estate, and included refurbishment and improvement investments in academic, residential, professional service, and sporting facilities. Expenditure amounting to £5.9m (2023: £8.3m) was also invested in equipment, fixtures and fittings, IT infrastructure, and corporate digital systems.

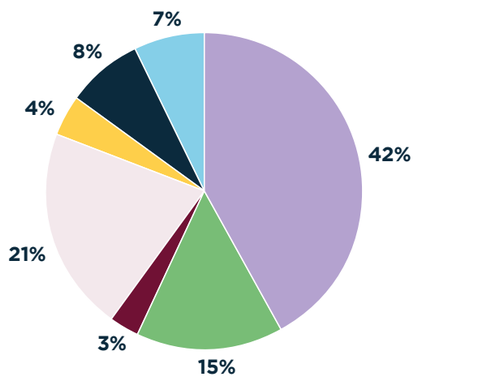
Net assets on 31 July 2024 amounted to £185.6m (2023: £188.3m).

Summary of Consolidated Results	2023/2024	2022/2023
	£000	£000
Income	144,860	153,234
Expenditure	144,897	147,638
(Deficit)/Surplus for the year before exceptional costs	(37)	5,596
Impairment	(3,001)	-
(Deficit)/Surplus for the year	(3,038)	5,596
Add back		
Depreciation	6,680	5,979
Impairment	3,001	-
Pension Provision (Credits)/Charges	(3,577)	4,171
Annual Leave Accrual Movement	175	299
Operational Cash Surplus excluding Working Capital Movements	3,241	16,045

Income Analysis 2023-24



Expenditure Analysis 2023-24



Liquidity & Cash

The group's cash and short-term investment resources at the year-end amounted to £42.9m (2023: £55.2m). Investments in the estate and infrastructure during the year were funded entirely by cash generated from operating activities. Loan repayments during the year totalled £800k thereby reducing the group's long-term debt from £19.2m to £18.4m. The gearing ratio at the year-end amounted to 12.7% (2023: 12.5%). The modest increase in the gearing ratio was due to the £8.4m reduction in income during the year. The strong cash base continues to provide a solid and stable operating base.

The Financial Outlook

Following the significantly reduced international student recruitment during the last year (2023/2024), the international tuition fee expectation for 2024/2025 was prudently set to anticipate a further reduction in the international student population (and associated tuition fees). In a similar manner, the UK student tuition fee expectation continued to be impacted by the cap on the full-time undergraduate tuition fee. In the period between 2013 to 2024, the full-time undergraduate tuition fee for UK students remained capped at £9,000 in Wales and, since 2017, at £9,250 in England. The full-time undergraduate tuition fee in Wales has subsequently been allowed to increase to £9,250 for returning students (but not new entrants) from September 2024, thereby aligning the fee charged by Welsh institutions to that charged by English institutions. Whilst welcome, this increase in the fee cap will have only a minimal beneficial impact on the University's tuition fee income during the next year.

Recent high rates of inflation on both pay and non-pay have accelerated the erosion of the real value of the UK full-time undergraduate tuition fee, which currently accounts for circa 45% of the University's turnover. During the past 11 years, the real value of this fee has eroded to the extent that it is now only worth circa 65% of its value on introduction in 2013. It has since been announced by the Westminster Government that the tuition fee cap on full time undergraduate fees will be raised by £285 (3.1%) from £9,250 to £9,535 for English institutions from September 2025. The Welsh Government has also announced the same increase for Welsh institutions. Again, whilst welcome, the beneficial impact of the increase in the tuition fee cap will be fully offset by additional pay inflation, which was further increased with the announcement in the autumn 2024 budget that the employers' rate of national insurance would increase from 13.8% to 15%, combined with a £4,100 reduction in the salary threshold at which national insurance becomes payable, from £9,100 to £5,000.

Charitable Status

The University became a Registered Charity (No. 1140762) on 10 March 2011.

Membership of the Board of Governors

The membership of the Board for the year 1 August 2023 to 31 July 2024 is set out on page 18 of this report.

Over the reporting period, governors claimed £2,965 in expenses. This covered items such as mileage, public transport and parking fees to enable travel to meetings and other activities on behalf of the University. No other payments are made to trustees. Information about related third party transactions can be found in note 7.

Independent Auditors

The external independent auditors for the year were PricewaterhouseCoopers LLP. The internal auditors for the year were TIAA Ltd.

Equality of Opportunity

The University works to ensure compliance with equality legislation and is committed to proactively integrating the principles of equality into all its activities. A Strategic Equality Plan has been agreed and implemented. The University is active in widening access to education, and in providing an inclusive approach to learning, teaching, and research.

Health and Safety at Work

The health, safety and welfare of staff, students and visitors are essential to the success of the University. The University's Health & Safety Committee considers all relevant aspects of health, safety and welfare. The Committee receives regular monitoring reports of periodic audits of Schools/Units' health and safety management arrangements and of initiatives and/or issues emanating from School/Unit health and safety meetings. Additionally, the Committee disseminates updates on legislation and guidance on good practice and monitors accident/incident levels and work-related stress sickness. The Minutes of the Committee are presented to the Academic Board and health and safety reports also feature at the University's Audit Committee. An Annual Health and Safety Report is provided to the Board of Governors through Resources Committee, to enable it to meet its statutory obligation to ensure compliance with health and safety legislation.

Modern Slavery and Human Trafficking Statement

The University is committed to improving our business practices to combat modern slavery or human trafficking in our supply chains or in any part of our business to ensure that, wherever possible, we are not complicit in any human rights violations. The University's policies and procedures demonstrate its commitment to acting ethically and with integrity in all its business activities, ensuring compliance with the requirements of the Modern Slavery Act. The procurement function has had an 'Ethical Supply Chains' Policy in place since 2011. The Policy is reviewed and updated in accordance with the University's policy review schedule and was last amended and updated in March 2024 to ensure it continues to reflect relevant good practice.

The University's workplace policies and procedures have been reviewed and amended to ensure they reflect the intent of the Welsh Government 'Ethical Employment in Supply Chain' Code of Practice. These policies and procedures demonstrate the University's commitment to acting ethically and with integrity in all its business relationships by helping to ensure that modern slavery and human trafficking do not occur within its UK and international workforces or business activities.

The University was accredited as a Living Wage employer by the Living Wage Foundation in November 2019 and has paid the Living Wage rate as a minimum to all staff since August 2018. During the year covered by this report, the University committed to ensure that all staff pay grades are at or above the Real Living Wage and all key outsourced contractors who work at the university are paid the Living Wage. New guidance and training materials, to raise modern slavery awareness, have been launched on the University's intranet site and existing training and guidance materials for new staff have been updated and amended.

Criminal Finance Act Statement

The University and its subsidiary companies commit to ensuring that its employees, agents, and other associated persons acting on its behalf are not facilitating tax evasion by another party. The University regularly reviews its risks and associated processes and procedures to ensure that all steps are taken to prevent tax evasion. The University includes the risk of tax evasion on its Risk Register. The risk is reviewed and updated three times a year. This includes the review of controls to mitigate risks. The University reviews its policies and guidance in relation to the Criminal Finance Act on a regular basis, in line with similar policies (Anti-Bribery, Counter Fraud and Corruption, Anti-Money Laundering policies and Financial Regulations).

Climate Impact Statement

The University is committed to minimising our impact on the climate and the environment. We recognise the importance of increasing our positive environmental impacts and reducing our negative ones.

The University recognises its important role in environmental management of its estate and in promoting principles of sustainability across all activities, including teaching and research. The University manages and controls its environmental risks in a sustainable manner by complying with relevant legislation and adopting, where appropriate, best practice.

The University recognises a wide definition of sustainability, based on engaging in development that meet the needs of the present, without compromising the ability of future generations to meet their own needs.

Environmental impacts are reviewed each year as part of the University's Environmental Management System accreditation to ISO14001. This is maintained by setting clear objectives and targets, with owners of each aspect reporting progress on a termly basis.

The Environmental Management System (EMS) covers all University activities from energy and utilities to waste management and recycling, but more significantly, also includes embedding education for sustainable development in the curriculum and into research and enterprise activities.

The University was ranked sixth in the UK for Sustainability in People & Planet's Green League 2023-24 out of 151 universities. People & Planet's Green League is the only comprehensive and independent league table of all UK universities ranked by environmental and ethical performance. To add to this, Cardiff Met is ranked as a gold-tier university in Uswitch's Green Universities Report 2023, a survey that highlights UK universities' commitment to sustainability.

One of the key opportunities to reducing negative impact is through efficient management of energy consumption across the estate. Energy Management within the Estates and Environment team means providing comfortable working, teaching and learning environments for all staff and students, while at the same time closely controlling the energy used. The University is using its network of electricity, gas and water sub-meters to highlight where energy efficiencies can be made. This is complemented by extensive installation of sensors. This data is used to pinpoint where buildings are not optimised and to develop programmes of improvement to buildings on a priority basis.

Climate Impact Public Benefit Statement

The University cannot solve the climate crisis alone, but as educators, we have the characteristics and resources to support collaborative learning and collective action though our calendar of events to engage staff, students, visitors and the local community. The University has undertaken extensive work in several areas, bringing huge benefits to students, staff and community members.

The University has renewable installations on campus, including solar panels, solar thermal panels, and air source heat pumps. It procures its electricity through a green energy tariff and operates a fleet of electric vehicles.

We have continued to grow our range of sustainability initiatives for our staff and students, including Repair Workshops, Community Days, Green Workshops and Litter Picks. Carbon Literacy training courses have also been provided to staff and students.

The University has received Fairtrade accreditation; is a Living Wage employer; has achieved a Sustainable Restaurant Association 3 gold star award for its sustainable food practices; is a signatory of the Can't Buy My Silence pledge and runs sustainability work placements with students.

The University is a member of EAUC (the Environmental Association of Universities and Colleges) and the One Cardiff Climate Emergency Board, working with partners throughout the Cardiff region.

Carbon avoidance work has been delivered through extensive use of Internet of Things (IoT) technologies to inform our understanding of space use and performance, resulting in a significant reduction in plans to construct new buildings and informing our prioritisation for the improvement of existing stock. The findings of this work have been set out through academic publication and presented externally, sharing opportunities to reduce carbon and cost we believe to be relevant across the public estate.

Commitment to Sustainability

Achieving a net zero carbon estate by 2030 and the delivery of Low Carbon Futures remains at the forefront of our work, in our estate, operations, teaching and research - both working directly and with partners. The new Vice-Chancellor has reaffirmed the University's commitment to achieving the target of a net zero estate by 2030. Investment in the coming years will focus on reducing energy consumption, on-site generation, removal of gas systems, and the refurbishment and repurposing of current buildings and facilities, rather than building new, so reducing the University's carbon footprint.

The University is an integral part of Cardiff Council Climate Emergency Board and works closely with Welsh Government Energy Services to develop a cost estimate of existing buildings to be net zero. The University's new Carbon Management Plan has been published, setting out our carbon baseline, targets, action and ambition to achieve net zero carbon. Targets will be achieved by robust leadership and governance, analysis and planning, and crucially, full engagement from key collaborators and organisational stakeholders.

The University takes its environmental responsibilities seriously and aims to manage its operations in ways that are environmentally sustainable, economically feasible and socially responsible. It continues to embed and raise environmental awareness through the development and training of its employees and enabling students to explore and develop values, skills, and knowledge of sustainability through research, curricula, and extra curricula activities. The aim is to develop a socially cohesive, environmentally responsible and inclusive work and study environment, which looks to engage staff, students, and the wider community.

The University's success in the People & Planet's Green League 2023-24 reflects success in a number of fields, including sustainability policy, environmental auditing and management, energy management, carbon reduction and sustainability engagement with staff and students. The University remains committed to improving the sustainability of its campuses through a range of policies covering Business Travel, Ethical Investment and Banking, Ethical Supply Chains, Fairtrade, Sustainable Procurement, Clean Air, Energy and Carbon Management, Environment and Sustainability, Sustainable Food and Sustainable Seafood. Investment in buildings focuses on improving student experience and reducing carbon emissions. These include a focus on improving building management controls linked to occupancy, improved glazing, insulation, and heating systems, a comprehensive programme of investment in LED lighting, mechanical ventilation and the replacing of gas water heating with combinations of electric point of use heaters and heat pumps wherever possible within available resources. Sustainability engagement initiatives for staff, students and the community include Repair Workshops, Community Days, Green Workshops and Litter Picks. Carbon Literacy training courses have also been successfully piloted with staff and students.

Public Benefit Statement

The University delivers professionally recognised degrees, together with impactful research and innovation, in art and design, business and management, education and public services, sport and health sciences, and technologies and engineering. The University is proud to have been awarded the Times Higher UK and Ireland University of the Year for 2021-22 and ranked 6th in the UK and 1st in Wales for sustainability in the People and Planet's Green League 2023/24, the only comprehensive and independent league table of all UK universities ranked by environmental and ethical performance.

The University seeks to advance higher education and research within South-East Wales, Wales, the UK and internationally. Its charitable objective is to inspire and enable individuals, organisations and communities to succeed through innovation in high quality learning, applied, impactful research and enterprise. The benefit of this charitable objective is derived through the intellectual development of individuals and by providing the opportunity for them to enter professional life in many fields of public and private provision. The beneficiaries are the public at large to whom education is open and who our research and innovation activities ultimately benefit. The University's provision has been aligned with the Welsh Government's strategy for higher education and serves the public benefit by contributing to regional regeneration, preservation of the environment and promotion of social justice.

The University offers degrees in a range of subjects including health and social care, teacher education and environmental management with over 50 professional bodies accrediting its courses. It also engages with partners in business, the public sector and communities in a variety of ways. Specifically, during 2023/24 the University:

- Undertook sport development, physical activity and health interventions for Cardiff City Council. The University, through Cardiff Met Sport, is working with the Council, Sport Wales National Governing Bodies of Sport and professional sport clubs to increase sports participation and the quality of the experience across the city. The project, which places particular emphasis upon addressing key themes, including disability, gender, and disadvantaged groups, is also contributing to the strengthening of the University's relationships with all the city's primary and secondary schools and supports thousands of hours of student work placement and volunteering opportunities.
- Continued the development of our Open Campus programme, which is a partnership between Met Sport, CSSHS and Cardiff City Council. The programme engaged over 4,000 local school children from 29 primary schools, 11 secondary schools and four specialist schools.
- Participated, as a part of its widening access programme, in the Reaching Wider Initiative which encourages the importance of learning amongst lower quartile Welsh Index of Multiple Deprivation areas and schools in South-East Wales.
- Administered and supported a £12m pan-Wales advisory and implementation service in food technology related initiatives, including areas such as technical, microbiological, hygiene and product development to help clients (SMEs) achieve measurable outputs and clear financial, environmental and skill-based benefits and to maximise business performance.
- Worked with Welsh Government to provide Knowledge Transfer Partnerships as an effective interface between academia and Welsh business - providing access to research, development, expertise, facilities and knowledge to a wide range of technology-led businesses.
- Established HUG by Laugh Ltd as a spinout company to manufacture and produce a soft comforter designed to support people living with dementia, available in the UK on the NHS, in care homes and sold around the world.
- Continued Project HELIX – a Welsh Government backed project involving our ZERO2FIVE Food Industry Centre, providing Welsh food and drink companies with technical and commercial support that has delivered over £491m impact to the food and drink sector since 2016.
- Used its sports facilities to provide junior sport programmes for local children and training facilities for all levels of athlete, thereby supporting world class participants in a range of national and international sports. The University expanded its Learn to Swim and School Swimming programmes on our Cyncoed campus to cater for over 160 swimmers. We also led and administered the Free Swim Initiative across Cardiff benefitting circa 20,000 swimmers.
- Operated a Community Borrower Scheme, which provides the public with direct access to the University's library collections, enabling them to borrow books or other audio-visual education materials.
- Actively promoted the National Young Ambassador programme which aims to inspire young people to become leaders through sport and physical activity.
- Hosted Community Days which bring together and engage the campus

community with its neighbours and surrounding communities. These events raise awareness and promote partnership working with local traders, charities and small businesses operating alongside University activities. Cardiff Met also offers students, staff and the community the opportunity to attend free Repair Cafes, and to participate in litter picks in the areas surrounding each Campus.

- The University was a key sponsor of the city's public cycle network OVO bikes, hosting cycle hubs at each of its campuses and provided 5,000 memberships for its community.
- Continued support and funding towards the city's Student Liaison Officer, a role that supports Cardiff's universities and provides volunteering opportunities in the city, helping in local communities.
- Delivered and worked with partners to support a range of holiday programmes for the local communities of Cardiff, including specific disability camps that engaged over 30 children.
- Secured funding through Cardiff & Vale University Health Board to improve the provision of Exercise Referral across Cardiff, strengthening the relationship between primary care, social prescribing, exercise referral and community physical activity. The programme contributes towards the Healthy Weight, Healthy Wales Strategy and Move More Eat Well strategy across Cardiff and the Vale of Glamorgan.
- Participated in Step Into Sport - an innovative project developed between Cardiff Met Sport and the Police & Crime Commissioner office. The programme diverts young people aged 11 to 18 away from youth justice services and into more positive opportunities via sport and physical activity. This year saw us manage over 90 referrals from across the city into the scheme.
- In partnership with Public Health Wales, Met Sport delivered the Move More community health programme which included the Falls Management Exercise Programme, National Exercise Referral programme and the Active Leisure Scheme. All programmes are targeted at encouraging older adults to move more and improve their physical and mental health.
- We have led on the development of Move More, the strategy for sport, physical activity and health in Cardiff, delivering a place based approach in Llanrumney and Riverside. We have worked across both communities to enhance learning and develop new opportunities to tackle inactivity and get people moving more.
- We administered the Club Capital Grants Scheme on behalf of Sport Wales, awarding £100,000 of funding for capital projects across Cardiff.
- The University partners with Cardiff Bus to provide the MetRider bus service. This is a subsidised service providing additional routes across the city for university students and the general public.
- The Centre for Entrepreneurship delivered a successful Changemaker programme attracting 20 students. This programme is designed to encourage and enable students to take action to tackle social and environmental challenges while building their graduate and employability skills.
- Via the UK Shared Prosperity Fund, the University is delivering training to enhance digital skills and education for over 1,000 individuals of all ages, specifically working in Blaenau Gwent, the Vale of Glamorgan, Neath Port Talbot and Powys. Led by Dr Fiona Carroll, Reader in Human Computer Interaction at Cardiff Met, the Digital Technology Learning Support Network (DTLSN) will aim to empower individuals in Wales and equip them with the essential skills and knowledge necessary in the digital age.

During the year, Welsh domiciled students of the University were able to access the Assembly Learning Grant and English domiciled students were able to access the Maintenance Grant; the University also offered its own bursaries. Various other schemes were also available to assist students to access higher education and the University administered a discretionary contingency fund for those who required financial support to continue their studies.

The University offered a wide range of accredited taster sessions at outreach centres and bespoke projects designed to raise the aspirations amongst disadvantaged/under-represented communities.

In common with other charitable higher education corporations in the UK, the University is overseen by a Board of Governors, the majority of whom are non-remunerated and otherwise independent of the University. The Board of Governors includes staff and student representation.

Independent auditors' report to the Governing Body of Cardiff Metropolitan University (the "university")

Report on the audit of the financial statements

Opinion

In our opinion, Cardiff Metropolitan University's group financial statements and University financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and the University's affairs as at 31 July 2024, and of the group's and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the consolidated and University Statements of Financial Position as at 31 July 2024; the consolidated and University Statements of Comprehensive Income and Expenditure, the consolidated and University Statements of Changes in Reserves for the year then ended and the consolidated Cash Flow Statement for the year then ended; 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 University's ability to continue as a going concern for a period of at least 12 months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Governing Body'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 University's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Governing Body 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 Governing Body 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.

Report of the Board of Governors

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Report of the Board of Governors 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 Governing Body for the financial statements

As explained more fully in The Board of Governors' Responsibilities in Respect of the Annual Report and the Financial Statements set out on page 45, the Governing Body 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 Governing Body 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 Governing Body is responsible for 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 the Governing Body either intends to liquidate the group and University 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 University/industry, we identified that the principal risks of non-compliance with laws and regulations related to UK health & safety and employment legislation together with the Higher Education Funding Council for Wales ('HEFCW') Financial Management Code, 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 and HEFCW Accounts Direction (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 the posting of inappropriate transactions designed to overstate the financial performance and/or position of the group or University.

Audit procedures performed included::

- Reviewing the minutes of meetings of those charged with governance and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Using computer based audit techniques to identify and test higher risk journal entries, in particular those we considered to have unusual account combinations;
- Reviewing the appropriateness of the assumptions used in estimating the valuation of the defined benefit pension scheme; and,
- Obtaining third party confirmations of all of the group's banking and financing arrangements.

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 University's Governing Body as a body in accordance with Article 9(1) of the University's Articles of Government and section 124B of the Education Reform Act 1988 as amended by section 71 of the Further and Higher Education Act 1992 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:

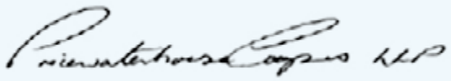
- the requirements of HEFCW's accounts direction have been met;
- funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by HEFCW have been applied in accordance with the Memorandum of Assurance and Accountability, the HEFCW Financial Management Code and any other terms and conditions attached to them; and
- funds provided by HEFCW have been used for the purposes for which they were received.

Sufficiency of accounting records and information and explanations received.

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

- sufficient accounting records have not been kept by the University; or
- the University 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 January 2025

The Board of Governors' Responsibilities in Respect of the Annual Report & the Financial Statements

In accordance with the Education Reform Act 1988 the Board of Governors are responsible for the effective and efficient use of resources, the solvency of the University and for safeguarding its assets. To this end, the Board is responsible for keeping adequate accounting records sufficient to show and explain the University's transactions and disclose the financial position of the University. It has responsibility for setting out the internal controls necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities which may occur.

Articles of Government and the Instrument of Government are the legal documents which govern the way Cardiff Met conducts itself and carries out its operation. These documents set out key responsibilities of the Board of Governors, Vice-Chancellor, and Academic Board, and the basis of which these responsibilities can be delegated, as well as procedural rules.

The Board has adopted a Statement of Primary Responsibility, as recommended by the Committee of University Chairs, which is published on the University's website. It sets out the primary responsibilities of the Board of Governors at Cardiff Met.

The Board is responsible for approving the Annual Budget, the Annual Financial Statements, and the Corporate Strategic Plan. The Board of Governors has established a Resources Committee which has delegated authority from the Board in relation to financial matters. However, the Board cannot delegate the approval of the Annual Budget or its principal responsibility for the solvency of the University. The President & Vice-Chancellor is the designated Accounting Officer for the University and is responsible to the Board for preparing annual budgets and financial statements and for the management of resources within those budgets. Except when provided to the contrary, the President & Vice-Chancellor may delegate functions in line with the Scheme of Delegation which is approved by the Board of Governors, but may not delegate ultimate responsibility and accountability, to other staff.

The Board is responsible for preparing the Annual Report and the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the Accounts Direction issued by HEFCW, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions (2019), the Charities Act 2011 and other relevant accounting standards.

The Board of Governors is required to prepare financial statements which give a true and fair view of the financial position of the Group and University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the financial statements, the university is required to:

- ensure suitable accounting policies are selected and consistently applied.
- that judgements and estimates are reasonable and prudent.
- state that applicable UK accounting standards and the Statement of Recommended Practice have been applied, subject to disclosure and explanation in the financial statements of any material departures.
- that the going concern basis of accounting is appropriate.

In addition, the Board is responsible for ensuring:

- funds from external sources, administered by the University for specific purposes have been properly managed and applied.
- income, has been applied in accordance with HEFCW's Financial Management Code.
- Funding Council grants have been applied in accordance with the terms and conditions attached to them and used for the purposes for which they were received.
- the University's resources and expenditure are secure and controlled, with economic, efficient, and effective management.
- the assets of the University are safeguarded to prevent and detect fraud and other irregularities.
- appropriate financial and management controls are in place to safeguard public and other funds.
- the University provides internal Financial Regulations defining delegated responsibilities, with clearly defined and formalised requirements for approval and control of expenditure, with investment decisions being subjected to detailed appraisal and review. Completes comprehensive planning, and budgeting processes, which integrate the preparation of annual income, expenditure, and capital budgets. Regular reviews of the performance of each of the University's planning and budgetary units are undertaken, including monthly reviews of financial results involving variance reporting and the updating of forecasts.

Statement of Principal Accounting Policies

1 | Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102; the Accounts Direction issued by the Higher Education Funding Council for Wales and the Charities Act 2011. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). The principal accounting policies have been applied consistently except as where described otherwise and are set out below.

2 | Basis of Consolidation

The consolidated financial statements include Cardiff Metropolitan University and its wholly owned subsidiary undertakings, Cardiff Met Company Ltd and Cardiff Metropolitan Education Services (Beijing) Ltd (ceased trading March 2024). In addition, the University holds a majority (55%) share interest in a spin out company Fovo Technology Ltd, the balance of the shares being held by two of the University's academics. This company's activity is also consolidated into these financial statements. The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or significant influence over policy decisions. Intra-group sales and profits are eliminated fully on consolidation.

3 | Going Concern

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

The operating outlook for the HE sector remains challenging. The University has prepared cash flow forecasts, including consideration of downside risks, for the going concern assessment period, being 12 months from the date of approval of these financial statements. The University meets its day to day working capital requirements through existing unrestricted cash balances which are adequate to meet liabilities as and when they fall due for the foreseeable future. The University anticipated that it will breach its banking covenants as measured for the year ended 31 July 2025 and has arranged variations to loan covenants for this measurement period with its two major lenders to mitigate against this. To ensure continued covenant compliance during 2025/2026 and provide financial headroom for decision making aligned with its long term strategic options, the University will during 2024/2025 continue to undertake a transformation programme to improve the efficiency of its operations through a series of targeted workstreams.

This transformation programme will realign the cost base to future income expectations through targeted cost reductions of circa £17m, thereby restoring profitability prior to the commencement of the 2025/2026 financial year. The University had strong liquidity going into the 2024/2025 financial year and is confident that it will continue to 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 and therefore have prepared the financial statements on a going concern basis.

4 | Income Recognition

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

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Income and Comprehensive Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount, income receivable is shown net of the discount. Fee scholarships are treated as a discount and are deducted from income.

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

a) Grant Funding

Grant funding including funding council grants; research grants from government sources; and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Consolidated Statement of Financial Position and released to income as the conditions are met.

b) Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds.

Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

Investment income and 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 restrictions applied to the individual endowment fund.

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

- Restricted donations - the donor has specified that the donation must be used for a particular objective;
- 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;
- Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital;
- 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.

c) Capital Grants

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

5 | Accounting for Retirement Benefits

The University operates three pension schemes for University staff: the Cardiff and Vale of Glamorgan Pension Fund (CVGPF), the Teachers' Pension Scheme (TPS) and the Universities' Superannuation Scheme (USS). The CVGPF and USS are funded schemes.

The CVGPF is valued every three years by a professionally qualified actuary using the projected unit method, the rate of contribution payable being determined by the Administering Authority on the advice of the actuary.

The TPS is subject to an actuarial valuation every five years by the Government Actuarial Department using the age entry method. The rate of contribution for the TPS is determined by the Teachers' Pension Agency on the advice of the actuary. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the surplus for the year in the Consolidated Statement of Comprehensive Income and Expenditure is equal to the contributions payable to the scheme for the year.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities attributable to the University at member level due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

However, in accordance with FRS102, a liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

a) Defined Contribution Plan
A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees. Given the nature of the TPS, contributions to that scheme are accounted for on this basis.

b) Defined Benefit Plan
Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. 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. The University does not anticipate being able to enjoy any refund, or any future reduction in contributions resulting from any reported surplus, and so has not recognised an asset in relation to this.

c) CVGPF – Local Government Scheme
The Cardiff and Vale of Glamorgan Pension Fund is a defined benefits scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Contributions are set every three years as a result of the actuarial valuation of the fund required by the regulations. The latest actuarial valuation of the fund was carried out as at 31 March 2022 and has set contributions for the period 1 April 2023 to 31 March 2026.

The actuary has completed calculations for pension accounting purposes based on the following items of data, which were received from the Cardiff and Vale of Glamorgan Pension Fund.

- The results of the valuation as at 31 March 2022, which was carried out for funding purposes and the results of the 31 July 2023 FRS102 report, which was carried out for accounting purposes.
- Estimated whole fund income and expenditure items for the period to 31 July 2023.
- Fund investment returns for the period to 30 April 2023 and market returns (estimated where necessary) thereafter for the period to 31 July 2023.
- Estimated fund income and expenditure in respect of the employer for the period to 31 July 2023.
- Details of any new early retirements for the period to 31 July 2023 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost; and
- Details of any settlements for the period to 31 July 2023.

The assets of the Fund are not segregated or separately allocated to employers within the fund. The asset balance included in the financial statements is therefore a notional allocation estimated by the actuary using the information referred to above. The allocation is rolled forward from that agreed when the employer was admitted to the Fund and is not recalculated at each triennial valuation.

6 | Employment Benefits

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

7 | 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.

8 | Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Consolidated Statement of Financial Position date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit. 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.

9 | Fixed Assets

a) Land and Buildings
Certain items of land and buildings that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation, less accumulated depreciation, and accumulated impairment losses.

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

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 of between 20 and 75 years.

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

b) Equipment
Equipment costing less than £10,000 per individual item is written off to the Consolidated Statement of Income and Expenditure in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated on a straight-line basis over its useful economic life of between three and ten years.

Equipment purchased for research projects is treated and depreciated on the same basis as other equipment expenditure.

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

c) Borrowing costs
Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

10 | Intangible Assets

Software development costs are capitalised and amortised on the straight-line basis over an estimated useful life of between five and ten years. Amortisation of such developments commences when brought into use.

Intellectual property: The Group is developing software technology relating to new ways of creating and interacting with digital images. Costs that are directly attributable to the design and testing of the technology are recognised as an intangible asset when the following criteria are met;

- It is technically feasible to complete the underlying software so that the technology will be available for use,
- Management intends to complete the development and to sell or licence the use of the technology,
- It can be demonstrated that the technology will generate probable future economic benefits at least equal in value to the Consolidated Statement of Financial Position carrying value,
- Adequate technical and financial resources to complete the development and to sell or licence the technology are available, and
- The expenditure attributable to the development of the technology can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intellectual property is amortised over its estimated useful life commencing at the date that development is complete, and the technology is available for sale or licensing.

11 | Investments

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

Investments in subsidiaries are carried at cost less impairment in the University's financial statements.

Current asset investments are held at on the Consolidated Statement of Financial Position at amortised cost less impairment.

12 | Stock

Stocks are stated at the lower of cost or net realisable value and is measured using an average cost formula.

13 | 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, with a notice period of three months or fewer, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

14 | Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the financial statements when:

- The University has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

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

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 uncertain 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 Consolidated Statement of Financial Position but are disclosed in the notes.

15 | Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011, it is therefore a charity within the meaning of Para 1 of schedule 6 to 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. No charge for taxation has been included in respect of the Subsidiary Companies' activities since the entire taxable profit of these companies is transferred to the University under the Gift Aid scheme.

Deferred tax is provided in full on timing differences which result in an obligation at the Consolidated Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

16 | Reserves

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

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

17 | Critical accounting judgements and estimation uncertainty

Pension schemes: assumptions used in the calculation of the USS and C&VPF pension deficit provisions represent a key accounting estimate based on the sensitivity of assumptions (note 19 and note 24).

Recoverability of Debtors: The University makes an estimate for the recoverable value of outstanding debt. In arriving at this value, the University considers the age profile of debts, knowledge of individual debtors and an assessment of prevailing economic conditions.

Current assets, key accounting estimates and assumptions: The Group considers whether its current assets are impaired. Where an indication of impairment is identified a provision against expected future write off is established.

Consolidated & University Statements of Comprehensive Income and Expenditure

year ended 31 July 2024

	Note	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	107,349	107,331	115,724	115,718
Funding body grants	2	9,761	9,761	10,859	10,859
Research grants and contracts	3	4,543	3,189	4,279	3,942
Other income	4	21,424	15,866	21,087	17,999
Investment income	5	1,765	1,765	1,273	1,273
Donations	6	18	11	12	2
Total income		**144,860**	**137,923**	**153,234**	**149,793**
Expenditure					
Staff costs	7	95,192	88,926	93,162	89,817
Other operating expenses		41,983	40,445	45,887	44,473
Depreciation	10	6,680	6,680	5,979	5,979
Interest and other finance costs	8	1,042	1,042	2,610	2,610
Total expenditure	**9**	**144,897**	**137,093**	**147,638**	**142,879**
(Deficit)/Surplus before exceptional costs		**(37)**	**830**	**5,596**	**6,914**
Impairments	11, 12, 14	(3,001)	(2,263)	-	(4,048)
(Deficit)/Surplus for the year		**(3,038)**	**(1,433)**	**5,596**	**2,866**
Actuarial gain in respect of pension schemes	24	370	370	46,330	46,330
Total comprehensive income/ (expense) for the year		**(2,668)**	**(1,063)**	**51,926**	**49,196**
Represented by:					
Unrestricted total comprehensive income/(expense) for the year attributable to the Group and University		(964)	(1,063)	51,926	49,196
		(964)	(1,063)	51,926	49,196
Deficit for the year attributable to:					
Non-controlling interest 45%		(1,704)	-	-	-
Total Comprehensive expense for the year attributable to:					
Non-controlling interest 45%		(1,704)	-	-	-

All items of income & expenditure relate to continuing activities.

Consolidated & University Statements of Changes in Reserves

year ended 31 July 2024

Consolidated	**Group**	**NCI**	**Total Reserves**
	£'000	**£'000**	£'000
Balance at 1 August 2022	136,433	(71)	136,362
Surplus for the year	5,624	(28)	5,596
Other comprehensive income	46,330	-	46,330
Total comprehensive income for the year	51,954	(28)	51,926
Balance at 31 July and 1 August 2023	188,387	(99)	188,288
Deficit for the year	(1,334)	(1,704)	(3,038)
Other comprehensive income	370	-	370
Total comprehensive income for the year	(964)	(1,704)	(2,668)
Balance at 31 July 2024	187,423	(1,803)	185,620

University	
Balance at 1 August 2022	
Surplus for the year	136,374
Other comprehensive income	2,866
Total comprehensive income for the year	46,330
Balance at 31 July and 1 August 2023	49,196
	185,570
Deficit for the year	(1,433)
Other comprehensive income	370
Total comprehensive expense for the year	(1,063)
Balance at 31 July 2024	184,507

All reserves are unrestricted

Consolidated & University Statements of Financial Position

year ended 31 July 2024

	Note	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Non-current assets					
Tangible assets	10	185,884	185,884	180,850	180,850
Intangible assets	11	-	-	2,403	-
Investment in subsidiaries	12	-	-	-	-
Current assets					
Stock	13	142	142	99	99
Trade and other receivables	14	9,643	8,604	13,203	13,045
Investments	15	1,853	1,853	45,046	45,046
Cash and cash equivalents	20	41,029	39,725	10,138	9,166
		52,667	50,324	68,486	67,356
Less: Creditors: amounts falling due within one year	16	(34,537)	(33,307)	(39,440)	(38,625)
Net current assets		18,130	17,017	29,046	28,731
Total assets less current liabilities		204,014	202,901	212,299	209,581
Creditors: amounts falling due after more than one year	17	(16,454)	(16,454)	(17,806)	(17,806)
Provisions					
Pension provisions	19	(1,940)	(1,940)	(6,205)	(6,205)
Total net assets		185,620	184,507	188,288	185,570
Unrestricted reserves					
Income and expenditure reserve		187,423	184,507	188,387	185,570
		(1,803)	-	(99)	-
Non controlling interest		187,423	184,507	188,387	185,570
Total reserves		185,620	184,507	188,288	185,570

The Financial Statements on pages 54 to 57 were approved by the Board of Governors on 29 January 2025 and signed on its behalf by:

John Taylor (CBE)
Chair of the Board of Governors

Professor Rachael Langford
President & Vice-Chancellor

Consolidated Cash Flow Statement

year ended 31 July 2024

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Cash flow from operating activities		
(Deficit)/Surplus for the year	(3,038)	5,596
Adjustment for non-cash items		
Depreciation	6,680	5,979
Impairment	3,001	
Increase in stock	(43)	(16)
Decrease/(Increase) in debtors	3,560	(2,147)
(Decrease)/Increase in creditors	(5,489)	50
Difference between pension charge and cash contributions	(3,960)	2,319
Adjustment for investing or financing activities		
Investment income	(1,765)	(1,273)
Interest payable	1,042	2,610
Capital grant income	(965)	(884)
Net cash (outflow)/inflow from operating activities	**(977)**	**12,234**
Cash flows from investing activities		
Capital Grants receipts	965	884
Redemption of investments	45,046	30,279
Investment income	1,765	1,273
Payments made to acquire fixed assets	(12,292)	(18,756)
Purchase of investments	(1,853)	(45,046)
Net cash inflow/(outflow) from investing activities	**33,631**	**(31,366)**
Cash flows from financing activities		
Interest paid	(977)	(1,062)
Repayments of amounts borrowed	(786)	(1,832)
Net cash outflow from financing activities	**(1,763)**	**(2,894)**
Increase/(Decrease) in cash and cash equivalents in the year	**30,891**	**(22,026)**
Cash and cash equivalents at beginning of the year	**10,138**	**32,164**
Cash and cash equivalents at end of the year	**41,029**	**10,138**
Increase/(Decrease) in cash and cash equivalents in the year	**30,891**	**(22,026)**

Consolidated Cash Flow Statement (continued)

year ended 31 July 2024

	Year ended 31 July 2024	Year ended 31 July 2023
Reconciliation of net cash flow to movement in net funds	£'000	£'000
Increase/(Decrease) in cash in the year	30,891	(22,026)
(Decrease)/Increase in investments	(43,193)	14,767
Repayments of amounts borrowed	786	1,832
Movement in net funds in the year	(11,516)	(5,427)
Net funds at 1 August	**36,433**	**41,860**
Net funds at 31 July	**24,917**	**36,433**

Notes to the Financial Statements

year ended 31 July 2024

1 Tuition fees and education contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Full-time home and EU students	69,602	69,602	68,415	68,415
Full-time & part time international students	25,837	25,837	35,191	35,191
Part-time home and EU students	1,534	1,534	1,739	1,739
Transnational education income	6,256	6,256	5,979	5,979
Education contracts with NHS & Coleg Cymraeg	3,765	3,765	3,875	3,875
Research training support grants	355	337	525	519
	107,349	**107,331**	**115,724**	**115,718**

2 Funding body grants

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Recurrent grant				
Higher Education Funding Council for Wales	8,162	8,162	6,515	6,515
Specific Grant Initiatives	1,599	1,599	4,344	4,344
	9,761	**9,761**	**10,859**	**10,859**

3 Research grants and contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Research councils	826	826	548	548
Research charities (UK and overseas)	390	364	182	172
Government (UK and overseas)	2,806	1,827	3,101	2,899
Industry and commerce (UK and overseas)	521	172	448	323
	4,543	**3,189**	**4,279**	**3,942**

4 Other income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Other services rendered	10,877	6,388	10,688	8,723
Residences operations	5,548	5,527	5,233	5,233
Catering and conferencing operations	2,572	2,316	2,234	1,927
Other EU grant income	249	249	344	344
Other operating income	2,178	1,386	2,588	1,772
	21,424	15,866	21,087	17,999

Included in the 'Other services rendered' figure above is an amount of £63k (2023: £67k) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world, supporting the government's Global Britain objectives.

5 Investment income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Other investment income	1,765	1,765	1,273	1,273
	1,765	1,765	1,273	1,273

6 Donations

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Donations	18	11	12	2
	18	11	12	2

7 Staff costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Salaries	76,633	71,580	70,171	67,443
Social security costs	7,922	7,443	7,490	7,247
Other pension costs	14,279	13,545	12,878	12,504
Movement on USS provision	(3,330)	(3,330)	(940)	(940)
CVGPF costs (below)/in excess of contributions	(312)	(312)	3,563	3,563
	95,192	88,926	93,162	89,817

	Year ended 31 July 2024	Year ended 31 July 2023
Average staff numbers by major category:	No.	No.
Academic	669	649
Administrative, support and projects	928	828
Technicians	32	29
Ancillary	60	68
	1,689	1,574

Emoluments of the Vice-Chancellor	VC from 01.02.2024 Year Ended 31 July 2024 £	VC until 31.01.2024 Year Ended 31 July 2024 £	VC until 31.01.2024 Year Ended 31 July 2023 £
Salary	130,000	145,084	268,476
Pension contributions	35,117	-	-
Payments in lieu of pension contributions	-	25,915	49,719
	165,117	170,999	318,195

Vice-Chancellor remuneration as a multiple of the median	VC from 01.02.2024 (pro-rated) Year ended 31 July 2024 University		VC until 31.01.2024 (pro-rated) Year ended 31 July 2024 University		Year ended 31 July 2023 University	
	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration
Vice-Chancellor	£260,000	£330,235	£290,168	£341,998	£268,476	£318,195
Median salary	£42,978	£43,587	£42,978	£43,587	£41,931	£42,647
Pay multiple	6.0	7.6	6.8	7.8	6.4	7.5

The median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University to its staff. Agency and atypical staff have been excluded from the above calculations, as full-time equivalent data is not available. During 2023-24 a new Vice-Chancellor was appointed. The figures for both the previous and the new Vice-Chancellor have ben pro-rated to a full-year equivalent. Further details on VC remuneration are set out in the Report from the Remuneration Committee on page 29.

Higher Paid Staff	Year ended 31 July 2024	Year ended 31 July 2023
	No.	No.
£100,000 to £104,999	3	4
£105,000 to £109,999	5	-
£110,000 to £114,999	1	2
£115,000 to £119,999	2	-
£120,000 to £124,999	1	1
£130,000 to £134,999	1	-
£140,000 to £144,999	1	2
£160,000 to £164,999	-	1
£165,000 to £169,999	-	1
£170,000 to £174,999	1	1
£175,000 to £179,999	1	-
	16	12

Payment of compensation for loss of office to higher paid staff was as follows;

	Year Ended 31 July 2024 £'000	Year Ended 31 July 2024 Number of staff	Year Ended 31 July 2023 £'000	Year Ended 31 July 2023 Number of staff
Higher paid staff: loss of office	25	1	103	1

The Key Management Personnel are the University's Executive Group. In 2023-24 the group comprised; the President & Vice-Chancellor, Deputy President & Vice-Chancellor, PVC (Research and Innovation), PVC (Student Engagement), Chief Officer (Resources), and the Secretary & Clerk to the Board of Governors.

Higher Paid Staff	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Key management personnel remuneration (excludes pension costs)	975	950

Due to the nature of the University's operations and the composition of the Board, it is inevitable that transactions will take place with organisations in which a Member of the Board or a senior member of staff may have an interest. The financial regulations require an individual to declare an interest and to withdraw from discussions should a conflict of interest potentially arise. Written assurances are obtained annually from all Governors and key personnel in respect of themselves and their close family. For the financial year to 31 July 2024 the returns state that there has been no undue influence between the University and related parties (as defined by FRS102).

8 Interest and other finance costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Loan interest	977	977	1,062	1,062
Net charge on pension scheme	65	65	1,548	1,548
	1,042	1,042	2,610	2,610

9 Analysis of total expenditure by activity

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Academic and related expenditure	85,025	86,759	80,991	81,302
Administration and central services	31,518	28,042	32,516	30,180
Premises (including service concession cost)	12,207	12,207	9,589	9,589
Residences, catering, and conferences	5,393	5,196	5,000	4,737
Research grants and contracts	3,914	1,448	2,978	2,832
Other expenses	6,840	3,441	16,567	14,242
HEFCW Covid-19 grant expenditure	-	-	(3)	(3)
	144,897	137,093	147,638	142,879
Other operating expenses include:	£'000	£'000	£'000	£'000
External independent auditors' remuneration in respect of audit services	89	60	94	58
External independent auditors' remuneration in respect of non-audit services	19	19	10	10

Included in the 'Administration and central services' figure above is an amount of £63k (2023: £67k) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world, supporting the government's Global Britain objectives.

10 Tangible Fixed Assets

		Freehold Land and Buildings	Fixtures, Fittings and Equipment	Total
	£'000	£'000	£'000	£'000
Consolidated				
Cost or valuation	At 1 August 2023	202,080	35,319	237,399
	Additions	5,847	5,867	11,714
	At 31 July 2024	207,927	41,186	249,113
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	135,659	41,186	176,845
	At 31 July 2024	207,927	41,186	249,113
Accumulated Depreciation	At 1 August 2023	35,228	21,321	56,549
	Charge for the year	3,082	3,598	6,680
	At 31 July 2024	38,310	24,919	63,229
Net book value	At 31 July 2024	169,617	16,267	185,884
	At 31 July 2023	166,852	13,998	180,850
University				
Cost or valuation	At 1 August 2023	202,080	35,031	237,111
	Additions	5,847	5,867	11,714
	At 31 July 2024	207,927	40,898	248,825
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	135,659	40,898	176,557
	At 31 July 2024	207,927	40,898	248,825
Accumulated Depreciation	At 1 August 2023	35,228	21,033	56,261
	Charge for the year	3,082	3,598	6,680
	At 31 July 2024	38,310	24,631	62,941
Net book value	At 31 July 2024	169,617	16,267	185,884
	At 31 July 2023	166,852	13,998	180,850

As at 31 July 2024, freehold land and buildings included £52.598m (2023: £52.598m) in respect of freehold land and is not depreciated.

