



# ANNUAL REVIEW

**AN EXTRAORDINARY YEAR.**



# ANNUAL REVIEW AND FINANCIAL STATEMENTS

2019 - 20



SINCE 1884

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# UNWAVERING COMMITMENT IN AN EXTRAORDINARY YEAR

VICE-CHANCELLOR,  
PROFESSOR IWAN DAVIES

**WHAT IS THE MEANING OF THE UNIVERSITY PURSUIT IN THIS ERA OF GLOBAL DISRUPTION, IF NOT AS TRUTH-SEEKERS? AS VICE-CHANCELLOR, MY CHALLENGE IS TO DEMONSTRATE HOW OUR UNIVERSITY CAN ILLUMINATE AND RESPOND TO WHAT THE WORLD AND WALES ASKS OF IT.**

This is particularly important in an era of intolerance, whether characterised by extreme fundamentalism or racism, through to attacks on experts and the viral spreading of fake news. It has also been crucial in a year of external turbulence and uncertainty that has included issues relating to student recruitment in our traditional markets, concerns about future funding of university staff pensions, planning for BREXIT, the need for cost-saving measures, and the Covid-19 pandemic that has transformed the higher education landscape and forced us all to work differently and reassess our priorities and ways of working.

I want to pay tribute to the way in which Bangor University as a community has responded to the challenges during what has been an extraordinarily difficult time. Staff and students have demonstrated unwavering commitment and have adapted to new ways of working showing common purpose. Everyone at Bangor University should be proud of the part they have played to ensure that our University will come through the coronavirus crisis stronger and more resilient than before.

The world has changed, and the world order is being disrupted. Populism is growing. Global warming and global waste are imperiling the world. The digital revolution and rising Artificial Intelligence capability are creating both uncertainty and opportunity for the future world of work. These developments are leading to significant changes to jobs, to the nature of tasks to be performed, and to the skills required.

So, what are the imperatives for Bangor University as a research-intensive institution, in response to this context? Inspirational research-led teaching preparing students for uncertainty is fundamental. Research-led teaching reflects the role of universities in creating new knowledge. The combination of deep,

personal understanding and technical skill is a powerful alchemy that sustains a creative and innovative society. The annual flux of skilled graduates armed with these capabilities continually refreshes society's technical excellence and its economic, social and cultural vitality. This will take on added significance post Covid-19.

To this end developing the creative mind is such an important element as part of the experience of our students. Transformative, impact-driven research and innovation are features of Bangor University. A globally connected university acts as a window to the region and builds and enhances its image and reputation to a wider world.

Engaging with a re-energised internationalisation strategy is important. This can benefit the development of the region in a number of ways: connecting people from all over the world into the region which can act as a vehicle for future cooperation; attracting researchers from around the world who will contribute to the development of new technologies which may result in new, innovative spin-out firms being established; and acting as a lever for international investment as firms grow around areas of international specialism and expertise.

The presence of Bangor University within the region of North Wales acts as a real magnet for talent. This can be in the form of students but also academic, research and professional services staff who come to work in the institution.

Where the research expertise of the University maps onto the sectoral specialisms of local industry, this creates a powerful hub for innovation activity. Bangor University with an enhanced capability for economic impact can use its research strength, employer collaborations and global

partnerships to deliver increased employability rates across the whole of our student population.

We are also committed to paying close attention to our communities. The civic mission of Bangor University is critical especially as an anchor institution. Indeed engaging with our communities and demonstrating our value to society is our core DNA. We are committed to sustaining a positive and relevant relationship with stakeholders encompassing a quadruple helix of notably university, industry, government and civic society.

In Wales we remember the historic pride of the communities in establishing their universities. At Bangor we cherish the contribution of the slate miners to the establishment of the University in 1884. Capturing the imagination of our communities in Wales requires engaging with what the late Jan Morris described as "an epic view of Wales" and engaging with our communities from below at the grass roots.

Bangor University engages with our bilingual culture and environment which feeds into a multilingual, multi-cultural world. This can be considered a form of micro-cosmopolitanism. At Bangor University we are true to our Welsh language tradition and over half of our staff can teach through the medium of Welsh allowing us to be the largest provider of Welsh-medium higher education in the world. This reflects the tradition of bilingualism on campuses seen across the world.

Universities are seekers of truth in what is now becoming a post-truth society. Bangor University stands against any return to the Dark Ages as we exist to celebrate and promote enlightenment - connecting scholarship with deep understanding.

Vice-Chancellor,  
Professor Iwan Davies





# OUR STRATEGY

## MISSION

A strong, confident institution recognised regionally, nationally and internationally as a centre of excellence for its varied portfolio of teaching and research, and for the unique, multicultural, inclusive experience it provides for its staff and students.

### Strategic Approach

Our 2015-2020 strategic plan set out a direction for the institution as a confident and successful University, focused on thinking differently and identifying challenges, risks and opportunities for all areas of its business. To accommodate the next phase in the University's development, work is underway to refresh the strategic plan for 2021 amid the unprecedented context of the repercussions of the global pandemic.

While the University responded to the immediate operational challenges associated with the pandemic, it has committed to executing a robust strategic response to the challenges posed by the worldwide crisis and emerge stronger as a driving force for higher education and the economy

of North Wales, consistent with our vision of Bangor as a research-led entrepreneurial University of and for North Wales.

Five strategic pillars underpin the University's response to the challenges posed by the pandemic:

- *Sustaining and progressing research excellence*
- *Sustaining and progressing a broad-based, research or practice-informed curriculum portfolio*
- *Sustaining and progressing an excellent student experience*
- *Sustaining and progressing people and talent*
- *Sustaining and progressing efficiency and effectiveness*



# UNIQUE. MULTICULTURAL. INCLUSIVE.

Bangor is focused on developing critical mass in key areas of research and will continue to be growth-oriented and transformational in approach in spite of the challenges posed by the pandemic. Our vision comprises four key elements:

- *Strengthening and promoting the health and wellbeing capabilities and capacity of the University and the region, centring around the development of a medical and health sciences school for North Wales*
- *Strengthening and promoting the regional and national economy by leveraging potential from the University's research base, centring around leveraging further benefit arising from the University's role in the North Wales Growth Deal and its success in recent Science and Innovation Audits*
- *Strengthening and promoting the regional and national workforce, requiring a new approach to the delivery of skills-based training in North Wales, to address the findings of a Welsh Government-commissioned review of the higher education environment in North-east Wales*

- *Strengthening and promoting culture, language and the performing arts, to take advantage of the opportunities arising from these subject disciplines and fully exploiting the benefits arising from recent investments in cultural assets, such as the Pontio Arts and Innovation Centre and the updated facilities in the School of Music and Media*

The University has begun a realignment, refocusing and acceleration of the transformational activities that underpin its commitment to the Welsh language.

The aim is to ensure that Bangor is the leading institution for Welsh language provision and has strong foundations on which to develop this aspiration. The University will ensure that it embeds the Welsh language and bilingualism at the heart of the transformational changes that are being developed across its teaching and research environments. This will be done in a way that aligns the Welsh language agenda with local, regional and national conversations surrounding social and economic recovery in the wake of Covid-19.

19/20







# TEACHING AND LEARNING

## HIGH-QUALITY BLENDED LEARNING DURING PANDEMIC

**The University offers an educationally excellent and personalised student experience that enables our students to embrace opportunities and develop and realise their ambitions.**

With the wellbeing and safety of our staff and students' paramount, there have been significant challenges and achievements during the unprecedented fast-moving pandemic, none more so than the commitment and dedication of our University community as we switched to blended learning, combining face-to-face teaching, socially distanced field work and practical sessions with online provision for lectures, seminars and tutorials.

To prepare for this delivery mode, and to ensure the continuation of high-quality provision, a series of quick turnaround projects were quickly embraced by our teaching staff. Within a bilingual context, and in collaboration with the Students' Union, in turn consulting students – many of whom told us they wanted a face-to-face element to their learning – these projects provided the architecture for a whole University approach to developing blended learning delivery and to help prepare for and manage the arrival and return of students in the autumn.

Fortunately, earlier in 2019/20, the University had developed a policy on the use of lecture-capture software as a resource to support learning. Lecture-capture has had a number of

benefits, including allowing students to revisit information, supporting an inclusive teaching and learning environment, and also supporting provision of an academic student experience during a global pandemic.

Personal and senior tutors have optimised support for students throughout this difficult period, including the monitoring of engagement and attendance, and direct contact with those not engaging, to identify any necessary further support. The University also invested in greater student mental health support, including its counselling service. In addition, ongoing liaison with the Students' Union and Public Health Wales enabled the University to gain better control over the numbers of students with the Covid-19 virus, and this work contributed to the city of Bangor's restrictions being lessened.

The pandemic continues to challenge the University and its full impact will be analysed in 2020/21. However, levels of completion of work and student attainment do not seem to have been affected in the initial stages. Student withdrawal rates are marginally higher but not considerably different to previous years.



## Working through Covid-19

With spaces and procedures adapted in line with pandemic guidelines during the first lockdown and beyond, the University reflected with pride on the huge efforts made by all staff to prepare and enact plans for teaching and learning under these unprecedented circumstances.


"We wanted to ensure that everyone who could experience some element of face to face in person teaching had the opportunity to do so, but also wanted to be flexible in our approach and able to adapt to changing circumstances.

"Once we had this flexible approach in mind, it became clear that it needed to be supported by technology and training, and we really needed to get creative in finding the best possible ways to deliver teaching and learning beyond lectures and seminars whilst keeping the safety of students and staff our top priority."

**Professor Nichola Callow,**  
Pro-Vice-Chancellor for Learning  
and Teaching.



"The main goal was to ensure staff develop the knowledge and confidence to provide high-quality teaching and active learning communities."

 **Dr. Eben Muse**  
**Dr. Laura Grange**

# EXPERIENCE. OPPORTUNITY.



## Preparing for delivery

One of the most important ways in which Teaching and Learning has been facilitated is by investment in software to support delivery, and colleagues across academic schools and IT Services have worked together to identify investment needs ahead of the 2020-21 academic year.

Some of the investments, e.g., in Blackboard Collaborate and Blackboard Ally have improved capacity across the University, whilst others address more subject-specific needs. These investments will benefit teaching and learning at Bangor in the future and help underpin the development of new approaches to teaching.

As Paul Wood, Deputy Director of IT Services explains: "The work undertaken to identify new resource requirements to support teaching and to enhance the availability of existing resources for remote working, really helped us address short-term challenges, but will have also improved our capacity in the longer-term. For example, Blackboard Ally is really valuable tool in helping academic colleagues evaluate and improve the accessibility of learning materials, which will benefit students now, and in the future".

Also underpinning the preparations for teaching was the huge amount of effort from staff to engage in various training activities.

A key component, and one that will have a long-lasting benefit, has been the development of the University's Portal for training resources that support teaching and learning. Development of the Portal brought together colleagues for across academic domains, Professional Services and the Students' Union. The Portal provides thematic guides (e.g., accessibility, top tips, learning technology) that draw from a database of internal and external resources covering a range of pedagogic themes, practical tutorials and advice on wellbeing.

As explained by Dr Eben Muse and Dr Laura Grange, who co-led the project: "The main goal was to ensure staff develop the knowledge and confidence to provide high-quality teaching and active learning communities, including a familiarity with platforms and other eLearning software and an ability to design and implement effective online teaching and learning strategies. What is really pleasing is that the sharing of expertise allowed the training opportunities to develop organically and become embedded across the University within a bilingual context".

In the first four months after the Portal launched there were more than 9,400 visits from more than 600 unique visitors.



### Beyond online

The University's blended learning approach has seen teaching beyond online, both on and off campus. Through the dedication of academic and professional services staff we have seen a range of activities delivered, from laboratory and computer practicals to music classes, workshops and field trips.

Dr Graham Bird, Associate Pro-Vice-Chancellor in the College of Environmental Sciences and Engineering, said: *"The rich variety of teaching and learning activities that Bangor University students have been engaged with, reflects the huge efforts that staff have taken to deliver high quality, innovative and rewarding teaching. The following exemplars are just a small selection, highlighting the range of good practice and great efforts being shown by Bangor University staff to deliver field and practical-based teaching."*

*"Outdoor learning has been a focus in the Schools of Natural Sciences, Ocean Sciences and Sport, Health and Exercise Science, who were determined that this vital outdoor classroom experience should continue safely, despite the challenges. Repeat sessions with smaller groups, along with protocols for safe travel and teaching have allowed undergraduate and masters students to visit local field sites including, Cwm Idwal, Hafod y Llan and Parys Mountain."*

*"For the students, the fieldwork experience was considered invaluable. Especially as it gives us the unique and unrivalled opportunity to gain understanding and ask supplementary questions in more relaxed ways."*

*"Being split into smaller groups because of Covid, I think actually turned out to our benefit. It made the session I imagine (having not been here last year pre-Covid times) more personal. I think in general there are many benefits to smaller classes. I believe when classes are able to better get to know each other and become*

*more comfortable around each other, students ask more questions. This type of discussion is fantastic for learning and challenging thought and opinion. Two things which I know for myself will only do good. I had, and still have, no concern that any challenges we face with online learning we can together alter, improve and overcome because it's at all of our best interests."*

Getting hands on with learning has also been important in the School of Music Drama and Performance, where second and third year students taking the Music Teaching in Context module, were set the novel task of having to teach each other to play a new musical instrument. Between lectures, students are working on their instrumental lessons in pairs, either online or, if their instruments are low-risk and it is safe for them to do so, using the practice rooms using a clear booking system.

Students record some of these lessons so that lecturers can observe them and provide peer-feedback in lectures. In keeping with the theory that the best way to learn something is to teach is to others, the new approach offers a starting point for discussions in lectures and is also a prompt for self-reflection and personal development.

Music student Alys Bailey-Wood commented: "Although it isn't ideal that our lectures are online, the Music Teaching in Context module gives us the opportunity to learn our skills online and then put them into practice by running one-to-one lessons with each other face-to-face."

The University's blended learning approach has seen on-campus teaching that covers a range of activities. Importantly, the safe undertaking of teaching and the preparation of valuable social learning facilities has been made possible by the huge amount of hard work undertaken by colleagues across the University, and notably within Property and Campus Services, Health and Safety and IT Services.



# GOING BEYOND.



# VIRTUAL WORLDS.

"I needed to find new ways to engage with students that still reflected the ethos of field work in Geography. I came up with a 'virtually in the field' approach that enabled me to take students to sites they wouldn't have otherwise been able to visit."

 Dr Lynda Yorke,

## Virtual fieldwork

Bangor University students have been undertaking virtual fieldwork, where it hasn't been possible to travel to field sites. In producing the virtual fieldwork activities, staff have been making innovative use of a range of software and resources. For example, students studying on the Geohazards module in the School of Natural Sciences were able to undertake a virtual fieldtrip to the Conwy Valley and North Wales Coast to study issues around flood risk.

As Module Organiser Dr Lynda Yorke explains: "I needed to find new ways to engage with students that still reflected the ethos of field work in Geography. I came up with a 'virtually in the field' approach that enabled me to take students to sites they wouldn't have otherwise been able to visit. To recreate our usual interactive field experiences, I used a combination of Google Earth so students could place themselves in the environment, and StoryMaps to create a field-based, multimedia story for students to work through during trips. Using Blackboard Collaborate we recreated the fun and enthusiasm that normally accompanies our field trips and combined it with collecting data in a total new way!"

## Developing a sense of community through online learning

Year 1 students in the School of Psychology developed their scientific writing skills through online workshops delivered with the support of a team of graduate instructors. The workshops were designed to not only teach academic skills through live instruction, discussion and music, but also to enable students to engage with their peers. As explained by Module Organiser Tracey Lloyd: "Our team displayed so much commitment, passion, and energy displayed in such a challenging environment. I'm also certain that these online workshops helped the students gain a sense of belonging to the Bangor Psychology community and confidence to turn on their cameras and participate in their learning experience".

## Telerobots

The School of Computer Science and Electronic Engineering developed an ingenious way of staff being able to circulate around laboratory classes to provide guidance and support to students, whilst adhering to Covid-related health and safety protocols. As explained by Dr Dave Perkins, School Director of Teaching Learning: "Lab classes are a vital part of our teaching in the School and one the aspect of teaching that we were determined to maintain. Creating telerobots has allowed staff to get close up to what our students are working on in the computing and electronics labs. They've also allowed prospective students to tour round our facilities and get a feel for the School".

The work undertaken by all staff across the University to rise to the challenges posed by Covid-19 demonstrates the commitment of staff to delivering high quality teaching and learning. Vice-Chancellor, Professor Iwan Davies noted: "The work done in developing and implementing all of the teaching activities seen across Bangor University's degree programmes in 2019-20 reflects the very best of the University community and has led to innovations and developments that will help to enhance our teaching over the coming years."





# RESEARCH WITH IMPACT

## COMMITMENT

At Bangor University we are committed to making a difference. Our academics are conducting a wide range of high-quality interdisciplinary research that enables us to help improve the lives of people regionally, nationally and internationally.

With 77% of our research considered world-leading or internationally excellent in the last UK Research Excellence Framework, our research is seeking solutions to some of the world's most challenging problems - from improving healthcare and wellbeing, bilingualism and protecting the environment to providing cutting-edge solutions to advance the global 5G economy and contributing to low carbon energy solutions.

The University has also pivoted its research to support the international effort to combat the Covid-19 pandemic and ground-breaking work has been done by colleagues in the School of Natural Sciences that have led the UK effort to monitor Covid rates across the country by measuring the amount of virus found in wastewater. This work has given early warning of increases in prevalence and aided the distribution of resources to address the spread of the virus.

**77%**  
of our research considered world-leading or internationally excellent in the last UK Research Excellence Framework.





# HIGHLIGHTS

2019-2020

## SCHOLARSHIPS

## COVID-19 RESEARCH



### Commonwealth Scholarships

The School of Natural Sciences secured funding from the Commonwealth Scholarships Commission to support its MSc Tropical Forestry programme. This builds upon a history of success in securing funding under the Commission's Science and Technology for Development theme, which aims to develop knowledge and skills that are directly related to the specific needs of a low or middle-income country.

Through these scholarships, Bangor continues to develop its international network of alumni and ambassadors in science and technology.

### Knowledge Economy Skills Scholarships

The Knowledge Economy Skills Scholarships (KESS 2) is a pan-Wales higher level skills initiative led by Bangor University on behalf of the higher education sector in Wales. Since 2009 it has provided opportunities for 760 PhDs and 600 Research Masters projects across Wales. It supports postgraduate research opportunities linked with a company partner and is part funded by the Welsh Government's European Social Fund (ESF) convergence programme for Wales.

Throughout the pandemic, KESS 2 teams have adapted approaches to enable funded research to continue through to completion and to enable new projects to start. Moving online opened up opportunities which would not otherwise have arisen and many of these were captured via a 'Covid Chronicles' initiative shared on the KESS 2 website and social media.

### Scientists aid Covid research

A group of leading academics pooled their expertise to develop new ways of mass-monitoring levels of SARS-Cov-2, the virus which causes the Covid-19 illness. The work is informing the national Test and Trace surveillance programmes managed by the UK, Scottish and Welsh Governments.

Scientists at the Schools on Natural Sciences and Ocean Sciences are involved in piloting, verifying and rolling-out projects which are monitoring levels of Covid-19 in wastewater within communities. This monitoring can provide early warnings of increases or decreases in SARS-Cov-2, information which can be used to inform planning in advance of a demand for hospital beds, for example.

The team is funded by research grants from the UK Government Department for Environment, Food and Rural Affairs, Research and Innovation (UKRI) Global Challenges Research Fund, the Newton Fund and the Welsh Government, and are sharing their expertise internationally.



# CLIMATE CHANGE AND CONSERVATION

## Popular explorer joins University

TV presenter and explorer, Steve Backshall, right, joined the School of Natural Sciences teaching team in 2020. Known for programmes such as Deadly 60, Expedition and Blue Planet Live, Steve Backshall will teach students about conservation, zoology and the wildlife filming industry. Speaking about why he chose to teach here he said: "After looking around at lots of universities I realised that if I had my time again, I would have wanted to come to Bangor University."

## Bangor Youth Summit on Climate Change

In the wake of Bangor University's declaration of a climate emergency, academic staff from the School of Education and Human Development and the School of Ocean Sciences held the first Bangor Youth Summit on Climate Change. More than 100 children and young people from schools across North Wales attended the event where they met with researchers and policy makers to talk about children's concerns and expectations and learn about climate science from the University's experts.

We are committed to ensuring children's voices are heard and there are plans for more Bangor Youth Summits on other pressing topics, including Mental Health and achieving the Cymraeg 2050 – Million Speakers goal.

## Tackling problem plastic

A new research Centre was established at Bangor University in 2020 to study the growing problem of plastic waste. The Plastic Research Centre of Wales is the first of its kind in the country and brings together a wide variety of academics, students, organisations and industries.

Projects taking place include work looking at how microbes are attaching themselves to plastics, the presence of microplastics in UK waters and developing wetland ecosystems to remove plastic particles from our waterways, investigating alternatives to plastic packaging and pioneering work mapping the movement of microplastics in soils, rivers and coastal waters, and the effects plastic has on organisms and habitats and creating uses for waste plastic.

