

University of Ulster

Northern Ireland · Charity number 100166

Details

Status Received

Registered 2014-08-14

Register [View on the Charity Commission for Northern Ireland register](#)

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Activities

Purposes: The objects of the University shall be to advance education, through a variety of patterns, levels and modes of study and by a diversity of means by encouraging and developing learning and creativity for the benefit of the community in Northern Ireland and elsewhere to preserve, advance and disseminate knowledge and culture through teaching, scholarships and research and to take avail of the results of such research and to promote wisdom and understanding by the example and influence of corporate life

What the charity does: The advancement of education

How the charity works: Advice/advocacy/information, Education/training, Research/evaluation

Who the charity helps: General public, Youth (14-25 year olds)

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£304,235,000	£325,898,000	£-389,476,000	3392
2024-07-31	£293,106,000	£220,198,000	£-357,895,000	3308

Trustees

Name	Role	Appointed
Councillor Edward Lord		
Dr Patrick Porter		
Mr Alan Moore		
Mr Chris Conway		
Mr Chris Trotter		
Mr Dwyer Magee		
Mr Hugo Wilson		
Mr Jeremy Eakin		
Mr Noel Brady		
Mr Paul Convery		
Mr Peter Sheridan		
Mr Russell Sloan		
Mrs Marie Lindsay		
Ms Emily Roberts (From 1 July 2025)		
Ms Gillian Mcauley		
Ms Heather Gelles-Ebner		
Ms Rebecca Roberts		
Professor Alison Gallagher		
Professor Catherine Ross		
Professor Jan Jedrzejewski		
Professor Paul Bartholomew		
Professor Simon Jones		

University of Ulster

Northern Ireland - Charity number 100166

Accounts

Financial Statements

FOR THE YEAR TO 31 JULY 2025

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Operating and Financial Review

The University has recorded an operating deficit before other gains and losses, impairment and movement in pension, of £20.2m for 2025 (2024 deficit £5.0m). The operating deficit reflects the increasing pressure on the University to manage and maintain its cost base in light of rising costs and activity, which have not been matched by income growth. This is largely due to the fact that income has not kept pace with inflation in relation to tuition fees and education contracts for the past few years, and there has been no inflationary growth in the funding body teaching grant for almost two decades.

The balance sheet has been positively strengthened with total net assets increasing to £450m (2024: £445m) due to the increase in the NILGOSC pension asset position and investments made by Innovation Ulster Limited.

The Statement of Comprehensive Income (SOCl) position includes a number of accounting adjustments including the actuarial valuation of pension schemes and market conditions regarding investments at year end that can mask the underlying operating performance of the University. The table below provides a representation of the underlying financial performance after adjusting for these items:

	2025 £'000	2024 £'000
Total Income	304,235	293,106
Total Expenditure	(325,898)	(220,198)
(Loss)/Surplus before other gains and losses	(21,663)	72,908
Adjustment for Impairment	2,800	1,118
Adjustment relating to Pensions (Note 5, Note 7 and Note 9)	(1,329)	(79,075)
Operating Deficit	(20,192)	(5,049)

Scope of Financial Statements

The financial statements presented to the University's Council have been prepared on a consolidated basis and include the results of Ulster University and its subsidiary companies Innovation Ulster Limited and Studio Ulster Limited. This report should be read with the Annual Review 2025 which provides a detailed summary of activities undertaken by the University in delivering its corporate objectives.

Public Benefit

The University is an independent educational charity whose legal status is derived from a Royal Charter granted in 1984.

Ulster University's charitable purpose is the advancement of education. In setting and reviewing the University's objectives and activities, Council has given due regard to relevant guidance on the reporting of public benefit, in particular, the Charity Commission's supplementary public benefit guidance on the advancement of education. We deliver our charitable purpose for the public benefit, by implementing our corporate plan and delivering on those strategic aims and objectives approved by Council to shape our academic portfolio in response to the demands of students and employers, and to deliver research and innovation that achieves economic and social transformation.

The distinctiveness of the University within the Higher Education (HE) sector places it within a small group of HE Institutions (HEI's) that are research-engaged and business-focused with significant commercialisation of research and major knowledge transfer relationships.

Financial Performance

The University's underlying financial performance has deteriorated over the last year as shown below.