11 Intangible Assets

	Consolidated	University
	£'000	£'000
Cost of Intellectual Property		
At 1 August 2022	1,834	-
Additions	569	-
At 31 July 2023	2,403	-
Cost of Intellectual Property		
At 1 August 2023	2,403	-
Additions	577	-
Impairment	(2,980)	-
At 31 July 2024	-	

The full amount of the intangible asset was impaired to nil during the year. This related to the intellectual property developed in Fovo Technology Ltd. The intangible impairment was included as an exceptional item in the Consolidated Statements of Comprehensive Income and Expenditure.

12 Investment in Subsidiaries

	University
	£'000
Cost or valuation and net book value	
At 1 August 2023	-
Additions	-
Impairment	-
At 31 July 2024	-
Cost or valuation and net book value	
At 1 August 2022	-
Additions	700
Impairment	(700)
At 31 July 2023	-

The investments represent shares in group undertakings (note 23).
During the financial year 2023/24 there were no additions or impairments.

13 Stock

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
General consumables (Catering & other)	142	142	99	99
	142	142	99	99

14 Trade and other receivables

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	5,203	4,811	8,900	8,531
Prepayments and accrued income	4,440	3,495	4,303	4,173
Amounts due from subsidiary companies	-	298	-	341
	9,643	8,604	13,203	13,045

During the year 2023/24 £2,263k relating to an intercompany balance was impaired to nil (2023: £3,348k).

15 Investments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Term deposits	-	-	24,548	24,548
Corporate Bonds	1,853	1,853	20,498	20,498
	1,853	1,853	45,046	45,046

16 Creditors: amounts falling due within one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Secured loans	102	102	102	102
Unsecured loans	1,850	1,850	1,284	1,284
Trade payables	4,848	4,968	6,234	6,380
Social security and other taxation payable	1,907	1,907	1,990	1,982
Accruals and deferred income	25,830	24,480	29,830	28,877
	34,537	33,307	39,440	38,625

17 Creditors: amounts falling due after more than one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Secured loans	204	204	306	306
Unsecured loans	16,250	16,250	17,500	17,500
	16,454	16,454	17,806	17,806
Analysis of secured and unsecured loans:				
Due within one year or on demand	1,952	1,952	1,386	1,386
Due between one and two years	1,352	1,352	1,352	1,352
Due between two and five years	3,252	3,252	3,954	3,954
Due in five years or more	11,850	11,850	12,500	12,500
Due after more than one year	16,454	16,454	17,806	17,806
Total secured and unsecured loans	18,406	18,406	19,192	19,192

18 Lender: secured and unsecured loans

		Amount as at 31 July 2024	Amount as at 31 July 2023	Repayable by	Interest	Borrower
		£'000	£'000			
NatWest	Secured loan	306	408	2027	Variable	University
Barclays	Unsecured loan	9,000	9,000	2038	5.10	University
Santander	Unsecured loan	9,100	9,750	2038	5.10	University
Salix	Unsecured loan	-	34	2024	0.00	University

19 Pension Provisions

	Obligation to fund deficit on USS Pension	Pension enhancement on termination	Defined Benefit Obligations (Note 24)	Total Pensions Provisions
	£'000	£'000	£'000	£'000
Consolidated and University				
At 1 August 2023	(3,255)	(2,200)	(750)	(6,205)
Utilised in year	359	320	-	679
Release/(addition) in year	2,896	(100)	420	3,216
Actuarial gain in year	-	40	11,240	11,280
Unrecognised asset	-	-	(10,910)	(10,910)
At 31 July 2024	**-**	**(1,940)**	**-**	**(1,940)**

USS deficit
The obligation to fund the past service deficit of the University's Superannuation Scheme (USS) arises from a contractual obligation to fund benefits arising from past performance. This obligation is reassessed every three years using the scheduled triennial valuation of the scheme. In reassessing the value of the required provision during the current year management has used the March 2023 valuation of the scheme. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.
The latest available actuarial valuation of the scheme at 31 July 2024 was the March 2023 valuation.

20 Cash and cash equivalents

	At 1 August 2023	Cash Flows	At 31 July 2023
	£'000	£'000	£'000
Consolidated			
Cash and cash equivalents	10,138	30,891	41,029
	10,138	30,891	41,029

	At 1 August 2022	Cash Flows	At 31 July 2023
	£'000	£'000	£'000
Consolidated			
Cash and cash equivalents	32,164	(22,026)	10,138
	32,164	(22,026)	10,138

21 Capital commitments

	At 31 July 2024		At 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Commitments contracted for	740	740	2,690	2,690
	740	740	2,690	2,690

22 Commitments under operating leases

At 31 July Cardiff Metropolitan University had future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£'000	£'000
Not later than 1 year	157	226
Later than 1 year and not later than 5	0	93
	157	319

23 Subsidiary undertakings

Company	Principal Activity	Status
Cardiff Metropolitan Company Ltd	Undertakes non primary purpose trading activities which are non-charitable.	100% owned
Cardiff Metropolitan Education Services (Beijing) Ltd	Holding company for China Wholly Foreign-Owned Enterprise. The WFOE ceased trading in 2024.	100% owned
Fovo Technology Ltd	Developing a new technology that improves the nature of visual experience.	55% owned

24 Pension Obligations

The University participates in three separate pension schemes, each of which has its own membership eligibility criteria. The three schemes are; the Cardiff & Vale of Glamorgan Pension Fund (CVGPF) (principally administration and support staff); the Teachers' Pension Scheme (TPS) (principally academic staff); and the Universities' Superannuation Scheme (USS) (a mixture of administrative and academic staff). All three schemes are defined-benefit schemes.

The contributions payable to the scheme were

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Contribution for TPS	**7,806**	6,641
Contribution for CVGPF	**5,715**	5,450
Contribution for USS	**758**	865
	14,279	12,956

The costs recognised within the University's staff costs for the year were

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Cost for TPS	**7,806**	6,641
Cost for CVGPF	**5,402**	8,935
Cost for USS	**(2,572)**	(75)
	10,636	15,501

Cardiff & Vale of Glamorgan Pension Fund (CVGPF)

CVGPF is a local government superannuation scheme. The most recent full actuarial valuation was carried out as at 31 March 2022 and has been updated by independent actuaries to the Cardiff & Vale of Glamorgan Pension Fund to take account of the requirements of FRS102 in order to assess the liabilities of the Fund as at 31 July 2024. The next triennial valuation of the fund is expected to be reported during December 2025.

The principal assumptions used for the purposes of FRS102 are as follows

	Year ended 31 July 2024	Year ended 31 July 2023	Year ended 31 July 2022
Discount rate	**5.0%**	4.9%	3.4%
CPI inflation	**2.6%**	2.6%	2.5%
Rate of increase to pensions in payment	**2.6%**	2.6%	2.5%
Rate of revaluation of pension accounts	**2.6%**	2.6%	2.5%
Rate of increase in deferred pensions	**2.6%**	2.6%	2.5%
Rate of general increase in salaries	**3.6%**	3.6%	3.5%

Mortality assumption

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	Year ended 31 July 2024	Year ended 31 July 2023	Year ended 31 July 2022
Assumed life expectancy at 65 years			
- retiring today male / female	**21.8 / 24.1**	22.0 / 24.2	22.1 / 24.6
- retiring in 20 years male / female	**22.1 / 24.9**	22.6 / 25.3	23.2 / 26.0

Asset Allocation	Value at 31 July 2024	Value at 31 July 2023
Equities	**68.1%**	68.1%
Property	**6.0%**	7.0%
Government bonds	**7.9%**	8.8%
Corporate bonds	**7.0%**	7.5%
Multi Asset Credit	**5.2%**	5.3%
Cash	**4.1%**	3.3%
Other	**1.7%**	0.0%
Total	**100.0%**	100.0%

Amounts recognised in income statement

	Year ended 31 July 2024		Year ended 31 July 2023	
	£'000		£'000	
	Funded	**Unfunded**	Funded	Unfunded
Operating cost				
- current service cost	**5,510**	**-**	9,020	-
- past service cost	**10**	**-**	-	-
Financing Cost				
- interest on net defined benefit liability	**(110)**	**100**	1,330	80
Pension expense recognised in income statement	**5,410**	**100**	10,350	80

Changes to the fair value of assets

	2024		2023	
	£'000		£'000	
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**153,580**	**-**	141,620	-
Interest income on assets	**5,540**	**-**	4,900	-
Remeasurement gains/(losses) on assets	**6,900**	**-**	2,250	-
Contributions by the employer	**5,830**	**320**	5,450	310
Contributions by participants	**2,430**	**-**	2,170	-
Net benefits paid out	**(3,850)**	**(320)**	(2,810)	(310)
Closing value	**170,430**	**-**	153,580	-

Changes to the present value of the defined benefit obligation

	2024		2023	
	£'000		£'000	
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**154,330**	**2,200**	183,610	2,620
Current service cost	**5,510**	**-**	9,020	-
Interest expense on defined benefit obligation	**7,530**	**100**	6,230	80
Contributions by participants	**2,430**	**-**	2,170	-
Actuarial (gains) on liabilities	**(4,340)**	**(40)**	(43,890)	(190)
Net benefits paid out	**(3,850)**	**(320)**	(2,810)	(310)
Past service cost/curtailment	**10**	**-**	-	-
Closing value	**161,620**	**1,940**	154,330	2,200

Reconciliation of funded status to Consolidated Statement of Financial Position

	At 31 July 2024		At 31 July 2023	
	£'000		£'000	
	Funded	Unfunded	Funded	Unfunded
Fair value of assets	**170,430**	**-**	153,580	-
Present value of defined benefit obligation	**(161,620)**	**(1,940)**	(154,330)	(2,200)
Funded Status	**8,810**	**(1,940)**	(750)	(2,200)
Unrecognised asset	**(8,810)**	**-**	-	-
Asset/(Liability)	**-**	**(1,940)**	(750)	(2,200)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme took place, in line with directions issued by HM Treasury and using membership data, as at 31 March 2020. As a result of this valuation, TPS employer contributions rose by 5 percentage points to 28.68%, effective 01 April 2024, from 23.68% at the 2016 valuation.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The Government's remedy to address this discrimination against younger members of such pension schemes (The Mccloud remedy) came into effect for the TPS from 1 October 2023 and include provision for the cost of this remedy.

The latest valuation of the Teachers' Pension Scheme took place, in line with directions issued by HM Treasury and using membership data, as at 31 March 2020. As a result of this valuation, TPS employer contributions rose by 5 percentage points to 28.68%, effective 01 April 2024, from 23.68% at the 2016 valuation.

Universities' Superannuation Scheme

The University participates in the Universities' Superannuation Scheme. The Scheme is a hybrid pension scheme which provides benefits based on final pensionable salary for Final Salary members until 2016 (closed to new entrants in 2011); Career Revalued Benefits (CRB) up to an indexed salary threshold for new entrants since 2011 and for Final Salary members since 2016; and defined contribution benefits above the same salary threshold and for members wishing to make additional contributions.

The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. As a result, the University is exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a wholly defined-contribution scheme. The amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme for the year. A liability is also recorded within provisions for any contractual commitment to fund past deficits within the scheme. Movements in this provision can also give rise to charges to the Consolidated Statement of Comprehensive Income and Expenditure as shown in note 19 above.

The appointment of directors to the board of trustees is determined by the Company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board.

Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation for the scheme was completed on 20 December 2023, valuing the assets and technical provisions as at 31 March 2023 (the valuation date). The 2023 valuation was the seventh valuation 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.

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 because the scheme was in surplus

on a technical provisions' basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

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

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

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

The key financial assumptions used in the 2023 valuation are described below

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

RPI/CPI gap
1.0% p.a. to 2030, reducing to 0.1%p.a. from 2030

Pension increases (subject to a floor of 0%)
Benefits with no cap: CPI assumption plus 3bps

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

Discount rate (forward rates)
Fixed interest gilt yield curve plus:
Pre-retirement: 2.5% p.a.
Post retirement: 0.9% p.a.

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

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

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

The current life expectancies on retirement at age 65 are:

	Retiring today male/(female)	Retiring in 20 years male/female)
Year ended 31 July 24	**23.7 (25.6)**	**25.4 (27.2)**
Year ended 31 July 23	24.0 (25.6)	26.0 (27.4)

Creditor Balances

Cardiff Metropolitan University's balances as at 31 July for each scheme are as follows:

	2024	2023
	£'000	£'000
TPS	987	838
CVGPF	683	648
USS	75	108
	1,745	1,594

US Federal Loans – Supplementary Schedule

25 Conversion to US GAAP format

This schedule has been compiled from the Section 3 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations.

Line	Statement of Financial Position	2023-24	2022-23
		£'000	£'000
1	Cash and cash equivalents	42,882	55,184
2	Accounts receivable, net	5,203	8,900
3	Other debtors and Prepaid expenses	4,440	4,303
4	Related party receivables	-	-
5	Contributions receivable, net	-	-
6	Student loans receivable, net	-	-
7	Investments in subsidiaries	-	-
8	Property, plant and equipment, net (includes Investment property & Heritage assets)	185,884	180,850
9	Lease right-of-use asset, net	-	-
10	Goodwill	-	-
	Other intangible assets	-	2,403
11	Inventories	142	99
12	**Total assets**	**238,551**	**251,739**
13	Line of credit - short term	-	-
14	Line of credit - short term for CIP	-	-
15	Accrued expenses/Accounts payable	6,755	8,224
16	Accruals and Deferred revenue	25,830	29,830
17	Post-employment and pension liability	1,940	6,205
18	Line of credit - operating	-	-
19	Other liabilities	-	-
20	Notes payable	-	-
21	Lease right-of-use asset liability	-	-
22	Line of credit for long term purposes	18,406	19,192
23	**Total liabilities**	**52,931**	**63,451**
24	Net assets without donor restrictions	185,620	188,288
	Net Assets with Donor Restrictions		
25	Annuities	-	-
26	Term endowments	-	-
27	Life income funds	-	-

Line	Statement of Financial Position	2023-24	2022-23
		£'000	£'000
28	Other restricted by purpose and time	-	
29	Restricted in perpetuity	-	-
30	Total Net Assets with Donor Restrictions	-	-
31	**Total Net Assets**	**185,620**	**188,288**
32	**Total Liabilities and Net Assets**	**238,551**	**251,739**
	Changes in Net Assets Without Donor Restrictions		
	Operating Revenue and Other Additions		
33	Tuition and fees, net	107,349	115,724
34	Funding body income	9,761	10,859
35	Investment return appropriated for spending	1,765	1,273
36	Other income	21,442	21,099
37	Research income	4,543	4,279
38	**Total Operating Revenue and Other Additions**	**144,860**	**153,234**
	Operating Expenses and Other Deductions		
39	Education and research expenses	137,175	139,049
40	Depreciation and Amortization	6,680	5,979
41	Interest expense	1,042	2,610
42	Auxiliary enterprises	-	-
43	**Total Operating Expenses**	**144,897**	**147,638**
44	**Changes in Net Assets from Operations**	**(37)**	**5,596**
	Non-Operating changes		
45	Investments, net of annual spending, gain (loss)	-	-
46	Other components of net periodic pension costs	370	46,330
47	Pension-related changes other than net periodic pension costs	-	-
48	Change in value of split-interest agreements	-	-
49	Other gains (losses)	(3,001)	-
50	Sale of fixed assets, gains (losses)	-	-
	Taxation	-	-
	Total Non-Operating Changes	**(2,631)**	**46,330**
51	**Total Change in Net Assets**	**(2,668)**	**51,926**
	Change in Net Assets with Donor Restrictions		
52	Contributions	-	-
53	Net assets released from restriction	-	-
54	Change in Net Assets with Donor Restrictions	-	-
55	Change in Net Assets without restrictions	(2,668)	51,926
56	Net Assets, Beginning of Year	188,288	136,362
57	Net Assets, End of Year	185,620	188,288
Note for Line 9 - Lease right-of-use assets			
A	Lease right-of-use assets - pre-implementation	-	-
B	Lease right-of-use assets - post-implementation	-	-
	Total	-	-
Note for Line 21 - Lease right-of-use asset liability			
A	Lease right-of-use asset liability - pre-implementation	-	-
B	Lease right-of-use asset liability - post-implementation	-	-
	Total	-	-
Note for Line 8 - Net Property, Plant and Equipment			
A	Pre-implementation Property, Plant and Equipment	174,170	162,663
B	Post-implementation Property, Plant and Equipment purchased with debt	-	-
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Const'n in P'gress	-	-
D	Post-implementation Property, Plant and Equipment - no debt	-	-
	Total	**174,170**	**162,663**
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less and depreciation or disposals		
B	This is the balance of assets purchased after the implementation of the regulations that was purchased by obtaining debt		
C	Asset value of the Construction work in progress		
D	Post-implementation Property, Plant and Equipment with no outstanding debt		
Note for Line 14,20 and 22 - Long-term debt for long term purposes			
A	Pre-implementation Long-term Debt	18,406	19,192
B	Allowable Post-Implementation Long-term Debt:		
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Construction in progress - debt	-	-
D	Long-term debt not for the purchase of Property, Plant and Equipment or liability greater than assets value	-	-
	Total	**18,406**	**19,192**

Line	Statement of Financial Position	2023-24	2022-23
		£'000	£'000
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less in repayments		
B	This is the lesser of actual outstanding debt or each asset value or the value of the asset		
C	All debt associated with Construction in progress up to the asset value for construction in process is included		
D	Long-term debt not for the purchase of Property, Plant and Equipment		

Supplementary schedule - Sterling £ '000		2023-24	2022-23
This schedule has been compiled from the Section 2 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations			
Lines	**Expendable Net Assets**		
24	Net assets without donor restrictions	185,620	188,288
30	Net assets with donor restrictions	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
8	Property, plant and equipment, net (includes Construction in progress)	185,884	180,850
FS Note line 8A	Property, plant and equipment - pre-implementation	174,170	162,663
FS Note line 8B	Property, plant and equipment - post-implementation with outstanding debt for original purchase	0	0
FS Note line 8D	Property, plant and equipment - post-implementation without outstanding debt for original purchase	0	0
FS Note line 8C	Construction in progress	0	0
9	Lease right-of-use asset, net	0	0
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0
M9 Note Leases	Lease right-of-use asset post-implementation	0	0
10	Intangible assets	0	0
10	Intangible assets	0	2,403
17	Post-employment and pension liabilities	1,940	6,205
14,20,22	Long-term debt - for long term purposes	18,406	19,192
M24, 20, 22, Note Debt A	Long-term debt - for long term purposes pre-implementation	18,406	19,192
M24, 20, 22, Note Debt B	Long-term debt - for long term purposes post-implementation	0	0
M24, 20, 22, Note Debt C	Line of Credit for Construction in process	0	0

Line	Statement of Financial Position	2023-24	2022-23
		£'000	£'000
21	Lease right-of-use asset liability	0	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
Line 21 Note Leases	Post-implementation right-of-use leases	0	0
25	Annuities with donor restrictions	0	0
26	Term endowments with donor restrictions	0	0
27	Life income funds with donor restrictions	0	0
29	Net assets with donor restrictions: restricted in perpetuity	0	0
	Total Expenses and Losses		
43	Total expenses without donor restrictions - taken directly from Statement of Activities	144,897	147,638
(35), 45, 46, 47, 48, 49	Non-Operating and Net Investment (loss)	866	(47,603)
(35), 45	Net investment losses	(1,765)	(1,273)
47	Pension-related changes other than net periodic costs	0	0

Modified Net Assets			
24	Net assets without donor restrictions	185,620	188,288
30	Net assets with donor restrictions	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Modified Assets		
12	Total Assets	238,551	251,739
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Net Income Ratio		
55	Change in Net Assets Without Donor Restrictions	(2,668)	51,926
38, (35), 50	**Total Revenue and Gains**	**143,095**	**151,961**

Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd

Charity Name:
Cardiff Metropolitan University

Charity Registration Number:
1140762

Registered Office:
Maritime House
Llandaff Campus
Cardiff
CF5 2YB

cardiffmet.ac.uk

CARDIFF METROPOLITAN UNIVERSITY

England & Wales - Charity number 1140762

Accounts

Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd

Annual Report & Financial Statements 2022-2023



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Introduction from the Chair of the Board of Governors

It has been a privilege to be Chair of the Board of Governors over the last year. On behalf of the Board of Governors, I would like to thank the Vice Chancellor, staff and students for their continued energy, dedication, and hard work. It's been a year where clear progress has been achieved.

I was very pleased that the University was awarded the People and Planet 'Number 1 UK University for Sustainability' in December 2022. This highlighted the sustained progress that we have achieved – building upon our success in winning the Times Higher Education 'UK and Ireland University of the Year' title in December 2021. Winning the sustainability award this year clearly resonated with the values of the University and its students and staff.

In December 2022 the University officially launched its new strategic plan 'Strategy 2030' which set out how we will fully achieve our ambition of becoming established as a distinctive and progressive high performing university - with strong vision and values, and high-performance culture firmly in place. Over the course of the year, the University developed and approved Thematic Strategies in support of Strategy 2030 (covering: Learning, Teaching and Student Engagement; Research and Innovation; Global Engagement; and Civic Mission) and Four Enabling Strategies (covering: People; Finance; Estate; and Digital). With accompanying Measures of Success, the University has ambitious, clear, and coherent plans in place to achieve future success.

In view of the challenges caused by high inflation in the UK it was pleasing to see the University achieve good financial growth and sustainability for the year. The University's turnover increased by £16m to £153m, our accounting surplus was £5.6m, and our cash surplus was £16m. The University also achieved good levels of cash on deposit of £55m that can be used for our future growth and investment plans. Further details are included in the Financial Statements for the year.

The University is now well-placed to support our ambitious estate redevelopment plans for both Llandaff and Cyncoed Campuses. Through the Campus 2030 Programme Board our strategic work on the development of our estate masterplan was positively taken forward. The masterplan will transform our campuses to deliver outstanding teaching, research, sporting, living and social spaces for students and staff.



The University achieved the required growth in student numbers for September 2022 and January 2023 intakes across a range of domiciles, modes, and levels. This was reflective of the growing reputation of the University and the attractiveness of a variety of new and innovative programmes on offer. The Board of Governors recognises that the student recruitment market is increasingly competitive, challenging and sometimes volatile, and that continued year-on-year growth cannot always be achieved.

The University also made positive progress in its NSS results and Graduate Outcomes results for the year. Our Board of Governors recognises the importance of the 'student experience' at the University and the improved outcomes for those entering the job market or further study.

The Board of Governors was kept regularly informed of developments by Welsh Government to establish the Commission for Tertiary Education and Research. Whilst there are notable challenges to Welsh higher education funding, the University will continue to work positively and constructively with Welsh Government, the new Commission, and the wider sector. We also want to ensure that the emphasis on 'Learner Voice' and 'Civic Mission' are more fully articulated by the Commission and that appropriate arrangements are then put in place by the University.

The Board of Governors agreed proposals to revise its committee structure to ensure that the University's governance arrangements are aligned to the delivery of the new strategy and that Board members provide maximum added value. Our new committee structure will be introduced in early 2024 and will include a new People, Health and Wellbeing Committee. Our new Committee will have the key task of looking at how we are developing our culture across the University and how good health and wellbeing for students and staff can be supported in what are pressurised times with the cost-of-living and other challenges.

The Board of Governors also implemented the final recommendations of the Wales Governance Review and related Charter and our own Board Effectiveness Review. This included introducing our own Governors' Equality, Diversity and Inclusion Plan during the year to promote and achieve greater diversity in Board membership.

The Board of Governors also initiated the search and selection process for the recruitment of a new President and Vice Chancellor following the announcement that Professor Cara Aitchison intended to retire from her role in January 2024. We would like to place on record our thanks to Cara for her energy, passion, and commitment since joining the University in 2016. Board members also provided knowledge and experience in participating in the recruitment of key senior posts within the University in the year – including three professional services Director posts.

I would like to thank both past and present members of the Board of Governors and its various committees for their commitment and contribution to the University. The Board of Governors has continued to provide committed support for the University's aims and ambitions and has ensured that appropriate governance and scrutiny arrangements are in place.

There will undoubtedly be difficult times ahead for the entire higher education sector, but I am confident that the University will cope with the challenges successfully and continue with our impressive development.

John Taylor (CBE)
Chair of the Board of Governors
29th November 2023

Introduction from the President and Vice-Chancellor

Successful universities are characterised by their talent, resources, leadership and partnerships. Cardiff Met, its staff and students have these characteristics in abundance and, throughout the last year, utilised this wealth to deliver our strategy of diversification, growth and improvement, doing so with purpose, impact and compassion.

Our university's reach and impact are enhanced by our values of creativity, innovation, inclusivity and trust, supported by our behaviours of leadership, courage, accountability and agility. Together, these values and behaviours underpin our purpose and are exemplified to great effect across the University's endeavours and outcomes in 2022/23.

Following the award of the Times Higher Education 'UK and Ireland University of the Year 2021' title in December 2021, Cardiff Met was awarded the People and Planet Green League 'Number 1 UK University for Sustainability' in December 2022. This award recognised Cardiff Met as a leader in ethical and environmental sustainability and was made following the university's implementation of a wide range of sustainability initiatives and the prioritisation, in our Strategy 2030, of becoming a Net Zero University.

Our ethical underpinning was also signalled with the University's reaccreditation, in January 2023, as a University of Sanctuary by City of Sanctuary UK, after becoming Wales' first University of Sanctuary in 2018. In receiving this award, the University was commended on the provision that makes Cardiff Met a place of sanctuary, alongside the work we undertake for scholars and academics at risk, including our partnership with the Council for At-Risk Academics, whose Executive Director, Stephen Wordsworth LVO CMG, became our Chancellor in 2021.

These partnerships and initiatives have been made possible because of Cardiff Met's international outlook as a university that serves both Wales and the wider world with students from over 130 countries. In both September 2022 and January 2023, the University welcomed its largest ever intakes of international students, with Cardiff-based international students forming 23% of the total of almost 13,000 on-campus students. A further 13,000 international students were enrolled on Cardiff Met degree programmes at our 13 partner colleges in 13 countries around the world, including in nations affected by international conflict. Throughout the year staff and students continued to support the provision of education and research at our twin university in Ukraine, Skovoroda National Pedagogic University in Kharkiv, and we welcomed regional and national Ukrainian athletes and gymnasts to our Cyncoed Campus to train for international competitions. Helping to rebuild post-conflict societies, staff and students from our Initial Teacher



Education programmes also helped to build a school in Rwanda following significant fund-raising initiatives.

Increases in student recruitment resulted in the University's highest ever annual turnover of £153m, enabling the generation of a surplus of over £16m, which followed surpluses of over £19.5m in 2021/22 and over £18m in 2020/21.

A strong financial base enabled further investment in Cardiff School of Technologies which launched in 2018 with a range of undergraduate, postgraduate and degree apprenticeship programmes designed to meet student demand and employer need. Education and research in robotics and AI have developed rapidly with strengths in 'service robotics', including collaborative research partnerships designing robots for hospitals and health care settings in Wales and Malaysia. With over 140 robots, the School of Technologies has also now developed an extensive interactive programme of STEM outreach sessions in schools exemplifying colleagues' commitment to widening access to higher education, upskilling industry and employees across Wales, and advancing research and innovation internationally.

The University's research impact was seen in work undertaken across both the Llandaff and Cyncoed Campuses and across all five of the University's Schools, with much of our research developing inter-disciplinary solutions in tackling some of society's more entrenched problems.

In Cardiff School of Art and Design, for example, designers worked with health scientists to improve the quality of life for people with advanced dementia by creating and evaluating the efficacy of objects designed for playfulness, creativity, and touch. These include the innovative HUG™, commercialised via a spin-out company and purchased by the NHS and other care providers following its recognised contribution to increased functional and cognitive ability in 87% of patients involved in trials.

In Cardiff School of Management students and staff continue to develop entrepreneurial initiatives including the Circular Economy Innovation Communities (CEIC) programme which has brought together organisations from across Wales to implement crucial Circular Economy principles and establish collaborative innovation networks to build a more sustainable future. The CEIC programme has supported 45 public and third sector organisations across the Cardiff Capital Region, with over 80 participants working on 17 challenges. Examples of the challenges include retrofitting social housing, accessing land for community growing, repurposing cardboard in the NHS and developing an AI bot to support procurement activity.

In Cardiff School of Sport and Health Sciences colleagues continued to run Stroke Hub Wales and became the first Welsh university in almost 30 years to be awarded Project Grant funding from the Stroke Association to conduct research which aims to provide critical insights into stroke prevention and treatment by analysing biomarkers following a patient's first 'mini-stroke'. This project is an excellent example of collaboration between higher education, the NHS and third sector partners in research that has the potential to have a critical impact on patient care, benefitting the population of Wales and beyond. Commercial sector partnerships continued to be developed and supported by our multi-disciplinary team supporting the generation of new products and new jobs in the Welsh food and drink sector.

In Cardiff School of Education and Social Policy our Diversity and Anti-Racist Professional Learning (DARPL) project was identified by Welsh Government as being 'crucial to delivering the Curriculum for Wales and achieving high standards and aspirations for all' as we work collectively towards an anti-racist Wales by 2030 within the Welsh Government's Anti-Racist Wales Action Plan. The team leading this project was also nominated for a Times Higher Education Award 2022 in the category of Equity, Diversity and Inclusion; this work will continue to be a strategic priority for the University as we develop our submission for the Race Equality Charter mark and embed it within our Strategic Equality Plan.

Students and staff from across the University have contributed to our 'Open Campus' programme which provided physical activity, sport, health and wellbeing opportunities for over 9,000 school children from across Cardiff last year, widening opportunities and raising aspirations. This community-based method of education has been central to Cardiff Met's civic mission and over 1,000 students delivered activities through Open Campus, engaging with 41 schools, 24 of which were in lower socio-economic areas. In addition, almost 600 on-campus and community-based placements were provided for students, helping to improve graduate prospects across the University to over 77%, 3% above the Welsh average.

In performance sport we saw national and international successes over the course of the year, including one of our students captaining the Welsh women's rugby team at the Rugby World Cup in October 2022 alongside another student being part of the coaching team for the Rugby 7s Deaf World Cup in Argentina. Our Men's cricket team was crowned BUCS National Champions and we saw many of our alumni achieve sporting successes, including a gold medal for Rosie Eccles in Boxing at the 2022 Birmingham Commonwealth Games and success in the 2022 British Athletics Championships with a gold medal for Adele Nicoll in the shot put. I am delighted to report that Cardiff Met has now become Commonwealth Games Wales' Team Wales Higher Education Partner, to develop sport research, technology and digital media, women in sport leadership, student placements and a range of programmes focussed on schools and communities across Wales. The University has also now become the Welsh Rugby Union East Wales Women and Girls Rugby Development Centre; this adds to our selection as one of only four UK centres for Premier Women's Wheelchair basketball the previous year.

Our global outlook, international partnerships and sport connect us to the wider world while reminding us that we are rooted in and for Wales. This last year saw a further increase in the number of students studying through the medium of Welsh with 276 students studying at least 40 credits (a third) of their modules through the medium of Welsh.

As we look to the future, Cardiff Met's staff and students are well-placed to address the social, cultural, economic, and environmental challenges faced by Wales and the wider world. We look to collaborate further with governments, business, industry and the third sector to address the under-funding of higher education, research and innovation, the cost of living crisis, the legacy of both Brexit and the Covid pandemic, and the continuing conflicts around the globe. Within the university we value our partnerships with the Students' Union and our two recognised Trades Unions, UCU and Unison; it is weaving the golden thread of partnership through all that we do that makes us OneCardiffMet.

I would like to conclude by thanking our partners for putting their trust in Cardiff Met and by thanking our staff for their tremendous hard work in a very challenging economic climate. My colleagues' commitment to Cardiff Met is unwavering and their endeavours over this last year have, as always, been undertaken with the values, purpose, impact and compassion I have come to respect and admire since 2016 when it became my privilege to serve as President and Vice-Chancellor of this great University.

Professor Cara Aitchison
President and Vice-Chancellor
29th November 2023

Key Facts & Figures

Financial Performance

Operating accounting surplus	£6m
Operating accounting surplus as % income	4%
Operational cash surplus	£16m
Long term debt at % income	12%

2023 rounded to the nearest £m or %

Student Numbers

Postgraduates	4,132
Undergraduates	8,338
Overseas students	22%

Cardiff Met HESA data 2021-22
HESA data 2022-23 unavailable prior to sign-off

Staffing

Total staff	1,523
Academic staff	586

FTE 2022-23

Student Experience

Student Crowd Awards

- Rated 29 out of 140 universities.
- NSS 73 per cent July 2023
- NSS The question 'How good are teaching staff at explaining things?' achieved 89 per cent satisfaction levels July 2023.

Research

Research Excellence Framework 2021 submission

- Results showed that 70% of our overall submission was judged to be either Internationally Excellent or World Leading.

PRES

- Cardiff Met achieved an excellent result in the Advance-HE Postgraduate Research Experience Survey (PRES), with a general satisfaction rate of 90%. This places the University 2nd out of the 58 Higher Education Institutes that took part, 10% above the HEI average. It is the 3rd year in a row that Cardiff Met has been ranked in the top three for general satisfaction 2022-23.

Employability

- Cardiff Met is ranked eighth in the UK for graduate employability and student life by the Uni Compare University Rankings 2023.

Sustainability

- People & Planet green league – ranked best university in the UK for sustainability 2022.

UK Rankings

- 71st in the Complete Uni Guide League Table 2024
- 73rd in the Guardian Good Uni Guide 2023.

World Rankings

The World University Rankings

- Cardiff Met ranked 1201-1500th 2024

QS World University Rankings 2023

- Ranked 101-140 for Sports related subjects
- Ranked 151-160 for Hospitality and Leisure Management.

Strategy & Performance

Cardiff Met Strategy 2030: Excellent to Outstanding

Strategy 2030 maintains the momentum established over the last five years so Cardiff Met can fully achieve its ambition of becoming established as a distinctive and progressive high-performing university with a strong reputation, sustainable finances, innovative professional partnerships and significant local, national and global reach and impact.

Strategy 2030 builds on the sense of purpose, professionalism and aspiration developed by the successful strategy launched in 2017. Strategy 2030 will further the institution's focus on values, outstanding learning experiences that equip students for life, and research and innovation with purposeful impact and global reach. We will respond to student demand and employer need to address major local, national and global challenges, as we rebuild our economy and society following the pandemic, while improving the reputation and financial stability of the University and strengthening our reach and impact.

Our Vision

Cardiff Met is a progressive university. We work with purpose, impact and compassion and always in partnership. We make economies more prosperous, societies fairer, cultures richer, environments greener and communities healthier. In partnership with our students, staff and stakeholders we transform individual lives in Wales and the wider world through high-quality, high impact education informed by our cutting-edge research and innovation.

Developed following the award of the title of Times Higher Education 'UK and Ireland University of the Year 2021', Strategy 2030 outlines how we will continue to grow, diversify and improve, aiming to secure our place in the top 50 UK universities by 2030 and enter and climb the QS world ranking which is the key to sustainable high-quality international recruitment. Our reputational enhancement will make Cardiff Met a university of first choice for students studying and academics researching in the fields of:

- art and design
- business and management
- education and public services
- sport and health sciences
- technologies and engineering
- environment and sustainability

Our partnerships extend from our university campuses in Cardiff to further education, business, industry, charities, government and communities throughout Wales and the UK. Our global education partners provide high-quality degrees across the world, while our international research collaborations are working to solve some of the most entrenched global challenges. Such research includes:

- Improving life quality for people with advanced dementia through the award-winning HUG™ therapeutic device,

manufactured and distributed via a spinout company supported by the UK Alzheimer's Society and prescribed on the NHS.

- Reducing the impact of diabetes in Mauritius where our research underpinned a national diabetic foot screening programme which will contribute to saving more than 2,100 lives by 2029.
- Research on the prevention of head injuries in international cricket and rugby - leading to a new British Standard for Head Protectors adopted by all 104 cricketing nations and a mandatory WRU Concussion Education Programme for players, coaches, and referees.

We will develop our international relationships, cultural diplomacy and soft power with our thought leadership and actions as a University of Sanctuary playing a key role in establishing Wales as a Nation of Sanctuary.

We embody a high-performance culture with a low carbon footprint, changing the world while becoming a net zero carbon university across our campuses by 2030.

Thematic Strategies

There are four thematic elements to Strategy 2030:

Learning, Teaching & Student Engagement

Provide an innovative educational environment to support students in achieving personal and professional ambitions, by identifying and linking their learning from both curricular and co-curricular activities.

Global Engagement

Strengthen global engagement across the breadth of university activities so they deliver with purpose, impact and compassion.



Research & Innovation

Cultivate our research and innovation portfolio by building capacity, enhancing our research environment, improving the quality, intensity, reach and impact of our research and innovation outputs.

Civic Mission

Extend our civic mission activity, building on our current work to enrich the economic, social, environmental and cultural wellbeing of Wales.

Learning, Teaching and Student Engagement Strategy

This thematic strategy positions student wellbeing at the forefront of all that we do, working within a curriculum that builds on our previous success in embedding the Cardiff Met EDGE - Ethical, Digital, Global and Entrepreneurial skills which develop confidence, resilience and experiences- extended through a greater emphasis on sustainability and equity.

There are four principles underpinning this Learning, Teaching and Student Engagement Strategy:

- Student experience and outcomes are delivered in both the curricular and co-curricular arenas, with the opportunities of these spaces further informed by choices in the development of portfolio and the pedagogic practice.
- Student experience and outcomes are enhanced through support from a continuous programme of personal tutoring/academic coaching that recognises the challenges of the educational journey and allows students to make informed choices to achieve their developing ambition. This strand of academic coaching activity provides a unique aspect of the Cardiff Met offer, and embeds our disciplinary learnings within the shared practice of our community.
- The ambitions of Strategy 2030 require that we bring multiple frames to the development of our activities in this domain: sustainability, partnership inclusion, wellbeing, environment, Welsh Language opportunity, and research-connectivity.
- Our actions will be data driven, co-constructed with stakeholder groups, developed within appreciation of our identified ways of working, and evaluated against their contribution to performance indicators.

Research and Innovation (R&I)

This thematic strategy builds on the foundations of the previous strategy, and will use an increase in the Quality Related Research (QR) funding and investment of R&I return to recruit and retain a greater volume of high-calibre research-active staff with more workload time devoted to R&I activities.

The four priority areas in the R&I strategy are:

- Increase R&I income
- Increase the volume and quality of research outputs per research-active FTE
- Increase the number of graduate start-ups
- Develop PGR support provision in line with sector best-practice and growth ambitions



Global Engagement

This thematic strategy will enhance the University's standing as an innovative, impactful and inspiring global learning and research community that improves societies, economies and individual lives. It will contribute to the University's ambitions for growth in size, scope and standing throughout the strategy period by strengthening global engagement across the breadth of University's activities

There are five priorities within the Global Engagement strategy, to:

- Deliver an empowering, culturally diverse and inclusive educational environment, equipping our students, staff and alumni to thrive as interculturally effective global citizens.
- Increase and extend high-quality, strategic, international collaborations in research, innovation and knowledge exchange, enhancing our contribution to solving the global challenges of our times.
- Shape our high-quality, strategic, off-campus transnational educational partnerships to extend our impact, reach and reputation as we build capacity overseas and contribute to the wellbeing of individuals, economies and societies globally.
- Proactively manage our international on-campus intakes by developing delivery mechanisms that increase retention, engagement and progress of international students during study, and their engagement as graduate members of active global alumni networks.
- Develop our international activity in socially responsible and environmentally sustainable ways for the benefit of future generations and in alignment with key national and international goals and frameworks.

Civic Mission

The Civic Mission strategy focuses on those aspects of the University's endeavours that bring tangible benefit to a wide range of stakeholders beyond the immediate users and commissioners of the University's education and research provision.

There are five strategic priorities within the Civic Mission Strategy, to:

- Increase social mobility
- Reduce economic inequality
- Promote the Welsh language and culture
- Improve environmental sustainability
- Provide a Sustainable Funding Base

Enabling Strategies

Underpinning the strategy and the four thematic areas are our enabling strategies, which will ensure we are able to deliver our strategic ambition. There are four elements of the enabling strategies which are designed to ensure Cardiff Met achieves its ambitions of working with purpose, impact, and compassion to progress from excellent to outstanding in all that we do:

- Finance: we will continue to seek to grow and diversify our income base, ensuring financial stability and promoting long-term financial sustainability in order to support the transformative investment in the University's human, physical and digital infrastructure.
- Estate: we will transform our estate, to be net zero carbon by 2030, and continue to provide outstanding, innovative and highly sustainable environments for learning, working, living, sport and socialising. This will be achieved through a mix of new buildings that are sympathetic to our surroundings and the repurposing and revival of our existing estate to ensure maximum sustainability.
- People: we will create a new People Strategy to shape a high-performance culture that is values-driven, supportive and agile, enabling our people to use their talents to thrive and succeed, and to work in partnership so our students have outstanding learning, teaching and research experiences.
- Digital: we will maximise our human centred digital approach to deliver outstanding, sustainable and transformative change. Our Digital Strategy will deliver high-quality and impactful activities through academic delivery and student support, data informed decision making, interdisciplinary research, local and global partnerships, and an integrated digital workplace.



Tracking our Progress

Underpinning the strategy, the thematic and the enabling strategies are 21 measures of success; milestone targets have been mapped out for all the areas and progress towards the targets are monitored by the Board of Governors.

Corporate Governance & Statement of Internal Control

The University is committed to high standards of corporate governance. The University is a higher education corporation formed by statute and has charitable status. The University wants to demonstrate that its governance is undertaken in an open and accountable manner and that it complies with best practice within the higher education sector.

This Statement describes the manner in which the University has applied the principles set out in the UK Corporate Governance Code (published July 2018) both during the year and up to the date of approval of the financial statements. Its purpose is to help the reader of the annual report and financial statements understand how these principles have been applied.

The University's Board of Governors carries the overall responsibility for ensuring there is a sound system of risk management, control and governance. This system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Governors discharge this responsibility through the following elements:

- Effective review by the governing body and relevant committees, particularly, Audit Committee, Governance and Nominations Committee and Resources Committee.
- Ensuring that effective control systems are in place, including policies, objectives and plans, management of key risks and opportunities, monitoring of financial and operational performance, physical safeguarding of assets, segregation of duties, authorisation and approval procedures, and information systems.
- An effective internal and external audit service.
- The identification and management of risk embedded in all business systems.

The University is required to comply with the Committee of University Chairs' Higher Education Code of Governance (published September 2020). The University's approach for the effective management of risk is set out below:

- The University focuses on the active management of risk as an integral part of the management process within all parts of the organisation.
- The University clearly identifies various risks to the achievement of its objectives through its risk management framework. These risks may be strategic or operational and may present potential implications for the University's reputation, its financial position or its routine operations.
- The University integrates risk management into the annual planning process which helps the Executive to determine and co-ordinate the University's academic and other activities.
- The University proactively encourages all managers to consider risk implications of each major decision, contract or project as a normal part of their everyday work.
- The Executive endeavours to identify and focus on immediate and transient risks with strategic implications, as well as on the more permanent and substantial risks which are identified in the University's risk register.
- Managers are expected to link risk identification to action, whether in mitigation of the risk or in response to it.
- The Executive works with the five Deans of School and the Directors of Professional Services departments to encourage and support effective risk management as part of routine management of the organisation, and specifically to help them identify, evaluate, manage and report risk.
- The Board requires the Audit Committee to review the University's risk register in detail on a termly basis. This is then reported to the Board. The risk register identifies significant risks and contains details of: risk definition; risk owner; risk likelihood; risk impact; overall risk Red Amber Green 'RAG' rating; response to risk – treat, tolerate or terminate; mitigating actions; risk trend – increase, decrease or unchanged; risk manager; and risk proximity.
- The Audit Committee agreed an Audit Strategy for 2022-25 and an Internal Audit Plan for 2022-23 at the start of the financial year with its Internal Auditors. The Internal Audit Plan set out the proposed risk-based approach to internal control, the audit strategy methodology and the rolling programme of audits that covered business, operational and compliance risks as well as financial risk.
- The Audit Committee regularly reviews the adequacy of the process of risk management at the University as it continues to be developed.

The University, through its Audit Committee, appointed new Internal Auditors at the start of the previous financial year for an initial period of three years. The appointment was made following the expiry of the contract with the previous internal audit services provider after a period of six years. Over the course of 2022-23 the professional relationship between the University and its Internal Auditors continued to develop as processes, systems and ways of working were further embedded. The Audit Committee re-approved an Internal Audit Charter as part of its Audit Strategy and Internal Plan for 2022-23. This was in line with Public Sector Internal Audit Standards (PSIAS).

The Internal Auditors conducted 15 planned internal audit reviews during 2022-23 and provided an opinion that the University had achieved a 'reasonable' level of assurance overall in its risk management arrangements. The Internal Auditors advised that the University had reasonable and effective risk management, control and governance processes in place. This was the same level of assurance as for 2021-22 and an improvement on previous years where a 'moderate' level of assurance had been achieved in 2020-21 and a 'limited' level of assurance had been achieved in 2019-20. The Internal Auditors explained that it would be unusual for an organisation of the University's significant size to achieve the higher 'substantial' level of overall assurance.