## Bangor in top 10 world universities for recycling and sustainability

Bangor is the seventh university in the world for recycling and sustainability, measured against the United Nations Sustainable Development Goals, and has also been ranked 10th in the world for its green credentials according to the Green Metric World University Rankings.

## A novel approach to protecting marine cultural heritage from climate change

Hayley Roberts and Tara Smith in the School of Law received funding from the Arts and Humanities Research Council and Global Challenges Research Fund 'Rising from the Depths' Network to collaborate with colleagues at the University of Dar Es Salaam on a project that explores a novel approach to protecting Tanzania's marine cultural heritage from climate change by treating it as an adaptation priority in Tanzania's National Adaptation Plan. National Adaptation Plans are developed as part of the UN Framework Convention on Climate Change's (UNFCCC) Cancun Adaptation Framework to identify medium to long-term adaptation priorities in developing countries, to which climate finance through the UNFCCC's financial mechanisms can be directed.

## Contributing to UN sustainability goals

Bangor University was ranked among the top 70 global universities for our work toward the United Nations Sustainable Development Goals. This is a major achievement and recognition for the institution which is working towards becoming 'a Sustainable University'. Bangor is the only Welsh institution listed and is among 15 other UK Universities in the Impact ranking's own defined top 70.

## Assessing impact of climate-oriented policies

Alessio Reghezza and Yener Altunbaş in Bangor Business School are collaborating with the European Central Bank to investigate how climate-oriented regulatory policies affect the flow of credit with respect to polluting corporations. After the Paris Agreement, European banks reallocated credit away from more polluting firms indicating a beneficial effect of green policy initiatives. This shift in behaviour is driven by improved awareness about climate-related risks and, specifically, encouraged by the unpredictability of both physical and transitional risks. Further, European banks' lending share to polluting US corporations has decreased following the USA's decision not to uphold the Paris climate commitment in June 2017. These findings have important policy implications as they underline the pivotal role banks play in effective climate change policies.







## EDUCATION

### Five-year Accreditation of Initial Teacher Education (ITE) at CaBan Bangor

Teacher training has a long history at Bangor, beginning in 1858 with the founding of Bangor Normal College. In 1996 the College became part of the University of Wales, Bangor. A review of the Welsh curriculum in 2015 made a series of recommendations for a new curriculum for Wales, and a 'Teaching tomorrow's teachers' report recommended modernisation of teacher training in Wales.

The CaBan ITE Partnership was formed in 2017, between Bangor University, the University of Chester, CIERI Research Institute, the regional school improvement service GwE, and experienced local schools. In September 2019, CaBan delivered the first courses of teacher training, based on a new Welsh accreditation framework, and the partnership has revolutionised the relationship between Bangor University and regional schools. The partners have co-constructed the programmes based on a clinical practice model and were recently awarded an additional five-year accreditation from the Education Workforce Council.

### Improving children's spatial abilities

Bangor University is to contribute expertise to a new Europe-wide project to improve children's spatial abilities, with the aim to help close the gender gap in science, technology engineering and mathematics (STEM). Pupils with high levels of spatial ability are much more likely to succeed in STEM subjects, enjoy doing them and select them for further education and careers compared to those with low spatial ability. The multi-agency project, Spatially Enhanced Learning Linked to STEM (SellSTEM), was awarded €4.12M in funding in 2020 from the Marie Skłodowska Curie Innovative Training Network under Horizon 2020, an EU 2020 flagship initiative aimed at securing Europe's global competitiveness.

### University collaboration with Schools Improvement Service

An MoU has been signed by the University and GwE, the North Wales regional school improvement service, outlining future collaborations and a strategic vision for education, including a common goal of developing the next generation of world-class educators - from their initial teacher education through their career, so that they can support children and young people and develop in the four purposes of the new Curriculum for Wales, 2022.

The partnership will also develop collaborative Masters-level professional learning opportunities for the teaching profession, as well as plans for an innovative professional doctorate in Education which will embed current research and peer engagement across North Wales.

### Collaboration with North Wales Police on new degree programmes

Bangor University and North Wales Police announced their collaboration on the Police Education Qualifications Framework (PEQF) developed by the College of Policing. This new venture, offering teaching and research expertise to educate the next generation of police professionals, complements our existing portfolio of professional education programmes and the new degree programmes will contribute to a sustainable, well trained and professional workforce.

### Time for Geography

An educational video on tsunamis made by Time for Geography in collaboration with the School of Natural Sciences received the 2020 Silver Publishers' Award by the Geographical Association. The Silver Award is the highest accolade given annually for materials associated with geography in schools and colleges that make a significant contribution to geographical education and professional development.

### BAME experiences in schools' curriculum

Charlotte Williams OBE, Honorary Professor at the School of History, Philosophy and Social Sciences, was appointed by the Welsh Government to lead a new working group to advise on and improve the teaching of themes relating to Black, Asian and minority ethnic communities and experiences across all parts of the school curriculum.

### Pioneering online programme developed for school pupils

A pioneering online learning programme, created by academics as part of research into the impact of Covid-19 on schooling, has provided an educational lifeline for a family of keyworkers. Dr Manon Jones in the School of Psychology led a team to design an eight-week online course for Key Stage 2 pupils delivered by qualified teachers to measure the success of different interactive teaching techniques on children's reading and writing skills.



# RESEARCH AND FUNDING AWARDS

## EU funding for renewable energy

The development of marine renewable energy sector in Wales was awarded an additional £1.5m of EU funding from the Welsh Government. The extension to the SEACAMS2 partnership between Bangor University and Swansea University will enable research to continue until 2022. The work will contribute to the low carbon, energy and environment sector.

## European scheme to save food waste being dumped

Scientists from Bangor University are working on a three-year £3million European scheme to save millions of tons of waste from food production being dumped in landfill or in the fields, part of the Horizon 2020 research and innovation programme. They aim to turn the unused leftovers from fruit, vegetable and grain crops from agriculture into products ranging from chemicals for the food industry, building materials and beauty products.

## Antibiotic research in Wales

Dr Emily Holmes, Senior Research Fellow at the School of Health Sciences has been awarded a £355k Health Research Fellowship to conduct Antibiotic Research in Wales. This Fellowship, funded by Welsh Government though Health and Care Research Wales, aims to build capacity in health research by supporting individuals to become independent researchers and to undertake high-quality research projects.

## Welsh Government invests in Bangor's leading Nuclear Futures Institute

Bangor University is to become a world-leading nuclear research site after a £3 million Welsh Government investment in 15 new science posts. The highly qualified jobs will be at the university's Nuclear Futures Institute and have recharged the region's nuclear ambitions after the disappointment of Hitachi's pull-out from the Wylfa Two project.

## New hub for green energy

A new data science hub for green energy is to be created at Bangor University, backed by £4.6m EU funds. The new Smart Efficient Energy Centre will develop joint research between Welsh and international organisations and businesses. It will investigate the options for using big data science to improve the efficiency of low carbon energy systems including nuclear, marine and offshore wind energy.

## Trio to research diverse ecosystems

Three Leverhulme Research Grants awarded to scientists at Bangor University will enable them to solve some of the unanswered mysteries of science and record one of the earth's most diverse ecosystems. Dr Olga Golyshina in the School of Natural Sciences is to investigate little understood organisms which can be found thriving under extremely acidic conditions in the drainage waters of the old copper mine at Parys Mountain in Anglesey. Dr Richard Holland, also of the School of Natural Sciences, is to lead a three-year project to further his work on how bats navigate during their migration and Professor Roger Thorpe has received an Emeritus Fellowship for two years to create a new field guide and book on the unique ecosystem found on a series of Caribbean Islands of the Lesser Antilles. Leverhulme Research Grants are available to undertake innovative and original research projects.

## Funding secured to examine emotional AI

Andrew McStay and Vian Bakir in the School of Languages, Literatures, Linguistics and Media received a multi-institutional grant from UK Research and Innovation and Japan Science and Technology on Emotional AI in Cities: Cross Cultural Lessons from UK and Japan on Designing for An Ethical Life. Emotional AI comprises artificial intelligence technologies that read people's emotions. The project examines how we can have more of the benefits from such technologies while avoiding the harms.







## COMMUNITY

### Recognising the challenge for student carers

Bangor University chose national Carer's Rights Day to launch the only Student Carer Policy at any Welsh University and highlight their support for students who are also carers. The policy was developed by the University in partnership with Action for Children, the Carers' Outreach Service, and Gwynedd County Council. Recognising the challenges for young carers, the majority of whom are not in full time education or employment, the University has several strategies in place to support and raise aspirations of this group. The University offers £1,000 bursaries to students who also have a caring role beyond that of bringing up any children, recognising that they may have extra expenses. It is also the only institution hosting an annual residential course for carers aged between 16-25 with the aim of raising aspirations and providing a taste of University life.

### First cohort qualify as Adult nurses

The first cohort of Postgraduate pre-registration nursing students from the School of Health Sciences graduated and registered with the Nursing and Midwifery Council as adult nurses. These students started the two-year Postgraduate Diploma in Adult Nursing after completing their first degree in a health or related subject and passing a value-based interview to demonstrate their care experience and qualities for a career in nursing. We're proud that they are now all either employed in adult nursing specialties in Wales with or continuing studies to qualify and register with the NMC as a health visitor.

### Nurturing future entrepreneurs

More Bangor University students have begun their own businesses than at any other university in Wales according to a new survey. The study of 404,182 students at eight Welsh universities analysed the number of graduates who started their own business, moved into senior positions to run established businesses, or became freelancers. It

also placed Bangor University second highest in Wales for all these categories, with just under one in 10 (9.13%) graduates choosing to put their entrepreneurial skills to the test.

### Student leadership conference

We hosted our Student Leadership Conference in September 2019 with the aim of providing a day's training to our student leaders around all things leadership and supporting students. 550 students attended, and colleagues from across the University helped develop and deliver the sessions on topics such as leadership, sustainability, health and safety, mental health, and bilingualism. This conference gave our student leaders the tools to safely and confidently undertake all of the wonderful things that they do for their members and within the community.

### Public lectures attract diverse audiences

The University's 2019/20 public lectures have covered a wide variety of subjects and drawn speakers of international renown to Bangor. In 2019, the first Four Nations History Festival was held at Pontio, led by the University's School of History, Philosophy and Social Sciences, and sponsored by the Tom and Raj Parry Jones Endowment. The two-day event featured renowned historians David Starkey CBE, Lucy Worsley OBE and David Olusoga OBE, as well as Bangor academics (including Dr Mark Hagger, Professor Nathan Abrams, Professor Jerry Hunter and Professor Huw Pryce) and other historians of note. The programme featured talks and exhibits exploring the individual and connected histories of Wales, Ireland, Scotland and England. It was a community event encompassing Bangor's Storiell museum, Bangor Cathedral and diverse heritage and tourism organisations.

### Bangor Music Festival

In spring 2020, the Bangor Music Festival celebrated its 20th anniversary with a series of events woven around the theme of health and wellbeing,

underlining the positive power of music. The festival is dedicated to presenting contemporary music performed by artists of the highest calibre and has a strong commitment to enrich and educate the North Wales community through workshops and concerts. The programme featured 18 world premieres and pieces by established and emerging composers, including a number by composition students at the School of Music and Media. Workshops were run for young children and yoga sessions for all ages. In January and February, musicians worked with local schools in an innovative outreach programme in order to create new compositions, which were then performed during the festival.

### Pontio showcase the best of Wales and welcome international acts

2019 saw Pontio Arts host a Circus Festival welcoming world-touring company from Ethiopia, Circus Abyssinia. The centre has presented a whole host of new work in the Welsh language over the last year, including Tylwyth, which was performed at the National Eisteddod, Llyfr Glas Nebo by Frân Wen performed to sell-out crowds and some of the centre's musical highlights included performances by The Villagers, Gruff Rhys, Trials of Cato, 9Bach, and the BBC National Orchestra of Wales. The very first Gwyl Neithiwr celebrated some of the most exciting new music in Wales, and comedians such as James Acaster brought a smile to the faces of students and local community at Theatr Bryn Terfel.



# COVID-19 FRONTLINE HELP



## Nursing staff step up during pandemic

A 170-strong team of nursing staff were trained to work in critical care units across North Wales to save as many lives as possible during the Covid-19 pandemic. The reinforcements completed a fast-track course supported by the School of Health Sciences, more than doubling the numbers available to work in the region's intensive care units. The upskilled staff were able to play their part on the coronavirus frontline at Ysbyty Gwynedd in Bangor, Ysbyty Glan Clwyd in Bodelwyddan and the Maelor in Wrexham.

## Creating free PPE

Santander Universities supported Bangor University and the region to create free Personal Protective Equipment to help front line health workers during the pandemic. The support came in the form of a welcome £4,500 to help a community of local makers, businesses and individuals to design, 3D print, and assemble visor shields which were then distributed for free to medical staff and carers in North Wales.

Meanwhile, chemists from the University's BioComposites Centre worked with North Wales-based company Pennotec to develop a unique coating derived from waste crab-shells which has long-lasting virus-destroying properties. The material is being tested for use as a virucide for use on PPE and other medical devices.

## Rainbow transformation of University buildings

Our buildings were lit up in rainbow colours in April to coincide with the weekly 'Clap for Carers' event when the public showed their appreciation for the NHS and key workers by clapping and cheering from their homes.

It was also a way of marking the transformation of the sport and recreational facility Canolfan Brailsford into one of three Betsi Cadwaladr Ysbytai Enfys temporary 'rainbow' hospitals.

# FUTURE GROWTH



## Feasibility being examined for North Wales medical school

Health Minister, Vaughan Gething, setup a group to examine the feasibility of a North Wales Medical School. The Welsh Government is already providing £7m a year to fund undergraduate medical training in North Wales and is now looking to explore a proposal by Bangor University and Betsi Cadwaladr University Health Board for a new medical school.

## Partnership to enhance skills agenda in North east Wales

Bangor University and Coleg Cambria signed a Joint Statement of Intent which sets out aspirations to work together across the skills levels and to link the skills agenda in North east Wales to the excellent research and higher-level skills that the University delivers across North Wales. Whilst broad in its scope, the collaboration will be seeking to target those sectors most affected by the Covid-19 pandemic and the need to help the workforce re-skill and upskill in priority areas for North East Wales such as manufacturing, engineering, software engineering and support for the nuclear sector.







# AN EXTRAORDINARY YEAR

KEY FACTS 2019 - 20



## 11,000 STUDENTS

Bangor University has more than 11,000 students from over 120 different countries. This makes us a truly international university. 2,500 students from outside the UK studied at Bangor in 2019/20

## 5

## TOP 30

Bangor University is in the Top 30 in the UK for Student Satisfaction and has been for five years



## GOLD UNIVERSITY

Bangor is proud to be a TEF Gold university. Being awarded the gold standard in the UK Government's Teaching Excellence Framework means that our teaching is of the highest quality in the UK



## FOUR STARS

Bangor is the only university in Wales with a 4\* accommodation and Conference Centre linked with its Business School

## 77%

## RESEARCH EXCELLENCE

The most recent Research Excellence Framework ranked 77% of Bangor's research as either world-leading or internationally excellent



## 2ND PLACE

Bangor achieved second place in the UK for Societies and Sports at the WhatUni Student Choice Awards 2020



## SUPPORTING

Bangor University leads and manages SEACAMS2, a £17m project that supports the commercial application of research in marine energy, climate change resilience and sustainable use of marine resources in Wales

## QAA

## EXPERIENCE

The Quality Assurance Agency has praised the way in which bilingualism is embedded into all of the University's activities and has a positive influence on student experience



## £50m

## OUR ARTS AND INNOVATION CENTRE

Pontio, our £50m Arts and Innovation Centre, showcases the best of local and international culture in its performance spaces and cinema. It also houses Pontio Innovation and its dedicated maker spaces and FABLabs, giving the local population access to cutting-edge technology, expertise and specialist hardware.



## 'MOST WELSH'

We believe Bangor is 'the most Welsh university' and 'the most international in its outlook'



## BILINGUAL

Our Language Technologies Unit's bilingual dictionary app, 'Ap Geiriaduron', has had 240,000+ downloads

## 47%

## WELSH MEDIUM

47% of all the students in Wales studying at least 80 credits of their course through the medium of Welsh do so at Bangor





## AMBITIOUS PLANS FOR GROWTH

Our three-year-old Science Park on Anglesey, MSParc, is thriving and has ambitious plans to grow further. With 200 people working in the building and 50 new careers created, the average earnings for those working for a company at MSParc is higher than the averages for Anglesey, Gwynedd and Conwy in Wales



## POSTGRADUATE

3,800 students make up our postgraduate community



## RANKED 10TH

Bangor University is ranked 10th in the world for its commitment to sustainability according to the international league table of environmentally friendly institutions, the UI GreenMetric World University Ranking



## TOP DOWNLOADS

The Cysgliad software package was made available free of charge - with Welsh Government support - at the beginning of the coronavirus pandemic to aid remote working and study. It has been downloaded almost 5,000 times



## INTERNATIONAL EXPERIENCE

Our International Experience Programme gives students up to a year abroad on top of their degree, exposing them to different cultures and languages and giving them further opportunities to develop new skills and broaden their horizons – all of which add to their employability as Bangor graduates



## PATHWAY PROGRAMMES

We have an embedded college on campus offering degree pathway programmes for international students, a joint campus in China and major partnership projects in Bahrain, Singapore, Malaysia and Uzbekistan, as well as a network of international students studying through blended and distance learning programmes



## PRINCE MADOG

The state-of-the-art RV Prince Madog is used to train the next generation of marine scientists. School of Ocean Sciences and Natural Sciences researchers and students use it as a platform to study the biology, chemistry, geology and physics of our seas



## WELSH IN THE WORKPLACE

45% of our staff are fluent Welsh speakers, with another 27% possessing some Welsh-language ability. We regularly deliver 'Welsh in the Workplace' courses to around 120 staff members every year, delivered by a dedicated team of full-time tutors





# RESILIENCE

## AMONG OUR INSPIRING STUDENT COMMUNITY HENRY WILLIAMS AND IWAN EVANS

Undeb Bangor, our Student Union, has had busy but challenging year with a huge amount of activity and work delivered by our students. The pandemic caused major disruption to our activities and to the student experience as everyone adjusted to working from home and adapting the ways in which we offer our services to students.

We have worked closely with the University to ensure that the interests of our students have been effectively represented during the pandemic, both in terms of their academic experience and in key areas such as wellbeing and housing. The partnership work that we have seen during this challenging period demonstrates the benefit of a strong and independent Student Union working collaboratively with the University to represent the interests of all students.

In 2019-20 the Union's objectives have been to advance the education of students at Bangor for the public benefit by promoting the interests and welfare of students during their course of study and representing, supporting and advising students; being the recognised representative channel between students and Bangor University and other external bodies; and providing social, cultural, sporting and recreational activities and forums for discussions and debates for the personal development of its students.

As presidents of the Students' Union and the UMCB (Welsh Students' Union) we are members of the University Council and sabbatical officers are represented on all University strategy groups. We have been proud to make contributions to many initiatives including working to review the University procedures and regulations and focusing on the students' complaints procedures.

During the pandemic, Student Volunteering Bangor has had a hugely positive impact upon Bangor students as well as the local community. For the first time in 2019 we compiled a Volunteering Social Impact Report, which highlighted the scope of volunteering opportunities available at Bangor, and their positive impact, such as boosting employability. The report highlights the amazing work carried out by our student volunteers, and how they have a genuine positive effect upon local people.

During 2019-20 we organised 55 volunteering projects attracting more than 650 students. A record £40,000 was raised for local and national charities. Our Student Volunteering Week ran in tandem with the University's Employability Week with the aim of offering students employability-related skills and experiences.

Due to Covid-19 we established alternative online projects, including

an online buddy scheme that was set up for volunteers to help support International students through the English Language Centre for Overseas Students programme. The volunteers regularly meet online to have informal chats to help boost their confidence and communication skills. In addition, the Ffrind Cymraeg project paired fluent Welsh Speakers to help develop learners' conversational skills in the Welsh language. Our volunteering project Connect@Bangor continued to work in partnership with the University's mental health advisors to offer online support drop-ins for students.

As our usual projects supporting the elderly community were unable to go ahead and so we sent letters among the local community in Gwynedd while our Big Give volunteers encouraged students to donate to the Cathedral foodbank which provides emergency food packages for local people. Students have taken part in many different activities including running, baking and singing, to name just a few. In addition, volunteers have also organised litter picks to keep Bangor tidy, as well as volunteering at Treborth and the Healing Gardens. The Healing Garden works in partnership with Headway Gwynedd & Mon and promotes relaxation and mindfulness, whilst volunteers also develop their gardening skills.

## Support

Hundreds of Bangor students supported volunteering projects during the Covid-19 pandemic.







Student volunteers have collected shopping for people who have been self-isolating. We provided wellbeing support packages to more than 220 students who stayed in Bangor during the holidays and emotional resilience training to 400 students for those who needed extra support.