	2025	2024
Staff costs excluding pension adjustment: income ratio	57.6%	55.1%
Cash spend on fixed assets	£30.9m	£15.0m
Capital grants receipts for fixed assets purchased	£21.7m	£8.3m
Earnings before interest, depreciation and amortisation	£2.1m	£17.3m
% Income from non-government sources ¹ (see Note 1)	35%	36%

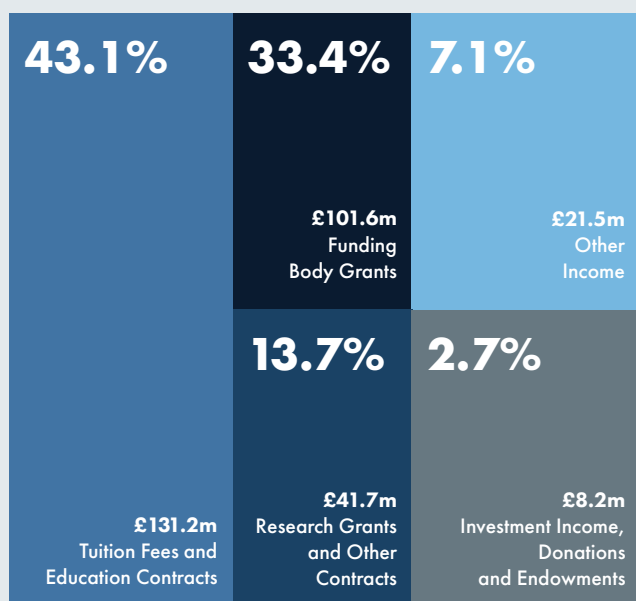
¹ The calculation of non-government income has been amended to reflect under-graduate tuition fees not funded through the Student Loans Company. This has increased the 2024 non-government income from £102.6m to £106m and increased the percentage of non-government income from 35% to 36%.

The University's consolidated comprehensive surplus for the year was £4.6m (2024: surplus £83.3m). This includes the impact of the pension adjustments attributable to the University relating to NILGOSC with a credit to the Statement of Comprehensive Income of £23.1m (2024: credit £7.8m). A £78m surplus was released in 2024 in relation to the USS pension scheme following the 2023 valuation with no further impact this year. The underlying financial performance excluding the pension adjustment, one-off impairment to land at Jordanstown, gain on disposal of fixed assets and gain on investments is an operating deficit of £20.2m (2024: deficit £5.0m). The University deficit is due to increasing staff costs and expenses against an almost static position for tuition fees and recurrent funding body grant.

Total income has grown from £293m to £304m, an increase of 4%, whereas expenditure, excluding pension adjustments, has increased from £298m to £326m, an increase of 9%. Non-government income increased from £106m to £108m, an increase of 1%, as a result of the increase in research grants and contracts and other income (see Note 1).

Ulster University is operating in an environment where we receive less funding per student per year than comparable institutions in England. The underlying funding position for HE in NI is a concern for the University.

Sources of Income 2024/25



Income

Total income of £304m in 2024/25 increased by 4% on the prior year primarily due to an increase in funding body grants, research grants and contracts and other income.

Tuition fee and educational contracts income of £131m fell by 0.4% with a growth in home students mainly in Derry~Londonderry campus, mostly offsetting a reduction in overseas students' fee income.

Funding Body Grants increased by 8% from 2024 primarily due to an increase in grants for special initiatives for the expansion and development of the Derry~Londonderry campus. The recurrent grant for teaching and research activities from the Department for the Economy (DfE) also increased slightly due to the final year intake for the medical school and additional growth agreed for Derry~Londonderry campus.

Research Income increased by 8% to £41.7m, reflecting the increased level of awards particularly from the UK Research Councils over the past few years. This aligns to the University's strategic investment in partnership and other initiatives that have attracted significant research grants.

Funding for PhD studentships in 2025 has been reclassified as UK government funded rather than Research Council. Given the nature and magnitude of this reclassification change the comparative amounts for 2024 in note 3 have not been restated.

Other income of £21.5m (2024: £19.7m) increased by 9% primarily due to insurance proceeds from a fire on the Coleraine campus in addition to increased income from conferences and sports memberships.