The Board is of the view that there was an ongoing process for identifying, evaluating and managing the University's significant risks in place for the year ended 31 July 2023 and that this process is still in place up to the date of approval of the Financial Statements and Annual Review. The process is regularly reviewed by the Board and accords with the internal control guidance for directors on the UK Corporate Governance Code as amended by the British Finance Directors Group.

The University's Internal Auditors directly assessed the University's corporate governance arrangements as part of an Internal Audit review of Strategic Controls during 2022-23. A 'substantial' level of assurance was achieved. This was the same level of assurance that had been achieved in the previous audit in 2020-21. The Board of Governors will continue to keep its risk management and corporate governance arrangements under regular review. This accords with guidance for directors contained within the UK Corporate Governance Code as amended by the British Finance Directors Group.

The University's Board of Governors comprises members appointed in accordance with the University's Articles and Instrument of Government. The Board is comprised of a majority of independent (lay) members, and elected staff and student governors. The Vice-Chancellor is also an ex-officio member. Members who served on the Board during 2022/23, including photos and their attendance, are listed below. All Governors were members of the Board for the entire reporting period other than where indicated.

The majority of Governors are lay independent members with relevant knowledge and experience in business and the professions. The role of the Chair of



the Board is separated from the University's President and Vice Chancellor. Those matters specifically reserved to the Board for decision are set out in the University's Articles and Instrument of Government. This is supported by a wider governance framework which includes the University's agreed Scheme of Delegation, terms of reference for individual committees and financial regulations. The Board holds to itself the responsibilities for the ongoing strategic direction of the University, the effective and efficient use of resources and the approval of major developments, and receives regular reports from senior management.

The University ensures the independence of its Lay Members of the Board of Governors by ensuring that each of these individuals have no material relationship with the University nor any related persons. The University manages conflicts of interest through carrying out an annual review of its Register of Interests, asking members to update their declaration whenever there is a change, and to announce any conflict prior to the start of any Board or Committee meetings. The University asks the following individuals to complete an annual return for the Register of Interests: all members of the Board, all senior University staff at Levels 1 to 3, as well as other key staff who work in close enough proximity to the University's decision-making, contract, or procurement processes.

The Board met seven times during 2022-23. During this time the Board operated six governor-level Committees, these were:

- Audit Committee
- Campus 2030 Programme Board
- Governance and Nominations Committee
- Remuneration Committee
- Resources Committee
- Strategic Planning and Performance Committee

All committees were formally constituted with terms of reference and membership comprised exclusively or mainly of independent members of the Board - with the exception of the Campus 2030 Programme Board which is a joint body of Board and the Executive members.

The Board and its committees had a clear schedule of meetings and an agreed work programme for 2022-23. Additional meetings were convened on an exceptional basis to meet the University's decision-making exigencies as required.

All meetings of the Board were primarily held as in-person meetings during 2022-23. There was also an option for participants to join Board meetings remotely. All meetings of the Campus 2030 Programme Board were held as in-person meetings. An option for participants to join remotely was arranged in the latter part of the year. All other committees continued to be held remotely during 2022-23.

Statement of Internal Control

The Audit Committee reviews the process for ensuring the effectiveness of the financial and other (non-academic) internal control systems. In doing this, the Audit Committee makes recommendations on the appointment of internal audit, reviews their reports, including follow up reports on implementation and the scope and effectiveness of their work. The Audit Committee also makes recommendations on the appointment of external audit and reviews the financial statements of the University prior to submission to the Board. The Audit Committee reviews the management letter and receives and considers progress reports on areas of significant risk identified by the Executive. In addition, the Audit Committee receives and considers reports from the Higher Education Funding Council for Wales as they affect the University's business and monitors adherence with regulatory requirements.

The Chair of Audit Committee is an Independent member of the Board of Governors who is an experienced member of the Committee. In addition to the Chair and two Independent members, the Audit Committee also included two external co-opted members through the course of 2022-23 who were not members of the Board and who thus provided additional externality to the Committee's deliberations. In line with previous years and Financial Management Code requirements, no Audit Committee members were permitted to serve on the Resources Committee. Whilst senior members of the Executive attended meetings of the Audit Committee as and when required, they were not members of the Committee.

The Audit Committee met four times during 2022-23 with attendance by the University's internal and external auditors as appropriate. The Committee also met privately with the University's Internal Auditors before each meeting and also met with the External Auditors as required.

Board Effectiveness Review

The Board commissioned an external periodic review of its effectiveness towards the end of 2019-20 to ensure the University's governance arrangements were efficient, effective and fit for purpose. A comprehensive 'Board Effectiveness Review' was undertaken in 2020-21 by Halpin Partnership Ltd and the Board considered and accepted a detailed report with clear recommendations. Through the course of 2022-23 further progress was made on the implementation of remaining review recommendations with much of the work overseen by the Governance and Nominations Committee, this included:

- Modernisation of the University's Articles of Government and Instrument of Government – the Board approved final versions in October 2023 for formal submission and approval by Privy Council. The Committee and Board considered feedback from Welsh Government and Privy Council on the initial drafts submitted for comment during 2022-23.
- The University's Scheme of Delegation (introduced in July 2021) was further reviewed by the Committee and Board in July 2022 and again in October 2023.
- The Senior Independent Governor (SIG) role within the University's governance arrangements (introduced in October 2021) was reviewed in February 2023. (The role had been introduced in line with HE sector best practice). The Board concluded that the SIG role added value to the University's governance structure. Whilst no referrals had been received by the SIG from Board members on governance related matters it was felt that the role would stand the University in good stead in the event that any concerns or complaints were received in future.

- The Statement of the Relationship Between the Board and the Executive (introduced in February 2022) was reviewed by the Committee at its meetings in January and April 2023. (The Statement had been introduced in line with HE sector best practice). The Board approved a revised version in May 2023 that provided a more positive and clear statement on how the Board and the Executive would work together effectively. This also included induction, training and development joint activity between the Board and the Executive, briefings throughout the year and an awayday in July 2023.
- Arrangements for the Chair and Governors to receive an annual appraisal (introduced in 2022) were repeated in 2023. All appraisals were completed during June, July and August 2023. Arrangements for exit interviews with the Chair were also introduced for Board members who retired/resigned during 2022-23.
- The Board approved a Governors' Equality, Diversity and Inclusion Plan at its meeting in May 2023. The Committee had considered draft versions of the Plan at its meetings in October 2022 and April 2023. The development of the Plan was a key recommendation arising from the Board Effectiveness Review and the Review of Governance in Universities in Wales. The Plan was developed following the publication of Welsh HE sector guidance in the autumn of 2022. The Plan set out actions required to help achieve good EDI representation at Governor level. The Chair of the Committee liaised with various stakeholders, including meetings with the Students' Union and the University's specialist Staff Networks to develop the Plan.
- The Committee has specific responsibility for Board membership, skills, training and development, and received regular reports at each meeting. The Committee ensured the training and development programme provided to Board members continued to be member-led.
- The Committee had oversight of arrangements for the recruitment of five new Independent Governors in readiness for the start of the 2023-24 academic year.
- Improved business management arrangements for Board and Committee meetings were introduced in 2021-22 and continued in 2022-23. This included the establishment of agenda setting pre-meetings with chairs of committees and the introduction of Board and Committee work programmes.
- The Board established a Strategic Planning and Performance Committee to increase the focus on the strategic and cultural aims of the University at the start of 2021-22. The Committee provided effective support to the Board in the development of the University's new Strategic Plan for 2022-2030 titled 'Strategy 2030'. Throughout the 2022-23, SPPC and the Board considered the development of thematic and enabling strategies and accompanying measures of success. These were all approved by Board in July 2023.
- The Board formally adopted the Governance Review of Universities in Wales (Camm Review) and the related Wales Governance Charter in May 2021. The Governance and Nominations Committee reviewed progress on the implementation of Review recommendations at each of its meetings during 2022-23.
- As part of the requirement to keep Board governance arrangements under review the Board approved proposals to revise the committee structure at its meeting in July 2023. The revised structure will be introduced in early 2024 and is designed to reflect the specific requirements of 'Strategy 2030' and ensure that Board members are well placed to add value to the process in delivering against the aims and ambitions of the strategy. The revised structure will also aim to reflect the requirements of the new Commission for Tertiary Education and Research.
- At the time that the Board Effectiveness Review was undertaken in 2020-21 the University's governance arrangements were assessed against a Governance Maturity Framework. The Framework had four levels: (i) Failing; (ii) Improving; (iii) Good; and (iv) Leading Edge. At that time the review highlighted that the University's governance arrangements were rated as '(ii) Improving'. In February 2022 the University's governance arrangements were re-assessed as 'Improving to Good', with strong evidence to indicate that progress to 'Good' could be swiftly achieved.

Governance Charter for Universities in Wales and Commitment to Action

The University has adopted the Governance Charter and Commitment to Action for Universities in Wales (published February 2020) and has implemented all of the recommendations of the Charter.

The Governance and Nominations Committee reviewed progress against recommendations at its meetings during 2022-23.

The Committee led on work to develop a Governors' Equality, Diversity and Inclusion Plan. The Plan was developed following the publication of Welsh HE sector guidance in the autumn of 2022. The Plan set out actions required to help achieve good EDI representation at Governor level. The Chair of the Committee liaised with various stakeholders, including meetings with the Students' Union and the University's specialist Staff Networks to develop the Plan. The development of the Plan was the final key recommendation from the Board Effectiveness Review and the Review of Governance in Universities in Wales and related Governance Charter. The Committee considered draft versions of the Plan at its meetings in October 2022 and April 2023. The Board approved the Plan at its meeting in May 2023 for implementation.

Confirmation of Compliance with the CUC Code

The University confirms that it is compliant with the requirements of the CUC Code of Governance (published September 2020) and the related CUC HE Senior staff Remuneration Code (published November 2021).

Board of Governors - membership

Board member	Category	Attendance
John Taylor CBE	Independent (Chair)	6/6
Dr Christopher Turner	Independent (Vice-Chair)	6/6
Nick Capaldi OBE	Independent (Senior Independent Governor)	5/6
Alison Thorne	Independent	5/6
Scott Waddington	Independent	4/6
David Warrender	Independent	3/6
Róisín Connolly	Independent	6/6
Karen Fiagbe	Independent	4/6
Sheila Hendrickson-Brown	Independent (retired April 2023)	2/4
Paul Matthews	Independent	4/6
Professor Myra Nimmo	Independent (retired June 2023)	5/5
Professor Kelechi Nnoaham	Independent (resigned April 2023)	1/4
Menai Owen-Jones	Independent	5/6
Christopher Pilgrim	Independent	3/6
Matthew Tossell	Independent	4/6
Professor Cara Aitchison	President and Vice-Chancellor	6/6
Dr Malcolm James	Academic Staff Governor	6/6
Kirsty Palmer	Academic Board representative Governor	5/6
Denn Yearwood	Professional Services Staff Governor (retired Nov 2022)	1/1
Charlie Bull	Professional Services Staff Governor (from Nov 2022)	5/5
Venky Gonavaram	Student Governor	6/6
Natalia-Mia Roach	Student Governor	6/6


John Taylor CBE


Dr Christopher Turner


Nick Capaldi OBE


Alison Thorne


Scott Waddington


David Warrender


Róisín Connolly


Karen Fiagbe


Sheila Hendrickson-Brown


Paul Matthews


Professor Myra Nimmo


Professor Kelechi Nnoaham

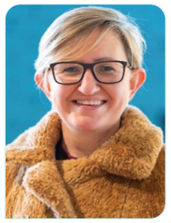

Menai Owen-Jones


Christopher Pilgrim


Matthew Tossell


Professor Cara Aitchison


Dr Malcolm James


Kirsty Palmer


Denn Yearwood


Charlie Bull


Venky Gonavaram


Natalia-Mia Roach

Audit Committee

On behalf of the Board of Governors, the Audit Committee's purpose is to oversee the effectiveness of the University's risk management, control and governance arrangements, including whistleblowing; the effectiveness of the arrangements to promote economy, efficiency and effectiveness; internal and external audit arrangements; the audit aspects of the University's financial statements; and to scrutinise whether ethical and value for money arrangements have been considered in the University's investments and procurement.

The Committee met four times in 2022/23 and considered the following key items of business:

- The Annual Report and Finance Statements and Annual External Audit Statement of Opinion.
- The Annual Internal Audit Plan/ Programme and progress on the implementation of internal audit recommendations
- The Corporate Risk Report and University Risk Register
- Review of the Whistleblowing Policy

Membership of the Audit Committee as follows:

Member	Meetings Attended
Scott Waddington (Chair and Independent Governor)	4/4
Adrian Piper (Vice-Chair and External Co-opted Member of Audit Committee)	4/4
Menai Owen-Jones (Independent Governor)	3/4
Matthew Tossell (Independent Governor)	3/4
Lisa Winstone (External Co-opted Member of Audit Committee)	3/4

The Chair, Staff and Student members of the Board of Governors are not members of Audit Committee. Furthermore, Audit Committee members are not members of the Resources Committee.

Campus 2030 (Programme Board)

Established in July 2022, on behalf of the Board of Governors and the President and Vice-Chancellor, the Campus 2030 Board Programme Board is a joint body that ensures the development and delivery of the University's vision for an outstanding Campus-based environment for living, learning, working, sporting activity and socialising. This vision aligns with Strategy 2030 and seeks to place Cardiff Met as a university of first choice for students, staff and partners.

The Committee met five times in 2022/23 and considered the following key items of business:

- Development of Campus Identity and Vision.
- Consideration of two options for investment in the University's sporting estate.
- Consideration of options for the development of the University's residential estate.
- Development of Estates Masterplan and related timeline for completion.
- Development of proposals on the acquisition of additional sites to accommodate growth.

Membership of the Campus 2030 Programme Board as follows:

Member	Meetings Attended
Alison Thorne (Chair and Independent Governor)	5/5
Professor Cara Aitchison (Vice-Chair and Vice-Chancellor)	5/5
Mark Barry (Director of Commercial Services)	4/5
Professor Jacqui Boddington (Pro Vice-Chancellor Student Engagement)	4/5
Paul Davies (Assistant Director Environment and Estates)	5/5
Karen Fiagbe (Independent Governor)	1/5
Will Fuller (CEO of the Students' Union)	5/5
Professor Sheldon Hanton (Pro Vice-Chancellor Research & Innovation)	5/5
Professor Rachael Langford (Deputy Vice-Chancellor)	5/5
David Llewellyn (Chief Officer (Resources))	5/5
Paul Matthews (Independent Governor)	4/5
Ben O'Connell (Director of Sport)	4/5
Emma Potts (Interim University Secretary) – from March 2023	2/2
Matthew Tossell (Independent Governor)	5/5
Scott Waddington (Independent Governor)	5/5

Governance and Nominations Committee

The Governance and Nominations Committee is responsible to the Board of Governors for the oversight of corporate governance arrangements to ensure the University is pursuing best practice. The role of the Committee is in part to ensure a more effective governing body, supporting the recruitment of skilled governors, considering succession planning to help meet skills gaps, developing a framework for the appraisal of governors, and working with the Chairs of other Committees to assess Committee performance and make recommendations for improving practice.

The Committee met four times in 2022/23 and considered the following key items of business:

- Review of Governance and Committee Structure: revising the Strategic Planning and Performance Committee's Terms of Reference, and to shift the focus of Resources Committee towards financial sustainability, new revenue streams, digital approaches, start-ups, and alumni. The Committee also agreed to establish a People, Health, and Wellbeing Committee to address people-related matters, staff and student health, wellbeing, and Equality, Diversity, and Inclusion (EDI) matters.
- Implementing the recommendations from the Board Effectiveness Review and the Camm Review
- Development of a Governors' Equality, Diversity, and Inclusion Plan (EDI Plan)
- Revision of the Articles and Instrument of Government
- Review of the Statement of Relationship between the Board and the Executive
- Review of the Senior Independent Governor Role

Membership of the Governance and Nominations Committee as follows:

Member	Meetings Attended
Nick Capaldi OBE (Chair and Independent Governor)	4/4
Professor Cara Aitchison (President and Vice-Chancellor)	3/4
Charlie Bull (Professional Services Staff Governor) (from December 2022)	2/3
Sheila Hendrickson-Brown (Independent Governor) (until April 2023)	2/3
Paul Matthews (Independent Governor)	4/4
Kirsty Palmer (Academic Board Representative Governor)	2/4
David Warrender (Independent Governor)	4/4
Denn Yearwood (Professional Services Staff Governor) (until November 2022)	1/1

Where required, the Chair of the Board also attended in support of the work of the Committee.

Remuneration Committee

The Remuneration Committee undertakes a scrutiny role and advises the Board on matters including the appointment, appraisal, suspension, dismissal and for determining the terms and conditions of service of the holders of senior posts, and the setting of a framework for the pay and conditions of service of all staff. The committee ensures remuneration arrangements for all senior posts support the University's strategic aims and enable the recruitment, motivation and retention of senior staff while also complying with the requirements of regulation and best practice.

The Committee met four times in 2022/23 and considered the following key items of business:

- Annual Review of Pay and Performance for Level 1 and Level 2 Staff.
- Annual Pay Report for 2021-22 and Annual Pay Policy Statement for 2021-22.
- Senior Staff Remuneration and Policy Framework for 2022-23.
- Review of Senior Staff Severance Policy.
- Proposals on changes to the President and Vice Chancellor's Executive Group.
- Gender, Ethnicity and Disability Pay Gap Report for 2022.
- Level 3 Pay Review.
- Recruitment of a new President and Vice Chancellor.

Membership of the Remuneration Committee as follows:

Member	Meetings Attended
Dr Chris Turner (Chair and Independent Governor)	4/4
Professor Myra Nimmo (Independent Governor) - until June 2023	3/3
Christopher Pilgrim (Independent Governor)	4/4
John Taylor CBE (Chair of the Board and Independent Governor)	4/4
Alison Thorne (Independent Governor)	2/4

Resources Committee

The Resources Committee advises the Board on matters relating to institutional financial, physical, human and digital resources, including financial management, income generation and sustainability; People Services, including health and safety and wellbeing; estates and the environment; and any other of the University's resources. The Committee also has a role in ensuring value for money in procurement and in non-executive oversight and monitoring of the strategic management of the University's resources to support its strategic priorities. In relation to capital projects, the Committee will consider the capital plans as the University implements them in line with the agreed strategy.

The Committee met three times in 2022/23 and considered the following key items of business:

- Annual Budget Proposals, prior to final approval by the Board of Governors.
- Regular updates on the University's financial performance
- Students' Union (SU): oversight of the SU's Annual Audited Accounts, monitoring of financial performance and review of the Provisional Budget for the following academic year
- Annual Review of the Financial Regulations (including the Financial Management code) to ensure robust financial and management control systems within the University.
- Equality and Diversity annual monitoring report
- Procurement: regular review of procurement activity and Annual Report.

Membership of the Resources Committee as follows:

Member	Meetings Attended
David Warrender (Chair and Independent Governor)	3/3
Professor Cara Aitchison (President and Vice-Chancellor)	2/3
Venky Gonavaram (Student Governor)	1/3
Sheila Hendrickson-Brown (Independent Governor) (until April 2023)	1/2
Dr Malcolm James (Academic Staff Governor)	2/3
Professor Kelechi Nnoaham (Independent Governor) (until April 2023)	1/2
Kirsty Palmer (Academic Board Representative Governor)	1/3

The Chair of the Board and/or Vice-Chair of the Board also attended to support the work of the Committee.

Strategic Planning and Performance Committee

The Strategic Planning and Performance Committee advises the Board on matters relating to strategic planning; the monitoring and evaluation of strategic priorities and performance against the strategic plan; the evaluation of progress relating to the overarching agenda of growth, diversification and improvement; and horizon scanning. The Committee also has a role in giving initial recommendations and advice to the Board on Master planning.

The Committee met five times in 2022/23 and considered the following key items of business:

- Development of Thematic and Enabling Strategies in support of Strategy 2030. The Committee had a significant role in the oversight and development of the University's new Strategic Plan, and in 2022/23 specifically, it played an integral role in shaping the thematic and enabling strategies.
- Development of Measures of Success in support of Strategy 2030. The Measures of Success were developed following consultation with various stakeholders and benchmarks.
- Monitoring of Student Recruitment activity
- Annual Quality Assurance Report and other reports covering academic quality and performance. A key role of the Committee is their delegated responsibility for Governor-level consideration of academic assurance. This included confirmation of six statements on academic quality on behalf of Board of Governors that was included in the Annual Assurance Review submission.

Membership of the Strategic Planning and Performance Committee as follows:

Member	Meetings Attended
John Taylor CBE (Chair and Independent Governor)	5/5
Professor Cara Aitchison (President and President and Vice Chancellor)	4/5
Nick Capaldi OBE (Independent Governor)	4/5
Roísín Connolly (Independent Governor)	3/5
Venky Gonavaram (Student Governor)	4/5
Paul Matthews (Independent Governor)	2/5
Professor Myra Nimmo (Independent Governor) (until June 2023)	4/5
Dr Christopher Turner (Independent Governor)	4/5

Academic Board

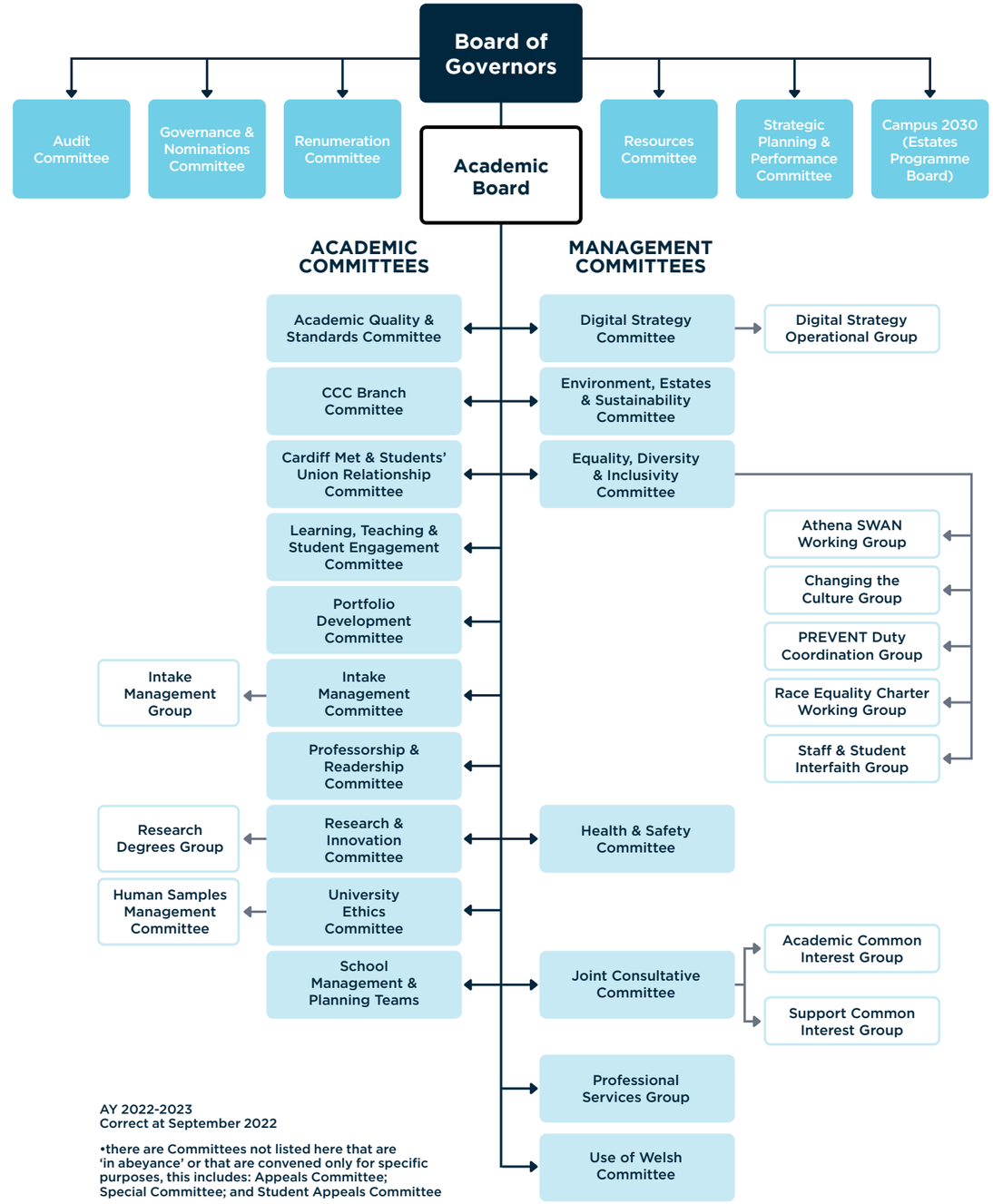
The Academic Board, established under the University's Articles of Government, is a Committee of the Board of Governors and is responsible for advising the Vice-Chancellor and the Board of Governors. The Academic Board is both the University's academic authority and its senior decision-making body for resources which support the University at a strategic level. Academic Board met eight times in 2022/23.

Membership of Academic Board as follows:

Member	Meetings Attended
Professor Cara Aitchison (President and President and Vice Chancellor) (Chair)	4/8
Professor Rachael Langford (Deputy Vice Chancellor) (Vice Chair)	8/8
Professor Jacqui Boddington (Pro Vice Chancellor Student Engagement)	8/8
Professor Sheldon Hanton (Pro Vice Chancellor Research and Innovation)	6/8
David Llewellyn (Chief Officer Resources)	6/8
Emma Potts (Interim University Secretary) (from March)	3/3
Professor David Brooksbank (Dean of Cardiff School of Management)	7/8
Dr Bethan Gordon (Acting Dean of Cardiff School of Art & Design)	7/8
Professor Julia Longville (Dean of Cardiff School of Education and Social Policy)	6/8
Professor Jon Platts (Dean of Cardiff School of Technologies)	7/8
Professor Katie Thirlaway (Dean of Cardiff School of Sport & Health Sciences)	7/8
Mark Barry (Director of Commercial Services)	8/8
Sukh Chonk (Interim Director of Marketing and External Relations) (until December 2022)	3/3
Ashley Flaherty (Director of People Services)	8/8
Professor Steve Gill (Director of Research)	7/8
Dr Joanna Hendy (Director of Leaning Enhancement)	6/8
Ben O'Connell (Director of Sport)	7/8
Kirsty Palmer (Director of Student Services)	7/8
Ben Rogers (Director of Registry Services)	7/8
Matthew Taylor (Director of Innovation)	8/8
Anna Dukes (Interim Head of Global Engagement)	6/8
Mairwen Harris (Head of Strategy, Planning and Performance)	8/8
Mark Hughes (Head of Library Services)	6/8
Meryl Hopwood (Elected Academic Staff Representative)	8/8
Mark Lester (Elected Professional Services Staff Member)	8/8
Dr Ram Patra (Elected Academic Staff Representative)	7/8
Professor Andrew Walters (Elected Professoriate Staff Member)	4/8
Venky Gonavaram (Students' Union President)	7/8
Natalia-Mia Roach (Students' Union Vice President)	7/8

Several Committees and Working Groups reported to Academic Board (as the parent body) during 2022/23. These were designated as either Academic or Management Committees and are detailed in the structure chart below.

Full Board & Committee Structure Chart



Vice-Chancellor's Executive Group

The Vice-Chancellor's Executive Group (VCEG) is the senior leadership team of the University and assists the Vice-Chancellor in providing strategic leadership for all the Executive portfolios. VCEG members include the President and Vice-Chancellor, Deputy Vice-Chancellor, Pro Vice-Chancellor (Student Engagement), Pro Vice-Chancellor (Research & Innovation), University Secretary, and Chief Officer (Resources).

VCEG meets at least bi-weekly and focuses on the monitoring of financial performance, including budget setting, alongside general monitoring and oversight of strategy, operational performance and policy development.



Report from 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 of the Vice-Chancellor and other senior members of staff.

The Remuneration Committee comprises independent lay members of the Board of Governors who possess relevant knowledge and expertise. The Vice-Chancellor and Director of People Services are in attendance at Remuneration Committee meetings, but the Vice-Chancellor is not in attendance for and does not play a part in the discussions and decisions of their own remuneration. Furthermore, no member of staff is present for the discussion of their own remuneration.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits, and conditions of employment of the Higher Education 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 Universities and Colleges Employers Association (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, focusing on the three key elements: a) a fair, appropriate and justifiable level of remuneration; b) procedural fairness and c) transparency and accountability.

In line with its terms of reference and the CUC Higher Education Senior Staff Renumeration Code, to ensure a fair and transparent process, the remuneration for the Vice-Chancellor and the senior Leadership team are reviewed annually using a fair process that reflects the performance of each individual in the context of the University's performance.

Approach to Remuneration

The University's approach to the remuneration of senior post holders is detailed in a Senior Staff Remuneration Policy Framework. The Framework is reviewed annually by the Remuneration Committee and was reviewed in October 2022.

Remuneration 2022-2023

Each year the Director of People Services prepares for the Remuneration Committee a paper benchmarking the base salary of the Vice-Chancellor and other senior postholders against the annual salary of institutions of comparable size and scope. This data is drawn from the annual Universities and colleges Employer Association (UCEA) Senior Staff Remuneration Survey, and the annual CUC Vice-Chancellor Salary Survey.

The Remuneration Committee considers a number of factors when considering performance reward proposals. These include but are not limited to:

- Performance in support of the University's strategic objectives in the areas of teaching; research; innovation and engagement; leadership and management; leadership of staff; partnerships and external relations internationally, nationally and locally; major initiatives and projects
- The size and complexity of the University
- The nature of the HE markets and issues of recruitment and retention
- The University's objectives in relation to the diversity of the workforce; and
- Salary benchmarking data

The senior postholder jobs are supported by the Hay Job evaluation methodology and the posts were last reviewed in 2022. The Hay job evaluation methodology is the most widely used job evaluation scheme in the world.

During the year 2022-23 the Remuneration Committee awarded a 3% cost of living salary increase to the Vice-Chancellor and the Senior staff and a further 2% cost of living salary increase in February 2023. This was in line with the nationally agreed HE sector pay award for staff who are on the National Framework Agreement (NFA) pay spine and covered by the University's Grading structure which consists of 8 grades. These grades are supported by the Higher Education Role Analysis (HERA) job evaluation methodology.

A £750 'Cost of Living' one off payment was made to all University employees in 2022-23 to help with the high cost of fuel and high inflation situation being experienced in the UK. The Remuneration Committee also awarded this payment to the Vice-Chancellor and senior staff.

Vice-Chancellor Remuneration

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 meeting the University's vision as a progressive university, working with purpose, impact and compassion to make economies more prosperous, societies fairer, cultures richer, environment greener and communities healthier, 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 25,000 student enrolments, over 1,500 paid staff and an income of over £150m.

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 salary benchmarking information with comparator universities.

The Vice-Chancellor's performance is assessed by the Chair of the Board of Governors after taking soundings and feedback from all members of the Board of Governors. 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. Each year the Remuneration committee receives a report by the Chair of the Board of Governors on the Vice-Chancellor's Performance and Development Review and agreed objectives for the following year.

The Vice-Chancellor's base salary is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agreed a consolidated increase to the Vice-Chancellor's base pay. Any such increase would be reported through the financial accounts in the following year.

The University does not operate a performance related bonus scheme.

The Vice-Chancellor's Reward package is detailed below.

	Year Ended 31 July 2023	Year Ended 31 July 2022
Emoluments of the Vice-Chancellor	£	£
Salary	268,476	257,500
Payments in lieu of pension contributions	49,719	47,346
	318,195	**304,846**

The Vice-Chancellor's basic salary in 2022-23 is 6.4 times the median pay of staff, compared to 6.5 times in 2021-22. The staff median salary in 2022-23 is £41,931.

The Vice-Chancellor's total remuneration is 7.5 times the median pay of staff, which is the same as in 2021-22. The staff median total remuneration in 2022-23 is £42,647.

The Vice-Chancellor is under opt out arrangements within the Universities Superannuation Scheme (the USS).

Senior Staff Remuneration

The performance of Senior members of staff is assessed by the Vice-Chancellor, after taking soundings and feedback from the Chair and members of the Board of Governors. 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. Each year the Remuneration Committee receives a report by the Vice-Chancellor on the Senior Staff Performance and Development Reviews and agreed objectives for the following year.

The base salary for Senior staff is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agree a consolidated increase to the Senior Staff's base pay.

In 2022-23 the Remuneration Committee considered the pay of four members of Senior staff; the Deputy Vice-Chancellor; the Pro Vice-Chancellor (Research and Innovation); the Pro Vice-Chancellor (Student Engagement); and the Chief Officer Resources. All were awarded a base pay increase of 3%. In addition, some senior staff members received a 2% non-consolidated award in recognition of the delivery of key strategy initiatives.

The numbers of staff paid above £100k per annum are published in the financial statements (note 7), broken down into £5k pay bands. In 2022-23 there were 12 members of staff with a basic salary over £100k per annum, compared with nine in 2021-22.

Remuneration for other staff groups

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

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

The University offers a comprehensive range of both financial and non-financial workplace benefits.

Living Wage Employer

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

Exit Policy

All settlement agreements, including voluntary severance, for senior staff are agreed by the Remuneration Committee. Any redundancies related to academic and senior staff are subject to the University's redundancy processes.

Operating & Financial Review

Scope of the Financial Statements

These financial statements relate to the year ended 31 July 2023 and represent the thirty first Annual Report of the University since its incorporation in April 1992. The financial statements consolidate the main activity of the University with that of its subsidiary companies and have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102.

Principal Activities

The principal activity of the University is the provision of higher education from campuses in Cardiff and through collaborative activities elsewhere in the UK and overseas. The University's portfolio extends across undergraduate, postgraduate and research activities and is complemented by training, consultancy and other commercial spin offs which are provided to local, national, and international organisations. The University also provides conferencing and residential services, together with sports and catering facilities, for students and external users. Many of these commercial activities are carried out through a subsidiary company Cardiff Met Company Ltd, which gifts any taxable profit back to the University through the Gift Aid scheme.

Financial and Investment Strategy

The University approved its revised and updated Finance Strategy during July 2023. The Strategy has the key objectives of growing and diversifying income; ensuring financial stability; and promoting long-term financial sustainability. The Strategy includes challenging performance objectives in support of the University's aspirations for the future. The Finance Strategy is one of four enabling strategies that together with the People, Estates and Digital strategies support the University 2030 Strategy.

Results for the Year

The University delivered a very strong financial performance during the year, with the group's income increasing by £16m to £153.2m (2022: £137.2m). The financial results for the year show that the group delivered an accounting surplus of £5.6m (2022: deficit of £0.7m) and generated an operational cash surplus (as defined below) of £16m (2022: £19.5m).

In the period since the introduction of FRS102 during 2015- 2016 there has been a presentational divergence between the strength of the University's operational cash generation and its accounting result. This distortion of the financial results resulted from the need to account for non-cash pension deficit charges in relation to two of the University's three staff pension schemes, namely, the Cardiff and Vale of Glamorgan Pension Scheme (CVGPS), and the University Superannuation Scheme (USS). The combined impact of the pension deficit charges arising from these two schemes culminated in an accounting charge of £14.8m in 2022. The change in economic conditions has seen the pension deficit charges for the current year reduced to £4.4m in 2023, a change driven predominantly by an increase in the discount rate (the amount by which future liabilities are discounted). High levels of inflation during the year resulted in increased interest rates which in turn resulted in a significantly increased discount rate.

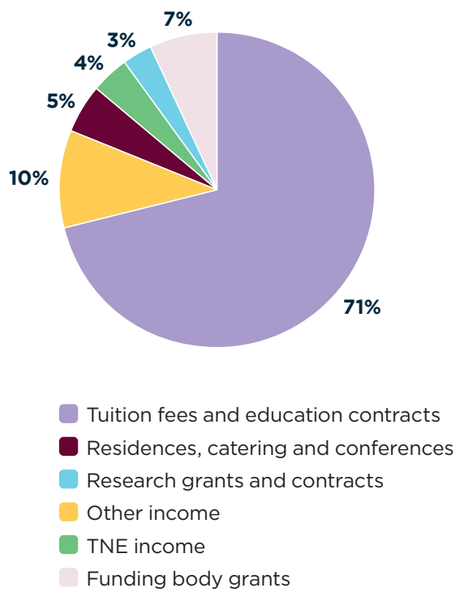
The group's main income stream is derived from tuition fees from UK and EU undergraduate and postgraduate students that together amounted to £70.2m (2022: £67.1m) and accounted for 46% (2022: 49%) of total income. When international fees and educational contracts are included, this rises to £115.7m (2022: £100.6m) and 76% (2022: 73%) of income. Full time undergraduate tuition fees for UK students remained capped at £9k during the year, resulting in no inflationary uplift to the value of the fee.

The group invested £18.2m (2022: £10.7m) in its infrastructure during the year. Of this, £9.9m was invested in the estate, and included refurbishment and improvement investments in academic, residential, professional service, and sporting facilities. Expenditure amounting to £8.3m was also invested in equipment, fixtures and fittings, IT infrastructure, and corporate digital systems.

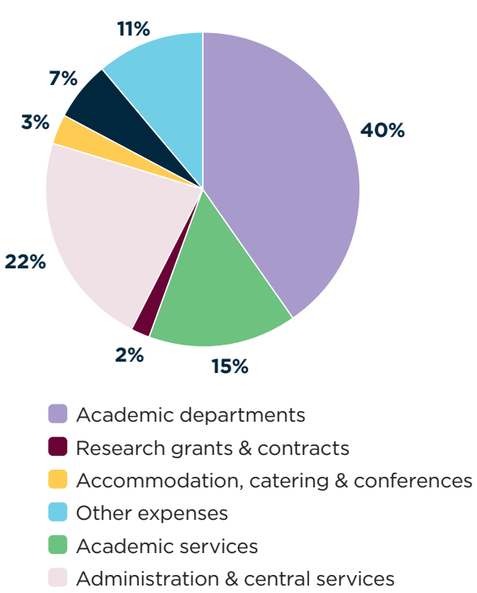
Net assets increased by £51.9m to £188.3m (2022: £136.4m). The increase in net assets was the result of two factors, namely, a reduction in the university's pension provisions of £42.5m to £6.2m (2022: £48.7m); and a net increase in the asset base of £9.4m brought about by the strong financial performance during the year.

Summary of Consolidated Results	2022/2023 £000	2021/2022 £000
Income	153,234	137,176
Expenditure	147,638	137,885
Surplus/(Deficit) for the year	5,596	(709)
Add back		
Depreciation	5,979	4,822
Pension Provision Charges	4,171	14,837
Annual Leave Accrual Movement	299	589
Operational Cash Surplus	16,045	19,539

Income Analysis 2022-23



Expenditure Analysis 2022-23



Liquidity & Cash

The group's cash and short-term investment resources at the year-end amounted to £55.2m (2022: £62.4m). Investments in the estate and infrastructure during the year were funded entirely by cash generated from operating activities. Loan repayments during the year totalled £1.8m thereby reducing the group's long-term debt from £21.0m to £19.2m. This resulted in an improved gearing ratio, with long term debt as a % of income reducing to 12.5% (2022: 15.3%). The strong cash base provides a solid and stable operating base.

The Financial Outlook

During 2022-2023 the University charged FT home undergraduate students an annual tuition fee of £9,000 compared to the fee of £9,250 being charged in English institutions. The FT home undergraduate tuition fee remains capped for 2023-2024 at £9,000 in Wales for the twelfth consecutive year and at £9,250 in England.

The real value of the FT undergraduate fee continues to erode, a process that has accelerated during the past year due to high levels of inflation and which is expected to continue into the future, due to inflation being predicted by the Bank of England to be higher for longer. High inflation has had a detrimental impact on the cost base (pay and non-pay) of the University and on the living standards of staff and students; and continues to put pressure on salary costs and industrial relations across the sector. The continuing lack of indexation on one of the University's main income streams poses funding challenges for both the University and the HE sector in general. At present there is no indication that any indexation will be applied to the FT undergraduate fee, or that the fee charged by Welsh institutions will be aligned to that charged by English institutions. Similarly, after a long period of record low interest rates, the recent upward movement in interest rates has significantly increased the cost of borrowing. Should the University increase its borrowings in the future, it is anticipated that the interest rate will be significantly higher than that pertaining in the recent past.

In order to operate sustainably in these circumstances, the University has updated its Strategy for the period 2022 to 2030, with a continuing focus on the growth and diversification of its income base through the development of new academic programmes and through further investment in research and innovation activity, all such activity to be supported by a programme of investment in a new and rejuvenated estate and infrastructure.

Charitable Status

The University became a Registered Charity (No. 1140762) on 10 March 2011.

Membership of the Board of Governors

The membership of the Board for the year 1 August 2022 to 31 July 2023 is set out on Page 20 of this report.

Over the reporting period, governors claimed £4,262 in expenses. This covered items such as mileage, public transport and parking fees to enable travel to meetings and other activities on behalf of the University. No other payments are made to trustees. Information about related third party transactions can be found in note 7.

Independent Auditors

The external independent auditors for the year were PricewaterhouseCoopers LLP. The internal auditors for the year were TIAA Ltd.

Equality of Opportunity

The University works to ensure compliance with equality legislation and is committed to proactively integrating the principles of equality into all its activities. A Strategic Equality Plan has been agreed and implemented. The University is active in widening access to education, and in providing an inclusive approach to learning, teaching, and research.

Health and Safety at Work

The health, safety and welfare of staff and students are essential to the success of the University. The University's Health & Safety Committee considers all relevant aspects of health, safety and welfare. The Committee receives regular monitoring reports of periodic audits of schools/units' health & safety management arrangements and of initiatives and/or issues emanating from school/unit health & safety meetings. Additionally, the Committee disseminates updates on legislation and guidance on good practice and monitors accident levels and staff sickness. The Minutes of the Committee are presented to the Academic Board and health & safety reports also feature at the University's Audit Committee. An Annual Health & Safety Report is provided to the Board of Governors through Resources Committee, to enable it to meet its statutory obligation to ensure compliance with health & safety legislation.

Modern Slavery and Human Trafficking Statement

Cardiff Metropolitan University is committed to improving our business practices to combat modern slavery or human trafficking in our supply chains or in any part of our business to ensure we are not complicit in any human rights violations. The University's policies and procedures demonstrate its commitment to acting ethically and with integrity in all its business activities, ensuring compliance with the requirements of the Modern Slavery Act. The procurement function has had an 'Ethical Supply Chains' Policy in place since 2011. The Policy was reviewed and updated in 2022 to ensure it continues to reflect relevant good practice.

The University's workplace policies and procedures have been reviewed and amended to ensure they reflect the intent of the Welsh Government 'Ethical Employment in Supply Chain' Code of Practice. These policies and procedures demonstrate the University's commitment to acting ethically and with integrity in all its business relationships by ensuring that modern slavery and human trafficking do not occur within its UK and international workforces or business activities.

During the year covered by this report, the University committed to ensure that all staff pay grades are at or above the Real Living Wage. The University was accredited as a Living Wage employer by the Living Wage Foundation in November 2019 and has paid the Living Wage rate as a minimum to all staff since August 2018.

Criminal Finance Act Statement

Cardiff Metropolitan University and its subsidiary companies commit to ensuring that its employees, agents, and other associated persons acting on its behalf are not facilitating tax evasion by another party. The University regularly reviews its risks and associated processes and procedures to ensure that all steps are taken to prevent tax evasion. The University includes the risk of tax evasion on its Risk Register. The risk is reviewed and updated three times a year. This includes the review of controls to mitigate risks. The University reviews its policies and guidance in relation to the Criminal Finance Act on a regular basis, in line with similar policies (Anti-Bribery, Counter Fraud and Corruption, Anti-Money Laundering policies and Financial Regulations).

Climate Impact Statement

Cardiff Metropolitan University is committed to minimising its impact on the climate and the environment. We are continuously looking at ways to reduce our impact with our Environmental Management System (EMS) (ISO 14001) which covers all University activities from energy and utilities to waste management and recycling. Most significantly, the work includes embedding education for sustainable development in the curriculum, into research and enterprise activities and through behavioural change and awareness.

One of the key opportunities to reduce our impact is through efficient management of energy consumption across the estate. Energy Management within the Estates and Environment team means providing comfortable working, teaching and learning environments for all staff and students, while at the

same time closely controlling the energy used. A network of electricity, gas and water sub-meters allows us to understand energy consumption within individual buildings.

The University is committed to reporting on its progress towards meeting the targets set out in the Sustainability Policy and Strategy. The Sustainability Strategy provides a framework to cohere our ambitions and actions in relation to sustainability and sustainable development supported by the Sustainability Engagement Strategy.

Climate Impact Public Benefit Statement

The University continued its focus on engagement as a key change mechanism, using its Community Days as a central piece to bring together the campus community with neighbours and local communities. The 'Community Days' promote sustainability partnerships, and include many charities and small businesses, a local Farmers Market, student entrepreneur traders, Cardiff Council Waste Management and University information stalls.