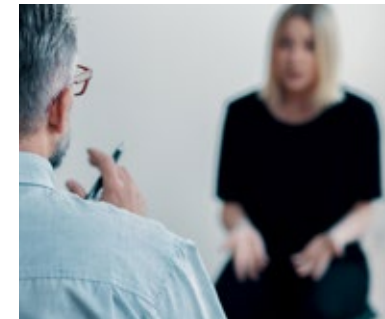
Our 'Wellbeing Wednesday' tips have formed part of a yearlong campaign to remind everyone that our mental health should be a priority all year while promoting our mental health projects and the University's services, including mindfulness courses. Every week the Connect@Bangor volunteers organise online group discussions to talk about all aspects of wellbeing with the University's Mental Health Advisors. These are followed by Mental Health Advisors Drop-in Sessions which gives students the opportunity to speak privately with an adviser. Furthermore, our Walk and Talk volunteers organised weekly walks around Bangor where students can meet likeminded people, explore Bangor and chat about how they're feeling. The volunteers also arrange online 'Tea and Talk' sessions when people are not able to meet in person. Our Wellbeing Buddy Scheme connects students, with a carefully selected volunteer to be their wellbeing buddy. The buddies support the students as a friend and support with the social aspects of university life. These projects have all been beneficial to so many students, who have felt isolated and lonely during the pandemic.

Undeb Bangor's work and achievements on sustainability have had an impact across the whole institution. Our campaign to have more water

fountains across campus has been successful and we lobbied the University to sign the People & Planet Fossil Fuel Declaration and for the University to be 100% renewable for their energy which was achieved this year. Furthermore, our support for campaigns such as Waste Awareness Week, Think Before You Drink, the Climate Strikes, and the Sustainability Carnifal, as well as all the societies and volunteering projects we have in place, contribute to Bangor University being seen as a University that genuinely cares about sustainability issues.

Undeb Bangor has prioritised work around student health, mental health and well-being, developing bespoke student led initiatives, information and guidance campaigns at key times of the year focused on delivering positive mental and physical health for all Bangor University students. Some of these campaigns include Healthy Living Week, De-Stressival, Meet and Mingle, No Grey Area and Study Aid. We have been collaborating with the University to develop a Student Mental Health and Well-Being Strategy which was launched in January 2020.

This is a further example of our commitment to the ethos of partnership working with students. The process of developing this strategy was completely student-led, we made sure students had the opportunity to contribute to the work of developing the strategy, and that their priorities were included, such as encouraging well-being and healthy living, developing a sense of community, and recognising the different needs of our diverse student body.





# PEOPLE AND CULTURE

## Staff survey

A staff survey took place in early 2020 to give colleagues the opportunity to share their views about their working experience as part of the University's commitment to enhancing the quality of the working life of its staff.

We committed to use the feedback as the basis for the development of a people strategy and action plan that will prioritise key areas that need to be addressed to provide a dynamic and supportive working environment.

With a 62% response rate, 87% of respondents agreed that the University is a good place to work; 80% of respondents agreed the University is committed to equality of opportunity for all and that the University respects people regardless of their protected characteristic / nationality and linguistic background; 60% of respondents believe that they are valued by the University; and 84% of respondents feel proud to work for the University.

Areas for improvement were identified as workload, communications, leadership, managing change and performance development review. The University will develop its people strategy in 2021 as part of the University's new strategic plan. In the meantime, our Human Resources team has developed an action plan based on the themes from the Staff Survey. The actions are reflective of what can be achieved in the pandemic environment where staff

are mainly working from home. It will overlap with other strategies that have a direct impact on people and culture in the University, such as our Equality, Athena SWAN, Research Concordat and Health and Wellbeing plans.

## The Strategic Equality Plan 2020 – 2024

Bangor University has continued to support and promote equality, diversity and inclusion since the last Strategic Equality Plan. To do this we have worked closely with staff and students to support our diverse community to deliver an outstanding student experience and excellent teaching and research.

The Strategic Equality Plan 2020 – 2024 was published in March 2020 in line with the requirements of the Equality Act 2010 Public Sector Equality Duty. To develop this plan, we consulted with staff and students about their views regarding equality in the University and what actions they wish to see implemented. The Plan is set out under four themes: The Whole University, Student-focused, Staff focused; and Community and Civic.

Our high-level aims and objectives, underpinned by an action plan, will enable us to deliver our current objectives and respond to emerging priorities. Our focus includes the identification of opportunities and barriers to recruitment, progression and management of a diverse staff body.





### Athena SWAN

We are focused on achieving real cultural change within the University and our individual Schools and Departments. Our Athena Swan awards demonstrate an ongoing commitment to the advancement of gender equality and diversity: representation, progression and success for all.

In recognition of this, we hold a Bronze institutional award and four Schools currently hold departmental-level Bronze awards (School of Psychology, School of Ocean Sciences, Bangor Business School and the School of Computer Science and Electronic Engineering).

The Athena Swan charter was established by the Equality Challenge Unit in 2005 to encourage and recognise commitment to advancing the careers of women in STEMM employment in higher education and research. In 2015 the charter was expanded to recognise work undertaken in arts, humanities, social sciences, business and law (AHSSBL), and in professional and support roles, and for trans staff and students. Following an independent review in 2020, the Charter now recognises work undertaken to address gender equality more broadly and not just barriers to progression that affect women. Bangor remains fully committed to the charter and its principles.

# EQUALITY. DIVERSITY.



Widening Access Centre, he is leading a project that inspires children aged nine-thirteen to design their own musical instruments by implementing coding skills and utilising Photonics in order to create a music score that would be performed at Pontio, the University's arts and innovation centre. The project involves more than 100 pupils from local schools and consists of sessions delivered by Engineers recruited as part of the project. A key aim (and success) of the project is that 50% of the Engineers as well as approximately 50% of the participating pupils are female.

### Case Study

**The University celebrates individuals who are having a significant impact on our progress towards gender equality.**

Dr Daniel Roberts is Director of Equality and Diversity in the School of Computer Science and Electronic Engineering. He is a Coleg Cymraeg Cenedlaethol lecturer in Electronic Engineering in the School of Computer Science and Electronic Engineering (SoCSEE). He graduated with a first-class MEng degree in 2012 and completed a PhD in Electronic Engineering in 2016, the first in the School to be sponsored by the Coleg Cymraeg Cenedlaethol.

During his Undergraduate and Postgraduate studies, Daniel became very aware of the under-representation of women in the School and of the stereotypically male image of Electronic Engineering. He was motivated to help change this to ensure the next generation of engineers is more diverse and the field benefits from the talents of all groups of society.

He has been actively engaged in the School's outreach programme designed to encourage schoolchildren into Computer Science and Electronic Engineering throughout his time in the School and is now leading on this work in his role as School Liaison Officer.

In 2019, Daniel was successful in a grant application to the Royal Academy of Engineering Ingenious scheme for projects that engage the public with Engineers and Engineering. In partnership with the University's

In terms of addressing the lack of diversity and gender equality issues at Bangor University, Daniel feels it is key that he and his male colleagues engage in the E&D agenda and act as male champions for change. Particularly in Schools such as Computer Science and Electronic Engineering that have very few female staff and students, it is important to recognise that positive changes will benefit all and that we therefore share the responsibility to address these issues. Daniel was appointed the School's Director of Equality and Diversity in 2018 and led on the School's successful Athena SWAN Bronze Award application in April 2020. Daniel was encouraged by how engaged his male colleagues, supported by a male Head of School, were in working on the Athena SWAN application. The detailed Action plan that has been put together demonstrates the Schools commitment to E&D issues and embedding E&D into the everyday operation of the School.

CSEE's E&D work is part of a sector wide commitment to addressing issues around lack of diversity in Engineering. As an avid Formula 1 fan, Daniel is particularly keen to support initiatives such as those led by Sir Lewis Hamilton that aim to diversify the sport and associated industries, including setting up the Hamilton Commission in partnership with the Royal Academy of Engineering.







# GOVERNANCE

AN EXTRAORDINARY YEAR



# GOVERNANCE



## MARIAN WYN JONES, CHAIR, BANGOR UNIVERSITY COUNCIL

It's been an extraordinary year. The Covid pandemic has caused major change and disruption to all our lives in ways we could never have imagined when I wrote to you this time last year. The impact on higher education here at Bangor, as elsewhere across the World, has been profound.

Professor Iwan Davies joined us in Autumn 2019 from Swansea, as our eighth Vice-Chancellor. I am immensely proud of how the University's staff and students have risen to the challenges of these unprecedented times. They have worked tirelessly with energy and commitment, doing new things and working in different ways at a testing time for the institution. It has been inspiring to see our students achieving such excellent outcomes that we can be rightly proud of.

The past 12 months have been particularly challenging in this increasingly competitive and unpredictable landscape. The Vice-Chancellor and his executive team are responding to a range of challenges; the impact of Covid on international student recruitment, not to mention funding uncertainties arising from

Brexit and Augur, and lastly, the pension crisis across the sector, regrettably leading to industrial action earlier this year.

Despite these challenges, it's been pleasing to see the University move up eight places for Student Satisfaction in the Sunday Times' WhatUni Guide. I am delighted that Bangor has retained its top 10 world ranking for its commitment to sustainability. The groundbreaking research into the presence of Covid in wastewater is a timely example of our impactful, leading-edge research activity. As we prepare to refresh our strategic plan for the next five years, we are moving into a new phase in Bangor's history, building upon the values which have evolved over the past 136 years. The founding principles of applying our teaching and research for the public good, of taking pride in our bilingual heritage, of widening access and of tackling inequality are precisely the principles which inspired me to take up the chair of Council. And they are equally relevant today. Our Vice-Chancellor has already started to work with Council to develop a new vision and strategy, which will include

ambitious proposals for a new Medical and Health Sciences School. This will involve extensive consultation with stakeholders both inside and outside the institution, across the region.

We will build on our core strengths of teaching excellence and world class research by reflecting on our values and redefining what it means to be Bangor, the University of North Wales in the 21st Century, arguably the most Welsh in language and attitude and the most international in outlook of all the Universities of Wales. We are raising aspirations, changing lives and enhancing the social, cultural and economic well-being of our communities, locally, regionally and internationally.

It is a real privilege to serve as chair of Council in the city where I have spent much of my working life. I hope that our Annual Review will provide you with greater insight and clarity on our activities, enriching people and place, and changing lives for the better.







GOVERNANCE - CONTINUED:

The University Council

The Council is the governing body of the University and is responsible for the finance, estates, investments and general business of the University, and for setting the general strategic direction of the institution. The Council endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).

The Council has taken note of the Code of Practice on governance as set out in the Committee of University Chairs (CUC) Higher Education Code of Governance (September 2020) and the requirements of the Camm Review of Governance of the Universities in Wales (December 2019).

The University has incorporated a number of the Camm Review Report’s

recommendations (where the University was not already aligned) and will continue to consider further adoptions during 2020/21.

The Council applies an approach of continuous improvements to governance and regularly reviews its effectiveness. A formal governance effectiveness review was completed in 2018/19 and an action plan was implemented.

The matters specifically reserved to the Council for decision are set out in the Charter and Statutes of the University, by custom and under the Financial Management Code with the Higher Education Funding Council for Wales. The roles of Chancellor, Chair of Council and Pro-Chancellor are separated from the role of the University’s Chief Executive, who is the Vice-Chancellor. The Council has a majority of members from outside the University (described as independent

members), from whom its Chair must be drawn. Also included in its members are representatives of the staff of the University and the student body. The Council met on five occasions during 2019-20 but much of its detailed work is handled initially by standing committees of the Council. All Committees are formally constituted with terms of reference and membership which includes independent members of Council.

Biographies and committee membership can be found on the University website at: <https://www.bangor.ac.uk/about/management-and-governance>

Independent Members of Council / Governing Body Diversity and Inclusivity

The Council is committed to promoting equality and diversity and all vacancies for independent members are advertised externally with applications particularly welcome from under-represented groups.

Applications are considered by the Nominations and Governance Committee and matched against the current skills matrix. None of the independent members receive any payment, apart from the reimbursement of expenses, for the work which they do for the University. All appointed members of the Council serve for a period of four years but may be reappointed for a maximum period of eight years.

Council Sub-Committees

Nominations and Governance Committee  
Chair: Marian Wyn Jones

The Nominations and Governance Committee is Chaired by the Chair of Council and includes three

independent members of Council, along with the longest serving Senate member on Council and the academic staff member on Council. The President of the Students’ Union as well as senior University officers are also members.

The Committee, on behalf of the Council oversees four key areas: University Governance, Council Committees and their membership, Honorary Fellowships and Degrees and Effectiveness Review.

Audit and Risk Committee  
Chair: Dr Griff Jones

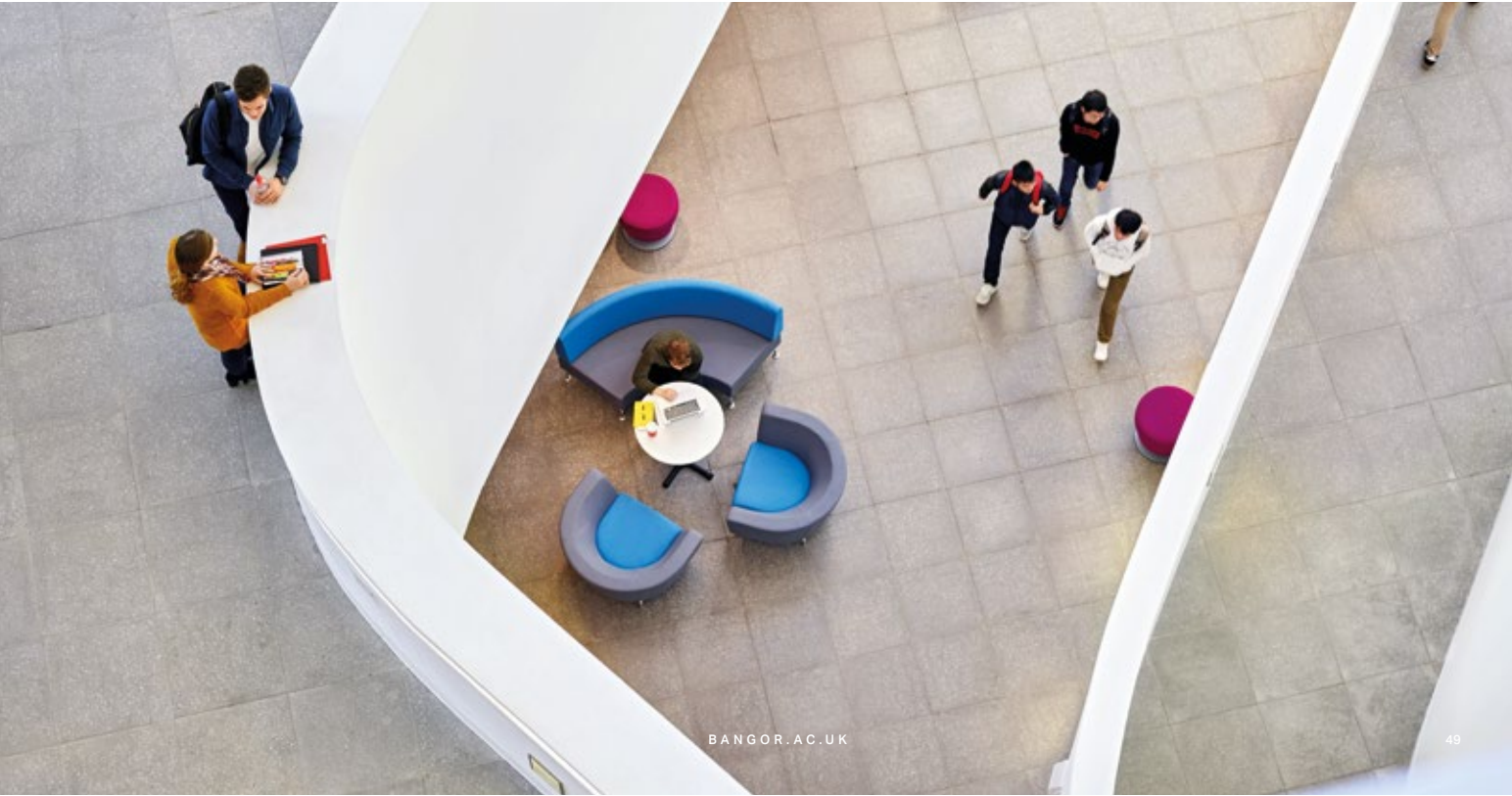
The Audit and Risk Committee is chaired by an independent member of Council and meets quarterly. The Committee considers reports and recommendations for the improvement of the University’s systems of internal control, together with management responses and implementation plans. Executive team members and other senior staff attend the Audit and Risk Committee, as necessary.

The Committee advises the University Council on risk management and the appointment and remuneration of

the internal and external auditors. In accordance with the Risk Management Policy, the University has formal processes in place for evaluating and managing significant risks facing the institution. It receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms embedded within the University’s operational units and reinforced by risk awareness training. The emphasis is on obtaining an appropriate degree of assurance and not merely reporting by exception. The Committee considers documentation from the University’s risk management and internal audit processes and takes account of events since the prior year end.

Chair of Council Pro-Chancellor <i>Ex officio</i> Vice-Chancellor Deputy Vice-Chancellor President, Students’ Union President, UMCB <i>Appointed</i> By the Senate	<b>Marian Wyn Jones</b> (until 8 February 2025) <b>Professor Gareth Roberts</b> (until 31 August 2022)
By the Academic Staff By the Support Staff	<b>Professor Iwan Davies</b> <b>Professor Oliver Turnbull</b> <b>Henry Williams</b> (until 30 June 2021) <b>Iwan Evans</b> (until 30 June 2021)  <b>Dr Llion Jones</b> (until 31 August 2023) <b>Dr Lynne Williams</b> (until 12 October 2024) <b>Dr Myfanwy Davies</b> (until 30 September 2023) <b>Tudur Williams</b> (until 31 July 2022)

*Independent Members*  
**Julie Perkins** (until 31 October 2024)  
**Dr. Karen Jones** (until 31 October 2021)  
**Dr. Griff Jones** (until 31 March 2022)  
**Alison Lea-Wilson** (until 31 July 2023)  
**Dr. Ian Rees** (until 31 July 2023)  
**Sir Paul Lambert** (until 31 August 2024)  
**Marc P. Jones** (until 31 August 2024)  
**Eric Hepburn** (until 31 October 2024)  
**Atul Devani** (until 31 October 2024)  
**Kailesh Karavadra** (until 31 October 2024)  
Secretary to the Council: **Gwenan Hine**





## GOVERNANCE - CONTINUED:

### Risk and Internal Control

The University Council is responsible for the system of internal controls that support achievement of the University's aims and objectives, whilst safeguarding public and other funds.

The systems of internal control are designed to manage, rather than eliminate, significant risks which threaten the University's business objectives; it can therefore only provide reasonable, but not absolute, assurance against material misstatement or loss.

The Council receives an annual report of the work undertaken by the internal auditor from the Audit and Risk Committee, which provides an assurance on the effectiveness of the University's system of internal control, risk management and governance processes.

For the year ended 31 July 2020 the report expresses a satisfactory opinion that the University has an adequate and effective framework for risk management, governance, internal control and economy, efficiency and effectiveness, subject to identifying further enhancements to ensure that it remains adequate and effective. The Council is satisfied that this has been in place for the year ended 31 July 2020 and up to the date of approval of the Annual Report, in accordance with HEFCW guidance, and that it is regularly reviewed by the Audit and Risk Committee on behalf of the Council. No significant control weaknesses were identified in the period.

The Council is satisfied that the University has adequate and effective processes in place in relation to risk management; control and governance; economy, efficiency and effectiveness; and the management and quality assurance of data submitted to statutory bodies – bearing in mind that any system of internal control can provide only reasonable and not absolute assurance against misstatement or loss.

The key elements of the University's system of internal financial control, which is designed to discharge the

responsibilities set out above, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure and capital budgets
- regular reviews of academic performance and quarterly reviews of financial results involving variance reporting and updates of forecast outturns
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Council
- comprehensive financial regulations, detailing financial controls and procedures, approved by the Audit and Risk Committee and the Finance and Strategy Committee
- a professional outsourced internal audit function whose annual programme is approved by the Audit and Risk Committee.

### Remuneration Committee Chair – Professor Gareth Roberts

The Remuneration Committee is chaired by the University's Pro-Chancellor and its membership consists of the Chair of Council, the President of the Students' Union, the Chair of the Finance and Strategy Committee, an academic staff representative and three independent members of Council. Its Terms of Reference are set in line with the Council of University Chairs (CUC) Code. The Committee determines and reviews the remuneration of the Vice-Chancellor, members of the Executive and staff in receipt of salaries of £100,000 and above, determines the strategy for severance payments to senior staff of the University and considers reports on equal pay and gender pay within the University.

### Finance and Strategy Committee Chair – Sir Paul Lambert

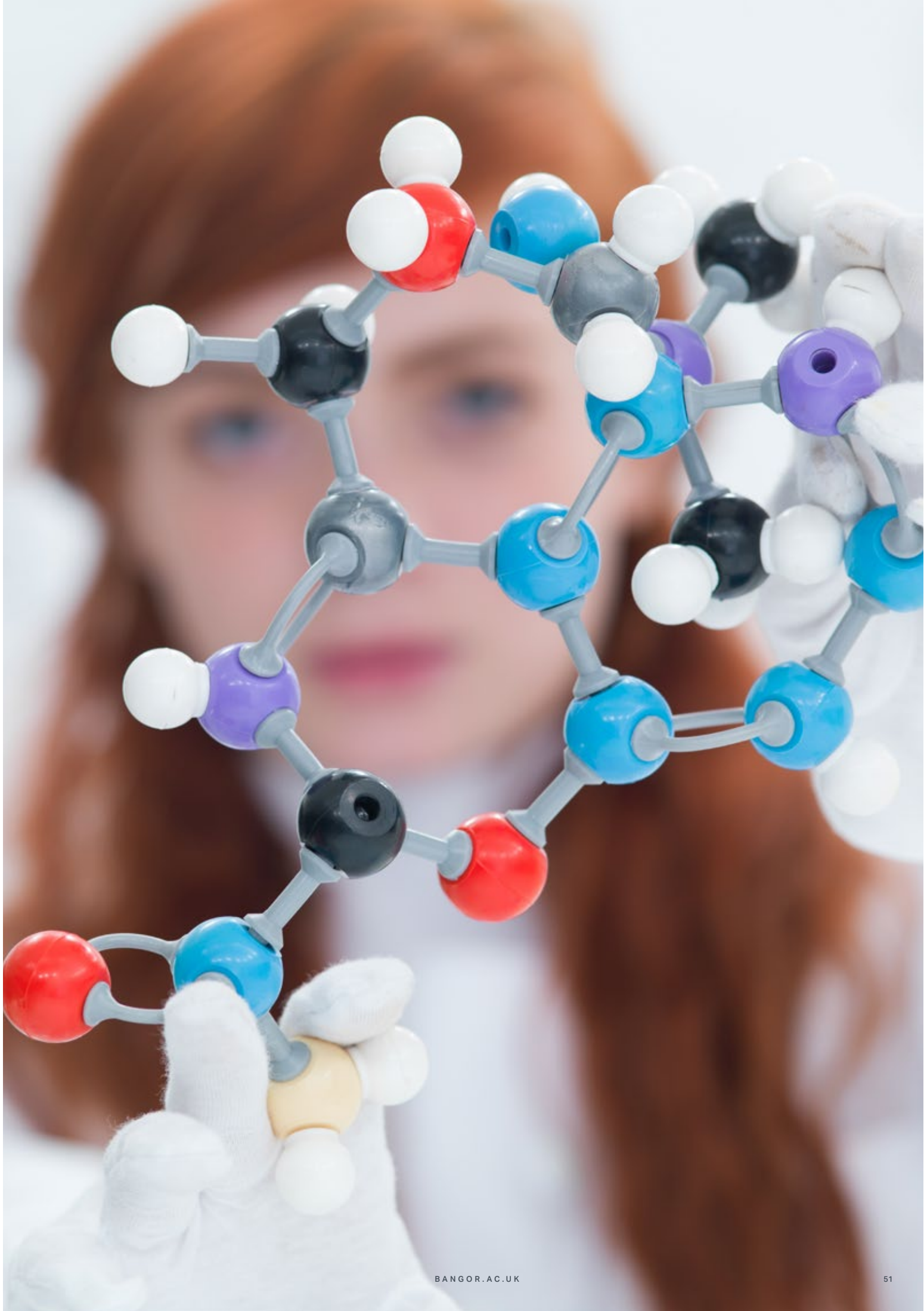
The Finance and Strategy Committee meets at least four times a year and is responsible for monitoring the work of managing all aspects of the physical and financial resources of the University. The Committee is chaired by an independent member of Council, and also includes the Chair of Council, the Vice-Chancellor, a Pro Vice-Chancellor, President of the Student's Union, a staff member on the Council and three additional independent members of Council.

### Health and Safety Committee Chair – Professor Gareth Roberts

The Health and Safety Committee is responsible for fulfilling the legal obligations of the University in relation to matters of health and safety, for ensuring that reasonable steps are taken to promote the health and safety of staff, students, authorised visitors and members of the public lawfully entering the University. It also advises the University on questions of health and safety policy, oversees the implementation of the approved University Health and Safety Policy and recommends to the Council any amendments required. The Committee is chaired by the Pro-Chancellor, and also includes a staff member on the Council, the President of the Students' Union, the Vice-Chancellor and Deputy Vice-Chancellor as well as a number of senior executives and health and safety representatives from Colleges and Professional Services.

### Welsh Language Affairs Committee Chair – Professor Gareth Roberts

The Welsh Language Affairs Committee is responsible for promoting bilingualism, on behalf of the Council, within the University, and also in relation to any of the University's objectives. It also ensures compliance with the Welsh language legislative framework and the University's Language Policy. The Committee reports to the Council and prepares an Annual Report to the Council.







## GOVERNANCE - CONTINUED:

The Committee is chaired by the Pro-Chancellor, and also includes the Vice-Chancellor, a Pro-Vice-Chancellor, the President of UMCB, a staff member on the Council as well as other relevant senior officers from the University.

### **Redundancy Committee** Chair – Dr Ian Rees

The Redundancy Committee deals with issues relating to redundancy and fixed-term contracts. The Committee is chaired by an independent member of Council, and also includes two further independent members of Council and two academic staff nominated by Senate.

The role of the Committee itself is currently a matter of consultation between the University and its trade unions in relation to the changes to the Charter and subsequent removal of Statutes. A number of Ordinances, including a Fixed term contract policy and a Management of Change Policy are currently being negotiated on with the trade unions which may negate the requirement for this Committee.

### **The Senate**

The Senate is the academic authority of the University and draws its membership entirely from the academic staff and the students of the institution. The Senate normally meets four times a year. The Senate's membership is set out in Ordinance 12 and is chaired by the Vice-Chancellor. Membership also includes the Deputy Vice-Chancellor, Pro Vice-Chancellors, Deans, all Heads of Schools, all Heads of Interdisciplinary institutes, one further representative of each academic School, five student representatives appointed by the Students' Union, up to five co-opted members and up to 10 independent academic members.

The following Sub-Committees report to the Senate: The Senate Appeals Panel, Examinations Boards, the Prizes and Awards Committee, the Regulations and Special Cases Committee, the Research Governance and Ethics Committee, the Nominations Committee and the Board of Discipline.

### **The Court**

The Court is a large, mainly formal body which is somewhat similar to a stakeholder meeting. It offers a means whereby the wider interests served by the University can be associated with the institution and provides a public forum where members of Court can raise any matters about the University. The Court meets once a year to receive the Annual Report and Accounts of the University. A majority of the members of the Court are drawn from outside the University, representing the North Wales community and other designated bodies with an interest in the work of the University, but the membership also includes representatives of the staff of the University (both academic and professional services) and the student body.

### **The Executive Team**

The Executive team is the University's senior management group and is responsible for the overall management and administration of the University. The Executive team is chaired by the Vice-Chancellor and also includes the Deputy Vice-Chancellor, the Pro-Vice-Chancellors, the Chief Operating Officer, the interim Director of Finance, the Director of Human Resources and the Chief Marketing Officer/Vice-President International.





GOVERNANCE - CONTINUED:

Independent members of Council

Marian Wyn Jones – Chair of Council

Marian Wyn Jones is an award-winning journalist and documentary filmmaker who had an extensive career at the BBC before developing a career as a non-executive director at the highest level of public life, including the Snowdonia National Park Authority, Betsi Cadwaladr University Health Board and the Arts Council of Wales, where she is Vice-Chair. She has also served on the governing bodies of several other charities and education establishments. She has previously served as a member of the Council, and as a result has a deep understanding of the University and the challenges facing the higher education sector.

A fluent Welsh speaker, Marian was raised in mid Wales and educated at Aberystwyth and London. She has lived in North Wales for over 30 years. Her interests include music and theatre, and she enjoys walking the Welsh countryside as well supporting the Wales football team.

Marian is a member of the following committees: Nominations and Governance Committee (Chair); Remuneration Committee; Finance and Strategy Committee

Professor Gareth Ffowc Roberts:

Pro-Chancellor and Deputy Chair of Council

Gareth Roberts was Principal of Coleg Normal Bangor (1994–96), thereafter Pro Vice-Chancellor of Bangor University (1996–2005) where he was Professor of Education (2000–2005) and is now an Emeritus Professor at the University.

He has specialised in mathematics education with a particular emphasis on bilingual education. He worked as Mathematics Adviser to Gwynedd County Council before being appointed to Coleg Normal Bangor. He has contributed extensively to the popularisation of mathematics, in

articles and books and in the media. In 2010 he was awarded the Science and Technology Medal by the National Eisteddfod for his contributions to mathematics. At the Eisteddfod in Wrexham in 2011, he was accepted as a member of the Assembly of Bards. In 2016 he was elected Fellow of the Learned Society of Wales (FLSW). He is currently editor of ‘Scientists of Wales’, published by the University of Wales Press, a series that celebrates the role of science and technology in Welsh history.

Gareth is a member of the following committees: Health and Safety Committee (Chair); Pwyllgor Strategol y Gymraeg (Joint Chair); Audit and Risk Committee

Atul Devani

Atul Devani has held a number of senior positions in software technology companies operating in various sectors including finance, mobile, telecoms, food and drink, health and pharmaceuticals. He was founder and chief executive officer of AIM-listed United Clearing Plc, which was sold to BSG in 2006. Atul is currently CEO of a UK Healthcare provider and Chairman of a Venture Capital Trust at Maven Capital and an investor in a number of private companies. He is also a mentor of entrepreneurs at the Company of Information Technologists in the City of London. Atul has a first class honours degree in Electronic Engineering from Bangor University.

Atul is a member of the following committees: Audit and Risk committee.

Eric Hepburn CBE

Eric held the position of director of security for Parliament from 2016 - 2020, a role that covered the physical, operational and personnel security for both the House of Commons and House of Lords and was a management board member for both Houses. He is a non-Executive director on Parliament’s cyber security programme and senior responsible owner (SRO) for Parliament’s high-profile c£5bn restoration and renewal programme.

Previous roles have included: Director of security for the Foreign and Commonwealth Office (FCO) with responsibility for all aspects of physical, technical and personnel security for FCO’s 286 overseas posts as well as the UK; HM Consul General and Counsellor Corporate Services (FCO), 2015 – 2015, based in Washington DC; Chief Operating Officer (10 Downing Street), 2006 – 2012, which included the refurbishment of the building; Infrastructure Director (Cabinet Office), 2002 – 2006 covering estates, facilities management, IT and telecommunications, security; various IT and project management roles in the private sector. He is a high-risk gateway review team member with experience working with Home Office and Ministry of Justice.

A chartered management accountant and chartered banker, he holds an MBA with distinction from Henley management College and is a graduate of Oxford University/HM Treasury Infrastructure and Projects Authority’s Major Projects Leadership Academy.

Eric is a member of the following committees: Audit and Risk committee; Health and Safety committee; Remuneration committee. He is also the Prevent lead governor on the Council.

Dr Griff Jones

Griff Jones is a biochemist who, until his retirement, was a senior manager at the Peboc site of Eastman Chemicals in Llangefni. He was Chair of the governing body of Coleg Menai from 2009–2012 and is now Vice-Chair of Grwp Llandrillo-Menai.

Griff is a member of the following committees: Audit and Risk Committee (Chair).

Dr Karen Jones

Karen Jones is a former Marketing Director and Vice-President of BAE Systems, who trained as a microbiologist at University College Hospital, London. She has worked for British Aerospace, bioMerieux and Medeva plc. She has

experience of implementing educational, cultural and technological programmes in various parts of the world.

Marc Proudlove Jones

Marc Jones was raised on, and is now managing, the family farm at Mathrafal, Meifod, which hosted the National Eisteddfod in 2003 and 2015. He is a former investment banker with a 30-year career with JP Morgan and RBS. He has extensive international experience across Europe and the Far East, including nine years in Hong Kong. Marc is now focused on business development as a Non-Executive Director or Advisor.

Marc is a member of the following committees: Finance and Strategy Committee; Remuneration Committee.

Kailesh Karavadra

Kailesh Karavadra is the Strategic Growth Markets Leader for Ernst & Young, based in California, USA. Kailesh started his career in the UK as a Chartered Accountant nearly 30 years ago, before moving to Silicon Valley during the 1990s dot-com era. Born in Africa and forced to leave as a refugee, Kailesh traveled to India and then the UK, where he learned to speak English. His first job was delivering newspapers and having worked in a retail store and cleaning in the kitchen at a restaurant, he says he understands the value of hard work.

Kailesh is a proud Bangor University graduate, achieving a first-class honours degree in Electronic Engineering followed by an MEng Degree specializing in artificial intelligence. Kailesh is a Chartered Accountant in the UK and has completed Executive Business Learning Programs at Kellogg, Harvard, London Business School, Stanford, and Singularity University. While studying at Bangor, he received a flying scholarship with the Royal Air Force.

In 2017 Kailesh was awarded an Honorary Fellowship from Bangor University for his services to business and community, and he joined the Bangor University Alumni Board in 2019.

In his spare time, Kailesh enjoys riding motorcycles and coaching football for both men’s and women’s teams, has completed a triathlon, skydived, rappelled down buildings for charity, climbed Mount Kilimanjaro to raise money to build water wells in Africa, and keep girls in school and has taught football in Mumbai.

Kailesh’s favourite quote that he lives by is, “People don’t care what you know until they know you care”.

Kailesh is a member of the following committees: Finance and Strategy Committee.

Vice Admiral Sir Paul Lambert

Sir Paul Lambert has strategic, financial and leadership skills which have been gained in a series of high-profile roles and appointments in Whitehall and the Charitable Sector. He is currently Secretary General of St John International and was previously Deputy Chief Defence Staff (Capability), responsible for equipment and support budget of £14bn and providing independent advice to Ministers. He was Knighted in 2012 and is committed to lifelong learning. He has extensive international experience.

Paul is a member of the following committees: Finance and Strategy Committee (Chair); Remuneration Committee.

Alison Lea-Wilson MBE

Alison Lea-Wilson is founder of the Anglesey Sea Zoo and Director of Halen Mon. She is a Bangor University graduate and an Honorary Fellow of the University. Alison is a member of the following committees: Audit and Risk Committee; Nominations and Governance Committee

Julie Perkins

Julie Perkins is a Bangor alumna and is Digital Workplace Director at Lloyds Banking Group. She is an IT professional, experienced in change delivery, embedding transformational

change and is passionate about championing diversity.

Julie is a member of the following committees: Finance and Strategy Committee; Nominations and Governance Committee; Remuneration Committee

Dr Ian Rees

Ian Rees is a former Principal of Coleg Menai and Senior Director with responsibility for External Affairs with Grŵp Llandrillo Menai. Prior to this he was Principal/Chief Executive of Coleg Meirion-Dwyfor and Head of Ysgol y Moelwyn, Blaenau Ffestiniog.

Over the years he has also been a director of a number of bodies, including Nant Gwrtheyrn Language Centre, Fforwm and the Coleg Cymraeg Cenedlaethol. He has also been a member of ELWa’s Mid Wales Regional Committee.

Between 2006 and 2012 he was a member of the Arts Council of Wales. He was Vice-Chair of the Council, and chair of the Audit and Risk Committee between 2009 and 2012.

From 2012 and 2015 Ian chaired the Welsh Language Commissioner’s Advisory Panel and in 2018 he was appointed as chair of the Commissioner’s Audit and Risk Committee.

Ian is a member of the following committees: Audit and Risk Committee; Nominations and Governance Committee; Redundancy Committee (Chair)





# FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2020





# STRATEGIC REVIEW

YEAR ENDED 31 JULY 2020

### Our mission

A strong, confident institution recognised regionally, nationally and internationally as a centre of excellence for its varied portfolio of teaching and research, and for the unique, multicultural, inclusive experience it provides for its staff and students.

### The University in context

Bangor University continues to excel at a time when the environment for Higher Education in Wales and the UK is challenging, made more so following the impact of the Coronavirus pandemic. We are committed to building on recent successes, working with diverse and distinctive communities to deliver excellent teaching, scholarship and research, retaining our strong emphasis on a distinctive and valued student contribution and remaining true to our unique bilingual and cultural context.

Sustained improvements in student satisfaction and teaching standards are reflected in improved results in the National Student Survey in recent years. These are complemented by a number of notable successes in the WhatUni.com Awards in 2019.

In Research, the major contribution we make to improving healthcare and well-being, bilingualism, and protecting the environment, makes it clear that the research carried out by Bangor University academics is having a positive impact on the economy and the lives of people around the world.

Looking forward to REF 2021, we continue to build on our research excellence, to deliver an environment where the research community can thrive, supporting the existing areas of research strength, nurturing new research areas across all disciplines, and underpinning the research-informed teaching that is the foundation of our distinctive, high-quality teaching and

student experience. We work with businesses, governments and alumni to ensure that Bangor University maintains relevance to their needs and the needs of emerging markets, ensuring that we maximise our positive net contribution to the local and regional economy.

The University remains committed to the formation of beneficial strategic relationships in the region. In particular, the further strengthening of the relationship with the Betsi Cadwaladr University Health Board as a platform for building increased collaborative strength in health and medical-related research and education.

### Strategic direction

The University's strategic plan for the period 2015-2020 set out a strategic direction for Bangor University as a confident and successful University, able to think differently to identify challenges, risks and opportunities for all areas of our business. Work is currently being undertaken to review the strategic direction to accommodate the next phase in the University's development and will be launched in 2021.

We are continuing to formulate an optimal strategy for our estate. In recent years we have completed a number of new developments, covering student accommodation as well as teaching, research and community engagement spaces. These range from new builds through to those within the main historic University building, to ensure that future generations of students benefit from excellent academic facilities and a world-class student experience.

### Vision

To be a leading University with an international reputation for teaching and research, while fostering the intellectual and personal development of our students and staff, providing a supportive

multicultural environment, promoting widening access and inclusiveness, and ensuring that our activities result in environmental benefit and social progress within a resilient economy.

We aim to be, in all aspects, a sustainable University. Our ambition embraces not only the infrastructure and operation of University sites, but also how the University plans for growth as well as our role for Wales and beyond.

### Student recruitment

Student recruitment continues to be a very competitive market, with no real cap on numbers for English or Welsh Higher Education Institutions. With a backcloth of relatively stable numbers over the preceding 7 or 8 years, the University improved its overall student recruitment, exceeding the previous year's recruitment levels and our expectations. Recruitment of overseas students was much improved, particularly at post graduate level.

Funding for teaching and the fees paid by undergraduate students has changed from September 2018, with a loan based system now in place for Welsh and English undergraduates, whilst all Welsh undergraduates also benefit from a means-tested Maintenance Grant of a minimum of £1,000 up to a maximum of just over £10,000.

In response to this new market-place, student mobility across borders has increased and all UK institutions have increased their marketing and conversion activity. We continue to monitor and innovate our marketing and will further develop traditional and contemporary programmes in areas for which there is student or employer demand, both locally and globally, to ensure that Bangor University remains competitive in the new market.

A fee plan has been agreed by HEFCW including a fee of £9,000 for Home Undergraduate and PGCE students for

the years through to 2020/21. The fee plan includes an increasing number of investments to support widening access, the student experience, Welsh medium and employability, including providing free access to all sports clubs, societies and volunteering activities in the Students' Union, and enhanced library and sporting provision. The University continues to outperform the benchmark for its overall satisfaction in the National Student Survey.

Increasing numbers of postgraduate and international students is also important, and we will ensure our offering of courses is both sustainable and attractive, building on our student experience, and strengthening the brand of the University at home and overseas. The development of closer links with a number of our international partners, as well as the continued development of Bangor College China, are key steps in the development of a continued flow of students to the UK as well as widening the footprint of our teaching and student base.

### Capital developments

As part of the review of the University's strategic direction, a review of our Estates Strategy is currently underway to ensure we have the capacity and capability to effectively accommodate a wide range of teaching and research across a broad portfolio of disciplines. This will factor-in emerging and projected trends in teaching and learning workspaces and environments, also the need for social learning spaces alongside more formal teaching rooms.

A core element of our Estate plans will be to ensure we embed sustainability into any new projects from the outset. This approach will complement the programme undertaken by the University to identify energy efficiency opportunities in around 30 buildings across our Bangor estate that will give a guaranteed return on the investment cost within 8 years. All energy saved will contribute to our targets for continued reduction in our carbon footprint, which has been falling steadily for a number of years now.

### Principal risks and uncertainties

The University recognises that there are inherent risks and uncertainties associated with many aspects of its operations. It aims to identify, manage

and mitigate those risks wherever possible and promotes a culture of active risk management throughout the University. The institutional risk register is formally reviewed by the Risk Management Task Group and Executive regularly, and reported periodically to the Audit and Risk Committee. This process, along with other considerations, informs the internal audit plan for the forthcoming year, as well as enabling assurance to be provided by the Audit and risk Committee to Council via its Annual Report.

Among the key risks of particular significance at present for the University are:

The impact of 'Brexit' on future levels of research funding, grant collaboration and student recruitment/exchanges as well as the future status of staff who are EU nationals;

Inability to sustain the financial health of the institution, and to maintain liquidity, at a time of significant economic constraints and heightened competition.

Inadequate response to an increasingly competitive market, including our ability to achieve student recruitment forecasts, in light of potential reforms to student funding and the increase in marketing investment by competing institutions; and

The potential impact of the continued escalation is the cost of providing Defined Benefit pensions and in the case of USS servicing the significant deficit. Whilst a lower Recovery Plan has been agreed post year-end, it will be subject to ongoing pressure from market movements ahead of the next schedule Valuation.