- Repair Cafes are held at both University campuses on a monthly basis, providing staff, students and the local community with the opportunity to have broken items repaired for free. The cafes also provide advice and volunteering opportunities, together with cycle servicing and security marking by a local charity and South Wales Police.
- The University is delighted to be designated as a Litter Pick Hub for the local area with Keep Wales Tidy. This provides individuals and groups the opportunity to borrow litter picking equipment for events in the city. Cardiff Met also hosts its own weekly Litter Picking events.
- The University is a key sponsor of the city's public cycle network, hosting cycle hubs at each of its campuses and providing 5,000 memberships for its community. Electric bike and car charging facilities continue to be expanded.
- The University continues to support and provide funding towards the City's Student Liaison Officer, Cardiff Digs, a role that supports Cardiff's universities and provides volunteering opportunities in the city, helping in local communities with neighbourly support and advice.
- The University has Fairtrade University status, supporting both Fairtrade Cardiff and Fairtrade Wales networks. The award recognises a broad range of activities undertaken which work towards a more just, equitable and sustainable world for all. This includes working to raise awareness with students of the issues of ethical and sustainable consumption, and increasing the availability of Fairtrade products in outlets.
- Cardiff Metropolitan University celebrated after being placed 1st in the UK Green League table. This is the only comprehensive and independent league table of UK universities ranked by environmental and ethical performance.

Commitment to Sustainability

In July 2022 the University Board approved a new University Strategy. A key element of this is ensuring our commitment to sustainability and net zero remains at the forefront of our work, in our estate, operations, teaching and research.

The University continues planning to meet its commitment to be a net zero campus by 2030. A new Estates Masterplan and Carbon Management plan are currently in development to contribute to the University's Campus 2030 aspiration – providing a high quality, innovative and sustainable campus. Substantial investment in the coming years will focus on refurbishing and repurposing our current buildings and facilities, rather than building new, so reducing our carbon footprint.

Cardiff Met is an integral part of Cardiff Council Climate emergency board and works closely with Welsh Government Energy Services to develop a cost estimate of existing buildings to be net zero. This information is being fed into our new Carbon Management Plan alongside our Master Plan.

The University takes its environmental responsibilities seriously and aims to manage its operations in ways that are environmentally sustainable, economically feasible and socially responsible. It continues to embed and raise environmental awareness through the development and training of its employees and enabling students to explore and develop values, skills, and knowledge of sustainability through research, curricula, and extra curricula activities. The aim is to develop a socially cohesive, environmentally responsible, and all-inclusive work and study environment, which looks to engage staff, students, and the wider community.

During 2022/23 we significantly improved our position in the annual university Green League, rising to 1st place in the UK out of 153 Universities. This highlights our success in a number of fields, including sustainability policy, environmental auditing and management, energy management, carbon reduction and sustainability engagement with our staff and students.

We remain committed to improving the sustainability of our campus through a range of policies covering Business Travel, Ethical Investment & Banking, Ethical Supply Chains, Fairtrade, Sustainable Procurement, Clean Air, Energy and Carbon Management, Environment and Sustainability, Sustainable Food and Sustainable Seafood.

We continue to invest in several buildings on our campuses, all focusing on improving student experience whilst reducing carbon emissions. These include improved glazing, insulation, and heating in a 1960s repurposed building, a comprehensive programme of investment in LED lighting, mechanical ventilation and the replacing of gas water heating with electric point of use heaters and more efficient boilers and heating systems across all campuses.

The University is a member of EAUC (the Environmental Association of Universities and Colleges), IEMA (Institute of Environmental Management and Assessment) and the One Cardiff Climate Emergency Board, working with partners throughout the region.

We have continued to grow our range of sustainability engagement initiatives for our staff and students, including Repair Workshops, Community Days, Green Workshops and Litter Picks. Carbon Literacy training courses have also been successfully piloted with staff and students.

Public Benefit Statement

Cardiff Metropolitan University delivers professionally recognised degrees, together with impactful research and innovation, in art and design, business and management, education and public services, sport and health sciences, and technologies and engineering. Cardiff Metropolitan University is proud to have been awarded the Times Higher UK and Ireland University of the Year for 2021- 22 and ranked as the No.1 university in the UK for sustainability, in the People and Planet's Green League 2022/23, the only comprehensive and independent league table of all UK universities ranked by environmental and ethical performance.

The University seeks to advance higher education and research within South-East Wales, Wales, the UK and internationally. Its charitable objective is to inspire and enable individuals, organisations and communities to succeed through innovation in high quality learning, research and enterprise. The benefit of this charitable objective is derived through the intellectual development of individuals and by providing the opportunity for them to enter professional life in many fields of public and private provision. The beneficiaries are the public at large to whom education is open. The University's provision has been aligned with the Welsh Government's strategy for higher education and serves the public benefit by contributing to regional regeneration, preservation of the environment and promotion of social justice.

The University offers courses in a range of subjects including health and social care, teacher education and environmental management with over 50 professional bodies accrediting its courses. It also engages with partners in business, the public sector and communities in a variety of ways. Specifically, during 2022/23 the University:

- Undertook Sport Development for Cardiff City Council. The University, through Cardiff Met Sport, is working with the Council, Sport Wales National Governing Bodies of Sport and professional sport clubs to increase sports participation and the quality of the experience across the city. The project, which places particular emphasis upon addressing key themes, including disability, gender, and disadvantaged groups, is also contributing to the strengthening of Cardiff Met's relationships with all the city's primary and secondary schools and supports thousands of hours of student work placement and volunteering opportunities.
- Continued the development of our Open Campus programme, which is a partnership between Met Sport, CSSHS and Cardiff City Council. This year alone the programme engaged 11,000 pupils from across the city.
- Participated, as a part of its widening access programme, in the Reaching Wider Initiative which encourages the importance of learning amongst lower quartile Welsh Index of Multiple Deprivation areas and schools in South-East Wales.
- Administered and supported a £12m pan-Wales advisory and implementation service in food technology related initiatives, including areas such as technical, microbiological, hygiene and product development to help clients (SMEs) achieve measurable outputs and clear financial, environmental and skill-based benefits and to maximise business performance.
- Worked with Welsh Government to provide Knowledge Transfer Partnerships as an effective interface between academia and Welsh business - providing access to research, development, expertise, facilities and knowledge to a wide range of technology led businesses.
- Used its sports facilities to provide junior sport programmes for local children and training facilities for all levels of athlete, thereby supporting world class participants in a range of national and international sports. The University expanded its Learn to Swim and School Swimming programmes on our Cyncoed campus to cater for over 160 swimmers.
- Operated a Community Borrower Scheme, which provides the public with direct access to the University's library collections, enabling them to borrow books or other audio-visual education materials.
- Actively promoted the National Young Ambassador programme which aims to inspire young people to become leaders through sport and physical activity.
- Hosted Community Days which bring together and engage the campus community with its neighbours and surrounding communities. These events raise awareness and promote partnership working with local traders, charities and small businesses operating alongside university activities. Cardiff Met also offers students, staff and the community the opportunity to attend free Repair Cafes, and to participate in litter picks in the areas surrounding each Campus.
- The University is a key sponsor of the city's public cycle network OVO bikes, hosting cycle hubs at each of its campuses and providing 5,000 memberships for its community.
- Continued support and funding towards the city's Student Liaison Officer, a role that supports Cardiff's universities and provides volunteering opportunities in the city, helping in local communities.
- Continued support for the Food and Fun (previously known as School Holiday Enrichment) Programme which provides food and nutrition education, physical activity, enrichment sessions and healthy meals to children in areas of social deprivation during the school summer holidays. Since the programme's launch in 2016, the number of schools enrolled has continued to grow year-on-year.
- Secured funding through Cardiff & Vale University Health Board to improve the provision of Exercise Referral across Cardiff, strengthening the relationship between primary care, social prescribing, exercise referral and community physical activity. The programme contributes towards the Healthy Weight, Healthy Wales Strategy and Move More Eat Well strategy across Cardiff and the Vale of Glamorgan.
- Participated in Step In - an innovative project developed between Cardiff Met Sport and the Police & Crime Commissioner office. The programme diverts young people aged 11 to 18 away from youth justice services and into more positive opportunities via sport and physical activity.
- In partnership with Public Health Wales, Met Sport delivered the Move More community health programme which included the Falls Management Exercise Programme, National Exercise Referral programme and the Active Leisure Scheme. All programmes are targeted at encouraging older adults to move more and improve their physical and mental health.
- This year our teams also launched the Move More strategy in partnership with Cardiff City Council and Public Health Wales. Move More is the first Physical Activity and Sport Strategy for the city and is adopting a whole-systems based approach to drive sustainable and meaningful change across Wales Capital City.

During the year, Welsh domiciled students of the University were able to access the Assembly Learning Grant and English domiciled students were able to access the Maintenance Grant; the University also offered its own bursaries. Various other schemes were also available to assist students to access higher education and the University administered a discretionary contingency fund for those who required financial support to continue their studies. The University offered a wide range of accredited taster sessions at outreach centres and bespoke projects designed to raise the aspirations amongst disadvantaged/under-represented communities.

In common with other charitable higher education corporations in the UK, the University is overseen by a Board of Governors, the majority of whom are non-remunerated and otherwise independent of the University. The Board of Governors includes staff and student representation.

Independent auditors' report to the Governing Body of Cardiff Metropolitan University (the "university")

Report on the audit of the financial statements

Opinion

In our opinion, Cardiff Metropolitan University's group financial statements and university financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and the university's affairs as at 31 July 2023, and of the group's and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the Consolidated & University Statements of Financial Position as at 31 July 2023; the Consolidated & University Statements of Comprehensive Income and Expenditure, the Consolidated & University Statements of Changes in Reserves for the year then ended and the Consolidated Cash Flow Statement 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 university'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 Governing body'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 university's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Governing body 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 Governing Body 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.

Report of the Board of Governors

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Report of the Board of Governors 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 Governing Body for the financial statements

As explained more fully in the Responsibilities of the Board of Governors set out on page 46, the Governing Body 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 Governing Body 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 Governing Body is responsible for 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 the Governing Body either intends to liquidate the group and university 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/industry, we identified that the principal risks of non-compliance with laws and regulations related to UK health & safety

and employment legislation together with the Higher Education Funding Council for Wales ('HEFCW') Financial Management Code, 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 and HEFCW Accounts Direction (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 the posting of inappropriate transactions designed to overstate the financial performance and/or position of the group or university.

Audit procedures performed included:

- Reviewing the minutes of meetings of those charged with governance and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Using computer based audit techniques to identify and test higher risk journal entries, in particular those we considered to have unusual account combinations;
- Reviewing the appropriateness of the assumptions used in estimating the valuation of the defined benefit pension scheme;
- Obtaining third party confirmations of all of the group's banking and financing arrangements.

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 university's Governing Body as a body in accordance with Article 13(2) of the university's Articles of Government and section 124B of the Education Reform Act 1988 as amended by section 71 of the Further and Higher Education Act 1992 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 university 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 Memorandum of Assurance and Accountability, the HEFCW Financial Management Code and any other terms and conditions attached to them; and
- funds provided by HEFCW have been used for the purposes for which they were received.

Sufficiency of accounting records and information and explanations received.

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

- sufficient accounting records have not been kept by the university; or
- the university 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 2023

The Board of Governors' Responsibilities in Respect of the Annual Report & the Financial Statements

In accordance with the Education Reform Act 1988 the Board of Governors are responsible for the effective and efficient use of resources, the solvency of the University and for safeguarding its assets. To this end, the Board is responsible for keeping adequate accounting records sufficient to show and explain the University's transactions and disclose the financial position of the University. It has responsibility for setting out the internal controls necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities which may occur.

Articles of Government and the Instrument of Government are the legal documents which govern the way Cardiff Met conducts itself and carries out its operation. These documents set out key responsibilities of the Board of Governors, Vice-Chancellor, and Academic Board, and the basis of which these responsibilities can be delegated, as well as procedural rules.

The Board has adopted a Statement of Primary Responsibility, as recommended by the Committee of University Chairs, which is published on the University's website. It sets out the primary responsibilities of the Board of Governors at Cardiff Met.

The Board is responsible for approving the Annual Budget, the Annual Financial Statements, and the Corporate Strategic Plan. The Board of Governors has established a Resources Committee which has delegated authority from the Board in relation to financial matters. However, the Board cannot delegate the approval of the Annual Budget or its principal responsibility for the solvency of the University. The President & Vice Chancellor is the designated Accounting Officer for the University and is responsible to the Board for preparing annual budgets and financial statements and for the management of resources within those budgets. Except when provided to the contrary, the President & Vice Chancellor may delegate functions in line with the Scheme of Delegation which is approved by the Board of Governors, but may not delegate ultimate responsibility and accountability, to other staff.

The Board is responsible for preparing the Annual Report and the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the Accounts Direction issued by HEFCW, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions (2019), the Charities Act 2011 and other relevant accounting standards.

The Board of Governors is required to prepare financial statements which give a true and fair view of the financial position of the Group and University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the financial statements, the university is required to:

- ensure suitable accounting policies are selected and consistently applied.
- that judgements and estimates are reasonable and prudent.
- state that applicable UK accounting standards and the Statement of Recommended Practice have been applied, subject to disclosure and explanation in the financial statements of any material departures.
- that the going concern basis of accounting is appropriate.

In addition, the Board is responsible for ensuring:

- funds from external sources, administered by the University for specific purposes have been properly managed and applied.
- income, has been applied in accordance with HEFCW's Financial Management Code.
- Funding Council grants have been applied in accordance with the terms and conditions attached to them and used for the purposes for which they were received.
- the University's resources and expenditure are secure and controlled, with economic, efficient, and effective management.
- the assets of the University are safeguarded to prevent and detect fraud and other irregularities.
- appropriate financial and management controls are in place to safeguard public and other funds.
- The University provides internal Financial Regulations defining delegated responsibilities, with clearly defined and formalised requirements for approval and control of expenditure, with investment decisions being subjected to detailed appraisal and review. Completes comprehensive planning, and budgeting processes, which integrate the preparation of annual income, expenditure, and capital budgets. Regular reviews of the performance of each of the University's planning and budgetary units are undertaken, including monthly reviews of financial results involving variance reporting and the updating of forecasts.

Statement of Principal Accounting Policies

1 | Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102; the Accounts Direction issued by the Higher Education Funding Council for Wales and the Charities Act 2011. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). The principal accounting policies have been applied consistently except as where described otherwise and are set out below.

2 | Basis of Consolidation

The consolidated financial statements include Cardiff Metropolitan University and its wholly owned subsidiary undertakings, Cardiff Met Company Ltd and Cardiff Metropolitan Education Services (Beijing) Ltd. In addition, the University holds a majority (55%) share interest in a spin out company Fovo Technology Ltd, the balance of the shares being held by two of the University's academics. This company's activity is also consolidated into these financial statements. However, the non-controlling interest of the minority shareholders in the net assets and surplus of the company are highly immaterial to the University group. These non-controlling interests have therefore not been presented. The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or significant influence over policy decisions. Intra-group sales and profits are eliminated fully on consolidation.

3 | Going Concern

The Financial Statements of the University are prepared on a going concern basis. The University is in a position of strong liquidity, cash balances are high and it utilises low level borrowing facilities. Together with strong expenditure controls, the University will have sufficient funds to continue to meet its liabilities as they fall due.

4 | Income Recognition

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

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Income and Comprehensive Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount, income receivable is shown net of the discount. Fee scholarships are treated as a discount and are deducted from income.

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

a) Grant Funding

Grant funding including funding council grants; research grants from government sources; and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Consolidated Statement of Financial Position and released to income as the conditions are met.

b) Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds.

Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

Investment income and 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 restrictions applied to the individual endowment fund.

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

- Restricted donations - the donor has specified that the donation must be used for a particular objective;
- 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;
- Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital;
- 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.

c) Capital Grants

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

5 | Accounting for Retirement Benefits

The University operates three pension schemes for University staff; the Cardiff and Vale of Glamorgan Pension Fund (CVGPF), the Teachers' Pension Scheme (TPS) and the Universities Superannuation Scheme (USS). The CVGPF and USS are funded schemes.

The CVGPF is valued every three years by a professionally qualified actuary using the projected unit method, the rate of contribution payable being determined by the Administering Authority on the advice of the actuary.

The TPS is subject to an actuarial valuation every five years by the Government Actuarial Department using the age entry method. The rate of contribution for the TPS is determined by the Teachers' Pension Agency on the advice of the actuary.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities attributable to the University at member level due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

However, in accordance with FRS102, a liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

a) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees. Given the nature of the TPS, contributions to that scheme are accounted for on this basis.

b) Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. 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.

c) CVGPF – Local Government Scheme

The Cardiff and Vale of Glamorgan Pension Fund is a defined benefits scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Contributions are set every three years as a result of the actuarial valuation of the fund required by the regulations. The latest actuarial valuation of the fund was carried out as at 31 March 2022 and has set contributions for the period 1 April 2023 to 31 March 2026.

The actuary has completed calculations for pension accounting purposes based on the following items of data, which were received from the Cardiff and Vale of Glamorgan Pension Fund.

- The results of the valuation as at 31 March 2022, which was carried out for funding purposes and the results of the 31 July 2023 FRS102 report, which was carried out for accounting purposes.
- Estimated whole fund income and expenditure items for the period to 31 July 2023.
- Fund investment returns for the period to 30 April 2023 and market returns (estimated where necessary) thereafter for the period to 31 July 2023.
- Estimated fund income and expenditure in respect of the employer for the period to 31 July 2023.
- Details of any new early retirements for the period to 31 July 2023 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost; and
- Details of any settlements for the period to 31 July 2023.

The assets of the Fund are not segregated or separately allocated to employers within the fund. The asset balance included in the financial statements is therefore a notional allocation estimated by the actuary using the information referred to above. The allocation is rolled forward from that agreed when the employer was admitted to the Fund and is not recalculated at each triennial valuation.

6 | Employment Benefits

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

7 | 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.

8 | Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Consolidated Statement of Financial Position date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit. 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.

9 | Fixed Assets

a) Land and Buildings

Certain items of land and buildings that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation, less accumulated depreciation, and accumulated impairment losses.

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

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 of between 20 and 75 years.

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

b) Equipment

Equipment costing less than £10,000 per individual item is written off to the Consolidated Statement of Income and Expenditure in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated on a straight-line basis over its useful economic life of between 3 and 10 years.

Equipment purchased for research projects is treated and depreciated on the same basis as other equipment expenditure.

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

c) Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

10 | Intangible Assets

Software development costs are capitalised and amortised on the straight-line basis over an estimated useful life of between five and ten years. Amortisation of such developments commences when brought into use.

Intellectual property: The Group is developing software technology relating to new ways of creating and interacting with digital images. Costs that are directly attributable to the design and testing of the technology are recognised as an intangible asset when the following criteria are met;

- It is technically feasible to complete the underlying software so that the technology will be available for use,
- Management intends to complete the development and to sell or licence the use of the technology,
- It can be demonstrated that the technology will generate probable future economic benefits at least equal in value to the Consolidated Statement of Financial Position carrying value,
- Adequate technical and financial resources to complete the development and to sell or licence the technology are available, and
- The expenditure attributable to the development of the technology can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intellectual property is amortised over its estimated useful life commencing at the date that development is complete, and the technology is available for sale or licensing.

11 | Investments

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

Investments in subsidiaries are carried at cost less impairment in the University's financial statements.

Current asset investments are held at on the Consolidated Statement of Financial Position at amortised cost less impairment.

12 | Stock

Stocks are stated at the lower of cost or net realisable value and is measured using an average cost formula.

13 | 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, with a notice period of 3 months or less, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

14 | Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the financial statements when:

- The University has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

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

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 uncertain 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 Consolidated Statement of Financial Position but are disclosed in the notes.

15 | Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011, it is therefore a charity within the meaning of Para 1 of schedule 6 to 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. No charge for taxation has been included in respect of the Subsidiary Companies' activities since the entire taxable profit of these companies is transferred to the University under the Gift Aid scheme.

Deferred tax is provided in full on timing differences which result in an obligation at the Consolidated Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

16 | Reserves

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

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

17 | Critical accounting judgements and estimation uncertainty

Pension schemes: assumptions used in the calculation of the USS and C&VPF pension deficit provisions represent a key accounting estimate based on the sensitivity of assumptions (note 19 and note 24).

Recoverability of Debtors: The University makes an estimate for the recoverable value of outstanding debt. In arriving at this value, the University considers the age profile of debts, knowledge of individual debtors and an assessment of prevailing economic conditions.

Employee Leave Accrual: under FRS102 the University recognises a liability for employee holiday pay at the financial year end. A number of departments and schools within the University have been sampled to derive typical holiday usage, this has then been applied to the University as a whole. There is a level of uncertainty when applying the sample to the whole. The leave accrual is contained within creditors less than 1 year (note 16).

Intangible assets, critical judgements: The Group is developing software technology relating to new ways of creating and interacting with digital images. The criteria used for the recognition of development and other costs as an intangible asset requires an assessment of future events including the technical feasibility that the technology will be available for use such that future economic benefits will be generated. The Group considers that the testing performed to date and the initial feedback from potential users of the technology supports the recognition of the intangible asset.

Intangible assets, key accounting estimates and assumptions: The Group considers whether its intangible assets are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation at market value or the future cash flows and the selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Current assets, key accounting estimates and assumptions: The Group considers whether its current assets are impaired. Where an indication of impairment is identified a provision against expected future write off is established.

Consolidated & University Statements of Comprehensive Income and Expenditure

year ended 31 July 2023

	Note	Year ended 31 July 2023		Year ended 31 July 2022	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	115,724	115,718	100,635	100,623
Funding body grants	2	10,859	10,859	13,344	13,344
Research grants and contracts	3	4,279	3,942	3,752	3,536
Other income	4	21,087	17,999	19,223	17,210
Investment income	5	1,273	1,273	199	199
Donations	6	12	2	23	21
Total income		153,234	149,793	137,176	134,933
Expenditure					
Staff costs	7	93,162	89,817	91,504	89,089
Other operating expenses		45,887	44,473	38,447	37,523
Depreciation	10	5,979	5,979	4,822	4,794
Impairment of investment in subsidiary	12	-	700	-	3,850
Impairment of intercompany receivable	14	-	3,348	-	-
Interest and other finance costs	8	2,610	2,610	3,112	3,112
Total expenditure	9	147,638	146,927	137,885	138,368
Surplus/(Deficit) for the year		5,596	2,866	(709)	(3,435)
Actuarial gain in respect of pension schemes	24	46,330	46,330	85,640	85,640
Total comprehensive income for the year		51,926	49,196	84,931	82,205
Represented by:					
Unrestricted total comprehensive income for the year attributable to the Group and University		51,926	49,196	84,931	82,205
		51,926	49,196	84,931	82,205

All items of income & expenditure relate to continuing activities.

Consolidated & University Statements of Changes in Reserves

year ended 31 July 2023

Consolidated	**Total Reserves**
	£'000
Balance at 1 August 2021	51,431
Deficit for the year	(709)
Other comprehensive income	85,640
Total comprehensive income for the year	84,931
Balance at 31 July and 1 August 2022	136,362
Surplus for the year	5,596
Other comprehensive income	46,330
Total comprehensive income for the year	51,926
Balance at 31 July 2023	188,288
University	
Balance at 1 August 2021	54,169
Deficit for the year	(3,435)
Other comprehensive income	85,640
Total comprehensive income for the year	82,205
Balance at 31 July and 1 August 2022	136,374
Surplus for the year	2,866
Other comprehensive income	46,330
Total comprehensive income for the year	49,196
Balance at 31 July 2023	185,570

All reserves are unrestricted

Consolidated & University Statements of Financial Position

year ended 31 July 2023

	Note	Year ended 31 July 2023		Year ended 31 July 2022	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Non-current assets					
Tangible assets	10	180,850	180,850	168,643	168,643
Intangible assets	11	2,403	-	1,834	-
Investment in subsidiaries	12	-	-	-	-
Current assets					
Stock	13	99	99	83	83
Trade and other receivables	14	13,203	13,045	11,056	13,229
Investments	15	45,046	45,046	30,278	30,278
Cash and cash equivalents	20	10,138	9,166	32,164	31,211
		68,486	67,356	73,581	74,801
Less: Creditors: amounts falling due within one year	16	(39,440)	(38,625)	(39,836)	(39,210)
Net current assets		29,046	28,731	33,745	35,591
Total assets less current liabilities		212,299	209,581	204,222	204,234
Creditors: amounts falling due after more than one year	17	(17,806)	(17,806)	(19,192)	(19,192)
Provisions					
Pension provisions	19	(6,205)	(6,205)	(48,668)	(48,668)
Total net assets		188,288	185,570	136,362	136,374
Unrestricted reserves					
Income and expenditure reserve		188,288	185,570	136,362	136,374
Total reserves		188,288	185,570	136,362	136,374

The Financial Statements on pages 54 to 57 were approved by the Board of Governors on 29th November 2023 and signed on its behalf by.

John Taylor (CBE)
Chair of the Board of Governors

Professor C Carmichael Aitchison
President & Vice-Chancellor

Consolidated Cash Flow Statement

year ended 31 July 2023

	Year ended 31 July 2023	Year ended 31 July 2022
	£'000	£'000
Cash flow from operating activities		
Surplus/(Deficit) for the year	5,596	(709)
Adjustment for non-cash items		
Depreciation	5,979	4,822
Increase in stock	(16)	(51)
Increase in debtors	(2,147)	(1,141)
Increase in creditors	50	10,932
Difference between pension charge and cash contributions	2,319	12,568
Adjustment for investing or financing activities		
Investment income	(1,273)	(199)
Interest payable	2,610	3,111
Capital grant income	(884)	(2,562)
Net cash inflow from operating activities	12,234	26,771
Cash flows from investing activities		
Capital Grants receipts	884	2,562
Redemption of investments	30,279	23,855
Investment income	1,273	199
Payments made to acquire fixed assets	(18,756)	(11,187)
Purchase of investments	(45,046)	(30,279)
Net cash outflow from investing activities	(31,366)	(14,850)
Cash flows from financing activities		
Interest paid	(1,062)	(1,135)
Repayments of amounts borrowed	(1,832)	(1,826)
Net cash outflow from financing activities	(2,894)	(2,961)
(Decrease)/Increase in cash and cash equivalents in the year	(22,026)	8,960
Cash and cash equivalents at beginning of the year	32,164	23,204
Cash and cash equivalents at end of the year	10,138	32,164
(Decrease)/Increase in cash and cash equivalents in the year	(22,026)	8,960
Reconciliation of net cash flow to movement in net funds		
(Decrease)/Increase in cash in the year	(22,026)	8,960
Increase in short term deposits	14,767	6,424
Repayments of amounts borrowed	1,832	1,826
Movement in net funds in the year	(5,427)	17,210
Net funds at 1 August	41,860	24,650
Net funds at 31 July	36,433	41,860

Notes to the Financial Statements

year ended 31 July 2023

1 Tuition fees and education contracts

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Full-time home and EU students	68,415	68,415	66,050	66,050
Full-time & part time international students	35,191	35,191	24,009	24,009
Part-time home and EU students	1,739	1,739	1,068	1,068
Transnational education income	5,979	5,979	5,344	5,344
Education contracts with NHS & Coleg Cymraeg	3,875	3,875	3,610	3,610
Research training support grants	525	519	554	542
	115,724	115,718	100,635	100,623

2 Funding body grants

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Recurrent grant				
Higher Education Funding Council for Wales	6,515	6,515	6,983	6,983
Specific grants	4,344	4,344	6,361	6,361
Specific initiative grants	10,859	10,859	13,344	13,344

3 Research grants and contracts

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Research councils	548	548	438	438
Research charities (UK and overseas)	182	172	56	47
Government (UK and overseas)	3,101	2,899	2,892	2,819
Industry and commerce (UK and overseas)	448	323	366	232
	4,279	3,942	3,752	3,536

4 Other income

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Other services rendered	10,688	8,723	10,146	8,670
Residences operations	5,233	5,233	4,810	4,810
Catering and conferencing operations	2,234	1,927	1,499	1,383
Other EU grant income	344	344	357	357
Other operating income	2,588	1,772	2,411	1,990
	21,087	17,999	19,223	17,210

Included in the 'Other services rendered' figure above is an amount of £67k (2022: £44k) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world, supporting the government's Global Britain objectives.

5 Investment income

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Other investment income	1,273	1,273	199	199
	1,273	1,273	199	199

6 Donations

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Donations	12	2	23	21
	12	2	23	21

7 Staff costs

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Salaries	70,171	67,443	60,656	58,733
Social security costs	7,490	7,247	6,480	6,298
Other pension costs	12,878	12,504	11,507	11,197
Movement on USS provision	(940)	(940)	2,238	2,238
CVGPF costs in excess of contributions	3,563	3,563	10,623	10,623
	93,162	89,817	91,504	89,089

	Year ended 31 July 2023	Year ended 31 July 2022
Average staff numbers by major category:	No.	No.
Academic	649	580
Administrative, support and projects	828	779
Technicians	29	30
Ancillary	68	61
	1,574	1,450

	Year ended 31 July 2023	Year ended 31 July 2022
Emoluments of the Vice-Chancellor	£	£
Salary	268,476	257,500
Payments in lieu of pension contributions	49,719	47,346
	318,195	304,846

Vice-Chancellor remuneration as a multiple of the median	Year ended 31 July 2023 University		Year ended 31 July 2022 University	
	Basic Salary	Total Remuneration	Basic Salary	Total Remuneration
Vice-Chancellor	£268,476	£318,195	£257,500	£304,846
Median salary	£41,931	£42,647	£39,739	£40,650
Pay multiple	6.4	7.5	6.5	7.5

The median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University to its staff. Agency and atypical staff have been excluded from the above calculations, as full-time equivalent data is not available.

Higher Paid Staff	Year ended 31 July 2023	Year ended 31 July 2022
	No.	No.
£100,000 to £104,999	4	1
£105,000 to £109,999	-	2
£110,000 to £114,999	2	2
£120,000 to £124,999	1	-
£130,000 to £134,999	-	1
£140,000 to £144,999	2	1
£145,000 to £149,999	-	1
£160,000 to £164,999	1	1
£165,000 to £169,999	1	-
£170,000 to £174,999	1	-
	12	9

Payment of compensation for loss of office to higher paid staff was as follows;

	Year Ended 31 July 2023	Year Ended 31 July 2023	Year Ended 31 July 2022	Year Ended 31 July 2022
	£'000	Number of staff	£'000	Number of staff
Higher paid staff: loss of office	103	1	-	-

The Key Management Personnel are the University President & Vice Chancellor's Executive Group. In 2022-23 the group comprised; the President & Vice Chancellor, Deputy President & Vice Chancellor, PVC (Research and Innovation), PVC (Student Engagement), Chief Officer (Resources), and the Secretary & Clerk to the Board of Governors.

Higher Paid Staff	Year ended 31 July 2023	Year ended 31 July 2022
	£'000	£'000
Key management personnel remuneration (excludes pension costs)	950	941

Due to the nature of the University's operations and the composition of the Board, it is inevitable that transactions will take place with organisations in which a Member of the Board or a senior member of staff may have an interest. The financial regulations require an individual to declare an interest and to withdraw from discussions should a conflict of interest potentially arise. Written assurances are obtained annually from all Governors and key personnel in respect of themselves and their close family. For the financial year to 31 July 2023 the returns state that there has been no undue influence between the University and related parties (as defined by FRS102).

8 Interest and other finance costs

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Loan interest	1,062	1,062	1,136	1,136
Net charge on pension scheme	1,548	1,548	1,976	1,976
	2,610	2,610	3,112	3,112

9 Analysis of total expenditure by activity

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Academic and related expenditure	80,991	81,302	67,894	67,894
Administration and central services	32,516	30,180	29,266	27,754
Premises (including service concession cost)	9,589	9,589	9,005	9,005
Residences, catering, and conferences	5,000	4,737	4,225	4,074
Research grants and contracts	2,978	2,832	2,693	2,553
Other expenses	16,567	18,290	24,386	26,672
HEFCW Covid-19 grant expenditure	(3)	(3)	416	416
	147,638	146,927	137,885	138,368
Other operating expenses include:	£'000	£'000	£'000	£'000
External independent auditors' remuneration in respect of audit services	94	58	73	45
External independent auditors' remuneration in respect of non-audit services	10	10	28	28

Included in the 'Administration and central services' figure above is an amount of £67k (2022: £44k) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world, supporting the government's Global Britain objectives.

10 Tangible Fixed Assets

		Freehold Land and Buildings	Fixtures, Fittings and Equipment	Total
	£'000	£'000	£'000	£'000
Consolidated				
Cost or valuation	At 1 August 2022	192,225	26,988	219,213
	Additions	9,855	8,331	18,186
	At 31 July 2023	202,080	35,319	237,399
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	129,812	35,319	165,131
		202,080	35,319	237,399
Accumulated Depreciation	At 1 August 2022	32,388	18,182	50,570
	Charge for the year	2,840	3,139	5,979
	At 31 July 2023	35,228	21,321	56,549
Net book value	At 31 July 2023	166,852	13,998	180,850
	At 31 July 2022	159,837	8,806	168,643
University				
Cost or valuation	At 1 August 2022	192,225	26,700	218,925
	Additions	9,855	8,331	18,186
	At 31 July 2023	202,080	35,031	237,111
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	129,812	35,031	164,843
		202,080	35,031	237,111
Accumulated Depreciation	At 1 August 2022	32,388	17,894	50,282
	Charge for the year	2,840	3,139	5,979
	At 31 July 2023	35,228	21,033	56,261
Net book value	At 31 July 2023	166,852	13,998	180,850
	At 31 July 2022	159,837	8,806	168,643

As at 31 July 2023, freehold land and buildings included £52.598m (2022: £52.598m) in respect of freehold land and is not depreciated.

11 Intangible Assets

	Consolidated	University
	£'000	£'000
Cost of Intellectual Property		
At 1 August 2021	1,347	-
Additions	487	-
At 31 July 2022	1,834	-
Cost of Intellectual Property		
At 1 August 2022	1,834	-
Additions	569	-
At 31 July 2023	2,403	-
Net book value		
At 31 July 2023	2,403	-
Net book value		
At 31 July 2022	1,834	-

No amortisation has been charged in the year ended 31 July 2023. The additional intangible asset of £569k in 2022/23 represents the capitalisation of the intellectual property developed in Fovo Technology Ltd.

12 Investment in Subsidiaries

	University
	£'000
Cost or valuation and net book value	
At 1 August 2022	-
Additions	700
Impairment	(700)
At 31 July 2023	-
Cost or valuation and net book value	
At 1 August 2021	3,150
Additions	700
Impairment	(3,850)
At 31 July 2022	-

The investments represent shares in group undertakings (note 23). During the financial year 2022/23 the University bought shares in Cardiff Met Company Ltd for £700k and impaired them to NIL.

13 Stock

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
General consumables (Catering & other)	99	99	83	83
	99	99	83	83

14 Trade and other receivables

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	8,900	8,531	6,674	6,436
Prepayments and accrued income	4,303	4,173	4,382	4,210
Amounts due from subsidiary companies	-	341	-	2,583
	13,203	13,045	11,056	13,229

During the year the University impaired the intercompany receivable of £3.3m with Cardiff Met Company Ltd to NIL.

15 Investments

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Term deposits	24,548	24,548	10,097	10,097
Corporate Bonds	20,498	20,498	20,181	20,181
	45,046	45,046	30,278	30,278

16 Creditors: amounts falling due within one year

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Secured loans	102	102	536	536
Unsecured loans	1,284	1,284	1,296	1,296
Trade payables	6,234	6,380	5,550	5,493
Social security and other taxation payable	1,990	1,982	1,737	1,723
Accruals and deferred income	29,830	28,877	30,717	30,162
	39,440	38,625	39,836	39,210

17 Creditors: amounts falling due after more than one year

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Secured loans	306	306	408	408
Unsecured loans	17,500	17,500	18,784	18,784
	17,806	17,806	19,192	19,192
Analysis of secured and unsecured loans:				
Due within one year or on demand	1,386	1,386	1,832	1,832
Due between one and two years	1,352	1,352	1,386	1,386
Due between two and five years	3,954	3,954	4,056	4,056
Due in five years or more	12,500	12,500	13,750	13,750
Due after more than one year	17,806	17,806	19,192	19,192
Total secured and unsecured loans	19,192	19,192	21,024	21,024

18 Lender: secured and unsecured loans

		Amount as at 31 July 2023	Amount as at 31 July 2022	Repayable by	Interest	Borrower
		£'000	£'000	£'000	£'000	
NatWest	Secured loan	408	510	2027	Variable	University
NatWest	Secured loan	-	434	2023	7.69	University
Barclays	Unsecured loan	9,000	9,600	2038	5.10	University
Santander	Unsecured loan	9,750	10,400	2038	5.10	University
Salix	Unsecured loan	-	13	2022	0.00	University
Salix	Unsecured loan	34	67	2024	0.00	University

19 Pension Provisions

	Obligation to fund deficit on USS Pension	Pension enhancement on termination	Defined Benefit Obligations (Note 24)	Total Pensions Provisions
	£'000	£'000	£'000	£'000
Consolidated and University				
At 1 August 2022	(4,058)	(2,620)	(41,990)	(48,668)
Utilised in year	248	310	-	558
(Addition)/release in year	555	(80)	(4,900)	(4,425)
Actuarial gain in year	-	190	46,140	46,330
At 31 July 2023	(3,255)	(2,200)	(750)	(6,205)

The obligation to fund the past service deficit of the University's Superannuation Scheme (USS) arises from a contractual obligation to fund benefits arising from past performance. This obligation is reassessed every three years using the scheduled triennial valuation of the scheme. In reassessing the value of the required provision during the current year management has used the March 2020 valuation of the scheme. The latest available actuarial valuation of the scheme at 31 July 2023 was the March 2020 valuation.

20 Cash and cash equivalents

	At 1 August 2022	Cash Flows	At 31 July 2023
	£'000	£'000	£'000
Consolidated			
Cash and cash equivalents	32,164	(22,026)	10,138
	32,164	(22,026)	10,138

	At 1 August 2021	Cash Flows	At 31 July 2022
	£'000	£'000	£'000
Cash and cash equivalents			
Consolidated			
Cash and cash equivalents	23,204	8,960	32,164
	23,204	8,960	32,164

21 Capital commitments

	At 31 July 2023		At 31 July 2022	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Commitments contracted for	2,690	2,690	4,050	4,050
	2,690	2,690	4,050	4,050

22 Commitments under operating leases

At 31 July Cardiff Metropolitan University had future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£'000	£'000
Not later than 1 year	226	196
Later than 1 year and not later than 5	93	242
	319	438

23 Subsidiary undertakings

Company	Principal Activity	Status
Cardiff Metropolitan Company Ltd	Undertakes non primary purpose trading activities which are non-charitable.	100% owned
Cardiff Metropolitan Education Services (Beijing) Ltd	Holding company for China Wholly Foreign-Owned Enterprise.	100% owned
Cardiff Metropolitan Education Consulting Service (Beijing) Ltd	Develop strategic partnerships with Chinese institutions.	100% owned
Fovo Technology Ltd	Developing a new technology that improves the nature of visual experience.	55% owned

24 Pension Obligations

The University participates in three separate pension schemes, each of which has its own membership eligibility criteria. The three schemes are; the Cardiff & Vale of Glamorgan Pension Fund (CVGPF) (principally administration and support staff); the Teachers' Pension Scheme (TPS) (principally academic staff); and the Universities Superannuation Scheme (USS) (a mixture of administrative and academic staff). All three schemes are defined-benefit schemes.

The contributions payable to the scheme were

	Year ended 31 July 2023	Year ended 31 July 2022
	£'000	£'000
Contribution for TPS	6,641	5,664
Contribution for CVGPF	5,450	4,908
Contribution for USS	865	936
	12,956	11,508

The costs recognised within the University's staff costs for the year were

	Year ended 31 July 2023	Year ended 31 July 2022
	£'000	£'000
Cost for TPS	6,641	5,664
Cost for CVGPF	8,935	15,530
Cost for USS	(75)	3,174
	15,501	24,368

Cardiff & Vale of Glamorgan Pension Fund (CVGPF)

CVGPF is a local government superannuation scheme. The most recent full actuarial valuation was carried out as at 31 March 2022 and has been updated by independent actuaries to the Cardiff & Vale of Glamorgan Pension Fund to take account of the requirements of FRS102 in order to assess the liabilities of the Fund as at 31 July 2023. The next triennial valuation of the fund is expected to be reported during December 2025.

The principal assumptions used for the purposes of FRS102 are as follows

	Year ended 31 July 2023	Year ended 31 July 2022	Year ended 31 July 2021
Discount rate	4.9%	3.4%	1.7%
CPI inflation	2.6%	2.5%	2.6%
Rate of increase to pensions in payment	2.6%	2.5%	2.6%
Rate of revaluation of pension accounts	2.6%	2.5%	2.6%
Rate of increase in deferred pensions	2.6%	2.5%	2.6%
Rate of general increase in salaries	3.6%	3.5%	3.6%

Mortality assumption

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	Year ended 31 July 2023	Year ended 31 July 2022	Year ended 31 July 2021
Assumed life expectancy at 65 years			
- retiring today male/(female)	22.0 (24.2)	22.1 (24.6)	22.3 (24.7)
- retiring in 20 years male/(female)	22.6 (25.3)	23.2 (26.0)	23.3 (26.1)

Asset Allocation	Value at 31 July 2023	Value at 31 July 2022
Equities	68.1%	67.0%
Property	7.0%	8.1%
Government bonds	8.8%	9.0%
Corporate bonds	7.5%	7.8%
Multi Asset Credit	5.3%	5.2%
Cash	3.3%	2.9%
Total	100.0%	100.0%

Amounts recognised in income statement

	Year ended 31 July 2023		Year ended 31 July 2022	
	£'000		£'000	
	Funded	Unfunded	Funded	Unfunded
Operating cost				
- current service cost	9,020	-	15,570	-
Financing Cost				
- interest on net defined benefit liability	1,330	80	1,910	50
Pension expense recognised in income statement	10,350	80	17,480	50

Changes to the fair value of assets

	2023		2022	
		£'000		£'000
	Funded	Unfunded	Funded	Unfunded
Opening value	141,620	-	143,020	-
Interest income on assets	4,900	-	2,470	-
Remeasurement gains/(losses) on assets	2,250	-	(7,710)	-
Contributions by the employer	5,450	310	4,950	290
Contributions by participants	2,170	-	1,930	-
Net benefits paid out	(2,810)	(310)	(3,040)	(290)
Closing value	153,580	-	141,620	-

Changes to the present value of the defined benefit obligation

	2023		2022	
		£'000		£'000
	Funded	Unfunded	Funded	Unfunded
Opening value	183,610	2,620	257,890	3,090
Current service cost	9,020	-	15,570	-
Interest expense on defined benefit obligation	6,230	80	4,380	50
Contributions by participants	2,170	-	1,930	-
Actuarial (gains) on liabilities	(43,890)	(190)	(93,120)	(230)
Net benefits paid out	(2,810)	(310)	(3,040)	(290)
Closing value	154,330	2,200	183,610	2,620

Reconciliation of funded status to Consolidated Statement of Financial Position

	At 31 July 2023		At 31 July 2022	
		£'000		£'000
	Funded	Unfunded	Funded	Unfunded
Fair value of assets	153,580	-	141,620	-
Present value of defined benefit obligation	(154,330)	(2,200)	(183,610)	(2,620)
Liability	(750)	(2,200)	(41,990)	(2,620)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme took place, in line with directions issued by HM Treasury and using membership data as at 31 March 2020. As a result of the 2020 valuation, TPS employers have been notified that contributions will increase to 28.68% (effective April 2024) from a rate of 23.68 which has been in effect since September 2019 following the 2016 valuation. The contribution rate prior to this was 16.48%.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The Government's remedy to address this discrimination against younger members of such pension schemes (The McCloud remedy) came into effect for the TPS from 1 October 2023 and include provision for the cost of this remedy.

Universities Superannuation Scheme

The University participates in the Universities' Superannuation Scheme. The Scheme is a hybrid pension scheme which provides benefits based on final pensionable salary for Final Salary members until 2016 (closed to new entrants in 2011); Career Revalued Benefits (CRB) up to an indexed salary threshold for new entrants since 2011 and for Final Salary members since 2016; and defined contribution benefits above the same salary threshold and for members wishing to make additional contributions. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set.

As a result, the University is exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a wholly defined-contribution scheme. The amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme for the year. A liability is also recorded within provisions for any contractual commitment to fund past deficits within the scheme. Movements in this provision can also give rise to charges to the Consolidated Statement of Comprehensive Income and Expenditure as shown in note 19 above.

The appointment of directors to the board of trustees is determined by the Company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board.

Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation for the scheme was published during September 2021, valuing the assets and technical provisions as at 31 March 2020 (the valuation date). The 2020 valuation was the sixth valuation 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 2020 valuation date, the value of the assets of the scheme was £66.5 billion and the valuation of the scheme's technical provisions was £80.6 billion (based on the assumed implementation of the Joint Negotiating Committee's (JNC) recommendation. This represents a shortfall of £14.1 billion, up from the shortfall of £3.6 billion at the 2018 valuation date. The assets were therefore sufficient to cover 82.5% of the benefits which had accrued to members after allowing for expected future increases in earnings, as compared to 94.7% at the 2018 valuation date.

To address the deficit, the JNC formally voted to introduce a suite of reforms to the scheme in February 2022. As part of these reforms, the employer's contribution to the scheme was raised to 21.6%, from 21.1% at the 2018 valuation.