Other risks, which the University actively manages on an ongoing basis, include:

- Ensuring that the University estate is compliant and fit for purpose;
- Ensuring compliance with legislation and regulations e.g. data security, visa regulations;
- Ensuring continued maintenance of a high-quality student experience; and
- Ensuring bank loan covenants are met.

### Operating performance

In the year to 31st July 2020 the University felt the significant impact of the Coronavirus pandemic across all aspects of its activity. While the financial impact is likely to be greater in future years, there was an impact in 2019/20, mainly around residences and commercial impact. Also the North West Wales Management Development Centre and UNDEB subsidiaries were affected following the national lockdown from March 2020 onwards. The University utilised the Coronavirus Job Retention Scheme to support the University and help protect staff affected by the impact of the coronavirus.

The reported operating surplus for the year of £9.4million is affected by a number of factors during the year, including pension adjustments and the impact of the coronavirus pandemic. The underlying performance as measured by EBITDA (Earnings before interest, tax, depreciation and amortisation) are more reflective of current performance.

The University has therefore adopted an additional measure of financial sustainability, based on adjusting results for the non-recurring annual movements, in line with a methodology developed for use across the Higher Education (HE) sector. The adopted measure is based on EBITDA, but is then subject to the elimination of the impact of non-recurrent impacts present in the published figures; this allows a more realistic and meaningful comparison of underlying performance between years, or indeed organisations.

The table below outlines the results arising under the 'HE Adjusted EBITDA' methodology:

	2019/20	2018/19	Movement
	£m	£m	£m
Surplus/(Deficit)	11.1	(20.1)	31.2
Add back			
Depreciation	13.3	12.6	0.7
Interest	5.8	5.7	0.1
EBITDA	30.2	(1.8)	32.0
Adjustments			
Gain on disposals of fixed assets	0	(0.2)	0.2
Pensions	(7.2)	19.3	(26.5)
Capital Grants	(1.5)	(1.6)	0.1
New endowments	(0.3)	0	(0.3)
Restructuring Costs	0	1.4	(1.4)
Adjusted EBITDA	21.2	17.1	4.1





The 2019/20 HE Adjusted EBITDA of £21.2m represents a positive outcome in a challenging year, and slightly up on last year's reported £17.1m, on a comparable basis. This reflects the achievement of the interim target of £20m and was a particularly creditable achievement in the light of the challenges facing the University, not least because of the Coronavirus pandemic. It is acknowledged however that substantial work remains to be done to move into a position of long-term financial sustainability.

Total income increased by £1.3million. Increases in tuition fee income and funding body grants offset the reduction other income following the impact of the Coronavirus pandemic on other income. Fee income benefited from the growth in fees from international students offsetting a drop in fee income from home students.

Funding body grants benefitted from an increase in the recurrent grant from HEFCW and a number of additional funding streams, partly to enable the University to respond to the impact of the Coronavirus pandemic. Research Income was stable, both in overall quantum and source of funding.

Income from residences, catering and conferences suffered a significant reduction of £3.3million to £10.8million in 2019/20. This was a direct result of the impact of the Coronavirus as the lockdown from late March 2020. Similarly, income from other services rendered by the University suffered a reduction of £1.2million to £3.8million in 2019/20.

This was offset by an increase in other income as the University received income from government initiatives designed to offset the impact of the pandemic, most notably the Job Retention Scheme.

In respect of costs, there was a decrease in recurrent pay costs (from £81.6m to £79.7m). This drop reflects the outcome of the organisational changes implemented in previous years. Total staff costs include the substantial movements in pension provisions discussed later, these have been shown separately to avoid distorting the comparative figures. Excluding the movements on USS and BUPAS provisions been the staff cost % ratio to total income metric has reduced

from 55.7% to 54.0% this year.

Non-pay costs remain tightly controlled whilst depreciation costs went up marginally as a result of continuing investment in equipment and infrastructure feeding through.

Following the substantial additional costs that were recognised in respect of both the Defined Benefit pension schemes we operate within the 2018/19 financial year, the movement in provisions were an overall benefit in the 2019/20 financial year. This was due to the previous provisions for USS partly reversing during 2019/20, resulting in a benefit of £11.4m in 2019/20 compared to a cost of £18.2m in the previous year. In the case of the local BUPAS pension scheme, the provision increased to £4.2m compared to £1.2m in the previous year.

In previous years, the surplus within the University pension scheme (BUPAS) has not been recognised in the financial statements. For the first time this disclosure changed reflecting a change in the technical treatment of pensions scheme surpluses reflecting that the University uses an element of the surplus to maintain contributions levels. The prior year results have been restated to reflect the change in disclosure. The scheme moved to a deficit as at 31st July 2020.

There are relatively few noteworthy issues in relation to the Balance Sheet. Capital expenditure this year has been limited, only partially offsetting the depreciation charge, thus explaining the reduction in non-current assets. Net current assets increased due to increased trade receivables and prepayments and accrued income. In addition, overall closing cash balances after including cash being held as investments in over three month deposits, increased by almost £3m to £32.8m.

As previously noted, following the movements in pension provisions during the year, there was an overall reduction in pension provisions to £23.6m, down from £23.7m in the previous year.

Overall net assets close the year at £226.4m, up from £225.8m, due almost entirely to the movement in the pension provision. Finally, in relation to cash flow, the net cash inflow from operating

activities increased to £12.4m, a 42% increase on the previous year's cash generated of £8.7m reflecting the increase in adjusted EBITDA.

**Pension schemes**

The 2017 Triennial valuation of the 'Bangor University Pension & Assurance Scheme' (BUPAS) was completed in 2017/18, and a new Schedule of Contributions agreed with the Trustees in July 2018. The figures underlying that valuation have provided the basis for the 31 July 2020 valuation figures included in these accounts. On an FRS102 basis the scheme moved into surplus at July 2018, and remained so in 2019 but moved into a deficit position at July 2020. This reflects the continuing above planned returns on growth assets of £14.5m, mitigating most of the increases in total liabilities of £17.6m, thanks to the very effective LDI hedging strategy adopted by the Trustees. On a less positive note, the cost of future accrual of benefits within the scheme continue to escalate to historic highs, due to market factors. This led to the scheme moving into a deficit position as at 31st July 2020.

The impact of the increase in liabilities will be considered in more detail during the completion of the 2020 Triennial evaluation.

Following the change in disclosure requirements, the figures for the year to July 2019 have been restated to include the disclosure of the surplus within BUPAS as at 31st July 2019.

It has been a major concern for both the University and the higher education sector that the national scheme for academic and related staff (USS) has faced increasing deficits over recent years. It was in January 2019 when the final Schedule of Contributions, plus associated Deficit Recovery Plan were finalised for the 2017 Valuation outcome and these figures became effective from 1 April 2019, resulting in increased employer and staff contributions.

This basis was used for the computation of the closing provisions at 31 July 2020, as it was the prevailing legal basis on which all participating employers were required to make future contributions at that date.

Following the completion of the 2018 actuarial valuation, a new deficit recovery

plan has been agreed requiring deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As a consequence, the deficit provision has decreased significantly to £19.4m.

As expected, a large credit of £10.6m appears in the 2019/20 financial statements reflecting the increased deficit contributions.

**Treasury policies and objectives**

The University holds funds arising from bequests and other gifts, which are recognised in these accounts as either endowments or donations with or without restrictions. These funds have been invested on a pooled basis and are managed by UBS in line with the University's sustainable investment policy. During the year, the funds generated a negative return of £218k alongside an income of £208k, with the total value of funds invested closing at £5.8million (2018/19 £6.0m).

The University's short-term liquidity deposits are invested either with our relationship bankers, Santander, up to a fixed credit limit, and beyond that managed by the Royal London Asset Management Group who invest the funds in highly-rated and short-dated pooled funds. This year, some of the deposits were for periods in excess of 3 months and are thus classified as Investments rather than Cash within current assets. In total the holdings increased by almost £3m, from £29.9m to £32.8m, reflecting the balance of movements between net debt and working capital changes that occurred in the last year, as outlined in the Consolidated Cash Flow Statement.

**Cash flow and liquidity**

The University's cash flow and liquidity position closed in an improved position. Net Current Assets increased to £24.2million (2018/19 £18.6million). Net cash inflow generated from operating activities improved to £12.4million (2018/19 £8.7million).

The end of year liquidity position represents a normal level for this time of year and is supplemented by the existence of a Revolving Credit Facility with Santander that was unused during 2018/19 but is retained to support volatility of in-year cash flows if required.

**Capital funding**

Expenditure of £5.3million was incurred on capital projects in 2019/20 (2018/19 £6.3million). Investment was aimed at equipment assets that supports our teaching, research and professional services activity across the wide range of sites we occupy.

**Going concern**

The financial statements are prepared on a going concern basis which the Council believes to be appropriate for the following reasons. The Group meets its day to day working capital requirements through existing unrestricted cash balances, which are adequate to meet liabilities as they fall due for the foreseeable future. The Council has prepared detailed monthly cash flow information for both 2019/20 and 2020/21. On the basis of this cash flow information, the Council considers that the Group will continue to maintain adequate liquidity for the foreseeable future.

This information includes estimates of the impact of the Coronavirus pandemic in future years. This has necessitated the University undertake a restructuring exercise in 2020/21 to mitigate to ensure the University manages its cash position and maintains adequate liquidity.

In preparing the accounts and future projections, due regard has been given to the unprecedented level of competition and uncertainty that presently exists in the HE sector, including the impact of the Coronavirus pandemic, and are unlikely to dissipate soon. The University has responded to this by continuing to monitor its financial performance and is investing in future programme development and marketing whilst continuing to focus on cost containment. Achieving the financial projections is recognised as critical to the continued compliance with bank covenants, as well as to provide the cash required for the continuation of planned future investment. Based on the above, the Council believes that it remains appropriate to prepare the financial statements on a going concern basis.

**Sir Paul Lambert**

Chair of Finance and Strategy Committee





# INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF BANGOR UNIVERSITY

YEAR ENDED 31 JULY 2020

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Bangor University ("the University") for the year ended 31 July 2020 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Statement of Changes in Reserves, Consolidated and University Balance Sheets, Consolidated Statement of Cash Flows and related notes, including the Statement of Accounting Policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2020, and of the Group's and the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education;
- meet the requirements of HEFCW's Accounts Direction to Higher Education institutions for 2019/20 issued on 24 June 2020; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We have been appointed as auditor under Article 12(ii) of the Charters and Statutes of the University and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Council's conclusions, we considered the inherent risks to the Group's business model, and analysed how those risks might affect the Group and the University's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were

reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the University will continue in operation.

### Other information

The Council is responsible for the other information, which comprises the Strategic Review and the Public Benefit Statement, Corporate Governance and Responsibilities of Council Statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Strategic Review is inconsistent in any material respect with the financial statements; or
- the University has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### Council's responsibilities

As explained more fully in their statement set out on page 101 the Council is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the group or the parent University or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We are required to report on the following matters under the HEFCW Audit Code of Practice issued under the Further and Higher Education Act 1992.

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by HEFCW have been applied in accordance with the Memorandum of Assurance and

Accountability and any other terms and conditions attached to them.

## THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council, in accordance with Article 12(ii) of the Charters and Statutes of the University and section 124B of the Education Reform Act 1988 and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and Council for our audit work, for this report, or for the opinions we have formed.

### Timothy Cutler

for and on behalf of KPMG LLP,  
Statutory Auditor  
*Chartered Accountants*  
1 St Peter's Square  
Manchester  
M2 3AE

Date: 25 February 2021



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE YEAR ENDED 31 JULY 2020

	Notes	2019/20		2018/19 (Restated)	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Income</b>					
Tuition fees and education contracts	1	82,418	82,418	80,698	80,698
Funding body grants	2	15,869	15,869	13,688	13,688
Research grants and contracts	3	21,551	21,551	21,098	21,098
Other income	4	26,796	23,966	29,936	26,744
Investment income	5	545	619	520	667
Endowments and donations	6	517	516	440	440
<b>Total income</b>		<b>147,696</b>	<b>144,939</b>	146,380	143,335
<b>Expenditure</b>					
Staff costs	7	84,599	82,994	84,123	82,376
USS pension provision movement	7	(11,384)	(11,384)	18,158	18,158
Other operating expenses		44,336	43,444	45,908	45,035
Depreciation	11	13,257	12,838	12,607	12,169
Interest and other finance costs	8	5,812	5,634	5,652	5,534
<b>Total expenditure</b>	9	<b>136,620</b>	<b>133,526</b>	166,448	163,272
<b>Surplus/(Deficit) before other gains/(losses) and share of operating surplus of joint venture</b>		<b>11,076</b>	<b>11,413</b>	(20,068)	(19,937)
Gain on disposal of fixed assets		28	28	198	198
Loss on investments		(218)	(218)	(34)	(34)
Share of operating surplus in joint venture	15	38	0	63	0
<b>Surplus/(Deficit) before tax</b>		<b>10,924</b>	<b>11,223</b>	(19,841)	(19,773)
Taxation	10	0	0	0	0
<b>Surplus/(Deficit) for the year attributable to:</b>		<b>10,924</b>	<b>11,223</b>	(19,841)	(19,773)
Pension Provision movement	21	(10,266)	(10,266)	(1,970)	(1,970)
<b>Total comprehensive (expenditure)/income for the year</b>		<b>658</b>	<b>957</b>	(21,811)	(21,743)
<b>Represented by:</b>					
Endowment comprehensive income for the year		0	0	(137)	(137)
Restricted comprehensive income for the year		34	34	47	47
Unrestricted comprehensive income for the year		624	923	(21,721)	(21,653)
		<b>658</b>	<b>957</b>	(21,811)	(21,743)
<b>Surplus/(Deficit) for the year attributable to:</b>					
Non controlling interest		38	0	63	0
University		10,886	11,223	(19,904)	(19,973)
<b>Total Comprehensive income/(expenditure) for the year attributable to:</b>					
Non controlling interest		38	0	63	0
University		620	957	(12,022)	(11,891)

All items of total comprehensive income and expenditure relate to continuing activities.  
The Statement of Accounting Policies and Notes on pages 68 to 96 form part of the financial statements.

## CONSOLIDATED AND UNIVERSITY STATEMENT OF CHANGES IN RESERVES YEAR ENDED 31 JULY 2020

Consolidated	Income and expenditure account			
	Endowment £'000	Restricted £'000	Unrestricted £'000	Total £'000
<b>At 1 August 2018</b>	<b>7,240</b>	<b>533</b>	<b>229,958</b>	<b>237,731</b>
Impact of restatement			9,852	9,852
At 1 August 2018 (restated)*			239,810	247,583
Surplus/(deficit) from the income and expenditure statement	189	186	(20,216)	(19,841)
Other comprehensive income	0	0	(1,970)	(1,970)
Release of restricted funds spent in year	(326)	(139)	465	0
<b>Total comprehensive income for the year</b>	(137)	47	(21,721)	(21,811)
<b>At 1 August 2019 (Restated)</b>	<b>7,103</b>	<b>580</b>	<b>218,089</b>	<b>225,772</b>
Surplus from the income and expenditure statement	303	166	10,455	10,924
Other comprehensive income	0	0	(10,266)	(10,266)
Release of restricted funds spent in year	(303)	(132)	435	0
<b>Total comprehensive income for the year</b>	0	34	624	658
<b>At 31 July 2020</b>	<b>7,103</b>	<b>614</b>	<b>218,713</b>	<b>226,430</b>

University	Income and expenditure account			
	Endowment £'000	Restricted £'000	Unrestricted £'000	Total £'000
<b>At 1 August 2018</b>	<b>7,240</b>	<b>533</b>	<b>230,099</b>	<b>237,872</b>
Impact of restatement			9,852	9,852
At 1 August 2018 (restated)*			239,951	247,724
Surplus/(deficit) from the income and expenditure statement	189	186	(20,148)	(19,773)
Other comprehensive income	0	0	(1,970)	(1,970)
Release of restricted funds spent in year	(326)	(139)	465	0
<b>Total comprehensive income for the year</b>	(137)	47	(21,653)	(21,743)
<b>At 1 August 2019 (Restated)</b>	<b>7,103</b>	<b>580</b>	<b>218,298</b>	<b>225,981</b>
Surplus from the income and expenditure statement	303	166	10,754	11,223
Other comprehensive income	0	0	(10,266)	(10,266)
Release of restricted funds spent in year	(303)	(132)	435	0
<b>Total comprehensive income for the year</b>	0	34	923	957
<b>At 31 July 2020</b>	<b>7,103</b>	<b>614</b>	<b>219,221</b>	<b>226,938</b>

\*See Note 33

The Statement of Accounting Policies and Notes on pages 68 to 96 form part of the financial statements.



## CONSOLIDATED AND UNIVERSITY STATEMENT OF FINANCIAL POSITION YEAR ENDED 31 JULY 2020

	Notes	2020		2019 (Restated)	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Non-current assets</b>					
Fixed assets	11	320,527	314,854	328,822	322,797
Investments	14	5,959	6,009	6,118	6,168
Investment in joint venture	15	175	0	137	0
		<b>326,661</b>	<b>320,863</b>	335,077	328,965
<b>Current assets</b>					
Stock	16	68	43	109	78
Trade and other receivables	17	25,606	32,010	21,657	27,474
Investments	18	5,133	5,133	10,463	10,463
Cash and cash equivalents	24	27,693	27,089	19,412	18,991
		<b>58,500</b>	<b>64,275</b>	51,641	57,006
Less: Creditors: amounts falling due within one year	19	(34,315)	(33,824)	(33,040)	(32,275)
<b>Net current assets</b>		<b>24,185</b>	<b>30,451</b>	18,601	24,731
<b>Total assets less current liabilities</b>		<b>350,846</b>	<b>351,314</b>	353,678	353,696
Creditors: amounts falling due after more than one year	20	(100,598)	(100,558)	(103,460)	(103,269)
<b>Provisions</b>					
Pension provisions	21	(23,628)	(23,628)	(23,708)	(23,708)
Other provisions	21	(190)	(190)	(738)	(738)
<b>Total net assets</b>		<b>226,430</b>	<b>226,938</b>	225,772	225,981
<b>Restricted Reserves</b>					
Endowment reserve	22	7,103	7,103	7,103	7,103
Income and expenditure reserve	23	614	614	580	580
<b>Unrestricted Reserves</b>					
Income and expenditure reserve		218,713	219,221	218,089	218,298
<b>Total Reserves</b>		<b>226,430</b>	<b>226,938</b>	225,772	225,981

The Statement of Accounting Policies and Notes on pages 68 to 96 form part of the financial statements.  
The financial statements were approved by the Council on 12 February 2021 and were signed on its behalf by:

Professor Iwan Davies,  
Vice-Chancellor

Marian Wyn Jones,  
Chair of Council

Sir Paul Lambert,  
Chair of Finance and  
Strategy Committee

## CONSOLIDATED CASHFLOW STATEMENT YEAR ENDED 31 JULY 2020

	Notes	2019/20 £'000	2018/19 £'000
<b>Cash flow from operating activities</b>		<b>10,924</b>	(19,841)
Surplus / (Deficit) for the year			
<b>Adjustment for non-cash items</b>			
Depreciation	11	13,257	12,607
Loss / (Gain) on investments		218	34
(Increase) / Decrease in stock	16	41	(18)
(Increase) / Decrease in debtors		(3,949)	402
Increase / (Decrease) in creditors		1,591	(4,876)
Increase / (Decrease) in pension provision	21	(10,346)	19,057
Increase / (Decrease) in other provisions	21	(548)	738
Share of operating surplus in joint venture	15	(38)	(63)
		<b>226</b>	27,881
<b>Adjustment for investing or financing activities</b>			
Capital grant income		(3,217)	(3,969)
Profit on the sale of fixed assets		(28)	(198)
Investment income	5	(545)	(520)
Interest payable	8	5,333	5,365
Endowment income	6	(313)	(6)
		<b>1,230</b>	672
<b>Net cash inflow from operating activities</b>		<b>12,380</b>	8,712
<b>Cash flows from investing activities</b>			
Capital grant receipts		3,185	2,344
Proceeds from sales of fixed assets		343	212
Payments made to acquire fixed assets		(5,758)	(5,078)
Investment income	5	545	520
New current asset investments	18	0	(10,463)
Disposal of current asset investments	18	5,330	0
New non-current asset investments		(3,848)	(2,094)
Disposal of non-current asset investments		3,787	2,126
		<b>3,584</b>	(12,433)
<b>Cash flows from financing activities</b>			
Interest paid	8	(1,418)	(1,424)
Interest element of finance lease and service concession payments	8	(3,915)	(3,941)
Endowment cash received	22	313	6
Repayment of finance leases and service concessions	19/20	(469)	(1,417)
New unsecured loans	19/20	2,614	2,334
Repayment of secured loans	19/20	(305)	(2,409)
Repayment of unsecured loans	19/20	(4,503)	(2,464)
		<b>(7,683)</b>	(9,315)
<b>(Decrease) / Increase in cash and cash equivalents in the year</b>		<b>8,281</b>	(13,036)
Cash and cash equivalents at beginning of the year	24	19,412	32,448
Cash and cash equivalents at end of the year	24	27,693	19,412
		<b>8,281</b>	(13,036)

The Statement of Accounting Policies and Notes on pages 68 to 96 form part of the financial statements.



# STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

## YEAR ENDED 31 JULY 2020



### 1 General information

Bangor University is registered with the Charity Commission (number 1141565). The address of the registered office is Bangor University, College Road, Bangor, Gwynedd, LL57 2DG.

### 2 Basis of preparation

The Consolidated and University financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2015. They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2020, the Royal Charter and the Accounts Direction issued by the Higher Education Funding Council for Wales (HEFCW).

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

The Consolidated and University financial statements have been prepared under the historical cost convention (modified by the revaluation of certain financial assets and liabilities at fair value).

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

### 3 Exemptions under FRS 102

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

### 4 Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with the share of the results of joint ventures and associates for the financial year to 31 July 2020.

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

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

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

Joint ventures are accounted for using the equity method.

### 5 Going Concern

The Group and 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 Council has prepared detailed cash flow forecasts for a period of at least 12 months from the date of the approval of the financial statements. After reviewing these forecasts the Council is of the opinion that, taking into account of severe but plausible downside risks, including the potential impact of the pandemic the Group and University will have sufficient funds to meet their liabilities as they fall due over the period of at least 12 months from the date of approval of the financial statements (the going concern assessment period).

The University has been impacted both operationally and financially during the year to 31st July 2020 by the coronavirus pandemic. It is estimated that the University will continue to be affected in future years. In response, the University continues to closely manage its costs and capital expenditure projects. A restructuring programme was initiated with the objective of achieving sufficient savings in recurrent costs to offset the loss of income due the Coronavirus pandemic.

While the situation evolves frequently making scenario planning difficult, the University prepared a number of scenarios during the summer of 2020 which assessed the various financial impacts of the pandemic through a range of areas, in particular student number and fee income generation together with income from residences and commercial income. These included realistic, pessimistic and worst case outcomes.

Following the critical review of the scenarios the Council approved a restructuring of the University during the year to 31st July 2021 in order to ensure the University maintains sufficient funds through the going concern period. The University has a Budget for 2020/21 based on its actual student recruitment and delivery of the restructuring, together with control over capital expenditure to maintain liquidity. The University has no plans to increase its level of funding facilities, other than those linked to government support schemes where appropriate, beyond those in place at 31st July 2020 during the going concern assessment period. No banking covenants have been breached or are estimated to be breached during the going concern assessment period.

As a consequence of this review, the Council considers that the Group and the parent University are able to manage its finance and business risks and will continue to meet their liabilities as they fall due for at least 12 months from the date of the approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

### 6 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, for example, by way of a discount for prompt payment or other form of waiver, income receivable is shown net of such reductions. The actual payment of bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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

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

#### Grant funding

Grant funding including funding council block grant, 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 balance sheet and released to income as the conditions are met.

#### Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments.

Donations and endowments with donor imposed restrictions are recognised in income when the 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 as either restricted or unrestricted income according to the terms of the individual endowment fund. There are four main types of donations and endowments identified within reserves:

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

#### Capital grants

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





STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)  
YEAR ENDED 31 JULY 2020

7 Accounting for retirement benefits

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the Bangor University Pension and Assurance Scheme 1978 (BUPAS). The schemes are defined benefit schemes which are externally funded and contracted out of the State Second Pension (S2P).

Each fund is valued every three years by professionally qualified independent actuaries.

The USS is a multi-employer defined benefit scheme for which it is not possible to identify the assets and liabilities to University members due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the 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.

Multi-employer schemes

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

Defined benefit schemes

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under defined benefit plans the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne in substance by the University.

The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The Group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets.

The calculation is performed by a qualified actuary using the projected unit credit method. Under section 28.22 (Employee Benefits - Defined benefit plan asset) of FRS 102 the University does not recognise the surplus of the scheme as it is unable to recover the surplus through reduced contributions in the future or through refunds from the plan. The Trust Deed provides for the University to unilaterally wind up the Bangor University Pension and Assurance Scheme, in which event any residual amounts after settling all scheme obligations are repayable to the University. As a result the University has determined that it has an unconditional right to a refund on wind-up. However, the Trust Deed also provides for the Fund Trustees to transfer annuity policies into individual members' names without requiring the University's consent. Due to the existence of those Fund Trustees rights, the University considers it appropriate to not recognise the surplus within the financial statements in respect of the Pension Fund.

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

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

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

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

Further detail is provided on the specific pension schemes in Note 29 to the accounts.

8 Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render 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.

9 Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease 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.

10 Service Concession Arrangements

Private Finance Initiative (PFI) transactions which meet the definition of a service concession arrangement are accounted for as 'on Balance Sheet' by the University. The underlying assets are recognised as Fixed Assets at their fair value as determined in the operators' model. An equivalent financial liability is recognised in accordance with FRS 102.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services. The finance cost is calculated using the implicit interest rate for the scheme.

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with FRS 102, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement costs are recognised in operating expenses based on the operators' planned programme of lifecycle replacement.

11 Operating leases

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

12 Foreign currency

Transactions in foreign currencies are translated to 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 balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised as a 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)  
YEAR ENDED 31 JULY 2020

13 Property, Plant and Equipment

Land and buildings

Land and buildings are capitalised at cost on initial recognition.

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

Certain land and buildings have been revalued to fair value at the date of transition to the 2015 FE HE SORP, and are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation. The valuation was undertaken by a professionally qualified firm of Chartered Surveyors. Some assets were excluded from the valuation where they were considered for disposal, demolition or major refurbishment.

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

Freehold land is not depreciated as it is considered to have an indefinite useful life. Unless they are componentised, freehold buildings are depreciated on a straight line basis over their expected useful lives as follows:

Buildings	50 years
Building refurbishments	15 years

Where appropriate, buildings are componentised into three parts: building structure, fit out and mechanical & engineering. These are accounted for as separate items of fixed assets and each part is depreciated on a straight line basis over their respective useful lives:

Buildings structure	Up to 50 years
Fit out	Up to 20 years
Mechanical and engineering	Up to 20 years

Where an item of land and buildings comprise two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement of components is capitalised as incurred.

Leasehold improvements are depreciated over the life of the lease.  
No depreciation is charged on assets in the course of construction.  
Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

Equipment

Equipment is capitalised at cost on initial recognition and then subsequently at cost less accumulated depreciation and accumulated impairment losses.

Equipment, including computers and software, costing less than the de-minimis of £10,000 per individual item, or group of related items, is recognised as expenditure. All other equipment is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

Computer Equipment	5 years
Equipment acquired for specific research projects	5 years
Other Equipment	Up to 10 years
Motor Vehicles	5 years

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

Impairment

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

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

14 Heritage assets

The University owns an extensive collection of works of art, and other museum collections including ceramics, musical instruments, natural history items, geological artefacts and manuscripts, which have been mostly donated or bequeathed to the University during the last 130 years. These items are not included in the financial statements, as the University considers that in most cases, due to their unique nature, it would not be practical to obtain a meaningful valuation. Very few heritage assets could be sold by the University due to the restrictive nature of their acquisition. Further information is provided in Note 12. The cost of conservation and restoration of the heritage collection is reported in the Statement of Comprehensive Income for the year it is incurred.

15 Investments

Non-current asset investments in unlisted securities are held on the Statement of Financial Position at cost less impairment. Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment in the University's Financial Statements.

Investments are held in the Statement of Financial Position as basic financial assets and are measured in accordance with accounting policy Note 18.

16 Stock

Stock is held at the lower of cost and net realisable value, and is measured using an average cost formula.

17 Cash and cash equivalents

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

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

18 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 Balance Sheet but are disclosed in the Notes.

19 Accounting for Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

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

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





STATEMENT OF PRINCIPAL  
ACCOUNTING POLICIES (CONTINUED)  
YEAR ENDED 31 JULY 2020

20 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The University is considered to pass the tests set out in Paragraph 1 of Schedule 6 to the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. 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.

21 Financial Instruments

The University has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments.

Financial assets and liabilities are recognised when the University becomes party to the contractual provision of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents, and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures are initially measured at fair value, which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the statement of comprehensive income. Where the investment in equity instruments are not publicly traded and where the fair value cannot be reliably measured the assets are measured at cost less impairment.

Financial assets are de recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of the ownership of the asset are transferred to another party.

Financial liabilities

Basic financial liabilities include trade and other payables, bank loans, and intra group loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the University enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The University does not apply hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de recognised when the liability is discharged, cancelled, or expires.

22 Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include certain 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.

23 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the University's financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income, and expenses. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities:

Income recognition

Judgement is applied in determining the value and timing of certain income items to be recognised in the financial statements. This includes determining when performance related conditions have been met, and determining the revenues associated with partially delivered courses and training where the activities have not been fully completed at the reporting date.

Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the University's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the University's reported performance. Useful lives are determine at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events. Details of the carrying values of property, plant and equipment are shown in Note 11

Recoverability of debtors

The provision for doubtful debts is based on our estimate of the expected recoverability of those debts. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

The University's Trade Receivables balance, Note 17, discloses the amount due to the University and the Group after deducting the bad debt provision of £2,020k (2019: £1,508k) and £2,117k (2019: £1,587k) respectively. The bad debt provision mainly relates to residential and tuition fees owed by students.

Management have reviewed individual debts and assessed recoverability having regard to age, status of the debtor, and any other relevant information relating to the delay in payment.

Service concession agreements

The University has two service concession agreements on its Balance Sheet, the Ffriddoedd Road and St Mary's schemes (Note 13). The associated finance obligations have been derived using a modelling tool for service concession agreements under guidance from the University's professional advisors, with inputs derived from the operator models which underpinned the contracts concluded with the private sector partners. The asset values are based on costs taken from the same operator models, and these are subject to an annual impairment review. No impairment arose in 2019/20 (2018/19 - Nil).

It has been assumed that any lifecycle expenditure is revenue in nature based on the information in the operator models.



## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### YEAR ENDED 31 JULY 2020

#### Retirement benefit obligations

##### USS pension provision

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in Note 29

Management are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

As the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2017 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2034. These contributions will be reassessed within each triennial valuation of the scheme.

The provision is based on management's estimate of expected future salary inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in Note 29A.

##### Retirement benefits (BUPAS)

The pension liability position, as contained within the accounts, is based on a number of complex assessments and judgements relating to discount rates, projected salary increases, changes in retirement ages, mortality rates and expected returns on scheme assets. A professional firm of consulting actuaries is engaged by the University to provide expert advice on the assumptions to be applied and the calculation of the scheme liability.

Assumptions used in the current year are detailed in Note 29B

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2020



		2019/20		2018/19	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>1</b>	<b>Tuition fees and education contracts</b>				
	Full-time home and EU students	48,253	48,253	51,475	51,475
	Full-time international students	18,778	18,778	13,807	13,807
	Part-time students	1,925	1,925	2,034	2,034
	Research training support grants	899	899	923	923
	Short course fees	1,030	1,030	892	892
	Education contracts	11,533	11,533	11,567	11,567
		<b>82,418</b>	<b>82,418</b>	<b>80,698</b>	<b>80,698</b>
<b>2</b>	<b>Funding body grants</b>				
	<b>Recurrent grant</b>				
	Higher Education Funding Council for Wales	9,074	9,074	8,156	8,156
	<b>Specific grants</b>				
	<b>Higher Education Funding Council for Wales</b>				
	Newton fund & global challenge	96	96	86	86
	Reaching higher reaching wider	342	342	384	384
	Capital grants	1,517	1,517	1,571	1,571
	PGT Masters	318	318	395	395
	Welsh medium initiatives	1,018	1,018	935	935
	Student Well-Being & Health	131	131	0	0
	Innovation Capacity Development Fund	210	210	0	0
	Research Wales Funding	473	473	0	0
	Degree Apprenticeships	262	262	0	0
	HE & FE Collaboration	352	352	0	0
	Other	67	67	98	98
	<b>Welsh Government</b>				
	National practitioners	308	308	380	380
	Welsh for adults language centre	1,518	1,518	1,574	1,574
	Ysbyty Enfys	120	120	0	0
	Other	63	63	109	109
		<b>15,869</b>	<b>15,869</b>	<b>13,688</b>	<b>13,688</b>
<b>3</b>	<b>Research grants and contracts</b>				
	Research councils	3,488	3,488	3,636	3,636
	UK charities	1,184	1,184	1,103	1,103
	UK government	6,115	6,115	5,797	5,797
	UK industry & commerce	327	327	316	316
	EU government	9,662	9,662	9,491	9,491
	EU other	56	56	8	8
	Other overseas	588	588	618	618
	Other sources	131	131	129	129
		<b>21,551</b>	<b>21,551</b>	<b>21,098</b>	<b>21,098</b>
<b>4</b>	<b>Other income</b>				
	Residences, catering and conferences	10,805	10,805	14,138	14,138
	Other services rendered by the University	3,784	3,785	4,971	4,979
	Other income	9,377	9,376	7,690	7,627
	<b>Subsidiary Companies</b>				
	NWWMDC Ltd	1,983	0	2,493	0
	Others	847	0	644	0
		<b>26,796</b>	<b>23,966</b>	<b>29,936</b>	<b>26,744</b>

The Research grants and contract totals include fully recognised income of £1.7m (2018/19 - £1.6m) received for capital grants where performance conditions have been met. The associated equipment purchased will be depreciated over 5 years in accordance with the University's Accounting Policies.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



	2019/20		2018/19	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>5 Investment income</b>				
Investment income on endowments	207	207	217	217
Other investment income	338	412	303	450
	<b>545</b>	<b>619</b>	520	667
<b>6 Donations and endowment income</b>				
New endowments	313	313	6	6
Donations with restrictions	166	166	186	186
Unrestricted donations	38	37	248	248
	<b>517</b>	<b>516</b>	440	440
<b>7 Staff costs</b>				
Salaries	61,806	60,530	64,923	63,344
Social security costs	6,280	6,047	6,257	6,134
Restructuring Costs	12	12	1,353	1,353
Movement on USS provision	(11,384)	(11,384)	18,158	18,158
Movement on BUPAS provision	4,894	4,894	1,164	1,164
Other pension costs	11,607	11,511	10,426	10,381
Total	<b>73,215</b>	<b>71,610</b>	102,281	100,534

#### Emoluments of the Vice-Chancellor 1 August 2019 to 31 July 2020 :

	Professor I Davies from 01/09/19 2019/20 £'000	Prof. G Upton from 01/01/19 to 30/08/19 2019/20 £'000	2018/19 £'000	Prof. J Hughes to 31/12/18 2018/19 £'000
Salary	202	16	106	124
Non-taxable benefits: Living Accommodation	0	0	0	6
Pension contributions to USS in relation to deficit recovery plan	0	0	0	2
Pay in lieu of notice	0	0	0	112
Total remuneration	<b>202</b>	<b>16</b>	106	244

Vice-Chancellor remuneration as a pay multiple of all other employees on an FTE basis	2019/20	2019/20	2018/19	2018/19
Pay median of basic salary	<b>1 : 5.70</b>	<b>1 : 5.03</b>	1 : 5.15	1 : 6.82
Pay median of total remuneration	<b>1 : 5.70</b>	<b>1 : 5.03</b>	1 : 5.15	1 : 7.27

The emoluments of the Vice-Chancellor are shown on the same basis as for higher paid staff but include the employer contribution to the USS deficit recovery plan.

The University appointed a new Vice-Chancellor with effect from 1 September 2019 for fixed term period of 5 years and on the basis that the initial remuneration for the post should be £220,000 per annum, with no other benefits beyond those received by other members of staff. In setting the salary of the Vice-Chancellor the appointing panel took into consideration the UCEA Senior staff Remuneration Survey and the CUC Survey of VC's salaries.

The Vice-Chancellor is not a member of the USS pension scheme and therefore there were no employer contributions made in this period.

The performance of the Vice-Chancellor is monitored throughout the year including 1:1 performance appraisals with the Chair of Council. The Chair of Council sets the Vice-Chancellor's objectives in line with the University's strategic direction. The annual review also incorporates feedback from members of Council and the University's Executive. The Remuneration Committee determines and reviews the remuneration of the Vice-Chancellor. They take into account affordability, comparative information on remuneration within the sector or elsewhere and relevant metrics and performance data. The performance of senior staff is considered against standards identified.

#### Remuneration of higher paid staff (excluding the Vice-Chancellor and excluding employers' pension contributions)

	2019/20 No.	2018/19 No.
£100,000 to £104,999	5	2
£105,000 to £109,999	0	3
£110,000 to £114,999	3	2
£115,000 to £119,999	3	2
£120,000 to £124,999	1	0
£130,000 to £134,999	0	1
£135,000 to £139,999	2	2
£145,000 to £149,999	0	1
£270,000 to £274,999	0	1
	<b>14</b>	14

#### Average staff numbers by major category :

	No.	No.
Academic & related and research	938	944
Clerical	333	329
Technical	91	94
Other	282	300
	<b>1,644</b>	1,667

Staff numbers are expressed as full-time equivalents.

Atypical staff costs (Subsidiary, Agency, Self-employed and non-contract staff costs) were £1.89m (2018/19 - £1.95m), excluding Subsidiaries, staff costs were £281k (2018/19 - £210k)

Compensation for loss of office was paid to two former higher paid employees under the terms of the University's standard voluntary severance scheme, the amount paid was £206,225 (2018/19 2 - £179,258)

#### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs include both employers' pension and NI contributions.

	2019/20 £'000	2018/19 £'000
Key management personnel staff cost	<b>1,590</b>	1,561
	No.	No.
FTE Equivalent number of key management personnel during 2019/20	<b>10.6</b>	11

At the 31 July 2020 there were 9 (18/19 - 11) key management personnel.

#### Council Members

The University council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest.

All transactions involving organisations in which a member of Council may have an interest are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures. The value of these transactions reflected in the accounts for the year ended 31 July 2020 are set out below.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



#### Council Members - continued

Organisation	Name	Position	Income £000	Expenditure £000	Due from/(to) at 31 July 2020 £000
Arts Council Wales	Mrs Marian Wyn Jones	Vice-Chairperson	513	0	0
Betsi Cadwaladr University Health Board	Mrs Marian Wyn Jones	Board Member	827	909	266
	Prof. Nichola Callow	Board Member			
Grŵp Llandrillo Menai	Dr. Griffith W Jones	Vice-Chairperson	634	157	169
National Environment Research Council	Prof. David Thomas	Member	19	10	0
Quality Assurance Agency	Prof. Oliver Turnbull	Director	0	34	0
Office of the Independent Adjudicator	Dr. Kevin Mundy	Director	0	34	0
BUPAS	Mrs Tracy Hibbert	Trustee	24	400	0

No lay council members received remuneration from the group during the year (2019 - none).

The total expenses paid to or on behalf of 5 lay council members was £1,420 (2019 - paid £6,508 to 6 members). This represents travel expenses incurred in attending Council, Committee meetings and other events in their official capacity.

		2019/20		2018/19	
8	Interest and other finance costs				
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Note				
		1,418	1,240	1,424	1,306
		3,915	3,915	3,941	3,941
	21	479	479	287	287
		0	0	0	0
		5,812	5,634	5,652	5,534

#### 9 Analysis of total expenditure by activity

Academic departments	46,949	47,335	46,671	47,080
Academic services	11,230	11,279	11,549	11,597
Central administration and services	8,934	8,938	8,054	8,066
General educational	11,692	11,695	11,387	11,390
Staff and student facilities	7,329	6,855	7,367	6,833
Premises	20,033	20,401	18,503	18,893
Residences and catering operations	13,753	13,755	15,183	15,184
Research grants and contracts	18,954	19,232	18,970	18,979
Services rendered	7,101	3,391	7,360	3,677
Restructuring costs / (not utilised)	12	12	1,351	1,351
Movement on USS provision	(11,384)	(11,384)	18,158	18,158
Other	2,017	2,017	1,895	2,064
	136,620	133,526	166,448	163,272

#### Other operating expenses include:

	£'000	£'000	£'000	£'000
External auditors remuneration				
Audit services	119	90	99	79
Non-audit services	112	105	73	67
Operating lease rentals				
Land and buildings	256	256	237	237
Other	1,131	1,131	1,108	1,108
Restructuring costs / (not utilised) include				
Staff severance	14	14	1,353	1,353
Other	0	0	(2)	(2)

#### 10 Taxation

	2019/20		2018/19	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Current tax</b>				
UK corporation tax of 19% (2019: 19%) on deficit for the year	0	0	0	0
<b>Total tax charge</b>	0	0	0	0

#### Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below.