The 2023 valuation process is current ongoing, with a legislative deadline for completion of 30 June 2024. The latest indications are that the scheme will report a surplus position. There is likely to be a reduction in employer contribution rates and a restoration of employee benefits to pre-April 2022 levels.

Creditor Balances

Cardiff Metropolitan University's balances as at 31 July for each scheme are as follows:

	2023	2022
	£'000	£'000
TPS	838	-
CVGPF	648	585
USS	108	-
	1,594	585

US Federal Loans – Supplementary Schedule

25 Conversion to US GAAP format

This schedule has been compiled from the Section 3 Example Financial Statements included in the FederalRegister / Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations

Line	Statement of Financial Position	2022-23	2021-22
		£'000	£'000
1	Cash and cash equivalents	55,184	62,442
2	Accounts receivable, net	8,900	6,674
3	Other debtors and Prepaid expenses	4,303	4,382
4	Related party receivables	-	-
5	Contributions receivable, net	-	-
6	Student loans receivable, net	-	-
7	Investments in subsidiaries	-	-
8	Property, plant and equipment, net (includes Investment property & Heritage assets)	180,850	168,643
9	Lease right-of-use asset, net	-	-
10	Goodwill	-	-
	Other intangible assets	2,403	1,834
11	Inventories	99	83
12	Total assets	**251,739**	**244,058**
13	Line of credit - short term	-	-
14	Line of credit - short term for CIP	-	-
15	Accrued expenses/Accounts payable	8,224	7,287
16	Accruals and Deferred revenue	29,830	30,717
17	Post-employment and pension liability	6,205	48,668
18	Line of credit - operating	-	-
19	Other liabilities	-	-
20	Notes payable	-	-
21	Lease right-of-use asset liability	-	-
22	Line of credit for long term purposes	19,192	21,024
23	Total liabilities	**63,451**	**107,696**
24	Net assets without donor restrictions	188,288	136,362
	Net Assets with Donor Restrictions		
25	Annuities	-	-
26	Term endowments	-	-
27	Life income funds	-	-
28	Other restricted by purpose and time	-	-

Line	Statement of Financial Position	2022-23	2021-22
		£'000	£'000
29	Restricted in perpetuity	-	-
30	Total Net Assets with Donor Restrictions	-	-
31	Total Net Assets	**188,288**	**136,362**
32	Total Liabilities and Net Assets	**251,739**	**244,058**
	Changes in Net Assets Without Donor Restrictions		
	Operating Revenue and Other Additions		
33	Tuition and fees, net	115,724	100,635
34	Funding body income	10,859	13,344
35	Investment return appropriated for spending	1,273	199
36	Other income	21,099	19,246
37	Research income	4,279	3,752
38	Total Operating Revenue and Other Additions	**153,234**	**137,176**
	Operating Expenses and Other Deductions		
39	Education and research expenses	139,049	129,951
40	Depreciation and Amortization	5,979	4,822
41	Interest expense	2,610	3,112
42	Auxiliary enterprises	-	-
43	Total Operating Expenses	**147,638**	**137,885**
44	Changes in Net Assets from Operations	**5,596**	**(709)**
	Non-Operating changes		
45	Investments, net of annual spending, gain (loss)	-	-
46	Other components of net periodic pension costs	46,330	85,640
47	Pension-related changes other than net periodic pension costs	-	-
48	Change in value of split-interest agreements	-	-
49	Other gains (losses)	-	-
50	Sale of fixed assets, gains (losses)	-	-
	Taxation	-	-
	Total Non-Operating Changes	**46,330**	**85,640**
51	Total Change in Net Assets	**51,926**	**84,931**
	Change in Net Assets with Donor Restrictions		
52	Contributions	-	-
53	Net assets released from restriction	-	-
54	Change in Net Assets with Donor Restrictions	-	-
55	Change in Net Assets without restrictions	51,926	84,931
56	Net Assets, Beginning of Year	136,362	51,431
57	Net Assets, End of Year	188,288	136,362

Line	Statement of Financial Position	2022-23	2021-22
		£'000	£'000
Note for Line 9 - Lease right-of-use assets			
A	Lease right-of-use assets - pre-implementation	-	-
B	Lease right-of-use assets - post-implementation	-	-
	Total	-	-
Note for Line 21 - Lease right-of-use asset liability			
A	Lease right-of-use asset liability - pre-implementation	-	-
B	Lease right-of-use asset liability - post-implementation	-	-
	Total	-	-
Note for Line 8 - Net Property, Plant and Equipment			
A	Pre-implementation Property, Plant and Equipment	162,663	157,942
B	Post-implementation Property, Plant and Equipment purchased with debt	-	-
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Const'n in P'gress	-	-
D	Post-implementation Property, Plant and Equipment - no debt	-	-
	Total	**162,663**	**157,942**
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less and depreciation or disposals		
B	This is the balance of assets purchased after the implementation of the regulations that was purchased by obtaining debt		
C	Asset value of the Construction work in progress		
D	Post-implementation Property, Plant and Equipment with no outstanding debt		
Note for Line 14,20 and 22 - Long-term debt for long term purposes			
A	Pre-implementation Long-term Debt	19,192	21,024
B	Allowable Post-Implementation Long-term Debt:		
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Construction in progress - debt	-	-
D	Long-term debt not for the purchase of Property, Plant and Equipment or liability greater than assets value	-	-
	Total	**19,192**	**21,024**

Line	Statement of Financial Position	2022-23	2021-22
		£'000	£'000
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less in repayments		
B	This is the lessor of actual outstanding debt or each asset value or the value of the asset		
C	All debt associated with Construction in progress up to the asset value for construction in process is included		
D	Long-term debt not for the purchase of Property, Plant and Equipment		

Supplementary schedule - Sterling £ '000		2022-23	2021-22
This schedule has been compiled from the Section 2 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations			
Lines	**Expendable Net Assets**		
24	Net assets without donor restrictions	188,288	136,362
30	Net assets with donor restrictions	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
8	Property, plant and equipment, net (includes Construction in progress)	180,850	168,643
FS Note line 8A	Property, plant and equipment - pre-implementation	162,663	157,942
FS Note line 8B	Property, plant and equipment - post-implementation with outstanding debt for original purchase	0	0
FS Note line 8D	Property, plant and equipment - post-implementation without outstanding debt for original purchase	0	0
FS Note line 8C	Construction in progress	0	0
9	Lease right-of-use asset, net	0	0
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0
M9 Note Leases	Lease right-of-use asset post-implementation	0	0
10	Intangible assets	0	0
10	Intangible assets	2,403	1,834
17	Post-employment and pension liabilities	6,205	48,668
14,20,22	Long-term debt - for long term purposes	19,192	21,024
M24, 20, 22, Note Debt A	Long-term debt - for long term purposes pre-implementation	19,192	21,024
M24, 20, 22, Note Debt B	Long-term debt - for long term purposes post-implementation	0	0
M24, 20, 22, Note Debt C	Line of Credit for Construction in process	0	0
21	Lease right-of-use asset liability	0	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
Line 21 Note Leases	Post-implementation right-of-use leases	0	0
25	Annuities with donor restrictions	0	0
26	Term endowments with donor restrictions	0	0
27	Life income funds with donor restrictions	0	0
29	Net assets with donor restrictions: restricted in perpetuity	0	0
	Total Expenses and Losses		
43	Total expenses without donor restrictions - taken directly from Statement of Activities	147,638	137,885
(35), 45, 46, 47, 48, 49	Non-Operating and Net Investment (loss)	(47,603)	(85,839)
(35), 45	Net investment losses	(1,273)	(199)
47	Pension-related changes other than net periodic costs	0	0

Modified Net Assets			
24	Net assets without donor restrictions	188,288	136,362
30	Net assets with donor restrictions	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Modified Assets		
12	Total Assets	251,739	244,058
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Net Income Ratio		
55	Change in Net Assets Without Donor Restrictions	51,926	84,931
38, (35), 50	Total Revenue and Gains	**151,961**	**136,977**

Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd

Charity Name:
Cardiff Metropolitan University

Charity Registration Number:
1140762

Registered Office:
Maritime House
Llandaff Campus
Cardiff
CF5 2YB

cardiffmet.ac.uk

CARDIFF METROPOLITAN UNIVERSITY

England & Wales - Charity number 1140762

Accounts

Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd

Annual Report & Financial *Statements*

2021 - 2022



Charity Name:

Cardiff Metropolitan University

Charity Registration Number:

1140762

Registered Office

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www.cardiffmet.ac.uk

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Report of the Board of Governors

Public Benefit Statement

Cardiff Metropolitan University delivers professionally recognised degrees, together with impactful research and innovation, in art and design, business and management, education and public services, sport and health sciences, and technologies and engineering. Cardiff Metropolitan University is proud to have been awarded the Time Higher UK and Ireland University of the Year for 2021-22.

The University seeks to advance higher education and research within Southeast Wales, Wales, the UK and internationally. Its charitable objective is to inspire and enable individuals, organisations and communities to succeed through innovation in high quality learning, research and enterprise. The benefit of this charitable objective is derived through the intellectual development of individuals and by providing the opportunity for them to enter professional life in many fields of public and private provision. The beneficiaries are the public at large to whom education is open. The University's provision has been aligned with the Welsh Government's strategy for higher education and serves the public benefit by contributing to regional regeneration, preservation of the environment and promotion of social justice.

The University offers courses in a range of subjects including health and social care, teacher education and environmental management with over 50 professional bodies accrediting its courses. It also engages with partners in business, the public sector and communities in a variety of ways. Specifically, during 2021/22 the University:

- Undertook Sport Development for Cardiff City Council. The University, through Cardiff Met Sport, is working with the Council, Sport Wales National Governing Bodies of Sport and Professional sport Clubs to increase sports participation and the quality of the experience across the city. The project, which places particular emphasis upon addressing key themes including disability, gender, and disadvantaged groups, is also contributing to the strengthening of Cardiff Met's relationships with all of the city's primary and secondary schools and supports thousands of hours of student work placement and volunteering opportunities.

- We re-launched our Open Campus programme which is a partnership between Met Sport, CSSHS and Cardiff City Council. This year alone the programme engaged 11,000 pupils from across the City.

- Participated as a part of its widening access programme, in the First Campus Initiative which encourages the importance of learning amongst community first areas and schools in SE Wales.

- Administered and supported a £12m pan Wales advisory and implementation service in food technology related initiatives, including areas such as technical, microbiological, hygiene and product development to help clients (SMEs) achieve measurable outputs and clear financial, environmental and skill-based benefits and to maximise business performance.

- Worked with Welsh Government to provide Knowledge Transfer Centres as an effective interface between academia and Welsh business - providing access to research, development, expertise, facilities and knowledge to a wide range of technology led businesses.

- Used its sports facilities to provide junior sport programmes for local children and training facilities for all levels of athlete, thereby supporting world class participants in a range of national and international sports. We also re-launched our Learn to Swim and School Swimming programmes on our Cyncoed campus

- Operated a Community Borrower Scheme which provides the public with direct access to the University's library collections, enabling them to borrow books or other audio-visual education materials.

- Actively promoted the National Young Ambassador programme which aims to inspire young people to become leaders through sport and physical activity.

Report of the board of Governors (continued)
Public Benefit Statement (continued)

- Hosted sustainability events to bring together and engage our campus community with our neighbours and surrounding communities. These 'Community Days' promote partnership with many local charity and school groups and small businesses, and include activities such as Repair Cafes, Farmers Markets, Litter Picks etc.

- The University is a key sponsor of the City's public cycle network, hosting cycle hubs at each of its campuses and providing 5,000 free memberships for its community.

- Continued support and funding towards the City's Student Liaison Officer, a role that supports Cardiff's universities and provides volunteering opportunities in the city, helping in local communities.

- Continued support for the Food and Fun (previously known as School Holiday Enrichment) Programme which provides food and nutrition education, physical activity, enrichment sessions and healthy meals to children in areas of social deprivation during the school summer holidays. Since the programme's launch in 2016, the number of schools enrolled has continued to grow year-on-year.

- Secured funding through Cardiff & Vale University Health Board to improve the provision of Exercise Referral across Cardiff, strengthening the relationship between primary care, social prescribing, exercise referral and community physical activity. The programme contributes towards the Healthy Weight, Healthy Wales Strategy and Move More Eat Well strategy across Cardiff & Vale of Glamorgan.

- Participated in Step In - an innovative project developed between Cardiff Met Sport and the Police & Crime Commissioner office, the programme diverts young people aged 11-18years away from youth justice services and into more positive opportunities via sport and physical activity.

- In partnership with Public Health Wales, Met Sport delivered the Move More community health programme which included the Falls Management Exercise Programme, National Exercise Referral programme and the Active Leisure Scheme. All programmes are targeted at encouraging older adults to move more and improve their physical and mental health.

During the year, Welsh domiciled students of the University were able to access the Assembly Learning Grant and English domiciled students the Maintenance Grant; the University also offered its own bursaries. Various other schemes were also available to assist students to access higher education and the University administered a discretionary contingency fund for those who required financial support to continue their studies. The University offered a wide range of accredited taster sessions at outreach centres and bespoke projects designed to raise the aspirations amongst disadvantaged/under-represented communities.

In common with other charitable higher education corporations in the UK, the University is overseen by a Board of Governors, the majority of whom are non-remunerated and otherwise independent of the University. The Board of Governors includes staff and student representation.

Responsibilities of the Board of Governors

In accordance with the Education Reform Act 1988 the Board of Governors of Cardiff Metropolitan University is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and to enable it to ensure that the financial statements are prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (effective from 1 January 2015) and in accordance with applicable Accounting Standards. In

Report of the board of Governors (continued)
Responsibilities of the Board of Governors (continued)

addition, within the terms and conditions of the Financial Management Code issued by the Higher Education Funding Council for Wales, the Board, through its designated office holder, 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, of the surplus or deficit and cash flows for that year.

In preparing these financial statements, the Board of Governors has ensured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

The Board of Governors has taken reasonable steps to:

- ensure that funds from the Higher Education Funding Council for Wales are used only for the purposes for which they have been given and in accordance with the Financial Management Code with the Funding Council and any other conditions which the Funding Council may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and prevent and detect fraud;
- secure the economical, efficient and effective management of the University resources and expenditure.

By order of the Board

Professor C Carmichael Aitchison
President & Vice-Chancellor
12 December 2022

Operating and Financial Review

Scope of the Financial Statements

These financial statements relate to the year ended 31 July 2022 and represent the thirtieth Annual Report of the University since its incorporation in 1992. The financial statements consolidate the main activity of the University with that of its subsidiary companies and have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102.

Principal Activities

The principal activity of the University is the provision of higher education from campuses in Cardiff and through collaborative activities elsewhere in the UK and overseas. The University's portfolio extends across undergraduate, postgraduate and research activities and is complemented by training, consultancy and other commercial spin offs which are provided to local, national and international organisations. The University also provides conferencing and residential services, together with sports and catering facilities, for students and external users. Many of these commercial activities are carried out through a subsidiary company Cardiff Met Company Ltd, which gifts the taxable profit back to the University through the Gift Aid scheme.

Financial and Investment Strategy

The University reviewed and updated its Financial Strategy during July 2018. The Strategy has the key objectives of growing and diversifying income; promoting long-term sustainability; and operating efficiently and effectively. The Strategy includes challenging performance objectives in support of the University's aspirations for the future. The Strategy will be subject to periodic review during the next financial year.

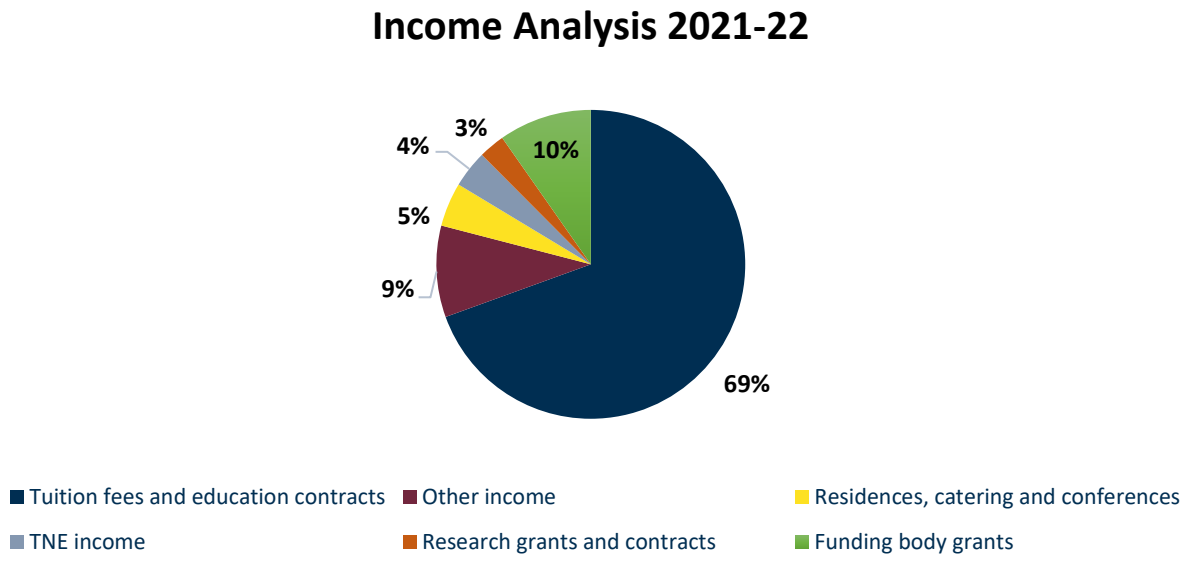
Results for the Year

The university delivered a very strong financial performance during the year, with the group's income increasing by £14.9m to £137.2m (2021: £122.3m). Although there was a much-reduced overall impact from the Covid pandemic during the year, the university's trading performance through its commercial and sporting operations continued to be impacted, with trading activity in these areas only gradually returning to pre-pandemic levels at the year end. The financial results for the year show that the university delivered an accounting deficit of £709k (2021: Surplus of £2.861m) and generated an operational cash surplus (as defined overleaf) of £19.5m (2021: £18.1m). In the period since the introduction of FRS102 during 2015/2016 there has been a stark presentational divergence between the strength of the University's operational cash generation and its accounting result, a trend that has continued during the current year. This distortion of the financial results has resulted from the continuing need to account for pension deficit charges in relation to two of the university's three staff pension schemes, namely, the Cardiff & Vale of Glamorgan Pension Scheme (CVGPS), and the University Superannuation Scheme (USS). The combined impact of the pension deficit charges arising from these two schemes amounted to £14.8m (2021: £10.9m) during the year. These charges do not impact on operational cash generation however, and as such the university was able to significantly increase its accumulated cash reserves. The financial results for the year demonstrate very solid performance, especially when viewed from the perspective of operating during a period still impacted by the Covid pandemic.

Report of the board of Governors (continued)
Operating and Financial Review (continued)
Results for the Year (continued)

Summary of Consolidated Results	2021/22 £000	2020/21 £000
Income	137,176	122,289
Expenditure	137,885	119,428
(Deficit)/Surplus for the year	**(709)**	**2,861**
Add back		
Depreciation	4,822	4,339
Pension Provision Charges	14,837	10,864
Annual Leave Accrual Movement	589	183
Operational Cash Surplus	**19,537**	**18,246**

The group's main income stream is derived from tuition fees from UK and EU undergraduate and postgraduate students that together amounted to £67.1m (2021: £66.5m) and accounted for 49% (2021: 54%) of total income. When international fees and educational contracts are included, this rises to £100.6m (2021: £90.2m) and 73% (2021: 74%) of income; this is consistent with the previous year. Full time undergraduate tuition fees for UK students remained capped at £9k during the year resulting in no inflationary uplift to the value of the fee.



Report of the board of Governors (continued)
Operating and Financial Review (continued)

The group invested £10.7m (2021: £5.2m) in its infrastructure during the year. Of this £6m was invested in the estate, including a £3m investment in the third phase of the development of the School of Technologies, two further phases are planned. Expenditure amounting to £4.7m was also invested in equipment, including circa £2m in IT infrastructure and corporate systems, with the balance of £2.7m being invested in the academic and professional service departments.

Net assets increased by £84.9m to £136.4m (2021: £51.5m). The increase in net assets was the result of two factors, namely, a reduction in the university's pension provisions of £71.1m to £48.7m (2021: £119.8m); and a net increase in the asset base of £13.8m brought about by the strong financial performance during the year.

Liquidity & Cash

The group's cash and short-term investment resources at the year-end amounted to £62.6m (2021: £47.1m). Investments in the estate and infrastructure during the year were funded entirely by cash generated from operating activities. Loan repayments during the year totalled £1.9m thereby reducing the group's long-term debt from £22.9m to £21.0m. This resulted in an improved gearing ratio, with long term debt as a % of income amounting to 15.3% (2021: 18.9%) . The strong cash base will underpin the university's future investment aspirations.

The Financial Outlook

During 2021-2022 the university charged FT home and EU undergraduate students an annual tuition fee of £9,000, as compared to the fee of £9,250 being charged in English institutions. The FT home and EU undergraduate tuition fee remains capped for 2022-2023 at £9,000 in Wales for the eleventh consecutive year and at £9,250 in England.

Given that the real value of the FT undergraduate fee has eroded significantly during the past ten years, the continuing lack of indexation on one of the university's main income streams poses funding challenges for both the university and the HE sector in general. The erosion of the real value of the undergraduate fee has been accelerated during the past year by high levels of inflation, which in turn has put pressure on salary costs and industrial relations across the sector. At the present time there is no indication that any indexation will be applied to the FT undergraduate fee, or that the fee charged by Welsh institutions will be aligned to that charged by English institutions. Similarly, after a long period of record low interest rates, the continuing upward trend in Base Rate to combat inflation has increased the cost of borrowing, with further increases in interest rates expected. Should the university increase its borrowings in the future it is anticipated that the interest rate will be significantly higher than that pertaining in the recent past.

In order to operate sustainably in these circumstances, the university has updated its Strategy for the period 2022 to 2030, with a continuing focus on the growth and diversification of its income base through the development of new academic programmes and through further investment in research and innovation activity, all such activity to be supported by a £150m programme of investment in a new and rejuvenated estate and infrastructure.

Charitable Status

The University became a Registered Charity (No. 1140762) on 10 March 2011.

Membership of the Board of Governors

The membership of the Board for the year 1 August 2021 to 31 July 2022 is set out on Page 13 of this report.

Over the reporting period, governors claimed £1,907 in expenses. This covered items such as mileage, public transport, and parking fees to enable travel to meetings and other activities on behalf of the University. No other payments are made to trustees. Information about related third party transactions can be found in note 7.

Independent Auditors

The external independent auditors for the year were PricewaterhouseCoopers LLP. The internal auditors for the year were TIAA Ltd.

Report of the board of Governors (continued)
Operating and Financial Review (continued)

Equality of Opportunity

The University works to ensure compliance with equality legislation and is committed to proactively integrating the principles of equality into all its activities. A Strategic Equality Plan has been agreed and implemented. The University is active in widening access to education, and in providing an inclusive approach to learning, teaching, and research.

Health and Safety at Work

The health, safety and welfare of staff and students are essential to the success of the University. The University's Health & Safety Committee considers all relevant aspects of health, safety and welfare. The Committee receives regular monitoring reports of periodic audits of schools/units health & safety management arrangements and of initiatives and/or issues emanating from school/unit health & safety meetings. Additionally, the Committee disseminates updates on legislation and guidance on good practice and monitors accident levels and staff sickness. The Minutes of the Committee are presented to the Academic Board and health & safety reports also feature at the University's Audit Committee. An Annual Health & Safety Report is provided to the Board of Governors through Resources Committee, to enable it to meet its statutory obligation to ensure compliance with health & safety legislation.

The University continued to implement the Covid 19 controls, in line with Welsh Government regulations and associated guidance, to ensure that staff, students and members of public were provided with a safe environment.

Modern Slavery and Human Trafficking Statement

Cardiff Metropolitan University is committed to improving our business practices to combat modern slavery or human trafficking in our supply chains or in any part of our business to ensure that we are not complicit in any human rights violations. The University's policies and procedures demonstrate its commitment to acting ethically and with integrity in all its business activities, ensuring compliance with the requirements of the Modern Slavery Act. The procurement function has had an 'Ethical Supply Chains' Policy in place since 2011. The Policy was reviewed and updated in 2020 to ensure it continues to reflect relevant good practice.

The University's workplace policies and procedures, which have been reviewed and amended to ensure they reflect the intent of the Welsh Government 'Ethical Employment in Supply Chain' Code of Practice. These policies and procedures demonstrate the University's commitment to acting ethically and with integrity in all its business relationships by ensuring that modern slavery and human trafficking do not occur within its UK and international workforces or business activities.

During the year covered by this report, the University committed to ensure that all staff pay grades are at or above the Real Living Wage. The University was accredited as a Living Wage employer by the Living Wage Foundation in November 2019 and has paid the Living Wage rate as a minimum to all staff since August 2018.

Criminal Finance Act Statement

Cardiff Metropolitan University and its subsidiary companies commit to ensuring that its employees, agents and other associated persons acting on its behalf are not facilitating tax evasion by another party. The University regularly reviews its risks and associated processes and procedures to ensure that all steps are taken to prevent tax evasion. The University includes the risk of tax evasion on its Risk Register. The risk is reviewed and updated 3 times a year. This includes the review of controls to mitigate risks. The University reviews its policies and guidance in relation to the Criminal Finance Act on a regular basis, in line with similar policies (Anti-Bribery, Counter Fraud and Corruption, Anti-Money Laundering policies and Financial Regulations).

Climate Impact Statement

Cardiff Metropolitan University is committed to minimising its impact on the climate and the environment. We are continuously looking at ways to reduce our impact with our Environmental Management System (EMS) (ISO 14001) which covers all University activities from energy and utilities to waste management and recycling. Most significantly,

Report of the board of Governors (continued)
Operating and Financial Review (continued)
Climate Impact Statement (continued)

the work includes embedding education for sustainable development in the curriculum, into research and enterprise activities and behavioural change / awareness.

One of the key opportunities to reduce our impact is through efficient management of energy consumption across the university estate. Energy Management within the Environment and Estates team means providing comfortable working, teaching and learning environments for all staff and students, while at the same time closely controlling the energy used. A network of electricity, gas and water sub-meters allows us to understand energy consumption within individual buildings.

The University is committed to reporting on its progress towards meeting the targets set out in the Sustainability Policy and Strategy. The Sustainability Strategy provides a framework to cohere our ambitions and actions in relation to sustainability and sustainable development supported by the Sustainability Engagement Strategy. We publish an Annual Sustainability and Environment Report providing details of the University's successes in sustainability and the plans for the forthcoming year.

Climate Impact Public Benefit Statement

The University continued its focus on engagement as a key change mechanism, using its Community Days as a central piece to bring together the campus community with neighbours and local communities. The 'Community Days' promote sustainability partnerships, and include many charities and small businesses, a local Farmers Market, student entrepreneur traders, Cardiff Council Waste Management and University information stalls.

- Repair Cafes are held at both University campuses on a monthly basis, providing staff, students and the local community with the opportunity to have their broken items repaired for free. The cafes also provide advice and volunteering opportunities, and cycle servicing / security marking by a local charity and South Wales Police.
- The University is delighted to be designated as a Litter Pick Hub for the local area. This provides individuals and groups the opportunity to loan litter picking equipment for events in the City. Cardiff Met also hosts its own weekly Litter Picking events.
- The University is a key sponsor of the City's public cycle network, hosting cycle hubs at each of its campuses and providing 5,000 free memberships for its community. Electric bike and car charging facilities will be expanded in 2022-23.
- The University continues to support and provide funding towards the City's Student Liaison Officer, Cardiff Digs, a role that supports Cardiff's universities and provides volunteering opportunities in the city, helping in local communities with neighbourly support and advice.
- The University was successful in the renewal of is Fairtrade University status, supporting both Fairtrade Cardiff and Fairtrade Wales networks. The award recognises a broad range of activities undertaken which work towards a more just, equitable and sustainable world for all. This includes working to raise awareness with students of the issues of ethical and sustainable consumption and increasing the availability of Fairtrade products in outlets.
- Cardiff Metropolitan University celebrated after climbing 63 places in the independent sustainability Green League table, ranking joint 5th in the UK (of 154 universities) and 1st in Wales. This is the only comprehensive and independent league table of UK universities ranked by environmental and ethical performance.

Commitment to Sustainability

In July 2022 the University Board approved a new University Strategy. A key element of this is ensuring that our commitment to sustainability and net zero remains at the forefront of our work; in our estate, operations, teaching and research.

Report of the board of Governors (continued)
Operating and Financial Review (continued)
Climate Impact (continued)

The University is now working on new planning to understand and meet its commitment of a net zero campus by 2030. A new Estates Masterplan is currently in development, to contribute to the University's Campus 2030 aspiration – providing a high quality, innovative and sustainable campus. Substantial investment in the coming years will focus on refurbishing and repurposing our current buildings and facilities, rather than building new, so reducing our carbon footprint.

The University takes its environmental responsibilities seriously and aims to manage its operations in ways that are environmentally sustainable, economically feasible and socially responsible. It continues to embed and raise environmental awareness through the development and training of its employees and enabling students to explore and develop values, skills and knowledge of sustainability through research, curricula and extra curricula activities. The aim is to develop a socially cohesive, environmentally responsible and all-inclusive work and study environment, which looks to engage staff, students and the wider community.

During 2021/2022 we significantly improved our position in the annual university Green League, rising to 5th in the UK and 1st in Wales. This highlights our success in a number of fields, including sustainability policy, environmental auditing and management, energy management, carbon reduction and sustainability engagement with our staff and students.

We are committed to improving the sustainability of our campus through a range of policies covering Business Travel, Ethical Investment & Banking, Ethical Supply Chains, Fairtrade, Sustainable Procurement, Clean Air, Energy and Carbon Management, Environment and Sustainability, Sustainable Food and Sustainable Seafood. We have reviewed our environmental and sustainability policies and strategies with staff and student consultation.

During the year we invested in a number of buildings on all our campuses, all focusing on improving student experience whilst reducing carbon emissions. Over £3m was invested in the next phases of the Cardiff School of Technology, including improved glazing, insulation and heating in a 1960s repurposed building. We continued our comprehensive programme of investing in LED lighting, mechanical ventilation and more efficient boilers and heating systems across all campuses.

We have continued to reduce our C02 emissions. This has resulted in a 65% reduction in emissions since 2005/2006, at the very top of sector performance. In the last two years our carbon emissions have reduced by 17.7% (2019/2020) and 13.5% (2020/2021). Whilst Covid had a significant impact on our estate, so reducing consumption, our reduction was higher than our peers.

The University is a member of EAUC (the Environmental Association of Universities and Colleges), IEMA (Institute of Environmental Management and Assessment) and has recently joined the One Cardiff Climate Emergency Board, working with partners throughout the region.

We have continued to grow our range of sustainability engagement initiatives for our staff and students, including Repair Workshops, Community Days, Green Workshops and Litter Picks. Carbon Literacy training courses have also been successfully piloted with staff and students.

Professor C Carmichael Aitchison
President & Vice-Chancellor
12 December 2022

Governors and Directorate

Governors	Period of Office
Independent Governors	
Mr J Taylor (Chair)	1 August 2021 to date
Mr N Capaldi	9 October 2018 to date
Ms R Connolly	1 August 2021 to date
Ms K Fiagbe	1 August 2021 to date
Ms S Hendrickson-Brown	1 May 2020 to date
Mr P Matthews	1 May 2020 to date
Professor M Nimmo	8 June 2020 to date
Professor K Nnoaham	1 August 2021 to date
Ms M Owen-Jones	1 May 2020 to date
Mr C Pilgrim	1 August 2021 to date
Mr D Surdeau (resigned July 2022)	1 August 2021 to July 2022
Ms A Thorne	1 August 2021 to date
Mr M Tossell	1 August 2021 to date
Dr C Turner	1 August 2017 to date
Mr S Waddington	27 November 2018 to date
Mr D Warrender	27 November 2018 to date
President & Vice-Chancellor	
Professor C Aitchison	1 October 2016 to date
Academic Board Governor	
Vacancy	1 August 2021 to 1 November 2021
Ms K Palmer	1 November 2021 to date
Student Governors	
Ms V Gonavaram (SU President)	1 August 2021 to 31 July 2022
Ms N Wrigley (SU Vice-President)	1 August 2021 to 31 July 2022
Staff Governors	
Dr M James (Academic)	15 October 2020 to date
Mr D Yearwood (Professional Services)	28 November 2019 to date
Co-opted External Member of the Audit Committee	
Mr A Piper	1 August 2021 to date
Ms L Winstone	1 August 2019 to 31 July 2022
Secretary & Clerk to the Governors	
Ms C Fraser	27 January 2020 to date

Designated Senior Postholders

Professor R Langford	Deputy Vice Chancellor	September 2021 to date
Professor S Hanton	PVC Research & Innovation	23 April 2012 to date
Professor J Boddington	PVC Student Engagement	18 September 2017 to date
Professor L Robinson	PVC Partnerships & External Engagement	2 October 2017 to 31 August 2021
Mr D Llewellyn	Chief Officer (Resources)	1 January 2020 to date

The University's Board of Governors

Independent Governors



John Taylor CBE
Chair of the Board
Chair of Strategic Planning & Performance Committee



Dr Christopher Turner
Vice-Chair of the Board
Chair of Remuneration Committee



Menai Owen-Jones
Vice-Chair of the Board



Nick Capaldi OBE
Senior Independent Governor
Chair of Governance & Nominations Committee



Scott Waddington
Chair of Audit Committee



David Warrender
Chair of Resources Committee



Róisín Connolly
Independent Governor



Karen Fiagbe
Independent Governor



Sheila Hendrickson-Brown
Independent Governor



Paul Matthews
Independent Governor



Professor Myra Nimmo
Independent Governor



Professor Kelechi Nnoaham
Independent Governor

Independent Governors (cont.)



Christopher Pilgrim
Independent Governor



David Surdeau
Independent Governor



Alison Thorne
Independent Governor



Matthew Tossell
Independent Governor

Staff & Student Governors



Professor Cara Aitchison
President & Vice-Chancellor



Dr Malcolm James
Academic Staff Governor



Kirsty Palmer
Academic Board Representative Governor



Denn Yearwood
Professional Services Staff Governor



Venky Gonavaram
Student Governor
SU President: Community & Affairs



Naomi Wrigley
Student Governor
SU Vice-President: Student Voice

Corporate Governance Statement

The University is committed to high standards of corporate governance. The University is a higher education corporation formed by statute and has charitable status. The University wants to demonstrate that its governance is undertaken in an open and accountable manner and that it complies with best practice within the higher education sector.

The University has adopted the Governance Charter for Universities in Wales (published February 2020) and is working on the implementation of the Governance Charter for Universities in Wales and reviewing the Commitment to Action.

This Statement describes the manner in which the University has applied the principles set out in the UK Corporate Governance Code (published July 2018) both during the year and up to the date of approval of the financial statements. Its purpose is to help the reader of the annual report and financial statements understand how these principles have been applied.

The University's Board of Governors carries the overall responsibility for ensuring there is a sound system of risk management, control and governance. This system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The governors discharge this responsibility through the following elements:

- Effective review by the governing body and relevant committees, particularly, Audit Committee, Governance and Nominations Committee and Resources Committee.
- Ensuring that effective control systems are in place which includes policies, objectives and plans, management of key risks and opportunities, monitoring of financial and operational performance, physical safeguarding of assets, segregation of duties, authorisation and approval procedures, and information systems.
- An effective internal and external audit service.
- The identification and management of risk embedded in all business systems.

The University is required to comply with the Committee of University Chairs Higher Education Code of Governance (published September 2020). The University's approach for the effective management of risk is set out below:

- The University focuses on the active management of risk as an integral part of the management process within all parts of the organisation.
- The University clearly identifies various risks to the achievement of its objectives through its risk management framework. These risks may be strategic or operational and may present potential implications for the University's reputation, its financial position or its routine operations.
- The University integrates risk management into the annual planning process which helps the Executive to determine and co-ordinate the University's academic and other activities.
- The University proactively encourages all managers to consider risk implications of each major decision, contract or project as a normal part of their everyday work.
- The Executive endeavour to identify and focus on immediate and transient risks with strategic implications, as well as on the more permanent and substantial risks which are identified in the University's risk register.
- Managers are expected to link risk identification to action, whether in mitigation of the risk or in response to it.
- The Executive work with the five Deans of School and Directors of Professional Services departments to encourage and support effective risk management as part of routine management of the organisation, and specifically to help them identify, evaluate, manage and report risk.
- The Board requires the Audit Committee to review the University's risk register on a termly basis. This is then reported to the Board. The risk register identifies significant risks and contains details of: risk definition; risk owner; risk likelihood; risk impact; overall risk Red Amber Green 'RAG' rating; response to risk – treat, tolerate or terminate; mitigating actions; risk trend – increase, decrease or unchanged; risk manager; and risk proximity.
- The Audit Committee agreed an Audit Strategy and an Internal Audit Plan for 2021-22 at the start of the financial year with its Internal Auditors. The Internal Audit Plan set out the proposed risk-based approach to

Report of the board of Governors (continued)
Corporate Governance Statement (continued)

- internal control, the audit strategy methodology and the rolling programme of audits that covered business, operational and compliance risks as well as financial risk.
- The Audit Committee regularly reviews the adequacy of the process of risk management at the University as it continues to be developed.

The University, through its Audit Committee appointed new Internal Auditors at the start of 2021-22 financial year for an initial period of three years. The appointment was made following the expiry of the contract with the previous internal audit services provider after a period of six years. The new contract was awarded following a full external tender exercise. The Audit Committee approved an Internal Audit Charter as part of its Audit Strategy and Internal Plan for 2021-22. This was in line with Public Sector Internal Audit Standards (PSIAS). Processes, systems and ways of to support effective audit work at the University were successfully embedded during the course of the year.

The new Internal Auditors assessed the University's risk management arrangements during 2021-22 and provided an opinion that a 'reasonable' level of assurance had been achieved. This was an improvement on previous years where a 'moderate' level of assurance had been achieved in 2020-21 and a 'limited' level of assurance had been achieved in 2019-20.

The Board is of the view that there was an ongoing process for identifying, evaluating and managing the University's significant risks in place for the year ended 31 July 2022 and that this process is still in place up to the date of approval of the Financial Statements and Annual Review. The process is regularly reviewed by the Board and accords with the internal control guidance for directors on the UK Corporate Governance Code as amended by the British Finance Directors Group.

The University's new Internal Auditors did not directly assess the University's corporate governance arrangements as part of the Internal Audit Plan for 2021-22. A 'substantial' level of assurance had been achieved in 2020-21. The Board of Governors will continue to keep its risk management and corporate governance arrangements under regular review. This accords with guidance for directors contained within the UK Corporate Governance Code as amended by the British Finance Directors Group.

Summary of the University's Structure of Corporate Governance

The University's Board of Governors comprises members appointed in accordance with the University's Articles and Instrument of Government. The majority of Governors are lay independent members with relevant knowledge and experience in business and the professions. The role of the Chair of the Board is separated from the University's Vice Chancellor. Those matters specifically reserved to the Board for decision are set out in the University's Articles and Instrument of Government. This is supported by a wider governance framework which includes the University's agreed Scheme of Delegation, terms of reference for individual committees and financial regulations. The Board holds to itself the responsibilities for the ongoing strategic direction of the University, the effective and efficient use of resources and the approval of major developments and receives regular reports from senior management.

The Board met seven times during 2021-22. During this time the Board operated five governor-level Committees, these were:

- Audit Committee
- Governance and Nominations Committee
- Remuneration Committee
- Resources Committee
- Strategic Planning and Performance Committee

All committees were formally constituted with terms of reference and membership comprised exclusively or mainly of independent members of the Board. The Board and its committees had a clear schedule of meetings and an agreed

Report of the board of Governors (continued)
Corporate Governance Statement (continued)
Summary of the University's Structure of Corporate Governance (continued)

work programme for 2021-22. Additional meetings were convened on an exceptional basis to meet the University's decision-making exigencies as required. All meetings of the Board and its committees were held remotely during 2021-22 with the exception of the Board meeting held in July 2022. This was the first in-person Board meeting to be held since the onset of the global pandemic.

Statement of Internal Control

The Audit Committee reviews the process for ensuring the effectiveness of the financial and other (non-academic) internal control systems. In doing this, the Audit Committee makes recommendations on the appointment of internal audit, reviews their reports, including follow up reports on implementation and the scope and effectiveness of their work. The Audit Committee also makes recommendations on the appointment of external audit and reviews the financial statements of the University prior to submission to the Board. The Audit Committee reviews the management letter and receives and considers progress reports on areas of significant risk identified by the Executive. In addition, the Audit Committee receives and considers reports from the Higher Education Funding Council for Wales as they affect the University's business and monitors adherence with regulatory requirements.

The Board appointed a new Chair of the Audit Committee in readiness for the start of 2021-22. The new Chair of the Committee is an Independent member of the Board of Governors who was already an experienced member of the Committee. In addition to the Chair and two Independent members, the Audit Committee also included two external co-opted members through the course of 2021-22 who were not members of the Board and who thus provided additional externality to the Committee's deliberations. In line with previous years and Financial management Code requirements, no Audit Committee members were permitted to serve on the Resources Committee. Whilst senior members of the Executives attended meetings of the Audit Committee as and when required, they were not members of the Committee.

The Audit Committee met four times during 2021-22 with attendance by the University's internal and external independent auditors as appropriate. The Committee also met privately with the University's Internal Auditors before each meeting and also met with the External independent Auditors as required.

Board Effectiveness Review

The Board commissioned an external periodic review of its effectiveness towards the end of 2019-20 to ensure that the University's governance arrangements were efficient, effective and fit for purpose. A comprehensive 'Board Effectiveness Review' was undertaken in 2020-21 by Halpin Partnership Ltd and the Board considered and accepted a detailed report with clear recommendations. Through the course of 2021-22 significant progress was made on the implementation of review recommendations with much of the work overseen by the Governance and Nominations Committee, this included:

- Modernisation of the University's Articles of Government and Instrument of Government – draft new versions were approved by the Board for proposed consideration by Welsh Government and Privy Council.
- Implementation of a new University Scheme of Delegation – a new Scheme was approved by Board in July 2021 in readiness for 2021-22. The Scheme was further reviewed by Board in July 2022 in readiness for 2022-23.
- Introduction of the Senior Independent Governor (SIG) role within the University's governance arrangements – the Board appointed the Chair of Governance and Nominations Committee as SIG in October 2021.
- Introduction of annual appraisal arrangements for the Chair and Governors – these arrangements were introduced for 2021-22 with all governors' appraisals being completed during June, July and August 2022.
- Proposals on Board membership, skills, training and development with reference to equality diversity and inclusion – A total of 10 new members were appointed to the Board in 2021-22. This included a new Chair, 6 new lay Independent Governors, 2 new Student Governors and 1 Academic Board Representative

Report of the board of Governors (continued)
Corporate Governance Statement (continued)
Board Effectiveness Review (continued)

- Governor. The Governance and Nominations Committee oversaw work on the recruitment process and the related programme of induction, training and development during 2021-22. The Committee recognised the importance of EDI in its work and will be developing further proposals to further promote and support Governor EDI during 2022-23. This will accord with guidance recently developed by the Welsh HE sector.
- Proposals for improved business management arrangements for Board and Committee meetings – these were introduced throughout the course of the year and included the establishment of agenda setting pre-meetings with chairs of committees, introduction of Board and Committee work programmes, and the completion of governors' evaluation of committee performance.
- Increased Board focus on strategic and cultural aims of the University – the Board established a Strategic Planning and Performance Committee at the start of 2021-22. The Committee provided effective support to the Board in the development of the University's new Strategic Plan for 2022-2030 titled 'Strategy 2030'. Throughout the year the Board considered various areas covered by the new Strategic Plan via a mix of formal meetings and briefing sessions (including vision, values, thematic priorities, strategic priorities, enablers and proposed key performance indicators). The new Strategic Plan was approved by the Board in July 2022.
- Proposals to support effective working between the Board and the Executive – this included approval and publication of a Statement of Relationship between the Board and the Executive in line with best practice in February 2022. This also included induction, training and development joint activity between the Board and the Executive, briefings throughout the year and an awayday in July 2022.
- Proposals on how to implement key recommendations of the Governance Review of Universities in Wales (Camm Review) – The Board formally adopted the Review and the related Wales Governance Charter in May 2021. The Governance and Nominations Committee reviewed progress on the implementation of Review recommendations at each of its meetings during 2021-22.

At the time that the Board Effectiveness Review was undertaken in 2020-21 the University's governance arrangements were assessed against a Governance Maturity Framework. The Framework had four levels: (i) Failing; (ii) Improving; (iii) Good; and (iv) Leading Edge. At that time the review highlighted that the University's governance arrangements were rated as '(ii) Improving'. In February 2022 the University's governance arrangements were re-assessed as 'Improving to Good', with strong evidence to indicate that progress to 'Good' could be swiftly achieved.

Governance Charter for Universities in Wales and Commitment to Action

The Governance and Nominations Committee reviewed progress on the implementation of the Governance Charter for Universities in Wales and the related Commitment to Action at each of its meetings during 2021-22. Progress was regularly reported to Board via the Committee Chair and Summary Reports of the Committee's proceedings.