(Deficit)/Surplus before taxation	10,924	11,223	(19,841)	(19,773)
(Deficit)/Surplus multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	2,076	2,132	(3,770)	(3,757)
Surplus/(Deficit) within charitable exemption	(2,076)	(2,132)	3,770	3,757
Impact of change in corporation tax rate	0	0	0	0
<b>Current tax charge</b>	0	0	0	0



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



#### 11 Property, Plant and Equipment

	Freehold Land and Buildings	Leasehold Improvements	Service concession arrangement Land and Buildings	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
<b>Consolidated</b>						
<b>Cost</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2019	291,019	11,079	68,652	28,047	5,472	404,269
Additions	0	16	0	3,233	2,028	<b>5,277</b>
Transfers	4,593	0	0	132	(4,725)	<b>0</b>
Disposals	(320)	0	0	(135)	(33)	<b>(488)</b>
<b>At 31 July 2020</b>	<b>295,292</b>	<b>11,095</b>	<b>68,652</b>	<b>31,277</b>	<b>2,742</b>	<b>409,058</b>
<b>Depreciation</b>						
At 1 August 2019	40,599	5,088	6,628	23,132	0	75,447
Charge for the year	9,071	374	1,466	2,346	0	<b>13,257</b>
Disposals	(38)	0	0	(135)	0	<b>(173)</b>
<b>At 31 July 2020</b>	<b>49,632</b>	<b>5,462</b>	<b>8,094</b>	<b>25,343</b>	<b>0</b>	<b>88,531</b>
<b>Net book value</b>						
<b>At 31 July 2020</b>	<b>245,660</b>	<b>5,633</b>	<b>60,558</b>	<b>5,934</b>	<b>2,742</b>	<b>320,527</b>
At 31 July 2019	250,420	5,991	62,024	4,915	5,472	328,822
<b>University</b>						
<b>Cost</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2019	291,019	58	68,652	26,158	5,472	391,359
Additions	0	0	0	3,183	2,027	<b>5,210</b>
Transfers	4,593	0	0	132	(4,725)	<b>0</b>
Disposals	(320)	0	0	(135)	(33)	<b>(488)</b>
<b>At 31 July 2020</b>	<b>295,292</b>	<b>58</b>	<b>68,652</b>	<b>29,338</b>	<b>2,741</b>	<b>396,081</b>
<b>Depreciation</b>						
At 1 August 2019	40,599	7	6,628	21,328	0	68,562
Charge for the year	9,071	2	1,466	2,299	0	<b>12,838</b>
Disposals	(38)	0	0	(135)	0	<b>(173)</b>
<b>At 31 July 2020</b>	<b>49,632</b>	<b>9</b>	<b>8,094</b>	<b>23,492</b>	<b>0</b>	<b>81,227</b>
<b>Net book value</b>						
<b>At 31 July 2020</b>	<b>245,660</b>	<b>49</b>	<b>60,558</b>	<b>5,846</b>	<b>2,741</b>	<b>314,854</b>
At 31 July 2019	250,420	51	62,024	4,830	5,472	322,797

At 31 July 2020, freehold land and buildings included £38.7m (2019 - £38.7m) in respect of freehold land and is not depreciated.

#### Leased assets included above:

<b>Net Book Value:</b>	<b>£'000</b>
At 31 July 2019	12
<b>At 31 July 2020</b>	<b>982</b>

#### 12 Heritage assets

The University holds a number of collections of Heritage Assets, including: Arts Collection - approximately 600 oil paintings, watercolours, prints, and drawings, plus 9 sculptures, dating from the 17th to the 21st centuries; Ceramics Collection - contains around 500 pieces on display and in store; Music Collection - approximately 600 ethnographic musical instruments, together with 325 pre-Columbian clay instruments; Geology Collection - around 8,000 rocks and 6,000 fossils from all over the world; Natural History Collection - composed of around 40,000 specimens (of which around 500 are on display); Welsh Antiquities Collection - and other antiquities are held on display in the Gwynedd Museum & Art Gallery; and a Manuscripts Collection - the Library has around 16,500 books of rare or special significance and the Archives Department holds around 80 collections, mostly of estate and family papers from the counties of North Wales, together with private papers of prominent individuals and a miscellaneous collection of literary, historical and antiquarian records.

The University's Heritage Assets are documented and were valued at £12.3m for insurance purposes only. This value is not reflected in the University's Financial Statements.

#### 13 Service concession arrangements

The University has two on Balance Sheet service concession arrangements, the St Mary's and Ffriddoedd Road sites, where service delivery has commenced.

##### Movement in service concession arrangement assets

The asset value of the service concessions included on the Balance Sheet as at 31 July 2020 is £60,558k (1 August 2019 £62,024k). The decrease of £1,466k results from depreciation charges during the year.

##### Movement in service concession arrangement liabilities

The total liabilities relating to the service concessions included on the Balance Sheet as at 31 July 2020 were £63,344k (1 August 2019 £64,783k). The decrease of £1,439k results from repayments during the year.

##### Future commitments

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

	Payable in 1 year	Payable in 2-5 years	Payable in 6 years or more	Total
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Liability repayments	1,459	5,513	56,373	63,345
Finance charge	3,489	13,062	35,671	52,222
Service charge	2,014	10,441	72,243	84,698
	<b>6,962</b>	<b>29,016</b>	<b>164,287</b>	<b>200,265</b>

The notes below give more information on the University's current on Balance Sheet service concession arrangements:

##### a) Ffriddoedd Road scheme

On 6 October 2006 the University entered into a 29 year contract with a third party provider for the provision and maintenance of accommodation to 1,136 students.

The assets and liabilities relating to this scheme are recognised on the University's Balance Sheet.

The service commenced on 1 October 2009 and the contract will finish on 30 September 2038.

##### b) St Mary's scheme

On 23 July 2014 the University entered into a 40 year contract with a third party provider for the provision and maintenance of accommodation to 602 students.

The assets and liabilities relating to this scheme are recognised on the University's Balance Sheet.

The service commenced on 25 September 2015 and the contract will finish on 24 September 2055.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



#### 14 Non-Current Investments

	Subsidiary companies (Note 27)	Associate companies (Note 27)	Joint venture (Note 15)	Other non- current investments	Total
<b>Consolidated</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2019	0	50	0	6,068	6,118
Release in Year	0	0	0	59	59
Revaluation	0	0	0	(218)	(218)
<b>At 31 July 2020</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>5,909</b>	<b>5,959</b>
<b>University</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2019	0	50	50	6,068	6,168
Release in Year	0	0	0	59	59
Revaluation	0	0	0	(218)	(218)
<b>At 31 July 2020</b>	<b>0</b>	<b>50</b>	<b>50</b>	<b>5,909</b>	<b>6,009</b>

Non-current investments are stated at cost with the exception of the University's managed funds which are stated at market value.

	University £'000
Other non-current investments consist of :	
CVCP Properties plc	33
Laser Micromachining Ltd	80
Managed funds in equities and fixed interest securities	5,796
	<b>5,909</b>

Managed funds are held with UBS Asset Management (UK) Limited who are licensed by the Financial Conduct Authority.

#### 15 Investment in joint venture

The University holds a 50% share (50,000 £1 Ordinary shares) of P&O Maritime Ocean Sciences Limited, a company registered in England, which undertakes the chartering of a research vessel. This is a joint venture company owned equally by the University and P&O Maritime Services (UK) Limited. The arrangement is treated as a joint venture and is accounted for using the equity method, such that 50% of the company's gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 50% of its net income is reported in the University's consolidated Statement of Comprehensive Income.

Income and expenditure account	2019/20 £'000	2018/19 £'000
Share of income	608	606
Share of expenditure	(570)	(543)
Share of surplus for year	<b>38</b>	63
Balance sheet	2020 £'000	2019 £'000
Fixed assets	122	226
Current assets	319	366
	<b>441</b>	592
Creditors: amounts due within one year	(104)	(185)
Creditors: amounts due after more than one year	(162)	(270)
	<b>(266)</b>	(455)
Share of net assets	<b>175</b>	137

#### 16 Stock

Catering and retail stocks

	2020 Consolidated £'000	University £'000	2019 Consolidated £'000	University £'000
Catering and retail stocks	68	43	109	78
	<b>68</b>	<b>43</b>	<b>109</b>	<b>78</b>

#### 17 Trade and other receivables

Amounts falling due within one year:

	2020 Consolidated £'000	University £'000	2019 Consolidated £'000	University £'000
Trade receivables	13,270	13,083	11,362	10,528
Other receivables - taxation recoverable	7	0	0	0
Prepayments and accrued income	11,945	11,850	9,662	9,602
Amounts due from subsidiary companies	0	3,030	0	2,759
Amount due from joint venture	200	200	200	200
Prepayment to joint venture	50	50	50	50
	<b>25,472</b>	<b>28,213</b>	21,274	23,139

Amounts falling due after one year:

	2020 Consolidated £'000	University £'000	2019 Consolidated £'000	University £'000
Amounts due from subsidiary companies	0	1,736	0	1,888
Loan to joint venture	100	100	300	300
Prepayment to joint venture	34	34	83	83
Prepayment to subsidiary undertaking	0	1,927	0	2,064
	<b>25,606</b>	<b>32,010</b>	21,657	27,474

#### 18 Current investments

Short term deposits

	2020 Consolidated £'000	University £'000	2019 Consolidated £'000	University £'000
Short term deposits	5,133	5,133	10,463	10,463
	<b>5,133</b>	<b>5,133</b>	10,463	10,463



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



#### 19 Creditors : amounts falling due within one year

	2020		2019	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Obligations under finance leases	159	159	12	12
Service concession arrangements (Note 13)	1,459	1,459	1,438	1,438
Secured loans	329	329	567	567
Unsecured loans	2,288	2,288	2,220	2,220
Bank Overdraft	0	0	34	34
Creditors	8,888	8,632	8,109	7,952
Social security and other taxation payable	1,992	1,961	1,805	1,704
Accruals and deferred income	19,036	18,430	18,643	17,697
Amounts due to joint venture	164	164	212	212
Amounts due to subsidiary undertakings	0	402	0	439
	<b>34,315</b>	<b>33,824</b>	<b>33,040</b>	<b>32,275</b>

#### Deferred income

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

Research grants received on account	3,754	3,754	3,841	3,841
Funding Body grants	1,820	1,820	1,634	1,634
Other	269	269	607	607
	<b>5,843</b>	<b>5,843</b>	<b>6,082</b>	<b>6,082</b>

#### 20 Creditors : amounts falling due after more than one year

	2020		2019	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Deferred income	73	33	274	83
Obligations under finance lease	823	823	0	0
Service concession liabilities due after one year	61,885	61,885	63,345	63,345
Secured loans	0	0	67	67
Unsecured loans	37,817	37,817	39,774	39,774
	<b>100,598</b>	<b>100,558</b>	<b>103,460</b>	<b>103,269</b>

Analysis of secured and unsecured loans:

<b>Due within one year or on demand</b>	<b>2,617</b>	<b>2,617</b>	<b>2,787</b>	<b>2,787</b>
Due between one and two years	2,621	2,621	2,912	2,668
Due between two and five years	8,314	8,314	8,542	8,239
Due in five years or more	26,882	26,882	28,387	28,934
<b>Due after more than one year</b>	<b>37,817</b>	<b>37,817</b>	<b>39,841</b>	<b>39,841</b>

#### Total secured and unsecured loans

	<b>40,434</b>	<b>40,434</b>	<b>42,628</b>	<b>42,628</b>
Secured loans repayable by 2026	329	329	634	634
Unsecured loans repayable by 2033	40,105	40,105	41,994	41,994
	<b>40,434</b>	<b>40,434</b>	<b>42,628</b>	<b>42,628</b>

Included in loans are the following:

Borrower	Amount £'000	Maturity	Interest rate %	Lender
University	68	2020	LIBOR + 1.45%	Bank of Scotland plc
University	2,614	2030	0%	Salix Energy Efficiency Loans
University	21,243	2033	Fixed 3.913%	European Investment Bank
University	16,509	2033	Fixed 2.135%	European Investment Bank
<b>Total University</b>	<b>40,434</b>			



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



#### 21 Provisions for liabilities

	USS deficit	Local scheme	Total Pensions Provisions	Restruct-uring Provision	Total Other
<b>Consolidated and University</b>	£'000	£'000	£'000	£'000	£'000
<b>At 1 August 2019 (Restated*)</b>	30,329	(6,621)	<b>23,708</b>	738	<b>738</b>
Staff cost	0	691	<b>691</b>	0	<b>0</b>
Deficit Contribution	(759)	0	<b>(759)</b>	0	<b>0</b>
Finance cost / (credit)	479	(132)	<b>347</b>	0	<b>0</b>
Movement on Pension Scheme	(10,625)	10,266	<b>(359)</b>	0	<b>0</b>
Additions / (Utilised)	0	0	<b>0</b>	(548)	<b>(548)</b>
<b>At 31 July 2020</b>	<b>19,424</b>	<b>4,204</b>	<b>23,628</b>	<b>190</b>	<b>190</b>

##### Local scheme deficit

Defined benefit obligations at 1 August 2020 related to the liabilities under the University's BUPAS pension scheme. Further details are given in Note 29.

##### USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation.

Following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed of which more detail is given in Note 29A. This new plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As a consequence the deficit provision has decreased significantly from the prior year of which £9.2m is due to the change in the deficit contributions contractual commitment.

**Key assumptions** to calculate the obligation are set out below and further information is provided in Note 29A.

	2020	2019
Discount rate	0.73%	1.58%
Salary growth	0.00%	2.00%

##### Sensitivity analysis

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Change in assumptions at 31 July 2020	Approximate impact £m
0.5% pa decrease in discount rate	0.5
0.5% pa increase in salary inflation over duration	0.5
0.5% pa increase in salary inflation year 1 only	0.1
0.5% increase in staff changes over duration	0.5
0.5% increase in staff changes year 1 only	0.1
1% increase in deficit contributions	3.9

\*see Note 33

#### 22 Endowment reserves

	Restricted permanent endowments	Unrestricted permanent endowments	Restricted expendable endowments	2020 Total	2019 Total
<b>Consolidated and University</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>At 1 August</b>	4,352	200	1,631	<b>6,183</b>	6,217
Capital	867	0	53	<b>920</b>	1,023
Accumulated income	<b>5,219</b>	<b>200</b>	<b>1,684</b>	<b>7,103</b>	7,240
New endowments	153	0	160	<b>313</b>	6
Investment income	147	7	54	<b>208</b>	217
Expenditure	(50)	(7)	(246)	<b>(303)</b>	(326)
Increase in market value of investments	154)	(7)	(57)	<b>(218)</b>	(34)
Total endowment comprehensive income/ (expenditure) for the year	96	(7)	(89)	<b>0</b>	(137)
<b>At 31 July</b>	<b>5,315</b>	<b>193</b>	<b>1,595</b>	<b>7,103</b>	7,103
<b>Represented by:</b>					
Capital	4,198	193	1,574	<b>5,965</b>	6,183
Accumulated income	1,117	0	21	<b>1,138</b>	920
	<b>5,315</b>	<b>193</b>	<b>1,595</b>	<b>7,103</b>	7,103
<b>Analysis by asset</b>					
Non-current asset investments				<b>5,796</b>	5,955
Cash & cash equivalents				<b>1,307</b>	1,148
				<b>7,103</b>	7,103

#### 23 Other restricted reserves

Reserves with restrictions are as follows:

	2020 Donations	2019 Donations
<b>Consolidated and University</b>	<b>£'000</b>	<b>£'000</b>
<b>At 1 August</b>	<b>580</b>	533
New donations	<b>166</b>	186
Investment income	<b>0</b>	0
Expenditure	<b>(132)</b>	(139)
<b>Total restricted comprehensive income / (expenditure) for the year</b>	<b>34</b>	47
<b>At 31 July</b>	<b>614</b>	580

#### 24 Cash and cash equivalents

	2020 Consolidated	2020 University	2019 Consolidated	2019 University
	<b>£'000</b>	<b>£'000</b>	£'000	£'000
<b>At 1 August</b>	<b>19,412</b>	<b>18,991</b>	32,448	32,225
Cashflows	8,281	8,098	(13,036)	(13,234)
<b>At 31 July</b>	<b>27,693</b>	<b>27,089</b>	19,412	18,991

#### 25 Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2020:

	2020 Consolidated	2020 University	2019 Consolidated	2019 University
	<b>£'000</b>	<b>£'000</b>	£'000	£'000
Commitments contracted for	<b>135</b>	<b>135</b>	495	495
	<b>135</b>	<b>135</b>	<b>495</b>	<b>495</b>





NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 JULY 2020

26 Lease obligations

Total rentals payable under operating leases:  
**Consolidated and University**

	Land and buildings £'000	Other leases £'000	2020 Total £'000	2019 Total £'000
<b>Payable during the year</b>	256	1,131	<b>1,387</b>	1,099
<b>Future minimum lease payments due:</b>				
Not later than 1 year	259	1,122	<b>1,381</b>	1,106
Later than 1 year and not later than 5 years	831	1,390	<b>2,221</b>	2,107
Later than 5 years	14,105	0	<b>14,105</b>	14,294
<b>Total lease payments due</b>	<b>15,195</b>	<b>2,512</b>	<b>17,707</b>	17,507

27 Events after the reporting period

In September 2020, the Trustee of the USS Pension Scheme (USS) launched a consultation with Universities UK on key aspects of the scheme's 2020 valuation. The scope of this exercise covers a wide range of potential outcomes, reflecting issues still to be resolved on employer support as well as uncertainties for the higher education sector and financial markets in general but, based on the proposals put forward, the Trustees have indicated that the fund's deficit at 31 March 2020 could range from between £9.8bn and £17.9bn. This would represent a significant deterioration from the £3.6bn deficit established under the 2018 valuation (and against which the current recovery plan is set) and a return to the levels of shortfall experienced under the previous 2017 valuation (£11.8bn). At this stage, an outcome is far from agreed and the USS Trustee has until 30 June 2021 to conclude the valuation. For the 2019-20 financial year, this is considered a non-adjusting event.

In November 2020 High Court judgment on GMP equalisation for historic transfers confirms:

- an obligation on scheme trustees to top up historic cash equivalent transfer payments that were calculated based on unequalised benefits; and
- there is no time limit on this obligation meaning trustees will need to consider transfer values paid out all the way back to May 1990 (i.e. the date from which pension benefits need to be equalised between males and females under the Barber sex equalisation ruling).

This could lead to the additional liability arising from this judgment as a plan amendment (past service cost in P&L) as at 20 November 2020 although it is not expected to be material.

There are no other post balance sheet events to report.

28 Subsidiary and associate company undertakings

	Status	Share Capital Held	Country of Registration	Principal Activity
North West Wales Management Development Centre Limited	100%	1 £1 Ordinary share	Wales	Management courses, conferencing and accommodation
UNDEB (Trading) Cyfyngedig	100%	2 £1 Ordinary shares	Wales	Certain commercial activities in support of the Students' Union
Menai Science Park Limited	100%	1 £1 Ordinary share	Wales	Development of a science park
The Shellfish Centre	-	Limited by guarantee	Wales	Shellfish processing and research
Naturiol Bangor Limited	20%	20 £1 Ordinary shares	Wales	Natural materials research
Holding acquired at a cost of £50,000				
Suprex Limited	40%	3,600 £0.01 Ordinary shares	Wales	Chemical processing and research services
Holding acquired at a cost of £36 on the 9 June 2016				

The financial statements do not incorporate Naturiol Bangor Limited, Suprex Limited or The Shellfish Centre as the results and assets and liabilities of these companies are not considered material.

29 Pension Schemes

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

- Universities' Superannuation Scheme (USS)
- Bangor University Pension and Assurance Scheme 1978 (BUPAS)
- The Government's workplace pension scheme (NEST)

A small number of staff remain in other schemes that are not open to new members.

29A The Universities Superannuation Scheme

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee Benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Consolidated Statement of Comprehensive Income.

The total cost charged to the Consolidated Statement of Comprehensive Income is £9.486m (2019: £8.359m). Deficit recovery contributions due within one year for the Institution are £0.76m (2019 - £0.63m).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2018 ("the valuation date"), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete. Since the institution cannot identify its share of Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Discount rate (forward rates)	Years 1-10: CPI - 0.14% reducing linearly to CPI - 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21 +: CPI + 1.55%"
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Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
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The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality Base Table	<b>Pre-retirement</b> 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females. <b>Post-retirement</b> 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.
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Future Improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and a 1.6% p.a. for females.
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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



#### 29A The Universities Superannuation Scheme (continued)

The current life expectancies on retirement at age 65 are:

	2018 valuation	2017 valuation
Males currently aged 65 (years)	24.4	24.4
Females currently aged 65 (years)	25.9	25.9
Males currently aged 45 (years)	26.3	26.3
Females currently aged 45 (years)	27.7	27.7

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%, until 31 March 2028. The 2020 deficit recovery liability reflects this plan.

The liability figures have been produced using the following assumptions:

	2020	2019
Discount rate	2.59%	2.44%
Pensionable salary growth	4.20%	2.11%

In the year ended 31 July 2019, the liability was based on the previous deficit recovery plan, which required payment of 5% of salaries over the period 1 April 2020 to 30 June 2034.

The reduction in the term of the deficit recovery plan has given rise to a substantial reduction in the deficit provision which has decreased from £30.3 million to £19.4 million as set out in note 21. £9.2 million of this decrease is attributable to the change in the deficit contributions contractual commitment. See also Staff costs note 7 in respect of significant one-off pension costs / gains.

In September 2020, the Trustee of the USS Pension Scheme (USS) launched a consultation with Universities UK on key aspects of the scheme's 2020 valuation. The scope of this exercise covers a wide range of potential outcomes - reflecting issues still to be resolved on employer support as well as uncertainties for the higher education sector and financial markets in general - but, based on the proposals put forward, the Trustees have indicated that the fund's deficit at 31 March 2020 could range from between £9.8bn and £17.9bn.

This would represent a significant deterioration from the £3.6bn deficit established under the 2018 valuation (and against which the current recovery plan is set) and a return to the levels of shortfall experienced under the previous 2017 valuation (£11.8bn).

At this stage, an outcome is far from agreed and the USS Trustee has until 30 June 2021 to conclude the valuation. As an early indication of the scale of impact though, it has been estimated that the cost of continuing to offer current benefits in this context could reach between 40.8% to 67.9% of payroll. However, this is range is purely an illustration and is before any other measures are considered to reduce the deficit and is still being widely debated across the sector and by the Trustee of the Pension Scheme. For the 2019-20 financial year however, this is considered a non-adjusting event.

A further full valuation as at 31 March 2020 is currently underway. As the valuation has only recently commenced there is still work to be done agreeing the technical provisions assumptions, the extent of future investment risk, the duration of the deficit period and the level of deficit contributions. Rule changes in respect of strengthening the employer covenant are also in progress including restrictions on employer exits, debt monitoring and pari passu arrangements. The valuation must be completed by 30 June 2021. However it is generally anticipated that there will be a significant increase in the deficit provision as at 31 July 2021 (assuming the valuation is completed by then).

#### 29B Bangor University Pension and Assurance Scheme 1978 (BUPAS)

The University operates a defined benefit pension scheme for ancillary and support staff, the Bangor University Pension and Assurance Scheme 1978 (BUPAS). The scheme is externally funded and was contracted out of the State Second Pension (S2P) until 31 March 2016.

The latest actuarial valuation was carried out as at 1 August 2017 and was updated for the purpose of IAS19, Employee Benefits, to 1 August 2020 by a professionally qualified actuary.

The total cost of contributions paid by the University was £1,854k (2019: £1,832k). The University paid a further contribution of £0k (2019: £200k) towards the scheme's deficit repair plan. The University's future contributions to the deficit repair plan will be set as part of the 2020 valuation taking place during early 2021.

##### Assumptions

The financial assumptions used to calculate scheme liabilities under FRS102 at the year ended 31 July are:

	2020	2019
Price inflation (RPI)	% p.a.	% p.a.
Price inflation (CPI)	2.85%	3.40%
Rate of increase in salaries	2.05%	2.40%
Rate of increase of pensions in payment for BUPAS members	3.15%	3.70%
Increases to deferred pensions before retirement	1.95%	2.25%
Discount rate	2.05%	2.40%
	1.35%	2.10%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments at the year ended 31 July based on the life expectancy of male and female members at age 65.

	2020		2019	
	Male	Female	Male	Female
Member aged 65 retiring today	20.7	23.8	20.6	23.6
Member aged 45 retiring in 20 years	22.1	25.3	22.0	25.1

##### The major categories of scheme assets were as follows:

	2019/20 £'000	2018/19 £'000
Equities	101,483	111,820
Liability driven investments	36,520	26,374
Property	5,987	6,283
Cash	24,278	18,542
<b>Total market value of assets</b>	<b>168,268</b>	<b>163,019</b>

The scheme has no investments in the University or in any property occupied by the University.

##### Net finance income / interest recognised within finance cost and income:

	2019/20 £'000	2018/19 £'000
Interest income	3,406	3,927
Interest expense	3,274	(3,684)
<b>Total</b>	<b>132</b>	<b>243</b>

The actual return on pension scheme assets was a gain of £3.48m (2019: £14.45m)

The amounts recognised in comprehensive income are:

##### Service cost:

Current service cost (net of employee contributions)	3,401	2,938
Administration expenses	382	394
Loss/(gain) on plan introductions, changes, curtailments and settlements	0	1,164
Net interest expense/(credit)	(132)	(243)
<b>Charge/(credit) recognised in the comprehensive income</b>	<b>3,651</b>	<b>4,253</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020



#### 29B Bangor University Pension and Assurance Scheme 1978 (continued)

	2019/20 £'000	2018/19 (Restated*) £'000
The amounts recognised in comprehensive income (continued)		
<b>Remeasurements of the net liability:</b>		
Return on scheme assets (excluding amount included in net interest expense)	(3,477)	(14,451)
Actuarial (gains)/losses	13,743	16,421
<b>Charge/(credit) recorded in other comprehensive income</b>	<b>10,266</b>	<b>1,970</b>
<b>Analysis of the amount shown in the Statement of Financial Position:</b>		
<i>Reconciliation of Assets</i>		
At 1 August	163,019	146,216
Benefits paid	(4,400)	(4,506)
Administration expenses	(383)	(394)
Employer contributions	3,093	3,251
Employee contributions	55	74
Interest income	3,406	3,927
Return on assets	3,477	14,451
<b>At 31 July</b>	<b>168,267</b>	<b>163,019</b>
<i>Reconciliation of Liabilities</i>		
At 1 August	(156,398)	(136,623)
Benefits paid	4,400	4,506
Service cost	(3,401)	(2,938)
Employee contributions	(55)	(74)
Interest expense	(3,274)	(3,684)
Actuarial Loss on Liabilities	(13,743)	(16,421)
Gain/(loss) on plan introductions and changes	0	(1,164)
<b>At 31 July</b>	<b>(172,471)</b>	<b>(156,398)</b>
<b>Net pension carried forward / (liability/provision) (Note 20)</b>	<b>(4,204)</b>	<b>6,621</b>

\*See Note 33

Accounting for the BUPAS pension scheme resulted in the recognition of an additional charge of £0m (2019 - £1.364m) to staff costs and a credit of £0.132m (2019 credit of £0.243m) to interest income.

#### 30 Related party transactions

Included within the financial statements are financial transactions with the following related parties in which the University does not have a controlling interest. All transactions are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures. The value of these transactions reflected in the accounts for the year ended 31 July 2020 are set out below.

Organisation	Note	Income £'000	Expenditure £'000	Due from / (to) at 31 July 2020 £'000
Bangor University Students' Union		146	1,502	0
P&O Maritime Ocean Sciences Ltd	15	53	1,229	220

Other transactions with related parties involving members of the University's Council are disclosed under Note 7

#### 31 Bursaries

The University is the paying agent on behalf of the National Health Service and the Welsh Government in respect of bursaries and expenses made available for students studying nursing and teacher training. The sums paid are:

	2019/20 £'000	2018/19 £'000
Nursing	4,797	4,723
Teacher Training	401	345
	<b>5,198</b>	<b>5,068</b>

The bursaries and related disbursements are excluded from the Statement of Comprehensive Income.

#### 32 Financial Instruments

	Note	2020 Consolidated £'000	2020 University £'000	2019 Consolidated £'000	2019 University £'000
<b>Financial assets</b>					
<i>Financial assets measured at cost:</i>					
Cash and cash equivalents	24	27,693	27,089	19,412	18,991
<i>Financial assets measured at fair value:</i>					
Non-current investments	14	5,796	5,796	5,955	5,955
<i>Financial assets measured at cost less impairment:</i>					
Non-current investments	14	83	213	83	213
Trade receivables	17	13,270	13,083	11,362	10,528
Other receivables	17	12,336	18,927	10,295	16,946
		<b>59,178</b>	<b>65,108</b>	<b>47,107</b>	<b>52,633</b>
<b>Financial assets</b>					
<i>Financial assets measured at cost:</i>					
Trade and other payables	18/19	30,153	29,622	29,077	28,121
<i>Financial liabilities measured at amortised cost:</i>					
Loans	18/19	40,434	40,434	42,628	42,628
Service concession arrangements	18/19	63,344	63,344	64,783	64,783
Finance leases	18/19	982	982	12	12
		<b>134,913</b>	<b>134,382</b>	<b>136,500</b>	<b>135,544</b>

The income and expenditure in respect of the financial instruments is summarised below:

		£'000	£'000	£'000	£'000
Total investment income for financial assets at cost	5	338	412	303	450
Total investment income for financial assets at fair value	5	207	207	217	217
Total interest expenditure for financial liabilities at amortised cost	8	5,333	5,155	5,365	5,247

The University enters into predominantly non-complex or short term transactions resulting in basic financial instruments. As such the risk associated with the assets and liabilities outlined above is deemed by the University to be relatively low. The financial assets measured at cost are mainly in the form of cash or cash equivalents held with financial institutions on deposit. Financial assets measured at market value are exposed to the risk of changes in market prices. These are actively managed by professional fund managers according to an investment strategy set by the University.

For further details on terms and conditions associated with loans refer to Note 20.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 JULY 2020

#### 33 Prior Period Adjustment

Historically the University has not recognised the actuarial surplus in the Bangor University Pension and Assurance Scheme 1978 (BUPAS). However, as the current service cost has been greater than the employer contributions, under FRS102, a proportion of the surplus is now required to be recognised. This equates to the shortfall from the contributions to the service cost, capitalised for the future active lifetime of the scheme. As a result the prior year comparatives as at 31 July 2019 have been restated to include the surplus in the BUPAS. The following tables summarise the impact on the Consolidated and University's financial statements.

##### Statement of Financial Position at 31 July 2019

	As Previously Reported		Adjustment	As Restated	
	Consolidated £'000	University £'000	£'000	Consolidated £'000	University £'000
<b>Total assets less current liabilities</b>	353,678	353,696	-	353,678	353,696
Creditors: amounts falling due after more than one year	(103,460)	(103,269)	-	(103,460)	(103,269)
<b>Provisions</b>					
Pension provisions	(30,329)	(30,329)	6,621	(23,708)	(23,708)
Other provisions	(738)	(738)	-	(738)	(738)
<b>Total net assets</b>	219,151	219,360	6,621	225,772	225,981
<b>Restricted reserves</b>					
Endowment reserve	7,103	7,103	-	7,103	7,103
Income and expenditure reserve	580	580	-	580	580
<b>Unrestricted reserves</b>					
Income and expenditure reserve	211,468	211,677	6,621	218,089	218,298
<b>Total reserves</b>	219,151	219,360	6,621	225,772	225,981

##### Consolidated and University Statement of Comprehensive Income and Expenditure 2018/19

<b>Deficit)/Surplus for the year</b>	(19,841)	(19,773)	-	(19,841)	(19,773)
Pension Provision movement	1,261	1,261	(3,231)	(1,970)	(1,970)
<b>Total comprehensive income/ (expenditure) for the year</b>	(18,580)	(18,512)	(3,231)	(21,811)	(21,743)





# PUBLIC BENEFIT STATEMENT YEAR ENDED 31 JULY 2020



Bangor University is a Registered Charity (number 1141565) in accordance with the terms of the Charities Act 2011. In setting and reviewing the University's objectives and activities, the University has due regard to the Charity Commission's guidance on the reporting of public benefit and particularly its supplementary public benefit guidance on the advancement of education.

Bangor University is a strong, confident institution recognised regionally, nationally and internationally as a centre of excellence for its varied portfolio of teaching and research, and for the unique, multicultural, inclusive experience it provides for its staff and students. The University was founded as a direct result of a campaign from the communities of North Wales for higher education provision in the region. Established with significant local support, both financially and otherwise, the University continues to take pride in our role as a member of the community and our bilingual heritage.

### An excellent education and student experience

The University provides higher education for over 11,000 students in a wide range of disciplines in the arts and humanities, social sciences, natural sciences, physical sciences, health and education.

The University admits students who can demonstrate their ability to benefit from higher education – regardless of their financial, social, religious or ethnic background. We safeguard fair access and increased retention through the provision of bursaries, scholarships and hardship schemes and targeted financial support for care leavers and the homeless.

The University works with schools to raise educational aspirations and awareness of under-represented groups; by identifying individuals with potential, and developing skills to prepare students for Higher Education.

Extra-curricular and volunteering activities develop individuals, enhance their employability, and promote engagement with the community. The University provides access to all sports clubs, societies and volunteering activities free at the point of delivery, regardless of the student's ability to pay.

In the field of teaching and learning, the University provides a curriculum that is attractive and fit for purpose with academic programmes of high quality, excellent teaching facilities and a wide range of support services (including academic, financial, pastoral, spiritual and careers advice). Our programmes reflect our commitment to ensuring our students are global citizens.

### Enhancing research success

Research at Bangor University is having a major impact on the economy and the lives of people around the world. Our research is disseminated through the publication of papers and books, through lectures and conference presentations.

Opportunities for postgraduate study and research (including the provision of studentships) are available in every academic school. The University also provides services to industry and commerce, through enterprise support (for example Knowledge Transfer Partnerships – of which there have been nearly 100 – with various

businesses in North Wales and beyond), assistance with new product development, the promotion and support of spin-out companies, the commercialisation of ideas and the exploitation of intellectual property.

### An international university for the region

Bangor University is listed among the 200 most international universities globally and the most international university in Wales. The University provides a thriving international community and welcomes staff and students from over 100 countries worldwide, providing a unique Bangor experience for international students. The University works with partners across the world, including the recent establishment of Bangor College China.

Employability and global citizenship are strengthened by the University's internationalisation of the curriculum and promotion and support for outward mobility, allowing all students to experience time abroad as part of their academic programme.

### Welsh language, culture & civic engagement

The University is leading the field for Welsh-medium higher education provision. The University actively encourages Welsh-medium students to undertake their courses through the medium of Welsh and promotes the use of Welsh in the workplace.

There is an extensive Library, the Archive department of which has the status of a 'Place of Deposit for Public Records'. The Library holdings and collections are shared with external members of the public through schemes such as 'Linc y Gogledd' which make University Library resources available in local public libraries in North Wales.

The University also promotes cultural development through its Public Lecture programme, a programme of music and drama, a Museum and Art Gallery, together with a major art collection, and unique collections including ceramics, musical instruments, and natural history specimens.

Pontio, a major £50m Arts and Innovation Centre, encompassing a theatre, studio theatre, cinema, large lecture facilities and innovation hub, outdoor performance area, as well as public cafes, foyers and bars has recently been completed. This makes an immense contribution to cultural, economic and social development. The university also provides high-quality sporting facilities and classes for the local community.

The University estate contains nearly 150 buildings, including 14 listed buildings (one of which is a grade 1 listed building of historical significance).

### Commitment to sustainability and the environment

The University is committed to sustainability not only in the context of our rich, natural environment, but also in terms of social cohesion, financial stability, and resource efficiency. Sustainability is one of our strategic enablers and we contribute to the Welsh Government's well-being of future generations' goals and the UN Sustainable Development goals.



Bangor's commitment to sustainability is reflected in its environmental policy, which states that *"We will not only seek to protect our natural environment, but also actively pursue opportunities to enhance it, promote a culture of environmental stewardship amongst our staff and students and work towards the goals of sustainable development."* We have maintained our ISO14001:2015 Environmental Management System (EMS). Senior management demonstrated its leadership and commitment with respect to the EMS by appointing the University Secretary, on behalf of the Executive, to chair the Sustainability Task Group (STG), which provides strategic direction and accountability for the effectiveness of the environmental management system by scrutinising the Annual Environmental Report. In the year of reporting, Waste Management continued to be a focus for the Sustainability Lab and the Campus Environmental Performance team (CEPT).

Student training sessions, presentations and workshops were delivered throughout the year and the Waste Awareness Week, held in October 2018, is by now an annual fixture in the calendar. There has been a 2% reduction in total waste generated, 14% increase in material recycled and 47% increase in donations to British Heart Foundation. The University sends zero waste to landfill. There has been a 5.5% reduction in total energy consumption and a 9% decrease in consumption per m<sup>2</sup> and per FTE (students and staff). More than 87,000kWh of electricity was generated by solar panels and there was an 8% decrease in reportable Greenhouse gas emissions. The team worked with many collaborators internally and externally with Cyngor Gwynedd, CIWM and British Heart Foundation.



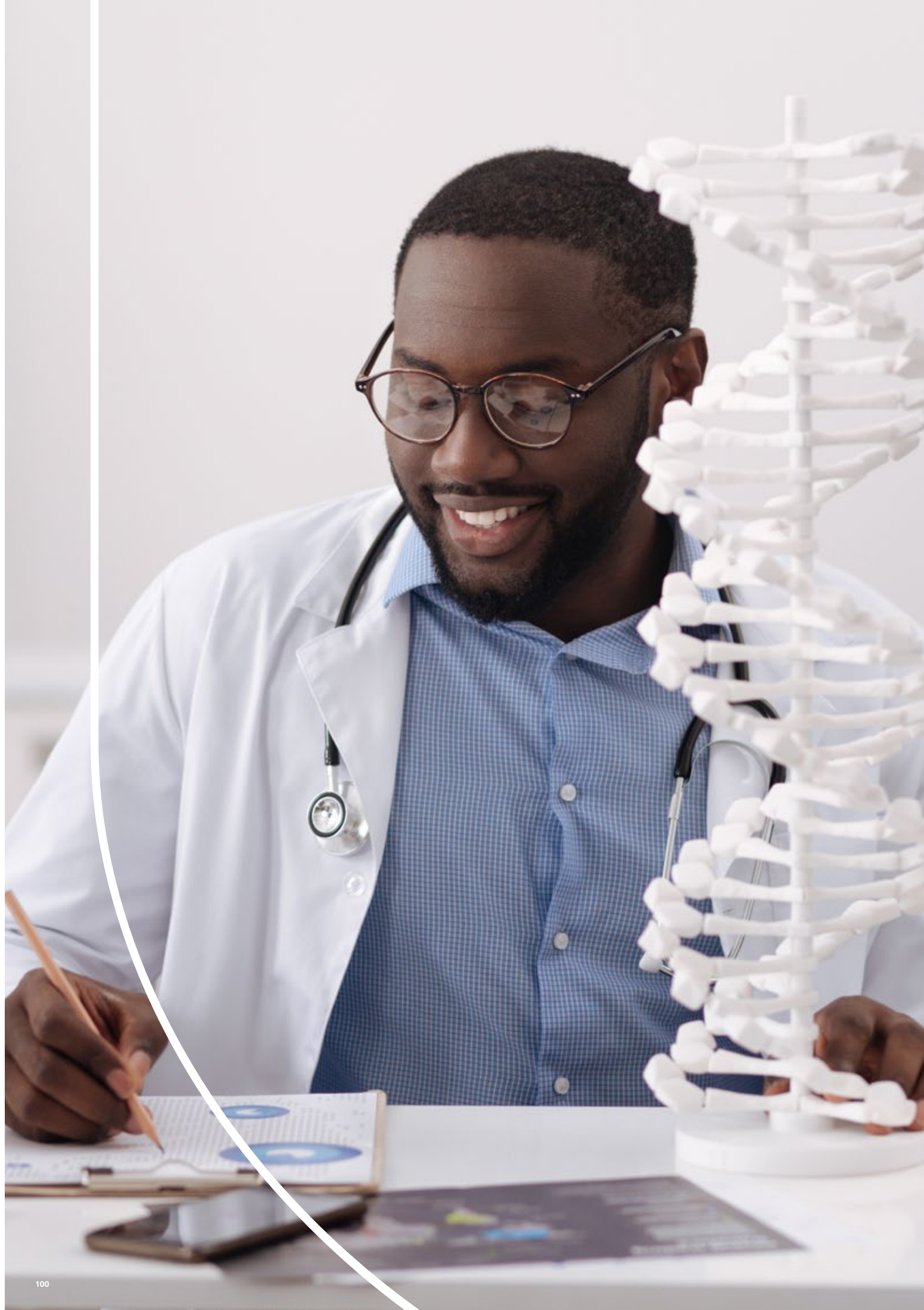
Biodiversity is another focus. Habitats within our grounds hold educational, social, cultural, recreational and environmental value for students, staff and the wider community. The new Biodiversity Action Plan seeks to promote biodiversity in all campus habitats and integrate biodiversity into our operations as we conduct our business. Outreach through the Treborth Botanic Garden continues.

### Commitment to sustainability through our investment policy

The University, through a sub-committee of the Finance and Strategy Committee, conducted its annual review of the Sustainable Investment Policy applicable to the Endowment funds that are managed on its behalf by UBS. The policy ensures that the University optimises its investment returns without compromising our commitment to sustainability and well-being of current and future generations. This involves positive and negative screening of all companies for compliance with ethical and socially responsible standards, including the avoidance of activities that are harmful to the environment or well-being of their workforce. There are also specific exclusions for areas such as weapons, alcohol, gambling, tobacco etc. The University does not invest in extractive fossil fuels.

A copy of the Policy can be found at:  
[www.bangor.ac.uk/finance/pl/documents/SIPBU-Eng](http://www.bangor.ac.uk/finance/pl/documents/SIPBU-Eng) :





# STATEMENT OF COUNCIL RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2020



The Council is responsible for preparing the Strategic Review and the consolidated financial statements in accordance with the requirements of the Higher Education Funding Council for Wales's Memorandum of Assurance and Accountability issued by HEFCW and applicable law and regulations.

They are required to prepare group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Memorandum of Assurance and Accountability further requires the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of HEFCW's Accounts Direction to higher education institutions. The Council are required to prepare financial statements which give a true and fair view of the state of affairs of the group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period.

In preparing each of the group and parent University financial statements, the Council are required to:

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

The Council are responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University and enable them to ensure that its financial statements comply with relevant legislation and other relevant accounting standards. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Council are also responsible under the Memorandum of Assurance and Accountability for:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- ensuring that funds from HEFCW and other funding bodies are used only for the purposes for which they have been given and in accordance with the Memorandum of Assurance and Accountability and any other conditions which HEFCW may from time to time prescribe;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

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





PRIFYSGOL  
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UNIVERSITY

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