Induction, Development and Improving Effectiveness

The University Board constantly reviews its effectiveness through the Governance and Nominations Committee. The key measures carried out in 2021-22 are detailed in the section on 'Board Effectiveness Review' set out above.
During 2021-22 there was an extensive focus on the induction, training and development of Board members as a total of 10 new members were appointed to the Board. This included a new Chair, 6 new lay Independent Governors, 2 new Student Governors and 1 Academic Board Representative Governor. The Governance and Nominations Committee had responsibility for the development of the Induction, Training and Development Programme to ensure that it was member-led and fit for purpose.

The Programme sought to address the corporate needs of the University as well as the specific interests of Governors. This helped to maintain and establish a high level of knowledge and understanding among each Governor on the HE environment, as well as the internal workings of the University.

Report of the board of Governors (continued)

Corporate Governance Statement (continued)

Induction, Development and Improving Effectiveness (continued)

The Committee recommended and approved the range and scope of induction and training provided. The programme provided during 2021/2022 included:

- Individual meetings between Governors and the Chair.
- Individual meetings between Governors and the Vice-Chancellor.
- Individual meetings between Governors, the University Secretary, and the Head of Governance.
- An informal in-person event and tour of Llandaff Campus.
- An in-person tour of Cyncoed Campus alongside a briefing on Estates Development Strategy.
- An in-person Governor Away Day; and
- Specific briefings on:
    - The Role of Governors in Higher Education.
    - Introduction to the University and the Vice Chancellor's Executive Group.
    - The University's Finance Structures and Subsidiaries.
    - The Prevent Duty.
    - Advancing Race Equality at Cardiff Met.
    - Provision of Welsh Medium Education.
    - The development of the new University Strategy titled 'Strategy 2030'.
    - The development of the new Estates Development Strategy and related Estates Masterplan.
    - Student Services.

Equality, Diversity and Inclusion

The Board through its Governance and Nominations Committee has the stated goal of achieving a Board that reflects the diversity of the region that it serves. The Board has achieved an effective gender balance over a number of years and also has improved levels of diversity. The Board's composition compares reasonably favourably with the HE sector. However, the Board recognises that further work is required on Governor EDI. This will be undertaken in 2022-23 and will accord with guidance recently developed by the Welsh HE sector to build on progress achieved to date. The work on Governor EDI will be used to inform future Board recruitment, including that for the next round in readiness for 2023-24.

Annual Remuneration Statement

The Board of Governors of Cardiff Metropolitan University oversee a separate Remuneration Committee and in line with its terms of reference the committee considers all aspects of remuneration to senior University staff.

Membership of the Remunerations Committee comprises;

- Independent Governor (Chair of Remuneration Committee)
- Independent Governor/ Chair of the Board of Governors
- 3 Independent Governors

The Remuneration Committee considers and determines matters relating to the remuneration and terms and conditions of senior staff at the University. It undertakes a scrutiny role and ensures that the remuneration arrangements for all senior post holders supports the University's strategic aims and enable the recruitment, motivation and retention of senior staff while also complying with the requirements of regulation and best practice.

The Remuneration Committee meets twice a year, reporting into the Governing Body. It presents an annual report to the Board of Governors which seeks to provide assurance to the governing body that the Remuneration Committee is effectively discharging its responsibilities.

The Remuneration Committee has delegated authority to consider and approve matters relating to the remuneration of senior staff (including the Vice-Chancellor) in accordance with the Senior Remuneration Policy Framework. While the Vice-Chancellor is listed as being 'in attendance' at meetings, the Remuneration Committee's terms of reference are clear that they will not be present during discussion relating to their own remuneration.

The Remuneration Committee reviews its terms of reference annually to ensure its remit was properly aligned to the CUC code of practice as well as HEFCW requirements. The review was completed in December 2021 ensuring that Cardiff Metropolitan University is fully compliant with this Code. As a result, the Remuneration Committee's Terms of Reference were updated, and a Senior Staff Remuneration Policy Framework was adopted. The Remuneration Committee operates in accordance with this Framework. It reviews a range of data and information including salary history, equality, diversity and inclusion, comparator benchmarking data, and individual performance against agreed objectives and success measures.

An annual pay policy statement is presented alongside the annual report to Board of Governors. This annual statement is published on the University's website and sets out:

- A list of post holders within the remit of the Committee;
- The University's policy on the remuneration of post holders within the remit of the Committee;
- The pay multiple of the Vice-Chancellor and the median earnings of the institution's whole workforce, and An explanation of the pay arrangements for all other staff

At the start of each academic year, the Vice-Chancellor's performance objectives, which include measures of success, are agreed and endorsed by the Remuneration Committee.

- Termly performance discussions are held between the Chair of the Board of Governors and the Vice-Chancellor.
- An end of year performance review is completed, where feedback is sought from wider stakeholders.
- A range of data and comparative information on the Vice-Chancellor's remuneration is presented to the Remuneration Committee and the Director of People Services attends the meeting to provide guidance.
- The Chair of the Board of Governors presents a summary of the Vice-Chancellor's performance against the agreed objectives and success measures, along with a remuneration proposal.
- In considering the Chair of the Board of Governor's recommendation to the Committee and whether it is justified, the Committee reviews a range of data and information, including

    - The Vice-Chancellor's salary history;

Annual Remuneration Statement (continued)

- How the Vice-Chancellor's remuneration compares to that of other Vice-Chancellor's across institution comparator groups (by income & size);
- How the Vice-Chancellor's current salary compares to that of other staff at the University as a multiple of the Vice-Chancellor's basic salary compared with the median earnings of the University's whole staff;
- The Vice-Chancellor's and the University's performance over the review period; and
- The context in which the University operates

The period between 2018 and 2021 was remarkable. The University achieved good student outcomes, financial viability, growth and positive organisational culture. The University was awarded the Welsh University of the Year Award in 2021. The University was awarded the Time Higher UK and Ireland University of the Year 2021-22. These many achievements were even more significant, as they were delivered against the backdrop of the Coronavirus pandemic.

The Vice Chancellor's remuneration and median pay ratio for the financial year 2021-2022 are detailed in note 7 of the notes to the financial statements.

Key Performance Indicators

The University utilises a number of Key Performance Indicators (KPIs) to assist in the monitoring of the University against its objectives. The University's Key Performance Indicators for 2021-22 are shown below.

Students	
Numbers	**Outcomes**
• 9,692 applications • 8,339 total undergraduates • 4,132 total postgraduates • 22% overseas students	• 72% of students are satisfied (NSS 2022) • 76.7% achieved a First or 2:1 degree (21-22) • 71.4% of graduates are in professional level work or further study 15 months after completion of course (18-19) • Cardiff Metropolitan University is placed 72nd out of 130 universities in the Complete University Guide 2023

Staffing	
Total Staff (FTE) 1,368	**Academic Staff (FTE)** 544

Key Performance Indicators (continued)

Student Key Performance Indicators

KPI	**Undergraduate degree success – Proportion obtaining 1st/2:1 class degree**	
Measuring	Success in supporting students in their learning experience	
Year	**2021-22**	**2020-21**
	76.7%	84.5%

KPI	**Student Satisfaction**	
Measuring	Student Satisfaction	
Year	**2021-22**	**2020-21**
	72%	76%

KPI	**Staff / Student Ratio**	
Measuring	Number of Students per academic staff member	
Year	**2021-22**	**2020-21**
	19.9	18.1 (restated)

Key Performance Indicators (continued)

KPI	Percentage of students from disadvantaged backgrounds	
Measuring	Success at attracting under-represented groups into higher education, through Welsh Index of Multiple Deprivation (WIMD)	
Year	From WIMD Areas	Not from WIMD Areas
21/22	40%	60%
20/21	40%	60%

KPI	Percentage of Male and Female Students	
Measuring	Gender balance	
Year	Male	Female
21/22	48%	52%
20/21	46%	54%

KPI	Proportion of students who are BME	
Measuring	Participation rates of BME students at the University	
Year	BME	White
21/22*	14%	86%
20/21	24%	76%

Diversity - Students

*Ethnicity field is a mandatory HESA field for UK and Channel Island domiciled students. It's not mandatory for non-UK students.

KPI	International Students	
Measuring	Ability to attract international students / promote student diversity	
Year	Home/EU	Overseas
21/22	78%	22%
20/21	85%	15%

Key Performance Indicators (continued)

Diversity – staff

KPI	**Gender**	
Measuring	Gender balance of Staff (Headcount)	
Year	**Male**	**Female**
2022	41%	59%
2021	42%	58%

KPI	**Females in senior roles**	
Measuring	Female staff members in senior roles	
Year	**2022**	**2021**
	34 (36.2%)	28 (37.8%) (restated)

Student Numbers – 2021-22

All Students		**Home/EU**	**Home/EU FTE**	**Overseas**	**Overseas FTE**	**Total**	**Total FTE**
Undergraduate	Full-time	7,541	7,166	393	357	**7,934**	**7,523**
	Part Time	403	99	2	1	**405**	**100**
	Total	**7,944**	**7,265**	**395**	**358**	**8,339**	**7,623**
Postgraduate Taught	Full-time	1,055	940	2,305	1,678	**3,360**	**2,618**
	Part Time	486	180	10	60	**496**	**240**
	Total	**1,541**	**1,120**	**2,315**	**1,738**	**3,856**	**2,858**
Postgraduate Research	Full-time	66	55	24	16	**90**	**71**
	Part Time	155	65	31	14	**186**	**79**
	Total	**221**	**120**	**55**	**30**	**276**	**150**
Total		**9,706**	**8,505**	**2,765**	**2,126**	**12,471**	**10,631**

Independent auditors' report to the Governing Body of Cardiff Metropolitan University (the "institution")

Report on the audit of the financial statements

Opinion

In our opinion Cardiff Metropolitan University's group financial statements and parent institution financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and the parent institution's affairs as at 31 July 2022, and of the group's and parent institution'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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the Consolidated & University Statements of Financial Position as at 31 July 2022; the Consolidated & University Statements of Comprehensive Income & Expenditure, the Consolidated & University Statements of Changes in Reserves for the year then ended and the Consolidated Cash Flow Statement 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 parent 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 Governing body'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 parent institution's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Governing body 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 Governing Body 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.

Report of the Board of Governors

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Report of the Board of Governors 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 Governing Body for the financial statements

As explained more fully in the Responsibilities of the Board of Governors set out on page 5, the Governing Body 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 Governing Body 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 Governing Body is responsible for assessing the group and parent 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 Governing Body either intends to liquidate the group and parent 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/industry, we identified that the principal risks of non-compliance with laws and regulations related to UK health & safety and employment legislation together with the Higher Education Funding Council for Wales ('HEFCW') Financial Management Code, 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 2019 and the Higher Education Funding Council for Wales Accounts Direction (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 fraudulent transactions designed to overstate the financial performance and position of the group. Audit procedures performed included:

- Reviewing committee meeting minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer-based audit techniques to identify and test higher risk manual journals, in particular those having unusual account combinations;

- Reviewing the appropriateness of the assumptions used by the group in estimating the value of defined benefit pension scheme deficits; and
- Obtaining third party confirmations of all the group's banking and financing arrangements.

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 Governing Body as a body in accordance with article 13(2) of the institution's Articles of Government and section 124B of the Education Reform Act 1988 as amended by section 71 of the Further and Higher Education Act 1992 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 parent 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 Memorandum of Assurance and Accountability, the HEFCW Financial Management Code and any other terms and conditions attached to them; and
- funds provided by HEFCW have been used for the purposes for which they were received.

Sufficiency of accounting records and information and explanations received

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

- sufficient accounting records have not been kept by the parent institution; or
- the parent institution financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
12 December 2022

Statement of Principal Accounting Policies

1 Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102; the Accounts Direction issued by the Higher Education Funding Council for Wales and the Charities Act 2011. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). The principal accounting policies have been applied consistently except as where described otherwise and are set out below.

2 Basis of Consolidation

The consolidated financial statements include Cardiff Metropolitan University and its wholly owned subsidiary undertakings, Cardiff Met Company Ltd and Cardiff Metropolitan Education Services (Beijing) Ltd. In addition, the University holds a majority (55%) share interest in a spin out company Fovo Technology Ltd, the balance of the shares being held by two of the University's academics. This company's activity is also consolidated into these financial statements. However, the non-controlling interest of the minority shareholders in the net assets and surplus of the company are highly immaterial to the University group. These non-controlling interests have therefore not been presented. The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or significant influence over policy decisions. Intra-group sales and profits are eliminated fully on consolidation.

3 Going Concern

The Financial Statements of the University are prepared on a going concern basis. The University is in a position of strong liquidity, cash balances are high and it utilises low level borrowing facilities. Together with strong expenditure controls, the University will have sufficient funds to continue to meet its liabilities as they fall due

4 Income Recognition

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

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Income and Comprehensive Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount, income receivable is shown net of the discount. Fee scholarships are treated as a discount and are deducted from income.

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

a) Grant Funding

Grant funding including funding council grants; research grants from government sources; and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Consolidated Statement of Financial Position and released to income as the conditions are met.

b) Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds.

Statement of Principal Accounting Policies (continued)

Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

Investment income and 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 restrictions applied to the individual endowment fund.

4 Income Recognition (continued)

b) Donations and Endowments (continued)

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

- Restricted donations - the donor has specified that the donation must be used for a particular objective;
- 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;
- Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital;
- 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.

c) Capital Grants

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

5 Accounting for Retirement Benefits

The University operates three pension schemes for University staff; the Cardiff and Vale of Glamorgan Pension Fund (CVGPF), the Teachers' Pension Scheme (TPS) and the Universities Superannuation Scheme (USS). The CVGPF and USS are funded schemes.

The CVGPF is valued every three years by a professionally qualified actuary using the projected unit method, the rate of contribution payable being determined by the Administering Authority on the advice of the actuary.

The TPS is subject to an actuarial valuation every five years by the Government Actuarial Department using the age entry method. The rate of contribution for the TPS is determined by the Teachers' Pension Agency on the advice of the actuary.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities attributable to the University at member level due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

However, in accordance with FRS102, a liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

a) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees. Given the nature of the TPS, contributions to that scheme are accounted for on this basis.

b) Defined Benefit Plan

Statement of Principal Accounting Policies (continued)

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. 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.

c) CGGPF – Local Government Scheme

The Cardiff and Vale of Glamorgan Pension Fund is a defined benefits scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Contributions are set every three years as a result of the actuarial valuation of the fund required by the regulations. The latest actuarial valuation of the fund was carried out as at 31 March 2019 and has set contributions for the period from 1 April 2020 to 31 March 2023. The next triennial valuation will be as at 31 March 2022 and will set contributions for the period 1 April 2023 to 31 March 2026.

The actuary has completed calculations for pension accounting purposes based on the following items of data, which were received from the Cardiff and Vale of Glamorgan Pension Fund.

- The results of the valuation as at 31 March 2019, which was carried out for funding purposes and the results of the 31 July 2019 FRS102 report, which was carried out for accounting purposes.
- Estimated whole fund income and expenditure items for the period to 31 July 2022.
- Fund investment returns for the period to 30 April 2022 and market returns (estimated where necessary) thereafter for the period to 31 July 2022.
- Estimated fund income and expenditure in respect of the employer for the period to 31 July 2022.
- Details of any new early retirements for the period to 31 July 2022 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost; and
- Details of any settlements for the period to 31 July 2022.

The assets of the Fund are not segregated or separately allocated to employers within the fund. The asset balance included in the financial statements is therefore a notional allocation estimated by the actuary using the information referred to above. The allocation is rolled forward from that agreed when the employer was admitted to the Fund and is not recalculated at each triennial valuation.

6 Employment Benefits

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

7 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.

8 Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Consolidated Statement of Financial Position date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in

Statement of Principal Accounting Policies (continued)

Surplus or Deficit. 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.

9 Fixed Assets

a) Land and Buildings

Certain items of land and buildings that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation, less accumulated depreciation, and accumulated impairment losses.

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

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 of between 20 and 75 years.

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

9 Fixed Assets (continued)

b) Equipment

Equipment costing less than £5,000 per individual item is written off to the Consolidated Statement of Income and Expenditure in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated on a straight-line basis over its useful economic life of between 3 and 10 years. Equipment purchased for research projects is treated and depreciated on the same basis as other equipment expenditure.

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

c) Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

10 Intangible Assets

Software development costs are capitalised and amortised on the straight-line basis over an estimated useful life of between five and ten years. Amortisation of such developments commences when brought into use.

Intellectual property: The Group is developing software technology relating to new ways of creating and interacting with digital images. Costs that are directly attributable to the design and testing of the technology are recognised as an intangible asset when the following criteria are met;

- It is technically feasible to complete the underlying software so that the technology will be available for use,
- Management intends to complete the development and to sell or licence the use of the technology,
- It can be demonstrated that the technology will generate probable future economic benefits at least equal in value to the Consolidated Statement of Financial Position carrying value,
- Adequate technical and financial resources to complete the development and to sell or licence the technology are available, and
- The expenditure attributable to the development of the technology can be reliably measured.

Statement of Principal Accounting Policies (continued)

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intellectual property is amortised over its estimated useful life commencing at the date that development is complete, and the technology is available for sale or licensing.

11 Investments

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

Investments in subsidiaries are carried at cost less impairment in the University's financial statements.

Current asset investments are held at on the Consolidated Statement of Financial Position at amortised cost less impairment.

12 Stock

Stocks are stated at the lower of cost or net realisable value and is measured using an average cost formula.

13 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, with a notice period of 3 months or less, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

14 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 uncertain 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 Consolidated Statement of Financial Position but are disclosed in the notes.

15 Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011, it is therefore a charity within the meaning of Para 1 of schedule 6 to 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.

Statement of Principal Accounting Policies (continued)

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. No charge for taxation has been included in respect of the Subsidiary Companies' activities since the entire taxable profit of these companies is transferred to the University under the Gift Aid scheme.

Deferred tax is provided in full on timing differences which result in an obligation at the Consolidated Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

16 Reserves

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

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

17 Critical accounting judgements and estimation uncertainty

Pension schemes: assumptions used in the calculation of the USS and C&VPF pension deficit provisions represent a key accounting estimate based on the sensitivity of assumptions (note 19 and note 24).

Employee Leave Accrual: under FRS102 the University recognises a liability for employee holiday pay at the financial year end. A number of departments and schools within the University have been sampled to derive typical holiday usage, this has then been applied to the University as a whole. There is a level of uncertainty when applying the sample to the whole. The leave accrual is contained within creditors less than 1 year (note 16).

Intangible assets, critical judgements: The Group is developing software technology relating to new ways of creating and interacting with digital images. The criteria used for the recognition of development and other costs as an intangible asset requires an assessment of future events including the technical feasibility that the technology will be available for use such that future economic benefits will be generated. The Group considers that the testing performed to date and the initial feedback from potential users of the technology supports the recognition of the intangible asset.

Intangible assets, key accounting estimates and assumptions: The Group considers whether its intangible assets are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation at market value or the future cash flows and the selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Consolidated & University Statements of Comprehensive Income & Expenditure
Year Ended 31 July 2022

	Note	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	**University £'000**	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1	**100,635**	**100,623**	90,242	90,228
Funding body grants	2	**13,344**	**13,344**	14,772	14,769
Research grants and contracts	3	**3,752**	**3,536**	2,429	2,150
Other income	4	**19,223**	**17,210**	14,726	13,029
Investment income	5	**199**	**199**	117	117
Donations	6	**23**	**21**	3	-
Total income		**137,176**	**134,933**	122,289	120,293
Expenditure					
Staff costs	7	**91,504**	**89,089**	80,186	78,045
Other operating expenses		**38,447**	**37,523**	31,953	31,269
Depreciation	10	**4,822**	**4,794**	4,339	4,311
Impairment of investment in subsidiary	12	**-**	**3,850**	-	-
Interest and other finance costs	8	**3,112**	**3,112**	2,950	2,950
Total expenditure	9	**137,885**	**138,368**	119,428	116,575
(Deficit)/Surplus for the year		**(709)**	**(3,435)**	2,861	3,718
Actuarial gain in respect of pension schemes	24	**85,640**	**85,640**	17,470	17,470
Total comprehensive income for the year		**84,931**	**82,205**	20,331	21,188
Represented by:					
Unrestricted total comprehensive income for the year attributable to the Group and University		**84,931**	**82,205**	20,331	21,188
		84,931	**82,205**	20,331	21,188

All items of income & expenditure relate to continuing activities.

Consolidated & University Statements of Changes in Reserves
Year Ended 31 July 2022

Consolidated	Total Reserves £'000
Balance at 1 August 2020	**31,100**
Surplus for the year	2,861
Other comprehensive income	17,470
Total comprehensive income for the year	**20,331**
Balance at 31 July and 1 August 2021	**51,431**
Deficit for the year	(709)
Other comprehensive income	85,640
Total comprehensive income for the year	**84,931**
Balance at 31 July 2022	**136,362**
University	
Balance at 1 August 2020	**32,981**
Surplus for the year	3,718
Other comprehensive income	17,470
Total comprehensive income for the year	**21,188**
Balance at 31 July and 1 August 2021	**54,169**
Deficit for the year	(3,435)
Other comprehensive income	85,640
Total comprehensive income for the year	**82,205**
Balance at 31 July 2022	**136,374**

All reserves are unrestricted.

Consolidated & University Statements of Financial Position
As at 31 July 2022

	Note	As at 31 July 2022 Consolidated £'000	As at 31 July 2022 University £'000	As at 31 July 2021 Consolidated £'000 Reclassified	As at 31 July 2021 University £'000 Reclassified
Non-current assets					
Tangible assets	10	**168,643**	**168,643**	162,765	162,736
Intangible assets	11	**1,834**	**-**	1,346	-
Investment in subsidiaries	12	**-**	**-**	-	3,150
Current assets					
Stock	13	**83**	**83**	33	29
Trade and other receivables	14	**11,056**	**13,229**	9,914	12,728
Investments	15	**30,278**	**30,278**	23,855	23,855
Cash and cash equivalents	20	**32,164**	**31,211**	23,204	20,577
		73,581	**74,801**	57,006	57,189
Less: Creditors: amounts falling due within one year	16	**(39,836)**	**(39,210)**	(28,898)	(28,118)
Net current assets		**33,745**	**35,591**	28,108	29,071
Total assets less current liabilities		**204,222**	**204,234**	192,219	194,957
Creditors: amounts falling due after more than one year	17	**(19,192)**	**(19,192)**	(21,024)	(21,024)
Provisions					
Pension provisions	19	**(48,668)**	**(48,668)**	(119,764)	(119,764)
Total net assets		**136,362**	**136,374**	51,431	54,169
Unrestricted reserves					
Income and expenditure reserve		**136,362**	**136,374**	51,431	54,169
Total reserves		**136,362**	**136,374**	51,431	54,169

The Financial Statements on pages 36 to 62 were approved by the Board of Governors on 12 December 2022 and signed on its behalf by

.....
John Taylor (CBE)
(Chair of the Board of Governors)

.....
Professor C Carmichael Aitchison
(President & Vice-Chancellor)

Consolidated Cash Flow Statement
Year ended 31 July 2022

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000 Reclassified
Cash flow from operating activities		
(Deficit)/Surplus for the year	**(709)**	2,861
Adjustment for non-cash items		
Depreciation	**4,822**	4,339
(Increase)/Decrease in stock	**(51)**	51
Increase in debtors	**(1,141)**	(2,766)
Increase in creditors	**10,932**	8,125
Difference between pension charge and cash contributions	**12,568**	8,848
Adjustment for investing or financing activities		
Investment income	**(199)**	(117)
Interest payable	**3,111**	2,950
Capital grant income	**(2,562)**	(4,299)
Net cash inflow from operating activities	**26,771**	20,082
Cash flows from investing activities		
Capital Grants receipts	**2,562**	5,130
Redemption of investments	**23,855**	14,022
Investment income	**199**	117
Payments made to acquire fixed assets	**(11,187)**	(5,240)
Purchase of investments	**(30,279)**	(23,855)
Net cash outflow from investing activities	**(14,850)**	(9,826)
Cash flows from financing activities		
Interest paid	**(1,135)**	(1,227)
Repayments of amounts borrowed	**(1,826)**	(1,828)
Net cash outflow from financing activities	**(2,961)**	(3,055)
Increase in cash and cash equivalents in the year	**8,960**	7,201
Cash and cash equivalents at beginning of the year	**23,204**	16,003
Cash and cash equivalents at end of the year	**32,164**	23,204
Increase in cash and cash equivalents in the year	**8,960**	7,201

Reconciliation of net cash flow to movement in net debt

Increase in cash in the year	**8,960**	7,201
Increase in short term deposits	**6,424**	9,833
Net cash inflow from financing	**1,826**	1,828
Movement in net debt in the year	**17,210**	18,862
Net funds at 1 August	**24,650**	5,788
Net at 31 July	**41,860**	24,650

Notes to the Financial Statements
Year Ended 31 July 2022

		Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
1	**Tuition fees and education contracts**				
	Full-time home and EU students	**66,050**	**66,050**	65,328	65,328
	Full-time & part time international students	**24,009**	**24,009**	14,268	14,268
	Part-time home and EU students	**1,068**	**1,068**	1,133	1,133
	Transnational education income	**5,344**	**5,344**	4,863	4,863
	Education contracts with NHS & Coleg Cymraeg	**3,610**	**3,610**	3,980	3,980
	Research training support grants	**554**	**542**	670	656
		100,635	**100,623**	90,242	90,228

		Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
2	**Funding body grants**				
	Recurrent grant				
	Higher Education Funding Council for Wales	**6,983**	**6,983**	3,177	3,174
	Specific grants				
	Specific initiative grants	**6,361**	**6,361**	11,595	11,595
		13,344	**13,344**	14,772	14,769

		Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
3	**Research grants and contracts**				
	Research councils	**438**	**438**	208	208
	Research charities (UK and overseas)	**56**	**47**	57	42
	Government (UK and overseas)	**2,892**	**2,819**	1,845	1,707
	Industry and commerce (UK and overseas)	**366**	**232**	319	193
		3,752	**3,536**	2,429	2,150

		Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
4	**Other income**				
	Other services rendered	**10,146**	**8,670**	8,930	7,605
	Residences operations	**4,810**	**4,810**	3,345	3,345
	Catering and conferencing operations	**1,499**	**1,383**	760	723
	Other EU grant income	**357**	**357**	185	185
	Other operating income	**2,411**	**1,990**	1,506	1,171
		19,223	**17,210**	14,726	13,029

Included in the 'Other services rendered' figure above is an amount of £44k (2021: £nil) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world, supporting the government's Global Britain objectives.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

5 Investment income	Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
Other investment income	**199**	**199**	117	117
	199	**199**	117	117

6 Donations	Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
Donations	**23**	**21**	3	-
	23	**21**	3	-

7 Staff costs	Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
Salaries	**60,656**	**58,733**	54,845	53,147
Social security costs	**6,480**	**6,298**	5,668	5,512
Other pension costs	**11,507**	**11,197**	10,532	10,245
Movement on USS provision	**2,238**	**2,238**	(22)	(22)
CVGPF costs in excess of contributions	**10,623**	**10,623**	9,163	9,163
Staff costs excluding exceptional severance costs	**91,504**	**89,089**	80,186	78,045

Average staff numbers by major category:	Year Ended 31 July 2022 No.	Year Ended 31 July 2021 No.
Academic	**580**	549
Administrative, support and projects	**779**	682
Technicians	**30**	33
Ancillary	**61**	55
	1,450	1,319

Emoluments of the Vice-Chancellor	Year Ended 31 July 2022 £	Year Ended 31 July 2021 £
		Reclassified
Salary	**257,500**	251,679
Payments in lieu of pension contributions	**47,346**	46,108
	304,846	297,787

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

7 Staff Costs (continued)

Vice-Chancellor remuneration as a multiple of the median	Year Ended 31 July 2022 University		Year Ended 31 July 2021 University	
	Basic Salary	**Total remuneration**	**Basic salary**	**Total remuneration**
Vice-Chancellor	**£257,500**	**£304,846**	£251,679	£297,787
Median salary	**£39,739**	**£40,650**	£39,152	£40,014
Pay multiple	**6.5**	**7.5**	6.4	7.4

Refer to the University's Remuneration Statement page 21

The President & Vice-Chancellor's basic salary is 6.5 times (2021/21 6.4 times) the median pay of staff. The median pay is calculated on a full-time equivalent basis of the salaries paid by the University to its staff. The President & Vice-Chancellor's total remuneration is 7.5 times (2021/21 7.4 times) the median total remuneration of staff. The median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University to its staff. Agency and atypical staff have been excluded from the above calculations, as full-time equivalent data is not available.

Higher Paid Staff	**Year Ended 31 July 2022 No.**	Year Ended 31 July 2021 No.
£100,000 to £104,999	**1**	3
£105,000 to £109,999	**2**	2
£110,000 to £114,999	**2**	-
£125,000 to £129,999	**-**	2
£130,000 to £134,999	**1**	1
£135,000 to £139,999	**-**	1
£140,000 to £144,999	**1**	-
£145,000 to £149,999	**1**	-
£160,000 to £164,999	**1**	-
	9	9

Payment of compensation for loss of office to higher paid staff was as follows;

	Year Ended 31 July 2022 £'000	**Year Ended 31 July 2022 Number of staff**	Year Ended 31 July 2021 £'000	Year Ended 31 July 2021 Number of staff
Higher paid staff: loss of office	**-**	**-**	126	1

The Key Management Personnel are the University Vice Chancellor's Executive Group. In 2021-22 the group comprised; the Vice Chancellor, Deputy Vice Chancellor, PVC (Research and Innovation), PVC (Student Engagement), Chief Officer (Resources), and the Secretary & Clerk to the Board of Governors.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

	Year Ended 31 July 2022	Year Ended 31 July 2021
	£'000	£'000 Reclassified
Key management personnel remuneration (excludes pension costs)	**941**	900

Due to the nature of the University's operations and the composition of the Board, it is inevitable that transactions will take place with organisations in which a Member of the Board or a senior member of staff may have an interest. The financial regulations require an individual to declare an interest and to withdraw from discussions should a conflict of interest potentially arise. Written assurances are obtained annually from all Governors and key personnel in respect of themselves and their close family. For the financial year to 31 July 2022 the returns state that there has been no undue influence between the University and related parties (as defined by FRS102).

In the 2021/22 financial year there were no declarations of interest from a related party under FRS102. In the 2020/21 financial year there was no declaration of interest from a related party under FRS102.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

		Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
8	**Interest and other finance costs**				
	Loan interest	**1,136**	**1,136**	1,227	1,227
	Net charge on pension scheme	**1,976**	**1,976**	1,723	1,723
		3,112	**3,112**	2,950	2,950

		Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000	Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000
9	**Analysis of total expenditure by activity**				
	Academic and related expenditure	**67,894**	**67,894**	60,423	61,040
	Administration and central services	**29,266**	**27,754**	21,918	20,704
	Premises (including service concession cost)	**9,005**	**9,005**	8,432	8,432
	Residences, catering and conferences	**4,225**	**4,074**	3,501	3,360
	Research grants and contracts	**2,693**	**2,553**	1,675	1,545
	Other expenses	**24,386**	**26,672**	19,096	21,494
	HEFCW Covid-19 grant expenditure	**416**	**416**	4,383	-
		137,885	**138,368**	119,428	116,575
	Other operating expenses include:				
	External independent auditors' remuneration in respect of audit services	**73**	**45**	61	43
	External independent auditors' remuneration in respect of non-audit services	**28**	**28**	13	13

Included in the 'Administration and central services' figure above is an amount of £44k (2021: £nil) relating to the Turing Scheme. The Turing Scheme is the UK government's global programme to study and work abroad. The scheme provides funding for international opportunities in education and training across the world, supporting the government's Global Britain objectives.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

10 Tangible Fixed Assets
2021/2022

		Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Consolidated				
Cost or valuation	At 1 August 2021	186,199	22,313	208,512
	Additions	6,025	4,675	10,700
	At 31 July 2022	**192,224**	**26,988**	**219,212**
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	119,957	26,988	146,945
		192,225	**26,988**	**219,213**
Accumulated Depreciation	At 1 August 2021	29,918	15,830	45,748
	Charge for the year	2,470	2,352	4,822
	At 31 July 2022	**32,388**	**18,182**	**50,570**
Net book value	**At 31 July 2022**	**159,837**	**8,806**	**168,643**
	At 31 July 2021	156,281	6,483	162,764
University				
Cost or valuation	At 1 August 2021	186,199	22,025	208,224
	Additions	6,025	4,675	10,700
	At 31 July 2022	**192,224**	**26,700**	**218,924**
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	119,957	26,700	146,657
		192,225	**26,700**	**218,925**
Accumulated Depreciation	At 1 August 2021	29,918	15,570	45,488
	Charge for the year	2,470	2,324	4,794
	At 31 July 2022	**32,388**	**17,894**	**50,282**
Net book value	**At 31 July 2022**	**159,837**	**8,806**	**168,643**
	At 31 July 2021	156,281	6,455	162,736

As at 31 July 2022, freehold land and buildings included £52.598m (2021: £52.598m) in respect of freehold land and is not depreciated.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

		Year Ended 31 July 2022 Consolidated £'000	Year Ended 31 July 2022 University £'000
11	**Intangible Assets**		
	Cost of Intellectual Property		
	At 1 August 2020	**913**	**-**
	Additions	**433**	**-**
	At 31 July 2021	**1,346**	**-**
	Cost of Intellectual Property		
	At 1 August 2021	**1,346**	**-**
	Additions	**487**	**-**
	At 31 July 2022	**1,834**	**-**
	Net book value		
	At 31 July 2022	**1,834**	**-**
	Net book value		
	At 31 July 2021	**1,346**	**-**
	Net book value		
	At 31 July 2020	**913**	**-**

No amortisation has been charged in the year ended 31 July 2022. The additional intangible asset of £487k in 2021/22 represents the capitalisation of the intellectual property developed in Fovo Technology Ltd.

		University £'000
12	**Investment in Subsidiaries**	
	Cost or valuation	
	At 1 August 2021	3,150
	Additions	700
	Impairment	(3,850)
	At 31 July 2022	-
	Cost or valuation	
	At 1 August 2020	2,150
	Additions	1,000
	Impairment	-
	At 31 July 2021	3,150

The investments represent shares in group undertakings (note 23). During the financial year 2021/22 the University bought additional shares in Cardiff Met Company Ltd for £700k. During the financial year 2021/22 the University impaired its investment in Cardiff Met Company Ltd to £nil.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

		At 31 July 2022 Consolidated £'000	At 31 July 2022 University £'000	At 31 July 2021 Consolidated £'000 Reclassified	At 31 July 2021 University £'000 Reclassified
13	**Stock**				
	General consumables (Catering & other)	**83**	**83**	33	29
		83	**83**	33	29

		At 31 July 2022 Consolidated £'000	At 31 July 2022 University £'000	At 31 July 2021 Consolidated £'000 Reclassified	At 31 July 2021 University £'000 Reclassified
14	**Trade and other receivables**				
	Amounts falling due within one year:				
	Trade receivables	**6,674**	**6,436**	3,582	3,429
	Prepayments and accrued income	**4,382**	**4,210**	6,332	6,243
	Amounts due from subsidiary companies	**-**	**2,583**	-	3,056
		11,056	**13,229**	9,914	12,728

		At 31 July 2022 Consolidated £'000	At 31 July 2022 University £'000	At 31 July 2021 Consolidated £'000	At 31 July 2021 University £'000
15	**Investments**				
	Term deposits	**10,097**	**10,097**	9,840	9,840
	Corporate Bond	**20,181**	**20,181**	14,015	14,015
		30,278	**30,278**	23,855	23,855

		At 31 July 2022 Consolidated £'000	At 31 July 2022 University £'000	At 31 July 2021 Consolidated £'000	At 31 July 2021 University £'000
16	**Creditors: amounts falling due within one year**				
	Secured loans	**536**	**536**	504	504
	Unsecured loans	**1,296**	**1,296**	1,322	1,322
	Trade payables	**5,550**	**5,493**	6,015	6,003
	Social security and other taxation payable	**1,737**	**1,723**	1,383	1,377
	Accruals and deferred income	**30,717**	**30,162**	19,674	18,912
		39,836	**39,210**	28,898	28,118

		At 31 July 2022 Consolidated £'000	At 31 July 2022 University £'000	At 31 July 2021 Consolidated £'000	At 31 July 2021 University £'000
17	**Creditors: amounts falling due after more than one year**				
	Secured loans	**408**	**408**	944	944
	Unsecured loans	**18,784**	**18,784**	20,080	20,080
		19,192	**19,192**	21,024	21,024
	Analysis of secured and unsecured loans:				
	Due within one year or on demand	**1,832**	**1,832**	1,826	1,826
	Due between one and two years	**1,386**	**1,386**	1,832	1,832
	Due between two and five years	**4,056**	**4,056**	4,090	4,090
	Due in five years or more	**13,750**	**13,750**	15,102	15,102
	Due after more than one year	**19,192**	**19,192**	21,024	21,024
	Total secured and unsecured loans	**21,024**	**21,024**	22,850	22,850

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

18 Lender and unsecured Secured loans

		Amount As at 31 July 2022 £'000	Amount As at 31 July 2021 £'000	Repayable by	Interest Rate %	Borrower
NatWest*	Secured loan	510	836	2027	Variable	University
NatWest*	Secured loan	434	612	2023	7.69	University
Santander	Unsecured loan	9,600	10,200	2038	5.10	University
Barclays	Unsecured loan	10,400	11,050	2038	5.10	University
Salix	Unsecured loan	13	38	2022	0.00	University
Salix	Unsecured loan	-	13	2021	0.00	University
Salix	Unsecured loan	67	101	2024	0.00	University
		21,024	22,850			

*The NatWest loans are secured against the University's Plas Gwyn Campus and a part of the Cyncoed Campus

19 Pension Provisions

	Obligation to fund deficit on USS Pension £'000	Pension enhancement on termination £'000	Defined Benefit Obligations (Note 24) £'000	Total Pensions Provisions £'000
Consolidated and University				
At 1 August 2021	**(1,804)**	**(3,090)**	**(114,870)**	**(119,764)**
Utilised in year	-	290	-	**290**
(Addition)/release in year	(2,254)	(50)	(12,530)	**(14,834)**
Actuarial gain in year	-	230	85,410	**85,640**
At 31 July 2022	**(4,058)**	**(2,620)**	**(41,990)**	**(48,668)**

USS deficit

The obligation to fund the past service deficit of the University's Superannuation Scheme (USS) arises from a contractual obligation to fund benefits arising from past performance. This obligation is reassessed every three years using the scheduled triennial valuation of the scheme. In reassessing the value of the required provision during the current year management has used the March 2020 valuation of the scheme.

The latest available actuarial valuation of the scheme at 31 July 2022 was the March 2020 valuation.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

		At 1 August 2021 £'000 Reclassified	Cash Flows £'000	At 31 July 2022 £'000
20	**Cash and cash equivalents**			
	Consolidated			
	Cash and cash equivalents	23,204	8,960	**32,164**
		23,204	8,960	**32,164**

		At 1 August 2020 £'000	Cash Flows £'000	At 31 July 2021 £'000
	Cash and cash equivalents			
	Consolidated			
	Cash and cash equivalents	16,003	7,201	**23,204**
		16,003	7,201	**23,204**

		For the year ended 31 July 2022		For the year ended 31 July 2021	
		Consolidated £'000	**University £'000**	Consolidated £'000	University £'000
21	**Capital commitments**				
	Commitments contracted for	**4,050**	**4,050**	3,600	3,600
		4,050	**4,050**	3,600	3,600

22 Commitments under operating leases

At 31 July Cardiff Metropolitan University had future minimum lease payments under non-cancellable operating leases as follows:

	2022 £'000	2021 £'000
Not later than 1 year	196	217
Later than 1 year and not later than 5	242	372
	438	589

23 Subsidiary undertakings

Company	**Principal Activity**	**Status**
Cardiff Metropolitan Company Ltd	Undertakes non primary purpose trading activities which are non-charitable.	100% owned
Cardiff Metropolitan Education Services (Beijing) Ltd	Holding company for China Wholly Foreign-Owned Enterprise.	100% owned
Cardiff Metropolitan Education Consulting Service (Beijing) Ltd	Develop strategic partnerships with Chinese institutions.	100% owned
Fovo Technology Ltd	Developing a new technology that improves the nature of visual experience.	55% owned

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

24 Pension Obligations

The University participates in three separate pension schemes, each of which has its own membership eligibility criteria. The three schemes are; the Cardiff & Vale of Glamorgan Pension Fund (CVGPF) (principally administration and support staff); the Teachers' Pension Scheme (TPS) (principally academic staff); and the Universities Superannuation Scheme (USS) (a mixture of administrative and academic staff). All three schemes are defined-benefit schemes.

The contributions payable to the scheme were

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Contribution for TPS	**5,664**	5,168
Contribution for CVGPF	**4,908**	4,419
Contribution for USS	**936**	946
	11,508	10,533

The costs recognised within the University's staff costs for the year were

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Cost for TPS	**5,664**	5,168
Cost for CVGPF	**15,530**	13,581
Cost for USS	**3,174**	924
	24,368	19,673

Cardiff & Vale of Glamorgan Pension Fund (CVGPF)

CVGPF is a local government superannuation scheme. The most recent full actuarial valuation was carried out as at 31 March 2019 and has been updated by independent actuaries to the Cardiff & Vale of Glamorgan Pension Fund to take account of the requirements of FRS102 in order to assess the liabilities of the Fund as at 31 July 2020. The next triennial valuation of the fund will be reported during December 2022.

Notes to the Financial Statements (continued)
Year Ended 31 July 2022
24 Pension obligations continued

The principal assumptions used for the purposes of FRS102 are as follows

	Year ended 31 July 2022	Year ended 31 July 2021	Year ended 31 July 2020
Discount rate	**3.4%**	1.7%	1.4%
CPI inflation	**2.5%**	2.6%	2.2%
Rate of increase to pensions in payment	**2.5%**	2.6%	2.2%
Rate of revaluation of pension accounts	**2.5%**	2.6%	2.2%
Rate of increase in deferred pensions	**2.5%**	2.6%	2.2%
Rate of general increase in salaries	**3.5%**	3.6%	3.2%

Mortality assumption

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	Year ended 31 July 2022	Year ended 31 July 2021	Year ended 31 July 2020
Assumed life expectancy at 65 years			
- retiring today male/(female)	**22.1 (24.6)**	22.3 (24.7)	22.2 (24.6)
- retiring in 20 years male/(female)	**23.2 (26.0)**	23.3 (26.1)	23.2 (26.0)

Asset Allocation	**Value at 31 July 2022**	Value at 31 July 2021
Equities	**67.0%**	66.5%
Property	**8.1%**	6.6%
Government bonds	**9.0%**	10.1%
Corporate bonds	**7.8%**	15.2%
Multi Asset Credit	**5.2%**	0.0%
Cash	**2.9%**	1.6%
Other	**0.0%**	0.0%
Total	**100.0%**	100.0%

Amounts recognised in income statement

	Year ended 31 July 2022 £'000		Year ended 31 July 2021 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Operating cost				
- current service cost	**15,570**	**-**	13,650	-
- curtailment cost	**-**	**-**	20	-
Financing Cost				
- interest on net defined benefit liability	**1,910**	**50**	1,660	50
Pension expense recognised in income statement	**17,480**	**50**	15,330	50

Notes to the Financial Statements (continued)
Year Ended 31 July 2022
24 Pension obligations continued

Amounts recognised in other comprehensive income

	Year ended 31 July 2022 £'000		Year ended 31 July 2021 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Asset gains/(losses) arising during the year	**(7,710)**	**-**	20,800	-
Liability (losses) arising during the year	**93,120**	**230**	(3,370)	(40)
Total recognised in other comprehensive income/(expense)	**85,410**	**230**	17,430	(40)

Changes to the fair value of assets

	2022 £'000		2021 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**143,020**	**-**	117,220	-
Interest income on assets	**2,470**	**-**	1,671	-
Remeasurement gains/(losses) on assets	**(7,710)**	**-**	20,800	-
Contributions by the employer	**4,950**	**290**	4,510	290
Contributions by participants	**1,930**	**-**	1,770	-
Net benefits paid out	**(3,040)**	**(290)**	(2,950)	(290)
Closing value	**141,620**	**-**	143,020	-

Changes to the present value of the defined benefit obligation

	2022 £'000		2021 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**257,890**	**3,090**	238,700	3,370
Current service cost	**15,570**	**-**	13,650	-
Interest expense on defined benefit obligation	**4,380**	**50**	3,330	50
Contributions by participants	**1,930**	**-**	1,770	-
Actuarial losses/(gains) on liabilities	**(93,120)**	**(230)**	3,370	(40)
Net benefits paid out	**(3,040)**	**(290)**	(2,950)	(290)
Past service cost/curtailment	**-**	**-**	20	-
Closing value	**183,610**	**2,620**	257,890	3,090

Reconciliation of funded status to Consolidated Statement of Financial Position

	At 31 July 2022 £'000		At 31 July 2021 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Fair value of assets	**141,620**	**-**	143,020	-
Present value of defined benefit obligation	**(183,610)**	**(2,620)**	(257,890)	(3,090)
Liability	**(41,990)**	**(2,620)**	(114,870)	(3,090)

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

24 Pension Obligations (continued)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme took place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers have paid a contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The contribution rate prior to this was 16.48%.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, based on April 2020 data and due to implemented in April 2023.

Universities Superannuation Scheme

The University participates in the Universities' Superannuation Scheme. The Scheme is a hybrid pension scheme which provides benefits based on final pensionable salary for Final Salary members until 2016 (closed to new entrants in 2011); Career Revalued Benefits (CRB) up to an indexed salary threshold for new entrants since 2011 and for Final Salary members since 2016; and defined contribution benefits above the same salary threshold and for members wishing to make additional contributions. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. As a result, the University is exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a wholly defined-contribution scheme. The amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme for the year. A liability is also recorded within provisions for any contractual commitment to fund past deficits within the scheme. Movements in this provision can also give rise to charges to the Consolidated Statement of Comprehensive Income and Expenditure as shown in note 19 above.

The appointment of directors to the board of trustees is determined by the Company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board.

Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation for the scheme was published during September 2021, valuing the assets and technical provisions as at 31 March 2020 (the valuation date). The 2020 valuation was the sixth valuation 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 2020 valuation date, the value of the assets of the scheme was £66.5 billion and the valuation of the scheme's technical provisions was £80.6 billion (based on the assumed implementation of the Joint Negotiating Committee's (JNC) recommendation. This represents a shortfall of £14.1 billion, up from the shortfall of £3.6 billion at the 2018 valuation date. The assets were therefore sufficient to cover 82.5% of the benefits which had accrued to members after allowing for expected future increases in earnings, as compared to 94.7% at the 2018 valuation date.

To address the deficit, the JNC formally voted to introduce a suite of reforms to the scheme in February 2022. As part of these reforms, the employer's contribution to the scheme was raised to 21.6%, from 21.1% at the 2018 valuation.

Creditor Balances
Cardiff Metropolitan University's balances as at 31 July for each scheme are as follows:

	2022 £'000	2021 £'000
TPS	**-**	646
CVGPF	**585**	540
USS	**-**	113
	585	1,299

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule

Conversion to US GAAP format

This schedule has been compiled from the Section 3 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations

Line	Statement of Financial Position	2021-22	2020-21
1	Cash and cash equivalents	62,442	47,123
2	Accounts receivable, net	6,674	3,518
3	Other debtors and Prepaid expenses	4,382	6,332
4	Related party receivables	-	-
5	Contributions receivable, net	-	-
6	Student loans receivable, net	-	-
7	Investments in subsidiaries	-	-
8	Property, plant and equipment, net (includes Investment property & Heritage assets)	168,643	162,765
9	Lease right-of-use asset, net	-	-
10	Goodwill	-	-
	Other intangible assets	1,834	1,346
11	Inventories	83	33
12	**Total assets**	**244,058**	**221,117**
13	Line of credit - short term	-	-
14	Line of credit - short term for CIP	-	-
15	Accrued expenses/Accounts payable	7,287	7,398
16	Accruals and Deferred revenue	30,717	19,674
17	Post-employment and pension liability	48,668	119,764
18	Line of credit - operating	-	-

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule (continued)

19	Other liabilities	-	-
20	Notes payable	-	-
21	Lease right-of-use asset liability	-	-
22	Line of credit for long term purposes	21,024	22,850
23	**Total liabilities**	**107,696**	**169,686**
24	**Net assets without donor restrictions**	**136,362**	**51,431**
	Net Assets with Donor Restrictions		
25	Annuities	**-**	**-**
26	Term endowments	**-**	**-**
27	Life income funds	**-**	**-**
28	Other restricted by purpose and time	**-**	**-**
29	Restricted in perpetuity	**-**	**-**
30	Total Net Assets with Donor Restrictions	**-**	**-**
31	**Total Net Assets**	**136,362**	**51,431**
32	**Total Liabilities and Net Assets**	**244,058**	**221,117**
	Changes in Net Assets Without Donor Restrictions		
	Operating Revenue and Other Additions		
33	Tuition and fees, net	100,635	90,242
34	Funding body income	13,344	14,772
35	Investment return appropriated for spending	199	117
36	Other income	19,246	14,729
37	Research income	3,752	2,429
38	**Total Operating Revenue and Other Additions**	**137,176**	**122,289**

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule (continued)

	Operating Expenses and Other Deductions		
39	Education and research expenses	129,951	112,140
40	Depreciation and Amortization	4,822	4,339
41	Interest expense	3,112	2,950
42	Auxiliary enterprises	-	-
43	**Total Operating Expenses**	**137,885**	**119,429**
44	**Changes in Net Assets from Operations**	**-709**	**2,860**
	Non-Operating changes		
45	Investments, net of annual spending, gain (loss)	-	-
46	Other components of net periodic pension costs	95,450	17,470
47	Pension-related changes other than net periodic pension costs	-	-
48	Change in value of split-interest agreements	-	-
49	Other gains (losses)	-	-
50	Sale of fixed assets, gains (losses)	-	-
	Taxation	-	-
	Total Non-Operating Changes	**95,450**	**17,470**
51	**Total Change in Net Assets**	**94,741**	**20,330**
	Change in Net Assets with Donor Restrictions		
52	Contributions	-	-
53	Net assets released from restriction	-	-
54	**Change in Net Assets with Donor Restrictions**	**-**	**-**
55	**Change in Net Assets without restrictions**	**94,741**	**20,330**
56	**Net Assets, Beginning of Year**	**51,431**	**31,101**
57	**Net Assets, End of Year**	**146,172**	**51,431**

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule (continued)

	Note for Line 9 - Lease right-of-use assets	**2021-22**	**2020-21**
A	Lease right-of-use assets - pre-implementation	-	-
B	Lease right-of-use assets - post-implementation	-	-
	Total	-	-

	Note for Line 21 - Lease right-of-use asset liability		
A	Lease right-of-use asset liability - pre-implementation	-	-
B	Lease right-of-use asset liability - post-implementation	-	-
	Total	-	-

	Note for Line 8 - Net Property, Plant and Equipment		
A	Pre-implementation Property, Plant and Equipment	157,942	157,958
B	Post-implementation Property, Plant and Equipment purchased with debt	-	-
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Const'n in P'gress	-	-
D	Post-implementation Property, Plant and Equipment - no debt	-	-
	Total	157,942	157,958

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule (continued)

A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less and depreciation or disposals		
B	This is the balance of assets purchased after the implementation of the regulations that was purchased by obtaining debt		
C	Asset value of the Construction work in progress		
D	Post-implementation Property, Plant and Equipment with no outstanding debt		
	Note for Line 14,20 and 22 - Long-term debt for long term purposes		
A	Pre-implementation Long-term Debt	21,024	22,850
B	Allowable Post-Implementation Long-term Debt:		
	FH LH L&B	-	-
	LH improvements	-	-
	Equipment	-	-
	Investment property	-	-
	Heritage assets	-	-
C	Construction in progress - debt	-	-
D	Long-term debt not for the purchase of Property, Plant and Equipment or liability greater than assets value	-	-
	Total	21,024	22,850
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less in repayments		
B	This is the lessor of actual outstanding debt or each asset value or the value of the asset		
C	All debt associated with Construction in progress up to the asset value for construction in process is included		
D	Long-term debt not for the purchase of Property, Plant and Equipment		

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule (continued)

Supplementary schedule - Sterling £ '000		2021-22	2020-21

This schedule has been compiled from the Section 2 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations

Lines	Expendable Net Assets		
24	Net assets without donor restrictions	136,362	51,431
30	Net assets with donor restrictions	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
8	Property, plant and equipment, net (includes Construction in progress)	168,643	162,765
FS Note line 8A	Property, plant and equipment - pre-implementation	157,942	157,958
FS Note line 8B	Property, plant and equipment - post-implementation with outstanding debt for original purchase	0	0
FS Note line 8D	Property, plant and equipment - post-implementation without outstanding debt for original purchase	0	0
FS Note line 8C	Construction in progress	0	0
9	Lease right-of-use asset, net	0	0
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0
M9 Note Leases	Lease right-of-use asset post-implementation	0	0
10	Intangible assets	0	0
10	Intangible assets	1,834	1,346
17	Post-employment and pension liabilities	48,668	119,764
14,20,22	Long-term debt - for long term purposes	21,024	22,850
M24,20,22, Note Debt A	Long-term debt - for long term purposes pre-implementation	21,024	22,850

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule (continued)

M24,20,22, Note Debt B	Long-term debt - for long term purposes post-implementation	0	0
M24,20,22, Note Debt C	Line of Credit for Construction in process	0	0
21	Lease right-of-use asset liability	0	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
Line 21 Note Leases	Post-implementation right-of-use leases	0	0
25	Annuities with donor restrictions	0	0
26	Term endowments with donor restrictions	0	0
27	Life income funds with donor restrictions	0	0
29	Net assets with donor restrictions: restricted in perpetuity	0	0
	Total Expenses and Losses		
43	Total expenses without donor restrictions - taken directly from Statement of Activities	137,885	119,429
(35),45,46,47,48,49	Non-Operating and Net Investment (loss)	-85,839	-17,587
(35),45	Net investment losses	-199	-117
47	Pension-related changes other than net periodic costs	0	0

Notes to the Financial Statements (continued)
Year Ended 31 July 2022

25 US Federal Loans – Supplementary Schedule (continued)

	Modified Net Assets	**2021-22**	**2020-21**
24	Net assets without donor restrictions	136,362	51,431
30	Net assets with donor restrictions	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Modified Assets		
12	Total Assets	244,058	221,117
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0	0
10	Intangible assets	0	0
4	Secured and Unsecured related party receivable	0	0
4	Unsecured related party receivable	0	0
	Net Income Ratio		
55	Change in Net Assets Without Donor Restrictions	84,931	20,330
38, (35), 50	Total Revenue and Gains	136,977	122,172



Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd

CARDIFF METROPOLITAN UNIVERSITY

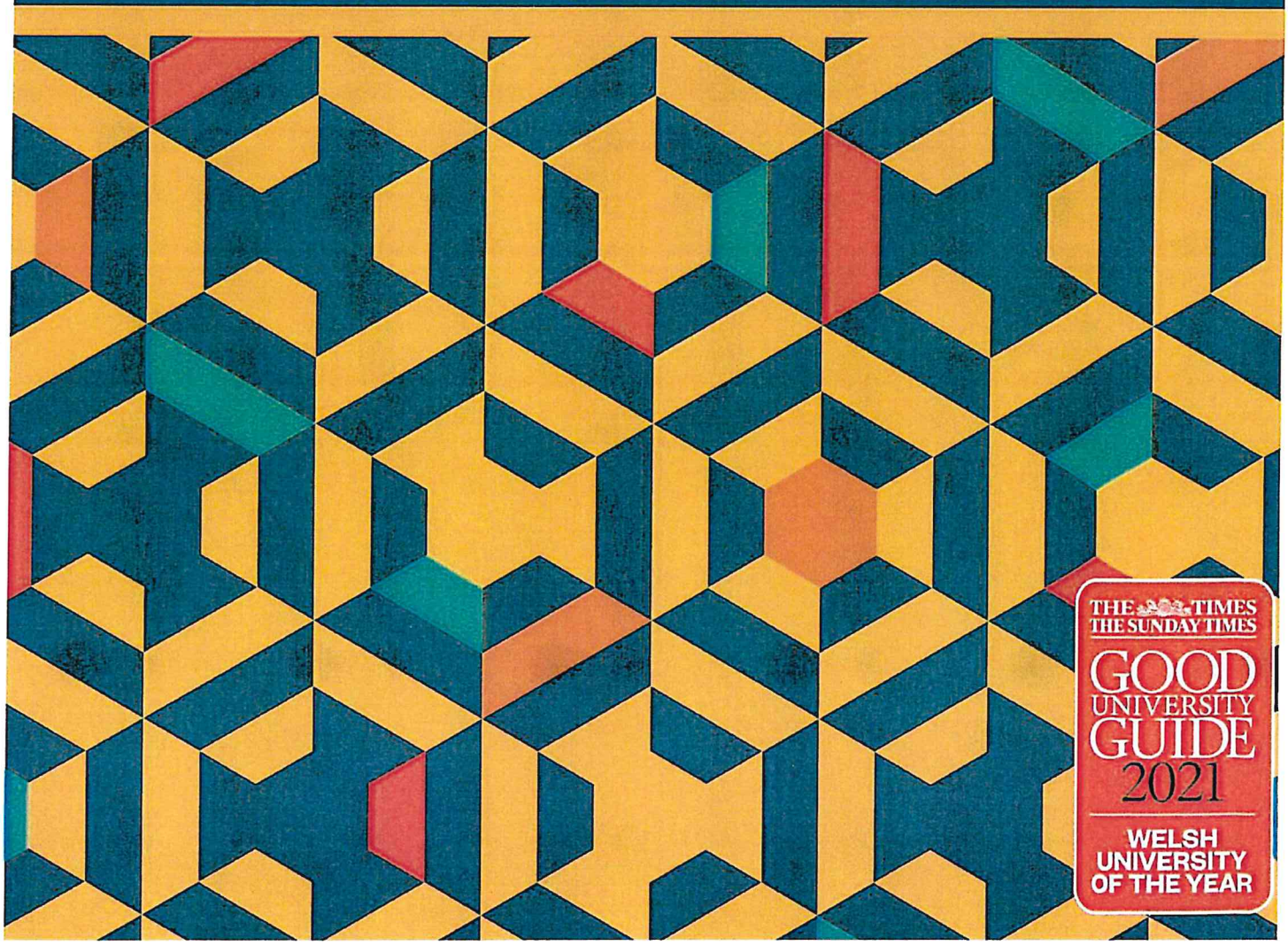
England & Wales - Charity number 1140762

Accounts

Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd

2020 - 2021

ANNUAL REPORT & FINANCIAL STATEMENTS



Charity Name:

Cardiff Metropolitan University

Charity Registration Number:

1140762

Registered Office

Maritime House

Llandaff Campus

Cardiff CF5 2YB

www.cardiffmet.ac.uk

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Report of the Board of Governors

Public Benefit Statement

Cardiff Metropolitan University seeks to advance higher education and research within South East Wales, Wales, the UK and internationally. Its charitable objective is to inspire and enable individuals, organisations and communities to succeed through innovation in high quality learning, research and enterprise. The benefit of this charitable objective is derived through the intellectual development of individuals and by providing the opportunity for them to enter professional life in many fields of public and private provision. The beneficiaries are the public at large to whom education is open. The University's provision has been aligned with the Welsh Government's strategy for higher education and serves the public benefit by contributing to regional regeneration, preservation of the environment and promotion of social justice.

The University offers courses in a range of subjects including health and social care, teacher education and environmental management with over 50 professional bodies accrediting its courses. It also engages with partners in business, the public sector and communities in a variety of ways. Specifically, during 2020/21 the University:

(a) Undertook Sport Development for Cardiff City Council. The University, through Cardiff Met Sport, is working with the Council, Cardiff City FC, Sport Wales and Disability Sport Wales to increase sports participation and the quality of the experience across the city. The project, which places particular emphasis upon addressing key themes including disability, gender, and disadvantaged groups, is also contributing to the strengthening of Cardiff Met's relationships with all of the city's primary and secondary schools and supports thousands of hours of student work placement and volunteering opportunities.

(b) Participated as a part of its widening access programme, in the First Campus Initiative which encourages the importance of learning amongst community first areas and schools in SE Wales.

(c) Administered and supported a £12m pan Wales advisory and implementation service in food technology related initiatives, including areas such as technical, microbiological, hygiene and product development to help clients (SMEs) achieve measurable outputs and clear financial, environmental and skill-based benefits and to maximise business performance.

(d) Worked with Welsh Government to provide Knowledge Transfer Centres as an effective interface between academia and Welsh business - providing access to research, development, expertise, facilities and knowledge to a wide range of technology led businesses.

(e) Used its sports facilities to provide junior academies for local children and training facilities for all levels of athlete, thereby supporting world class participants in a range of national and international sports.

(f) Operated a Community Borrower Scheme which provides the public with direct access to the University's library collections, enabling them to borrow books or other audio-visual education materials.

(g) Actively promoted the National Young Ambassador programme which aims to inspire young people to become leaders through sport and physical activity.

(h) Hosted sustainability events to bring together and engage our campus community with our neighbours and surrounding communities. These 'Community Days' promote partnership with many local charity and school groups and small businesses, and include activities such as Repair Cafes, Farmers Markets, Litter Picks etc. The University is also a key sponsor of the City's public cycle network, hosting cycle hubs at each of its campuses and providing 5,000 free memberships for its community.

(i) Continued to support and provide funding towards the City's Student Liaison Officer, a role that supports Cardiff's universities and provides volunteering opportunities in the city, helping in local communities.

Report of the board of Governors (continued)

Public Benefit Statement (continued)

(j) Donated 100kg of dry and frozen food to the Cardiff food bank.

(k) Saw the return of the award-winning School Holiday Enrichment Programme (SHEP). SHEP is a school-based education programme that provides food and nutrition education, physical activity, enrichment sessions and healthy meals to children in areas of social deprivation during the school summer holidays. Since the programme's launch in 2016, the number of schools enrolled has continued to grow year-on-year.

(l) Secured funding through Cardiff & Vale University Health Board to improve the provision of Exercise Referral across Cardiff, strengthening the relationship between primary care, social prescribing, exercise referral and community physical activity. The programme is contributing towards the Move More Eat Well strategy across Cardiff & Vale of Glamorgan.

(m) Participated in Step In - an innovative project developed between Cardiff Met Sport and the Police & Crime Commissioner office, the programme diverts young people aged 11-18years away from youth justice services and into more positive opportunities via sport and physical activity.

During the year, Welsh domiciled students of the University were able to access the Assembly Learning Grant and English domiciled students the Maintenance Grant; the University also offered its own bursaries. Various other schemes were also available to assist students to access higher education and the University administered a discretionary contingency fund for those who required financial support to continue their studies. The University offered a wide range of accredited taster sessions at outreach centres and bespoke projects designed to raise the aspirations amongst disadvantaged/under-represented communities.

In common with other charitable higher education corporations in the UK, the University is overseen by a Board of Governors, the majority of whom are non-remunerated and otherwise independent of the University. The Board of Governors includes staff and student representation.

Responsibilities of the Board of Governors

In accordance with the Education Reform Act 1988 the Board of Governors of Cardiff Metropolitan University is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and to enable it to ensure that the financial statements are prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (effective from 1 January 2015) and in accordance with applicable Accounting Standards. In addition, within the terms and conditions of the Financial Management Code issued by the Higher Education Funding Council for Wales, the Board, through its designated office holder, 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, of the surplus or deficit and cash flows for that year.

In preparing these financial statements, the Board of Governors has ensured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

Report of the board of Governors (continued)

Responsibilities of the Board of Governors (continued)

The Board of Governors has taken reasonable steps to:

- ensure that funds from the Higher Education Funding Council for Wales are used only for the purposes for which they have been given and in accordance with the Financial Management Code with the Funding Council and any other conditions which the Funding Council may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and prevent and detect fraud;
- secure the economical, efficient and effective management of the University resources and expenditure.

By order of the Board

Professor C Carmichael Aitchison
President & Vice-Chancellor
9 December 2021

Report of the board of Governors (continued)

Operating and Financial Review

Scope of the Financial Statements

These financial statements relate to the year ended 31 July 2021 and represent the twenty ninth Annual Report of the University since its incorporation in 1992. The financial statements consolidate the main activity of the University with that of its subsidiary companies and have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102.

Principal Activities

The principal activity of the University is the provision of higher education from campuses in Cardiff and through collaborative activities elsewhere in the UK and overseas. The University's portfolio extends across undergraduate, postgraduate and research activities and is complemented by training, consultancy and other commercial spin offs which are provided to local, national and international organisations. The University also provides conferencing and residential services, together with sports and catering facilities, for students and external users. Many of these commercial activities are carried out through a subsidiary company Cardiff Met Company Ltd, which gifts the taxable profit back to the University through the Gift Aid scheme.

Financial and Investment Strategy

The University last reviewed and updated its Financial Strategy during July 2018. This Strategy has the key objectives of growing and diversifying income; promoting long-term sustainability; and operating efficiently and effectively. The Strategy includes challenging performance objectives in support of the University's aspirations for the future.

Results for the Year

The year started in an uncertain manner due to the coronavirus pandemic and continued in much the same way throughout, with the second national lock-down adding a new layer of uncertainty and disruption mid-way through the year. Despite this, the university delivered a very strong financial performance and is appreciative of the additional in-year Covid related grant funding that was provided by the Welsh Government to the Welsh higher education sector. The group's income increased by £15.2m to £122.3m (2020: £107.1m), assisted by the receipt of the aforementioned Welsh Government funding which amounted to circa £10m. The financial results for the year show that the university delivered an accounting surplus of £2.861m (2020: Deficit of £1.286m) and generated an operational cash surplus of £18.1m (2020: £8.6m). In the period since the introduction of FRS 102 during 2015/2016 there has been a stark presentational divergence between the strength of the University's operational cash generation and its accounting result. This distortion of the financial results has resulted from the continuing need to account for pension deficit charges in relation to two of the university's three staff pension schemes, namely, the Cardiff & Vale of Glamorgan Pension Scheme (CVGPS), and the University Superannuation Scheme (USS). The combined impact of the pension deficit charges arising from these two schemes amounted to £10.9m (2020: £5.2m) during the year. These charges do not impact on operational cash generation however, and as such the university was able to significantly increase its accumulated cash reserves. The financial results for the year demonstrate very solid performance, especially when viewed from the perspective of operating during a pandemic which had a significant impact on several of the group's income streams including residences, catering, conferencing, the hire of sports facilities and parking.

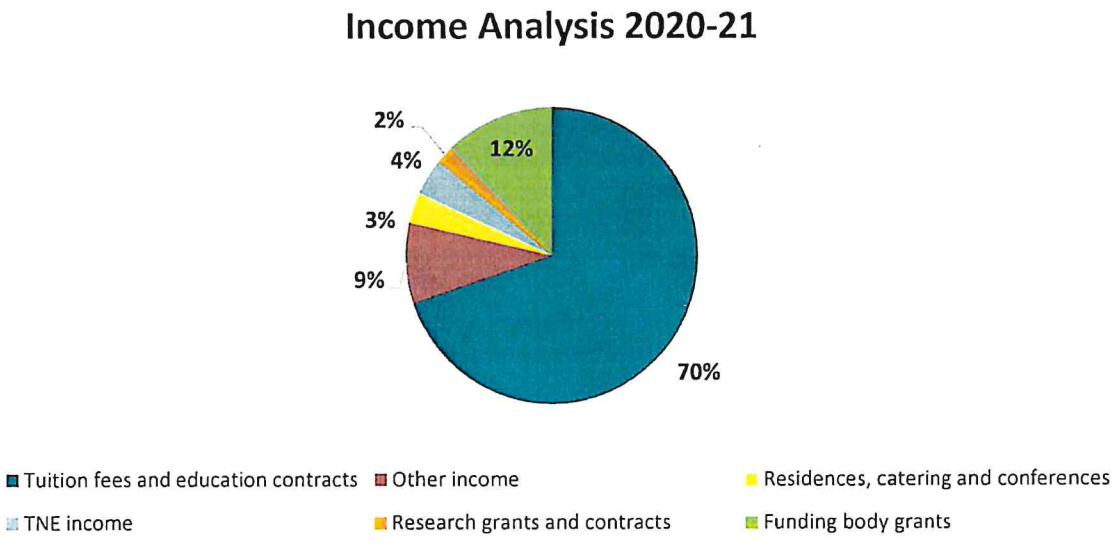
Report of the board of Governors (continued)

Operating and Financial Review (continued)

Results for the Year (continued)

Summary of Results	2020/21 £000	2019/20 £000
Income	122,289	107,124
Expenditure	119,428	108,410
Surplus/(Deficit) for the year	**2,861**	**(1,286)**
Add back		
Depreciation	4,339	4,770
Pension Provision Charges	10,863	5,151
Cash Through Operations	**18,063**	**8,635**

The group's main income stream is derived from tuition fees from UK and EU undergraduate and postgraduate students that together amounted to £66.5m and accounted for 54% of total income. When international fees and educational contracts are included, this rises to 74% of turnover; this is consistent with the previous year. Full time undergraduate tuition fees for UK students remained capped at £9k during the year resulting in no inflationary uplift to the value of the fee.



Report of the board of Governors (continued)

Operating and Financial Review (continued)

The Financial Outlook

The group invested £ 5.2m (2020: £6.2m) in its infrastructure during the year. Of this £2.3m was invested in the estate, of which £1.5m was invested in the second phase of the development of the School of Technologies. Three further phases are planned. Expenditure amounting to £2.9m was also invested in equipment, including circa £1.2m in IT infrastructure and corporate systems and circa £1.7m in the academic and professional service departments. These investments maintained the Consolidated Statement of Financial Position asset base, but it should be noted that due to the pandemic, capital expenditure during the year was lower than it would otherwise have been.

The current ratio strengthened during the year due to the strong operational cash generation, increasing to 1.97 (2020: 1.87); this, when combined with a net reduction in pension provisions, resulted in a £20m improvement in net assets and a matching strengthening of the Consolidated Statement of Financial Position. The working capital inflow from increasing creditors rose by £9m between 2019-20 and 2020-21.

Liquidity & Cash

The group's cash and short-term investment resources at the year-end amounted to £47.1m (2020: £30m). Investments in the estate and infrastructure during the year were funded entirely by cash generated from operating activities. Loan repayments during the year totalled £1.8m thereby reducing the group's long-term debt from £24.7m to £22.9m. This resulted in an improved gearing ratio, with long term debt as a % of income amounting to 18.7%. The strong cash base will underpin the university's future investment aspirations.

The Financial Outlook

During 2020-2021 the university charged FT home and EU undergraduate students an annual tuition fee of £9,000, as compared to the fee of £9,250 being charged in English institutions. The FT home and EU undergraduate tuition fee remains capped for 2021-2022 at £9,000 in Wales for the tenth consecutive year and at £9,250 in England.

Given that the real value of the FT undergraduate fee has eroded significantly during the past ten years, the continuing lack of indexation on one of the university's main income streams poses funding challenges for both the university and the HE sector in general. This is being exacerbated by current high levels of inflation and the associated risk of future salary inflation. The Westminster Government's response to the Augar report is still awaited and it remains possible that the aforementioned FT undergraduate tuition fee in England might be reduced from its current £9250. If this were to happen, it is possible that a similar reduction might be applied by the Welsh Government to the £9000 FT undergraduate fee in Wales.

In order to operate sustainably in these circumstances, the university continues to develop and implement ambitious plans to grow and diversify its income base through the development of new academic programmes and through investment in research and innovation activity, both to be provided through new and rejuvenated estate and infrastructure.

Charitable Status

The University became a Registered Charity (No. 1140762) on 10 March 2011.

Membership of the Board of Governors

The membership of the Board for the year 1 August 2020 to 31 July 2021 is set out on Page 16 of this report.

Independent Auditors

The external auditors for the year were PricewaterhouseCoopers LLP. The internal auditors for the year were Deloitte LLP.

Report of the board of Governors (continued)

Operating and Financial Review (continued)

Equality of Opportunity

The University works to ensure compliance with equality legislation and is committed to proactively integrating the principles of equality into all its activities. A Strategic Equality Plan has been agreed and implemented. The University is active in widening access to education, and in providing an inclusive approach to learning, teaching, and research.

Health and Safety at Work

The health, safety and wellbeing of staff and students are essential to the success of the University. The University's Health & Safety Committee considers all relevant aspects of health, safety and welfare. The Committee receives regular monitoring reports of periodic audits of schools/units health & safety management arrangements and of initiatives and/or issues emanating from school/unit health & safety meetings. Additionally, the Committee disseminates updates on legislation and guidance on good practice and monitors accident levels and staff attendance. The Minutes of the Committee are presented to the Resources Committee and health & safety reports also feature at the University's Audit Committee. An Annual Health & Safety Report is provided to the Board of Governors to enable it to meet its statutory obligation to ensure compliance with health & safety legislation.

In the lead up to the national lock-down that resulted from the coronavirus pandemic during March 2020, and in the period that has followed, the University has placed an increased emphasis on health and safety in the workplace. Measures were quickly put in place to ensure full compliance with all government coronavirus regulations and associated guidance to ensure that those staff who were required to work on-campus could continue to do so in a safe and socially distanced environment; and that those staff who could work from home were properly supported to do so.

Dealing with the future challenges can only be achieved through the continuing work and support of the University's staff and the Board of Governors wish to thank all staff for their efforts and commitment to the University throughout the year.

Modern Slavery and Human Trafficking Statement

Cardiff Metropolitan University is committed to ensuring that there is no modern slavery or human trafficking in its supply chains or in any part of its business. The University's policies and procedures demonstrate its commitment to acting ethically and with integrity in all its business activities, ensuring compliance with the requirements of the Modern Slavery Act. The procurement function has had an 'Ethical Supply Chains' Policy in place since 2011. The Policy was reviewed and updated in 2020 to ensure it continues to reflect relevant good practice.

The University's workplace policies and procedures, which have been reviewed and amended to ensure they reflect the intent of the Welsh Government 'Ethical Employment in Supply Chain' Code of Practice. These policies and procedures demonstrate the University's commitment to acting ethically and with integrity in all its business relationships by ensuring that modern slavery and human trafficking do not occur within its UK and international workforces or business activities.

During the year covered by this report, the University committed to ensure that all staff pay grades are at or above the Real Living Wage. The University was accredited as a Living Wage employer by the Living Wage Foundation in November 2019 and has paid the Living Wage rate as a minimum to all staff since August 2018.

Criminal Finance Act Statement

Cardiff Metropolitan University and its subsidiary companies commit to ensuring that its employees, agents and other associated persons acting on its behalf are not facilitating tax evasion by another party. The University regularly reviews its risks and associated processes and procedures to ensure that all steps are taken to prevent tax evasion. The University includes the risk of tax evasion on its Risk Register. The risk is reviewed and updated 3 times a year. This includes the review of controls to mitigate risks. The University reviews its policies and

Report of the board of Governors (continued)

Operating and Financial Review (continued)

Criminal Finance Act Statement (continued)

guidance in relation to the Criminal Finance Act on a regular basis, in line with similar policies (Anti-Bribery, Counter Fraud and Corruption, Anti-Money Laundering policies and Financial Regulations).

Climate Change Impact Statement

Cardiff Metropolitan University is committed to minimising its impact on the climate and the environment. One of the key opportunities to achieve this is through efficient management of energy consumption across the university estate.

Energy Management within the Environment and Estates team means providing comfortable working, teaching and learning environments for all staff and students, while at the same time closely controlling the energy used. A network of electricity, gas and water sub-meters allows us to understand energy consumption within individual buildings.

The Environment and Estates teams are committed to making sure our campuses are developed with the health and wellbeing of staff and students in mind. A number of staff cycle and walk to work on a regular basis, and with the promise of a cycle superhighway running alongside our campus, a greener – more sustainable environment – is just around the corner.

We continuously looking at ways to reduce our impact, and our new cleaning tender requires the use of greener, more environmentally friendly cleaning products, our waste management tender needs to help us achieve our single-stream waste targets and our building improvements are all designed with sustainability in mind.

Professor C Carmichael Aitchison
President & Vice-Chancellor
9 December 2021

Corporate Governance Statement

The University is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the University has applied the principles set out in the UK Corporate Governance Code both during the year and up to the date of approval of the financial statements. Its purpose is to help the reader of the annual report and financial statements understand how these principles have been applied.

The University's Board of Governors is responsible for the University's system of internal control and for reviewing its effectiveness. This system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The University's Board of Governors reviewed the University's Risk Management Policy and Risk Appetite and Tolerance Statement during 2020-21. This was in line with requirements to review the Risk Management Policy every three years and the Risk Appetite and Tolerance Statement on an annual basis. The review helped ensure that the risk management reporting was fully aligned to the University's Refreshed Strategic Plan and Key Performance Indicators.

The University's Board of Governors received termly reports on key Corporate Risks and reviewed the Risk Register. The University's Audit Committee considered all risk management reports prior to further consideration by the Board of Governors.

The University's Internal Auditors assessed the University's risk management arrangements during 2020-21 and provided an opinion that a 'moderate' level of assurance had been achieved. This was an improvement on 2019-20 where a 'limited' level of assurance had been provided. The University's Internal Auditors also assessed the University's corporate governance arrangements during 2020-21 and provided an opinion that a 'substantial' level of assurance had been achieved. This was an improvement on 2019-20 where a 'moderate' level of assurance had been provided. The Board of Governors will continue to keep its risk management and corporate governance arrangements under regular review. This accords with guidance for directors contained within the UK Corporate Governance Code.

The University's Board of Governors commissioned an external periodic review of its effectiveness towards the end of 2019-20 to ensure that the University's governance arrangements were efficient, effective and fit for purpose. A comprehensive 'Board Effectiveness Review' was undertaken in 2020-21 by Halpin Partnership Ltd and the Board of Governors considered and accepted a detailed report with clear recommendations. The review recommendations advocated the following:

(i) Modernisation of the University's Articles of Government and Instrument of Government;
(ii) Implementation of a new University Scheme of Delegation;
(iii) Introduction of the Senior Independent Governor role within the University's governance arrangements;
(iv) Introduction of annual appraisal arrangements for the Chair and Governors;
(v) Proposals on Board membership, skills, training and development with reference to equality diversity and inclusion;
(vi) Proposals for improved business management arrangements for Board and Committee meetings;
(vii) Increased Board focus on strategic and cultural aims of the University;
(viii) Proposals to support effective working between the Board of Governors and the Executive, and;
(ix) Proposals on how to implement key recommendations of the Governance Review of Universities in Wales (Camm Review).

The Board Effectiveness Review also considered the University's governance arrangements against a Governance Maturity Framework. The Framework has four levels: (i) Failing; (ii) Improving; (iii) Good; and (iv) Leading Edge. The review highlighted that the University's governance arrangements were '(ii) Improving'. Review recommendations will continue to be implemented during 2021-22 with a view to achieving '(iii) Good' rating by the end of the year. The University's Governance and Nominations Committee and the Board of Governors will monitor progress against implementation directly.

Corporate Governance Statement (continued)

The Chair of the Board of Governors resigned in March 2021 and was replaced by the Vice chair who acted as Chair in an interim capacity until the end of 2020-21. A number of other Governors resigned or retired during 2020-21. The University recruited a new Chair of the Board of Governors and six new Independent Governors towards the end of 2020-21 in readiness for 2021-22. The refreshed membership will help ensure that the Board of Governors and its Committees will have the required diverse range of skills and experience required to address future challenges in 2021-22 and beyond as the University moves forward with the development of its new Strategic Plan and recovers from the impact of the global pandemic.

The University continued in 2020-21 with the interim governance arrangements introduced in 2019-20 in response to meeting the challenges of the global pandemic. The University's Standing Orders remained suspended to allow monthly meetings of the Board of Governors (with the exception of August 2020, January 2021 and April 2021) and increased delegation to committees as permitted under the University's Articles of Government.

The Board of Governors continued in 2020-21 with a streamlined committee structure with (i) an Audit Committee; (ii) a Governance and Nominations Committee, (iii) a Remuneration Committee, and (iv) a Resources Committee. All committees were formally constituted with terms of reference and membership comprised exclusively or mainly of independent members of the Board of Governors. The Board of Governors and its committees had a clear schedule of meetings and an agreed work programme for 2020-21. Additional meetings were convened on an exceptional basis to meet the University's decision-making exigencies as required. All meetings of the Board of Governors and its committees were held remotely during 2020-21.

The University continued to operate a Combined Academic Board during 2020-21 to support streamlined and agile decision making in meeting the challenges of the global pandemic. Towards the end of 2020-21, the Board of Governors agreed to proposals for the Combined Academic Board to be disaggregated from the start of 2021-22 into a separate Academic Board and Management Board. The membership of both bodies was extensively reviewed as part of this process. Towards the end of 2020-21, the Board of Governors also agreed to proposals to re-establish its Strategic Planning and Performance Committee for 2021-22. The Committee will have a revised and extended remit covering strategic planning, performance and academic assurance.

Membership of the University's Audit Committee included two independent members through the course of 2020-21 who were not members of the Board of Governors and who thus provided additional externality to the Committee's deliberations. The University's senior executives attended meetings of the Audit Committee as necessary but were not members of it. The Audit Committee met three times during 2020-21 with attendance by the University's internal and external auditors as appropriate. The Committee considered detailed internal audit reports, which, as appropriate made recommendations for the University's systems of internal control and included management responses and implementation plans. The Committee also monitored adherence to regulatory requirements and considered reports from external auditors, the Higher Education Funding Council for Wales and other sources as they affected the University's business. The Committee met privately with the University's Internal Auditors before meetings and also met with the External Auditors as required.

The responsibility for embedding risk management across the institution and maintaining an overview of the key high-level institutional risks rested with the University's Combined Academic Board during 2020-21. The Board of Governors and the Combined Academic Board received reports setting out key performance indicators, identified risks, and related control measures. The Audit Committee received and examined regular Risk Management reports that helped to inform the future direction of the rolling internal audit programme. The Executive received regular reports from the University's internal and external auditors which included recommendations for improvement. The Audit Committee provided review and scrutiny of the arrangements for internal financial control. The Board of Governors' meeting agendas included regular items for the consideration of risk (including Covid-19 related risks); regular reports thereon were received from the Executive and the Audit Committee. The management of risk and implementation of appropriate risk management measures has been a significant priority for the University since the start of the pandemic. The Board of Governors has played a key role in ensuring that these arrangements were properly reviewed and scrutinised to achieve assurance.

Towards the end of 2020-21 the University's Audit Committee approved the award of the contract for the provision of the University's Internal Audit services to a new provider for an initial three year term from the start of 2021-22. A

Corporate Governance Statement (continued)

new programme of work has been developed for consideration by the Committee at an additional meeting at the start of 2021-22.

The Chair of the University's Audit Committee retired as an Independent member of the Board of Governors at the end of 2020-21 having served two full terms of office. The Board of Governors appointed a new Chair of the Committee in readiness for the start of 2021-22. The new Chair of the Committee is an Independent member of the Board of Governors who was also a member of the Audit Committee during 2020-21 and previous years.

The University's Governing Body has throughout 2020-21 adhered to the provisions of the Higher Education Code of Governance issued during the Spring Term of 2015.

Annual Remuneration Statement

The Board of Governors of Cardiff Metropolitan University oversea a separate Remuneration Committee and in line with its terms of reference the committee considers all aspects of remuneration to senior University staff.

Membership of the Remunerations Committee comprises;

- Independent Governor (Chair of Remuneration Committee)
- Independent Governor/ Chair of the Board of Governors
- 3 Independent Governors

The Remuneration Committee considers and determines matters relating to the remuneration and terms and conditions of senior staff at the University. It undertakes a scrutiny role and ensures that the remuneration arrangements for all senior post holders supports the University's strategic aims and enable the recruitment, motivations and retention of senior staff while also complying with the requirements of regulation and best practice.

The Remuneration Committee meets three times a year, reporting into the Governing Body. It presents an annual report to the Board of Governors which seeks to provide assurance to the governing body that the Remuneration Committee is effectively discharging its responsibilities.

The Remuneration Committee has delegated authority to consider and approve matters relating to the remuneration of senior staff (including the Vice-Chancellor) in accordance with the Senior Remuneration Policy Framework. While the Vice-Chancellor is listed as being 'in attendance' at meetings, the Remuneration Committee's terms of reference are clear that they will not be present during discussion relating to their own remuneration.

The Remuneration Committee undertook a significant review of its terms of reference at the end of academic year 2019/20 to ensure its remit was properly aligned to the CUC code of practice as well as HEFCW requirements. The review was completed in December 2019 ensuring that Cardiff Metropolitan University is fully compliant with this Code. As a result, the Remuneration Committee's Terms of Reference were updated, and a Senior Staff Remuneration Policy Framework was adopted. The Remuneration Committee operates in accordance with this Framework. It reviews a range of data and information including salary history, equality, diversity and inclusion, comparator benchmarking data, and individual performance against agreed objectives and success measures.

An annual pay policy statement is presented alongside the annual report to Board of Governors. This annual statement is published on the University's website and sets out:

- A list of post holders within the remit of the Committee;
- The University's policy on the remuneration of post holders within the remit of the Committee;
- The pay multiple of the Vice-Chancellor and the median earnings of the institution's whole workforce, and An explanation of the pay arrangements for all other staff

At the start of each academic year, the Vice-Chancellor's performance objectives, which include measures of success, are agreed and endorsed by the Remuneration Committee.

Termly performance discussions are held between the Chair of the Board of Governors and the Vice-Chancellor. An end of year performance review is completed, where feedback is sought from wider stakeholders.

A range of data and comparative information on the Vice-Chancellor's remuneration is presented to the Remuneration Committee and the Director of People Services attends the meeting to provide guidance.

The Chair of the Board of Governors presents a summary of the Vice-Chancellor's performance against the agreed objectives and success measures, along with a remuneration proposal. In considering the Chair of the Board of Governor's recommendation to the Committee and whether it is justified, the Committee reviews a range of data and information, including:

Annual Remuneration Statement (continued)

- The Vice-Chancellor's salary history;
- How the Vice-Chancellor's remuneration compares to that of other Vice-Chancellor's across institution comparator groups (by income & size);
- How the Vice-Chancellor's current salary compares to that of other staff at the University as a multiple of the Vice-Chancellor's basic salary compared with the median earnings of the University's whole staff;
- The Vice-Chancellor's and the University's performance over the review period; and
- The context in which the University operates

The period between 2018 and 2021 was remarkable. The University achieved good student outcomes, financial viability, growth and positive organisational culture. The University was awarded the Welsh University of the Year Award in 2021. These many achievements were even more significant, as they were delivered against the backdrop of the Coronavirus pandemic.

The Vice Chancellor's remuneration and median pay ratio for the financial year 2020-2021 are detailed in note 7 of the notes to the accounts.

Governors and Directorate

Governors	Period of Office
Independent Governors	
The Baroness Finlay of Llandaff (resigned March 2021) (Chair)	1 August 2018 to March 2021
Mr N Capaldi (Co Vice-Chair) (Interim Chair from March 2021)	28 November 2018 to date
Mr S Waddington	28 November 2018 to date
Mr D Warrender	28 November 2018 to date
Mrs S Goodson (Co Vice-Chair) (resigned March 2021)	1 August 2017 to March 2021
Mr M Fishwick (resigned March 2021)	1 May 2020 to March 2021
Ms S Hendrickson-Brown	1 May 2020 to date
Mr U Hussain MBE (retired July 2021)	1 August 2015 to 31 July 2021
Ms R Marks MBE (retired April 2021)	1 May 2020 to 31 April 2021
Mr P Matthews	1 May 2020 to date
Professor M Nimmo	8 June 2020 to date
Ms M Owen-Jones (Interim Co Vice-Chair from March 2021)	1 May 2020 to date
Dr C Turner (Interim Co Vice-Chair from March 2021)	1 August 2017 to date
President & Vice-Chancellor	
Professor C Aitchison	1 October 2016 to date
Academic Board Governor	
Dr K Thirlaway	1 October 2018 to 31 July 2021
Student Governors	
Mr M Pavuluri (SU President)	1 August 2020 to 31 July 2021
Ms K Davies (SU Vice-President)	1 August 2019 to 31 July 2021
Co-opted Governor	
Mr W G Davies	1 December 2015 to date
Staff Governors	
Dr M James (Academic)	15 October 2020 to date
Mr D Yearwood (Professional Services)	28 November 2019 to date
Co-opted External Member of the Audit Committee	
Mr A Piper	
Ms L Winstone	

Secretary & Clerk to the Governors

Ms C Fraser — 27 January 2020 to date

Designated Senior Postholders

Professor S Hanton	PVC Research & Innovation	23 April 2012 to date
Professor J Boddington	PVC Student Engagement	18 September 2017 to date
Professor L Robinson	PVC Partnerships & External Engagement	2 October 2017 to date
Mr D Llewellyn	Chief Officer (Resources)	1 January 2020 to date

Key Performance Indicators

The University utilises a number of Key Performance Indicators (KPIs) to assist in the monitoring of the University against its objectives. The University's Key Performance Indicators are shown below.

Students	
Numbers	**Outcomes**
• 9,701 applications • 8,047 total undergraduates • 3,272 total postgraduates • 15% overseas students	• 76% of students are satisfied (NSS 2021) • 84.5% achieved a First or 2:1 degree (20-21) • 68.4% of graduates are in professional level work or further study 15 months after completion of course (17-18) • Cardiff Metropolitan University is placed 63rd out of 130 universities in the Complete University Guide 2022

Staffing	
Total Staff (FTE) 1,319	**Academic Staff (FTE)** 549

Key Performance Indicators (continued)

Student Key Performance Indicators

KPI	Undergraduate degree success – Proportion obtaining 1st/2:1 class degree	
Measuring	Success in supporting students in their learning experience	
Year	2020-21	2019-20
	84.5%	80.0%

KPI	Student Satisfaction	
Measuring	Student Satisfaction	
Year	2020-21	2019-20
	76%	85%

KPI	Staff / Student Ratio	
Measuring	Number of Students per academic staff member	
Year	2020-21	2019-20
	17.7	18.5 restated

Key Performance Indicators (continued)

Diversity - Students

KPI	Percentage of students from disadvantaged backgrounds	
Measuring	Success at attracting under-represented groups into higher education, through Welsh Index of Multiple Deprivation (WIMD)	
Year	From WIMD Areas	Not from WIMD Areas
20/21	40%	60%
19/20	40%	60%

KPI	Percentage of Male and Female Students	
Measuring	Gender balance	
Year	Male	Female
20/21	46%	54%
19/20	46%	54%

KPI	Proportion of students who are BME	
Measuring	Participation rates of BME students at the University	
Year	BME	White
20/21	24%	76%
19/20	24%	76%

KPI	International Students	
Measuring	Ability to attract international students / promote student diversity	
Year	Home/EU	Overseas
20/21	85%	15%
19/20	84%	16%

Key Performance Indicators (continued)

Diversity – staff

KPI	Gender	
Measuring	Gender balance of Staff (Headcount)	
Year	Male	Female
2021	42%	58%
2020	42%	58%

KPI	Females in senior roles	
Measuring	Female staff members in senior roles	
Year	2021	2020
	30 (36.1%)	26 (33.8%)

Student Numbers – 2020-21

All Students		Home/EU	Home/EU FTE	Overseas	Overseas FTE	Total	Total FTE
Undergraduate	Full-time	7,194	6,959	378	336	**7,572**	**7,295**
	Part Time	472	116	3	1	**475**	**117**
	Total	**7,666**	**7,075**	**381**	**337**	**8,047**	**7,412**
Postgraduate Taught	Full-time	1,170	1,042	1,240	889	**2,410**	**1,931**
	Part Time	583	180	11	36	**594**	**216**
	Total	**1,753**	**1,222**	**1,251**	**925**	**3,004**	**2,147**
Postgraduate Research	Full-time	79	66	26	21	**105**	**87**
	Part Time	143	55	20	10	**163**	**65**
	Total	**222**	**121**	**46**	**31**	**268**	**152**
Total		**9,641**	**8,418**	**1,678**	**1,296**	**11,319**	**9,711**

Independent auditors' report to the Governing Body of Cardiff Metropolitan University (the "institution")

Report on the audit of the financial statements

Opinion

In our opinion, Cardiff Metropolitan University's group financial statements and parent institution financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and the parent institution's affairs as at 31 July 2021, and of the group's and parent institution'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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the Consolidated & University Statements of Financial Position as at 31 July 2021; the Consolidated & University Statements of Comprehensive Income & Expenditure, the Consolidated & University Statements of Changes in Reserves and the Consolidated Cash Flow Statement for the year then ended; 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 parent 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 Governing body'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 parent institution's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Governing body 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 Governing Body 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.

Report of the Board of Governors

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Report of the Board of Governors 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 Governing Body for the financial statements

As explained more fully in the Responsibilities of the Board of Governors set out on page 4, the Governing Body 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 Governing Body 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 Governing Body is responsible for assessing the group and parent 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 Governing Body either intends to liquidate the group and parent 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/industry, we identified that the principal risks of non-compliance with laws and regulations related to UK health & safety and employment legislation together with the Higher Education Funding Council for Wales ('HEFCW') Financial Management Code, 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 the Higher Education Funding Council for Wales Accounts Direction (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 fraudulent transactions designed to overstate the financial performance and position of the group. Audit procedures performed included:

- Reviewing committee meeting minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer based audit techniques to identify and test higher risk manual journals, in particular those having unusual account combinations;

- Reviewing the appropriateness of the assumptions used by the group in estimating the value of defined benefit pension scheme deficits; and
- Obtaining third party confirmations of all the group's banking and financing arrangements.

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 Governing Body as a body in accordance with section 124B of the Education Reform Act 1988 as amended by section 71 of the Further and Higher Education Act 1992 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 parent 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 Memorandum of Assurance and Accountability, the HEFCW Financial Management Code and any other terms and conditions attached to them; and
- funds provided by HEFCW have been used for the purposes for which they were received.

Sufficiency of accounting records and information and explanations received

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

- sufficient accounting records have not been kept by the parent institution; or
- the parent institution financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
14 December 2021

Statement of Principal Accounting Policies

1 Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102; the Accounts Direction issued by the Higher Education Funding Council for Wales and the Charities Act 2011. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). The principal accounting policies have been applied consistently except as where described otherwise and are set out below.

2 Basis of Consolidation

The consolidated financial statements include Cardiff Metropolitan University and its wholly owned subsidiary undertakings, Cardiff Met Company Ltd and Cardiff Metropolitan Education Services (Beijing) Ltd. In addition, the University holds a majority (55%) share interest in a spin out company Fovo Technology Ltd, the balance of the shares being held by two of the University's academics. This company's activity is also consolidated into these financial statements. However, the non-controlling interest of the minority shareholders in the net assets and surplus of the company are highly immaterial to the University group. These non-controlling interests have therefore not been presented. The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or significant influence over policy decisions. Intra-group sales and profits are eliminated fully on consolidation.

3 Income Recognition

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

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Income and Comprehensive Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount, income receivable is shown net of the discount. Fee scholarships are treated as a discount and are deducted from income.

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

a) Grant Funding

Grant funding including funding council grants; research grants from government sources; and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Consolidated Statement of Financial Position and released to income as the conditions are met.

b) Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

Investment income and 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 restrictions applied to the individual endowment fund.

Statement of Principal Accounting Policies (continued)

3 Income Recognition (continued)

b) Donations and Endowments (continued)

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

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

c) Capital Grants

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

4 Accounting for Retirement Benefits

The University operates three pension schemes for University staff; the Cardiff and Vale of Glamorgan Pension Fund (CVGPF), the Teachers' Pension Scheme (TPS) and the Universities Superannuation Scheme (USS). The CVGPF and USS are funded schemes.

The CVGPF is valued every three years by a professionally qualified actuary using the projected unit method, the rate of contribution payable being determined by the Administering Authority on the advice of the actuary.

The TPS is subject to an actuarial valuation every five years by the Government Actuarial Department using the age entry method. The rate of contribution for the TPS is determined by the Teachers' Pension Agency on the advice of the actuary.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities attributable to the University at member level due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

However, in accordance with FRS102, a liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

a) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees. Given the nature of the TPS, contributions to that scheme are accounted for on this basis.

b) Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. 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

Statement of Principal Accounting Policies (continued)

Accounting for Retirement Benefits (continued)

b) Defined Benefit Plan

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.

5. Employment Benefits

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

6. 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 and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

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

7. 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.

8. Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Consolidated Statement of Financial Position date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit. 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.

9. Fixed Assets

a) Land and Buildings

Certain items of land and buildings that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation, less accumulated depreciation and accumulated impairment losses.

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

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 of between 20 and 75 years.

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

Statement of Principal Accounting Policies (continued)

9. Fixed Assets (continued)

b) Equipment

Equipment costing less than £5,000 per individual item is written off to the Consolidated Statement of Income and Expenditure in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated on a straight-line basis over its useful economic life of between 3 and 10 years. Equipment purchased for research projects is treated and depreciated on the same basis as other equipment expenditure.

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

c) Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

10. Intangible Assets

Software development costs are capitalised and amortised on the straight-line basis over an estimated useful life of between five and ten years. Amortisation of such developments commences when brought into use.

Intellectual property: The Group is developing software technology relating to new ways of creating and interacting with digital images. Costs that are directly attributable to the design and testing of the technology are recognised as an intangible asset when the following criteria are met;

- It is technically feasible to complete the underlying software so that the technology will be available for use,
- Management intends to complete the development and to sell or licence the use of the technology,
- It can be demonstrated that the technology will generate probable future economic benefits at least equal in value to the Consolidated Statement of Financial Position carrying value,
- Adequate technical and financial resources to complete the development and to sell or licence the technology are available, and
- The expenditure attributable to the development of the technology can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intellectual property is amortised over its estimated useful life commencing at the date that development is complete, and the technology is available for sale or licensing.

11. Investments

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

Investments in subsidiaries are carried at cost less impairment in the University's financial statements.

Current asset investments are held at on the Consolidated Statement of Financial Position at amortised cost less impairment.

12 Stock

Stocks are stated at the lower of cost or net realisable value and is measured using an average cost formula.

Statement of Principal Accounting Policies (continued)

13 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, with a notice period of 3 months or less, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

14 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 uncertain 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 Consolidated Statement of Financial Position but are disclosed in the notes.

15 Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011, it is therefore a charity within the meaning of Para 1 of schedule 6 to 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. No charge for taxation has been included in respect of the Subsidiary Companies' activities since the entire taxable profit of these companies is transferred to the University under the Gift Aid scheme.

Deferred tax is provided in full on timing differences which result in an obligation at the Consolidated Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

16 Reserves

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

Statement of Principal Accounting Policies (continued)

16 Reserves (continued)

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

17 Critical accounting judgements and estimation uncertainty

Pension schemes: assumptions used in the calculation of the USS and C&VPF pension deficit provisions represent a key accounting estimate based on the sensitivity of assumptions (note 17 and note 22).

Employee Leave Accrual: under FRS102 the University recognises a liability for employee holiday pay at the financial year end. A number of departments and schools within the University have been sampled to derive typical holiday usage, this has then been applied to the University as a whole. There is a level of uncertainty when applying the sample to the whole. The leave accrual is contained within creditors less than 1 year (note 14).

Intangible assets, critical judgements: The Group is developing software technology relating to new ways of creating and interacting with digital images. The criteria used for the recognition of development and other costs as an intangible asset requires an assessment of future events including the technical feasibility that the technology will be available for use such that future economic benefits will be generated. The Group considers that the testing performed to date and the initial feedback from potential users of the technology supports the recognition of the intangible asset.

Intangible assets, key accounting estimates and assumptions: The Group considers whether its intangible assets are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation at market value or the future cash flows and the selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Consolidated & University Statements of Comprehensive Income & Expenditure
Year Ended 31 July 2021

	Note	Year ended 31 July 2021		Year ended 31 July 2020	
		Consolidated £'000	**University £'000**	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1	**90,242**	**90,228**	84,179	84,128
Funding body grants	2	**14,772**	**14,769**	3,512	3,512
Research grants and contracts	3	**2,429**	**2,150**	2,272	1,750
Other income	4	**14,726**	**13,029**	16,986	14,936
Investment income	5	**117**	**117**	148	148
Donations	6	**3**	**-**	27	14
Total income		**122,289**	**120,293**	107,124	104,488
Expenditure					
Staff costs	7	**80,186**	**78,045**	70,922	68,676
Exceptional severance costs	7	**-**	**-**	-	-
Other operating expenses		**31,954**	**31,270**	29,919	28,653
Depreciation	10	**4,339**	**4,311**	4,770	4,742
Interest and other finance costs	8	**2,950**	**2,950**	2,799	2,799
Total expenditure	9	**119,428**	**116,576**	108,410	104,870
Surplus/(Deficit) for the year		**2,861**	**3,718**	(1,286)	(382)
Actuarial gain/(loss) in respect of pension schemes	22	**17,470**	**17,470**	(53,330)	(53,330)
Total comprehensive income/(expense) for the year		**20,331**	**21,188**	(54,616)	(53,712)
Represented by:					
Unrestricted total comprehensive expense for the year attributable to the Group and University		**20,331**	**21,188**	(54,616)	(53,712)
		20,331	**21,188**	(54,616)	(53,712)

All items of income & expenditure relate to continuing activities.

Consolidated & University Statements of Changes in Reserves
Year Ended 31 July 2021

Consolidated	Total Reserves £'000
Balance at 1 August 2019	**85,716**
Deficit for the year	(1,286)
Other comprehensive expense	(53,330)
Total comprehensive expense for the year	**(54,616)**
Balance at 31 July and 1 August 2020	**31,100**
Surplus for the year	2,861
Other comprehensive expense	17,470
Total comprehensive expense for the year	**20,331**
Balance at 31 July 2021	**51,431**
University	
Balance at 1 August 2019	**86,693**
Deficit for the year	(382)
Other comprehensive expense	(53,330)
Total comprehensive expense for the year	**(53,712)**
Balance at 31 July and 1 August 2020	**32,981**
Surplus for the year	3,718
Other comprehensive expense	17,470
Total comprehensive expense for the year	**21,188**
Balance at 31 July 2021	**54,169**

All reserves are unrestricted.

Consolidated & University Statements of Financial Position
As at 31 July 2021

	Note	As at 31 July 2021 Consolidated £'000	As at 31 July 2021 University £'000	As at 31 July 2020 Consolidated £'000	As at 31 July 2020 University £'000
Non-current assets					
Tangible assets	10	**162,765**	**162,736**	162,298	162,242
Intangible assets	11	**1,346**		912	-
Investment in subsidiaries	12		**3,150**	-	2,150
Current assets					
Stock	13	**33**	**29**	83	80
Trade and other receivables	14	**9,850**	**12,663**	7,147	9,216
Investments	15	**23,855**	**23,855**	14,023	14,023
Cash and cash equivalents	20	**23,268**	**20,642**	16,003	13,780
		57,006	**57,189**	37,256	37,099
Less: Creditors: amounts falling due within one year	16	**(28,898)**	**(28,118)**	(19,853)	(18,997)
Net current assets		**28,109**	**29,071**	17,403	18,102
Total assets less current liabilities		**192,219**	**194,957**	180,613	182,494
Creditors: amounts falling due after more than one year	17	**(21,024)**	**(21,024)**	(22,850)	(22,850)
Provisions					
Pension provisions	19	**(119,764)**	**(119,764)**	(126,663)	(126,663)
Total net assets		**51,431**	**54,169**	31,100	32,981
Unrestricted reserves					
Income and expenditure reserve		**51,431**	**54,169**	31,100	32,981
Total reserves		**51,431**	**54,169**	31,100	32,981

The Financial Statements on pages 30 to 52 were approved by the Board of Governors on 9 December 2021 and signed on its behalf by

John Taylor (CBE)
(Chair of the Board of Governors)

Professor C Carmichael Aitchison
(President & Vice-Chancellor)

Consolidated Cash Flow Statement
Year ended 31 July 2021

	Year ended 31 July 2021 £'000	Year ended 31 July 2020 £'000
Cash flow from operating activities		
Surplus/(Deficit) for the year	**2,861**	(1,286)
Adjustment for non-cash items		
Depreciation	**4,339**	4,770
Decrease in stock	**51**	66
(Increase)/Decrease in debtors	**(2,702)**	(1,001)
Increase in creditors	**9,046**	341
Difference between pension charge and cash contributions	**8,848**	4,304
Adjustment for investing or financing activities		
Investment income	**(117)**	(148)
Interest payable	**2,950**	2,799
Net cash inflow generated from operating activities	**25,276**	9,845
Cash flows from investing activities		
Redemption of investments	**14,022**	13,053
Investment income	**117**	148
Payments made to acquire fixed assets	**(5,240)**	(6,794)
Purchase of investments	**(23,855)**	(14,022)
Net cash outflow from investing activities	**(14,956)**	(7,615)
Cash flows from financing activities		
Interest paid	**(1,227)**	(2,799)
Repayments of amounts borrowed	**(1,828)**	(1,820)
Net cash outflow from financing activities	**(3,055)**	(3,619)
Increase/(Decrease) in cash and cash equivalents in the year	**7,265**	(2,389)
Cash and cash equivalents at beginning of the year	**16,003**	18,392
Cash and cash equivalents at end of the year	**23,268**	16,003
Increase/(Decrease) in cash and cash equivalents in the year	**7,265**	(2,389)

Reconciliation of net cash flow to movement in net debt

Increase/(Decrease) in cash in the year	**7,265**	(2,389)
Increase in short term deposits	**9,833**	969
Net cash outflow from financing	**1,828**	1,820
Movement in net debt in the year	**18,926**	400
Net funds at 1 August	**5,788**	5,388
Net at 31 July	**24,714**	5,788

Notes to the Financial Statements
Year Ended 31 July 2021

		Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
1	**Tuition fees and education contracts**				
	Full-time home and EU students	**65,328**	**65,328**	60,805	60,805
	Full-time & part time international students	**14,268**	**14,268**	14,107	14,107
	Part-time home and EU students	**1,133**	**1,133**	1,077	1,077
	Transnational education income	**4,863**	**4,863**	3,668	3,668
	Education contracts with NHS & Coleg Cymraeg	**3,980**	**3,980**	3,700	3,700
	Research training support grants	**670**	**656**	822	771
		90,242	**90,228**	84,179	84,128

		Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
2	**Funding body grants**				
	Recurrent grant				
	Higher Education Funding Council for Wales	**3,177**	**3,174**	2,194	2,194
	Specific grants				
	Specific initiative grants	**11,595**	**11,595**	1,318	1,318
		14,772	**14,769**	3,512	3,512

		Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
3	**Research grants and contracts**				
	Research councils	**208**	**208**	214	214
	Research charities (UK and overseas)	**57**	**42**	119	100
	Government (UK and overseas)	**1,845**	**1,707**	1,454	1,311
	Industry and commerce (UK and overseas)	**319**	**193**	485	125
		2,429	**2,150**	2,272	1,750

		Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
4	**Other income**				
	Other services rendered	**8,930**	**7,605**	9,160	7,904
	Residences operations	**3,345**	**3,345**	3,729	3,729
	Catering and conferencing operations	**760**	**723**	1,654	1,378
	Other EU grant income	**185**	**185**	346	346
	Other operating income	**1,506**	**1,171**	2,097	1,579
		14,726	**13,029**	16,986	14,936

		Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated	University	Consolidated	University
5	**Investment income**	£'000	£'000	£'000	£'000
	Other investment income	**117**	**117**	148	148
		117	**117**	148	148

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

		Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
6	**Donations**				
	Donations	3	-	27	14
		3	-	27	14

		Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
7	**Staff costs**				
	Salaries	54,845	53,147	52,654	50,832
	Social security costs	5,668	5,512	5,269	5,107
	Other pension costs	10,532	10,245	9,870	9,608
	Movement on USS provision	(22)	(22)	(1,394)	(1,394)
	CVGPF costs in excess of contributions	9,163	9,163	4,523	4,523
	Staff costs excluding exceptional severance costs	80,186	78,045	70,922	68,676

Average staff numbers by major category:	Year Ended 31 July 2021 No.	Year Ended 31 July 2020 No.
Academic	549	501
Administrative, support and projects	682	691
Technicians	33	36
Ancillary	55	77
	1,319	1,305

Emoluments of the Vice-Chancellor	Year Ended 31 July 2021 £	Year Ended 31 July 2020 £ Reclassified
Salary	251,679	248,679
Payments in lieu of pension contributions	42,450	41,786
	294,129	290,465

Vice-Chancellor remuneration as a multiple of the median	Year Ended 31 July 2021 University		Year Ended 31 July 2020 University	
	Basic salary	Total remuneration	Basic salary	Total remuneration
			Updated	Updated
Vice-Chancellor	251,679	294,129	£248,679	£290,465
Median salary	39,152	40,014	£39,152	£39,774
Pay multiple	6.4	7.4	6.4	7.3

Refer to the University's Remuneration Statement page 14

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

7 Staff Costs (continued)

The President & Vice-Chancellor's basic salary is 6.4 times (2019/20 6.4 times) the median pay of staff. The median pay is calculated on a full-time equivalent basis of the salaries paid by the University to its staff. The President & Vice-Chancellor's total remuneration is 7.4 times (2019/20 7.3 times) the median total remuneration of staff. The median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University to its staff. Agency and atypical staff have been excluded from the above calculations, as full-time equivalent data is not available.

Higher Paid Staff	**Year Ended 31 July 2021 No.**	Year Ended 31 July 2020 No.
£100,000 to £104,999	**3**	1
£105,000 to £109,999	**2**	1
£120,000 to £124,999	**-**	1
£125,000 to £129,999	**2**	2
£130,000 to £134,999	**1**	-
£135,000 to £139,999	**1**	1
	9	6

Payment of compensation for loss of office to higher paid staff was as follows;

	Year Ended 31 July 2021 £'000	**Year Ended 31 July 2021 Number of staff**	Year Ended 31 July 2020 £'000	Year Ended 31 July 2020 Number of staff
Higher paid staff: loss of office	**126**	**1**	**-**	**-**

The Key Management Personnel are the University Vice Chancellor's Executive Group. It comprised; the Vice Chancellor, PVC (Research and Innovation), PVC (Student Engagement), PVC (Partnerships & External Engagement), Chief Officer (Resources), and the Secretary & Clerk to the Board of Governors.

	Year Ended 31 July 2021 £'000	Year Ended 31 July 2020 £'000
Key management personnel remuneration (excludes pension costs)	**896**	876

Due to the nature of the University's operations and the composition of the Board, it is inevitable that transactions will take place with organisations in which a Member of the Board or a senior member of staff may have an interest. The financial regulations require an individual to declare an interest and to withdraw from discussions should a conflict of interest potentially arise. Written assurances are obtained annually from all Governors and key personnel in respect of themselves and their close family. For the financial year to 31 July 2021 the returns state that there has been no undue influence between the University and related parties (as defined by FRS102).

In the 2020/21 financial year there were no declarations of interest from a related party under FRS102. In the 2019/20 financial year there was no declaration of interest from a related party under FRS102.

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

		Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000	Year Ended 31 July 2020 Consolidated £'000	Year Ended 31 July 2020 University £'000
8	**Interest and other finance costs**				
	Loan interest	**1,227**	**1,227**	1,330	1,330
	Net charge on pension scheme	**1,723**	**1,723**	1,469	1,469
		2,950	**2,950**	2,799	2,799

		Year Ended 31 July 2021 Consolidated £'000	Year Ended 31 July 2021 University £'000	Year Ended 31 July 2020 Consolidated £'000	Year Ended 31 July 2020 University £'000
9	**Analysis of total expenditure by activity**				
	Academic and related expenditure	**60,423**	**61,040**	57,188	57,188
	Administration and central services	**21,918**	**20,704**	23,912	22,425
	Premises (including service concession cost)	**8,432**	**8,432**	9,247	9,219
	Residences, catering and conferences	**3,501**	**3,360**	3,530	3,283
	Research grants and contracts	**1,675**	**1,545**	1,734	1,295
	Other expenses	**19,096**	**21,495**	12,799	11,460
	HEFCW Covid-19 grant expenditure	**4,383**	**-**	-	-
		119,428	**116,576**	108,410	104,870
	Other operating expenses include:				
	External auditors' remuneration in respect of audit services	**61**	**43**	55	39
	External auditors' remuneration in respect of non-audit services	**13**	**13**	59	50

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

10 Tangible Fixed Assets
2020/2021

		Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Consolidated				
Cost or valuation	At 1 August 2020	183,883	19,824	203,707
	Additions	2,316	2,489	4,805
	At 31 July 2021	**186,199**	**22,313**	**208,512**
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	113,931	22,313	136,244
		186,199	**22,313**	**208,512**
Accumulated Depreciation	At 1 August 2020	27,718	13,691	41,409
	Charge for the year	2,200	2,139	4,339
	At 31 July 2021	**29,918**	**15,830**	**45,748**
Net book value	**At 31 July 2021**	**156,281**	**6,483**	**162,765**
	At 31 July 2020	156,164	6,133	162,298
University				
Cost or valuation	At 1 August 2020	183,883	19,536	203,419
	Additions	2,316	2,489	4,805
	At 31 July 2021	**186,199**	**22,025**	**208,224**
Consisting of valuation at:	1 August 2014	72,268	-	72,268
	Cost	113,931	22,025	135,956
		186,199	**22,025**	**208,224**
Accumulated Depreciation	At 1 August 2020	27,718	13,459	41,177
	Charge for the year	2,200	2,111	4,311
	At 31 July 2021	**29,918**	**15,570**	**45,488**
Net book value	**At 31 July 2021**	**156,281**	**6,455**	**162,737**
	At 31 July 2020	156,165	6,077	162,242

As at 31 July 2021, freehold land and buildings included £52.598m (2019: £52.598m) in respect of freehold land and is not depreciated.

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

		Consolidated £'000	University £'000
11	**Intangible Assets**		
	Cost of Intellectual Property		
	At 1 August 2020	**913**	-
	Additions	**433**	-
	At 31 July 2021	**1,346**	-
	Net book value		
	At 31 July 2021	**1,347**	-
	Net book value		
	At 31 July 2020	**913**	-

No amortisation has been charged in the period ended 31 July 2021. The additional intangible asset of £434k in 2020/21 represents the capitalisation of the intellectual property developed in Fovo Technology Ltd.

		University £'000
12	**Investment in Subsidiary**	
	Cost or valuation	
	At 1 August 2020	2,150
	Additions	1,000
	At 31 July 2021	3,150

The investments represent shares in group undertakings (note 23). During the financial year 2020/21 the University bought an additional 1,000,000 shares in Cardiff Met Company Ltd for £1m.

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

	At 31 July 2021		At 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000 Reclassified	University £'000 Reclassified
13 Stock				
General consumables (Catering & other)	32	29	83	80
	32	29	83	80

	At 31 July 2021		At 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000 Reclassified	University £'000 Reclassified
14 Trade and other receivables				
Amounts falling due within one year:				
Trade receivables	3,518	3,364	2,389	2,147
Prepayments and accrued income	6,332	6,243	4,758	4,529
Amounts due from subsidiary companies	-	3,056	-	2,540
	9,850	12,663	7,147	9,216

	At 31 July 2021		At 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
15 Investments				
Term deposits	9,840	9,840	7,784	7,784
Corporate Bond	14,015	14,015	6,239	6,239
	23,855	23,855	14,023	14,023

	At 31 July 2021		At 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
16 Creditors: amounts falling due within one year				
Secured loans	504	504	475	475
Unsecured loans	1,322	1,322	1,353	1,353
Trade payables	6,015	6,003	2,581	2,523
Social security and other taxation payable	1,383	1,377	1,377	1,377
Accruals and deferred income	19,674	18,912	14,067	13,269
	28,898	28,118	19,853	18,997

	At 31 July 2021		At 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
17 Creditors: amounts falling due after more than one year				
Secured loans	944	944	1,448	1,448
Unsecured loans	20,080	20,080	21,402	21,402
	21,024	21,024	22,850	22,850
Analysis of secured and unsecured loans:				
Due within one year or on demand	1,826	1,826	1,828	1,828
Due between one and two years	1,832	1,832	1,826	1,826
Due between two and five years	4,090	4,090	4,570	4,570
Due in five years or more	15,102	15,102	16,455	16,455
Due after more than one year	21,024	21,024	22,850	22,850
Total secured and unsecured loans	22,850	22,850	24,679	24,679

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

18	Lender		Amount As at July 2021	Amount As at July 2020	Repayable by	Interest Rate %	Borrower
	Secured and unsecured loans		£'000	£'000			
	RBS	Secured loan	612	714	2023	7.69	University
	RBS	Secured loan	836	1,210	2027	Variable	University
	Santander	Unsecured loan	10,200	10,800	2038	5.10	University
	Barclays	Unsecured loan	11,050	11,700	2038	5.10	University
	Salix	Unsecured loan	0	19	2020	0.00	University
	Salix	Unsecured loan	38	63	2022	0.00	University
	Salix	Unsecured loan	13	38	2021	0.00	University
	Salix	Unsecured loan	101	135	2024	0.00	University
			22,850	24,679			

The RBS loans are secured against the University's Plas Gwyn Campus and a part of the Cyncoed Campus

19 Pension Provisions

	Obligation to fund deficit on USS Pension £'000	Pension enhancement on termination £'000	Defined Benefit Obligations (Note 24) £'000	Total Pensions Provisions £'000
Consolidated and University				
At 1 August 2020	**(1,813)**	**(3,370)**	**(121,480)**	**(126,663)**
Utilised in year	-	290	-	**290**
(Addition)/release in year	9	(50)	(10,820)	**(10,861)**
Actuarial gain in year	-	40	17,430	**17,470**
At 31 July 2021	**(1,804)**	**(3,090)**	**(114,870)**	**(119,764)**

USS deficit

The obligation to fund the past service deficit of the University's Superannuation Scheme (USS) arises from a contractual obligation to fund benefits arising from past performance. This obligation is reassessed every three years using the scheduled triennial valuation of the scheme. In reassessing the value of the required provision during the current year management has used the March 2018 valuation of the scheme.

The latest available actuarial valuation of the scheme at 31 July 2021 was the March 2018 valuation. A valuation of the scheme at 31 March 2020 is currently being undertaken. It is anticipated that this valuation will add circa £2.7m to the scheme deficit.

20 Cash and cash equivalents

	At 1 August 2020 £'000	Cash Flows £'000	At 31 July 2021 £'000
Consolidated			
Cash and cash equivalents	16,003	7,265	**23,268**
	16,003	7,265	**23,268**

21 Capital commitments

	For the year ended 31 July 2021		For the year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for	**3,600**	**3,600**	1,850	1,850
	3,600	**3,600**	1,850	1,850

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

22 Commitments under operating leases

At 31 July Cardiff Metropolitan University had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £'000	2020 £'000
Not later than 1 year	217	217
Later than 1 year and not later than 5	372	589
	589	806

23 Subsidiary undertakings

Company	Principal Activity	Status
Cardiff Metropolitan Company Ltd	Undertakes non primary purpose trading activities which are non-charitable.	100% owned
Cardiff Metropolitan Education Services (Beijing) Ltd	Holding company for China Wholly Foreign-Owned Enterprise.	100% owned
Cardiff Metropolitan Education Consulting Service (Beijing) Ltd	Develop strategic partnerships with Chinese institutions.	100% owned
Fovo Technology Ltd	Developing a new technology that improves the nature of visual experience.	55% owned

24 Pension Obligations

The University participates in three separate pension schemes, each of which has its own membership eligibility criteria. The three schemes are; the Cardiff & Vale of Glamorgan Pension Fund (CVGPF) (principally administration and support staff); the Teachers' Pension Scheme (TPS) (principally academic staff); and the Universities Superannuation Scheme (USS) (a mixture of administrative and academic staff). All three schemes are defined-benefit schemes.

The contributions payable to the scheme were

	Year ended 31 July 2021 £'000	Year ended 31 July 2020 £'000
Contribution for TPS	**5,168**	4,777
Contribution for CVGPF	**4,419**	4,207
Contribution for USS	**946**	886
	10,533	9,870

The costs recognised within the University's staff costs for the year were

	Year ended 31 July 2021 £'000	Year ended 31 July 2020 £'000
Cost for TPS	**5,168**	4,777
Cost for CVGPF	**13,581**	8,730
Cost for USS	**924**	(509)
	19,673	12,998

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

24 Pension Obligations (continued)

Cardiff & Vale of Glamorgan Pension Fund (CVGPF)

CVGPF is a local government superannuation scheme. The most recent full actuarial valuation was carried out as at 31 March 2019, and has been updated by independent actuaries to the Cardiff & Vale of Glamorgan Pension Fund to take account of the requirements of FRS 102 in order to assess the liabilities of the Fund as at 31 July 2020. The next triennial valuation of the fund will be reported during December 2022.

The principal assumptions used for the purposes of FRS 102 are as follows

	Year ended 31 July 2021	Year ended 31 July 2020	Year ended 31 July 2019
Discount rate	**1.7%**	1.4%	2.2%
CPI inflation	**2.6%**	2.2%	2.2%
Rate of increase to pensions in payment	**2.6%**	2.2%	2.2%
Rate of revaluation of pension accounts	**2.6%**	2.2%	2.2%
Rate of increase in deferred pensions	**2.6%**	2.2%	2.2%
Rate of general increase in salaries	**3.6%**	3.2%	3.2%

Mortality assumption

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	Year ended 31 July 2021	Year ended 31 July 2020	Year ended 31 July 2019
Assumed life expectancy at 65 years			
- retiring today male/(female)	**22.3 (24.7)**	22.2 (24.6)	22.1 (24.5)
- retiring in 20 years male/(female)	**23.3 (26.1)**	23.2 (26.0)	22.7 (25.6)

Asset Allocation	**Value at 31 July 2021**	Value at 31 July 2020
Equities	**66.5%**	61.1%
Property	**6.6%**	8.2%
Government bonds	**10.1%**	12.0%
Corporate bonds	**15.2%**	17.1%
Cash	**1.6%**	1.4%
Other	**0.0%**	0.2%
Total	**100.0%**	100.0%

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

24 Pension Obligations (continued)

Amounts recognised in income statement

	Year ended 31 July 2021 £'000		Year ended 31 July 2020 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Operating cost				
- current service cost	**13,650**	**-**	8,780	-
- curtailment cost	**20**	**-**	-	-
Financing Cost				
- interest on net defined benefit liability	**1,660**	**50**	1,330	70
Pension expense recognised in income statement	**15,330**	**50**	10,110	70

Amounts recognised in other comprehensive income

	Year ended 31 July 2021 £'000		Year ended 31 July 2020 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Asset gains/(losses) arising during the year	**20,800**	**-**	(3,400)	-
Liability (losses) arising during the year	**(3,370)**	**(40)**	(49,720)	(210)
Total recognised in other comprehensive income/(expense)	**17,430**	**(40)**	(53,120)	(210)

Changes to the fair value of assets

	Year ended 31 July 2021 £'000		Year ended 31 July 2020 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**117,220**	**-**	114,590	-
Interest income on assets	**1,671**	**-**	2,560	-
Remeasurement gains/(losses) on assets	**20,800**	**-**	(3,400)	-
Contributions by the employer	**4,510**	**290**	4,260	290
Contributions by participants	**1,770**	**-**	1,660	-
Net benefits paid out	**(2,950)**	**(290)**	(2,450)	(290)
Closing value	**143,020**	**-**	117,220	-

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

24 **Pension Obligations (continued)**

Changes to the present value of the defined benefit obligation

	Year ended 31 July 2021 £'000		Year ended 31 July 2020 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Opening value	**238,700**	**3,370**	177,100	3,380
Current service cost	**13,650**	**-**	8,780	-
Interest expense on defined benefit obligation	**3,330**	**50**	3,890	70
Contributions by participants	**1,770**	**-**	1,660	-
Actuarial losses/(gains) on liabilities	**3,370**	**(40)**	49,720	210
Net benefits paid out	**(2,950)**	**(290)**	(2,450)	(290)
Past service cost/curtailment	**20**	**-**	-	-
Closing value	**257,890**	**3,090**	238,700	3,370

Reconciliation of funded status to Consolidated Statement of Financial Position

	At 31 July 2021 £'000		At 31 July 2020 £'000	
	Funded	**Unfunded**	Funded	Unfunded
Fair value of assets	**143,020**	**-**	117,220	-
Present value of defined benefit obligation	**(257,890)**	**(3,090)**	(238,700)	(3,370)
Liability	**(114,870)**	**(3,090)**	(121,480)	(3,370)

Teachers' Pension Scheme (TPS)

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teaches' Pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an Annual Account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

24 Pension Obligations (continued)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme took place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers have paid a

contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The contribution rate prior to this was 16.48%.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Universities Superannuation Scheme

The University participates in the Universities' Superannuation Scheme. The Scheme is a hybrid pension scheme which provides benefits based on final pensionable salary for Final Salary members until 2016 (closed to new entrants in 2011); Career Revalued Benefits (CRB) up to an indexed salary threshold for new entrants since 2011 and for Final Salary members since 2016; and defined contribution benefits above the same salary threshold and for members wishing to make additional contributions. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. As a result the University is exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a wholly defined-contribution scheme. The amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme for the year. A liability is also recorded within provisions for any contractual commitment to fund past deficits within the scheme. Movements in this provision can also give rise to charges to the Consolidated Statement of Comprehensive Income and Expenditure as shown in note 19 above.

The appointment of directors to the board of trustees is determined by the Company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The scheme is valued triennially with the latest available complete actuarial valuation having been finalised during September 2019 as at 31 March 2018 (the valuation date). The 2018 valuation was the fifth valuation 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

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

24 Pension Obligations (continued)

technical provisions. At the 2018 valuation date, the value of the assets of the scheme was £63.7 billion and the valuation of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion, down from £7.5 billion at the 2017 valuation date and £5.3 billion at the 2014 valuation date. The assets were therefore sufficient to cover 95% of the benefits which had accrued to members after allowing for expected future increases in earnings, as compared to 89% at the 2017 valuation date. A valuation as at 31 March 2020 is currently being undertaken, it is anticipated that this will result in a material increase in the value of the scheme deficit.

Creditor Balances

Cardiff Metropolitan University's balances as at 31 July for each scheme are as follows:

	2021 £'000	2020 £'000
TPS	**646**	-
CVGPF	**540**	-
USS	**113**	-
	1,299	-

Year-end pension creditors were paid in full at 31 July 2020

Higher Paid Staff

	Year Ended 31 July 2021 University No.	Year Ended 31 July 2020 University No.
£100,000 to £104,999	**3**	1
£105,000 to £109,999	**2**	1
£120,000 to £124,999	**-**	1
£125,000 to £129,999	**2**	2
£130,000 to £134,999	**1**	-
£135,000 to £139,999	**1**	1
	9	6

	Year Ended 31 July 2021 University £'000	**Year Ended 31 July 2021 University Number of staff**	Year Ended 31 July 2020 University £'000	Year Ended 31 July 2020 University Number of staff
Higher paid staff: loss of office	**126**	**1**	-	-

Payment of compensation for loss of office to higher paid staff was as follows;

The Key Management Personnel are the University Vice Chancellor's Executive Group. It comprised; the Vice Chancellor, PVC (Research and Innovation), PVC (Student Engagement), PVC (Partnerships & External Engagement), Chief Officer (Resources), and the Secretary & Clerk to the Board of Governors.

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

24 Pension Obligations (continued)

	Year Ended 31 July 2021 University £'000	Year Ended 31 July 2020 University £'000
Key management personnel remuneration (excludes pension costs)	**896**	876

Due to the nature of the University's operations and the composition of the Board, it is inevitable that transactions will take place with organisations in which a Member of the Board or a senior member of staff may have an interest. All transactions in which they may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. The financial regulations require an individual to declare an interest and to withdraw from discussions should a conflict of interest potentially arise. Written assurances are obtained annually from all Governors and key personnel in respect of themselves and their close family. For the financial year to 31 July 2021 the returns state that there has been no undue influence between the University and related parties (as defined by FRS102).

In the 2020/21 financial year there were no declarations of interest from a related party under FRS102. In the 2019/20 financial year there was no declaration of interest from a related party under FRS102.

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

25 US Federal Loans – Supplementary Schedule

Conversion to US GAAP format		
This schedule has been compiled from the Section 3 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations		
Line	**Statement of Financial Position**	
1	Cash and cash equivalents	47,123
2	Accounts receivable, net	3,518
3	Other debtors and Prepaid expenses	6,332
4	Related party receivables	-
5	Contributions receivable, net	
6	Student loans receivable, net	
7	Investments	-
8	Property, plant and equipment, net (includes Investment property & Heritage assets)	162,765
9	Lease right-of-use asset, net	-
10	Goodwill	-
	Other intangible assets	1,346
11	Inventories	33
12	**Total assets**	**221,117**
13	Line of credit - short term	-
14	Line of credit - short term for CIP	
15	Accrued expenses/Accounts payable	7,398
16	Accruals and Deferred revenue	19,674
17	Post-employment and pension liability	119,764
18	Line of credit - operating	
19	Other liabilities	-
20	Notes payable	
21	Lease right-of-use asset liability	-
22	Line of credit for long term purposes	22,850
23	**Total liabilities**	**169,686**
24	**Net assets without donor restrictions**	**51,431**
	Net Assets with Donor Restrictions	
25	Annuities	
26	Term endowments	
27	Life income funds	
28	Other restricted by purpose and time	-
29	Restricted in perpetuity	-
30	Total Net Assets with Donor Restrictions	-
31	**Total Net Assets**	**51,431**
32	**Total Liabilities and Net Assets**	**221,117**

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

25 US Federal Loans – Supplementary Schedule (continued)

Line	Statement of Activities	
	Changes in Net Assets Without Donor Restrictions	
	Operating Revenue and Other Additions	
33	Tuition and fees, net	90,242
34	Funding body income	14,772
35	Investment return appropriated for spending	117
36	Other income	14,729
37	Research income	2,429
38	**Total Operating Revenue and Other Additions**	**122,289**
	Operating Expenses and Other Deductions	
39	Education and research expenses	112,140
40	Depreciation and Amortization	4,339
41	Interest expense	2,950
42	Auxiliary enterprises	
43	**Total Operating Expenses**	**119,429**
44	**Changes in Net Assets from Operations**	**2,860**
	Non-Operating changes	
45	Investments, net of annual spending, gain (loss)	-
46	Other components of net periodic pension costs	17,470
47	Pension-related changes other than net periodic pension costs	
48	Change in value of split-interest agreements	
49	Other gains (losses)	-
50	Sale of fixed assets, gains (losses)	-
	Taxation	-
	Total Non-Operating Changes	17,470
51	**Total Change in Net Assets**	**20,330**
	Change in Net Assets With Donor Restrictions	
52	Contributions	-
53	Net assets released from restriction	
54	**Change in Net Assets With Donor Restrictions**	**-**
55	**Change in Net Assets without restrictions**	**20,330**
56	**Net Assets, Beginning of Year**	**31,101**
57	**Net Assets, End of Year**	**51,431**
Note for Line 9 - Lease right-of-use assets		
A	Lease right-of-use assets - pre-implementation	0
B	Lease right-of-use assets - post-implementation	0
	Total	0

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

25 US Federal Loans – Supplementary Schedule (continued)

Note for Line 21 - Lease right-of-use asset liability		
A	Lease right-of-use asset liability - pre-implementation	0
B	Lease right-of-use asset liability - post-implementation	0
	Total	0
Note for Line 8 - Net Property, Plant and Equipment		
A	Pre-implementation Property, Plant and Equipment	157,958
B	Post-implementation Property, Plant and Equipment purchased with debt	
	FH LH L&B	-
	LH improvements	-
	Equipment	-
	Investment property	-
	Heritage assets	-
C	Const'n in P'gress	-
D	Post-implementation Property, Plant and Equipment - no debt	-
	Total	157,958
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less and depreciation or disposals	
B	This is the balance of assets purchased after the implementation of the regulations that was purchased by obtaining debt	
C	Asset value of the Construction work in progress	
D	Post-implementation Property, Plant and Equipment with no outstanding debt	
Note for Line 14,20 and 22 - Long-term debt for long term purposes		
A	Pre-implementation Long-term Debt	22,850
B	Allowable Post-Implementation Long-term Debt:	
	FH LH L&B	-
	LH improvements	-
	Equipment	-
	Investment property	-
	Heritage assets	-
C	Construction in progress - debt	-
D	Long-term debt not for the purchase of Property, Plant and Equipment or liability greater than assets value	-
	Total	22,850
A	This is the ending balance on the last financial statement submission prior to the implementation of the regulations - Less in repayments	
B	This is the lessor of actual outstanding debt or each asset value or the value of the asset	
C	All debt associated with Construction in progress up to the asset value for construction in process is included	
D	Long-term debt not for the purchase of Property, Plant and Equipment	

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

25 US Federal Loans – Supplementary Schedule (continued)

Supplementary schedule - Sterling £		
This schedule has been compiled from the Section 2 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations		
Lines	**Expendable Net Assets**	
24	Net assets without donor restrictions	51,431
30	Net assets with donor restrictions	0
4	Secured and Unsecured related party receivable	0
4	Unsecured related party receivable	0
8	Property, plant and equipment, net (includes Construction in progress)	162,765
FS Note line 8A	Property, plant and equipment - pre-implementation	157,958
FS Note line 8B	Property, plant and equipment - post-implementation with outstanding debt for original purchase	0
FS Note line 8D	Property, plant and equipment - post-implementation without outstanding debt for original purchase	0
FS Note line 8C	Construction in progress	0
9	Lease right-of-use asset, net	0
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0
M9 Note Leases	Lease right-of-use asset post-implementation	0
10	Intangible assets	0
10	Intangible assets	1,346
17	Post-employment and pension liabilities	119,764
14,20,22	Long-term debt - for long term purposes	22,850
M24,20,22, Note Debt A	Long-term debt - for long term purposes pre-implementation	22,850
M24,20,22, Note Debt B	Long-term debt - for long term purposes post-implementation	0
M24,20,22, Note Debt C	Line of Credit for Construction in process	0
21	Lease right-of-use asset liability	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0
Line 21 Note Leases	Post-implementation right-of-use leases	0
25	Annuities with donor restrictions	0
26	Term endowments with donor restrictions	0
27	Life income funds with donor restrictions	0
29	Net assets with donor restrictions: restricted in perpetuity	0
	Total Expenses and Losses	
43	Total expenses without donor restrictions - taken directly from Statement of Activities	119,429
(35),45,46,47,48,49	Non-Operating and Net Investment (loss)	-17,587
(35),45	Net investment losses	-117
47	Pension-related changes other than net periodic costs	0

Notes to the Financial Statements (continued)
Year Ended 31 July 2021

25 US Federal Loans – Supplementary Schedule (continued)

	Modified Net Assets	
24	Net assets without donor restrictions	51,431
30	Net assets with donor restrictions	0
10	Intangible assets	0
4	Secured and Unsecured related party receivable	0
4	Unsecured related party receivable	0
	Modified Assets	
12	Total Assets	221,117
Excluded Line 9 Note Leases	Lease right-of-use asset pre-implementation	0
Excluded Line 21 Note Leases	Pre-implementation right-of-use leases	0
10	Intangible assets	0
4	Secured and Unsecured related party receivable	0
4	Unsecured related party receivable	0
	Net Income Ratio	
55	Change in Net Assets Without Donor Restrictions	20,330
38, (35), 50	Total Revenue and Gains	122,172



Cardiff Metropolitan University | Prifysgol Metropolitan Caerdydd