Expenditure

Total expenditure in 2025 was £326m (2024: £220m). Excluding the pension net charges in 2025 of £96k (2024: credit of £78m) the year-on-year movement was an increase of £28m (9%). Staff costs, excluding the impact of pensions provision, increased by £13.6m (8%). This is due to annual pay awards, academic promotions, increase in employer national insurance charges, costs related to incremental progression and growth in staff numbers.

Other operating expenses (excluding depreciation) increased by 13% to £119.3m (2024: £105.5m). This includes expenditure on utilities, maintenance of premises, administration, equipment, student accommodation, scholarships, bursaries and library services. The main increase in costs is due to an increase in building maintenance costs, residences costs, rates and increased research grant expenditure which correlates with an increase in research grant income. Expenditure also includes the set-up costs of Studio Ulster Limited.

Impact of Pension

The Statement of Comprehensive Income (SOC1) for the year includes a net credit of £23.1m from the University's pension asset movement (2024 credit £85.8m), which is in relation to a number of factors as follows:

- £21.8m actuarial gain in the NILGOSC pension scheme; and
- £1.4m interest receivable in relation to NILGOSC pension scheme.

The pension provisions credit is a non-cash movement and is not a measure of the University's operational financial performance or surplus generated. It is simply the difference, year on year, of the estimated value of the assets and liabilities of the University's defined benefit pension schemes.

Certain assumptions are used to value future liabilities of the pension scheme and the assets belonging to the pension scheme. These estimates reflect changes to the actuarial assumptions as a consequence of developments in the year.

The FRS 102 valuation of the NILGOSC pension scheme at 31 July 2025 resulted in an estimated net pension asset of £49.8m (2024 £26.7m).

Estates Capital Plan

The Estates Services capital work for 2024/25 has continued to focus on enhancing the experience for students, staff and the wider community.

The masterplan (focusing on long, medium and short-term plans) is central to informing the development of the new Estates Strategy. The Strategy is currently being finalised and is scheduled to undergo various University governance processes in the next academic year. In developing this Strategy, the Estates Services team continues to work closely with academic colleagues and external stakeholders on the development of City Deals for Belfast Region, Causeway Coast and Glens Region and Derry City and Strabane Region.

Coleraine Campus

The following works have progressed in 2024/25:

- Remedial works to address fire damage in a teaching laboratory, with the final reinstatement to be completed by Autumn 2025. Within this project two computer labs have been refurbished, and an enhanced social space has been created.
- The tower block has been vacated and occupants moved to a refurbished part of the campus.
- Further site surveys to identify Reinforced Autoclaved Aerated Concrete (RAAC) resulting in remedial works being carried out in Blocks G and L.

Design proposals have been progressed for the demolition of the end-of-life Tower building which was impaired last year, and associated replacement landscaping, and a major internal remodelling of the main campus's pedestrian area to enhance the campus experience for all users. Furthermore, the University will continue to complete essential long-term maintenance to the building fabric.

Derry~Londonderry Campus

During the year the Department for the Economy (DfE) supported a number of initiatives in support of the expansion of the Derry~Londonderry campus in order to facilitate delivery of the NI Executive commitment in the Programme for Government to expand the campus. The University purchased two sites in Derry~Londonderry adjacent to the campus, five floors of Timberquay building and sites along the Queens Quay whilst also making a capital investment to maintain and enhance the current Derry~Londonderry estate and digital infrastructure. The University engaged in outreach and animation activity with a view to increasing footfall on the campus and also introduced a series of short courses in the business school aimed at creating better futures and increasing economic impact.

Overall, during the year the University spent c£15m on these initiatives, which included £12m of Departmental support.

The project to facilitate the development of a new Teaching and Student Centre, funded under the Republic of Ireland's Shared Island initiative, progressed in year. The planning application has been submitted and engagements continue with the statutory consultees. Planning approval is anticipated early in 2026. In tandem the first stage of procurement for a contractor has been completed with a tender due to be issued shortly. The project remains on programme for completion in Summer 2028.

The Contract for Funding between DfE and Derry City and Strabane District Council (DCSDC), in relation to the Cognitive Analytics and Digital Robotics Innovation Centre (CADRIC), is currently being finalised which in turn will release the draft Funding Agreement between DCSDC and UU. A preferred bidder for the ICT (Integrated Consultancy Team) services has been appointed, after the year end. Initial site appraisals, surveys and feasibility studies have also been completed.

Approval of the Outline Business Case (OBC) in relation to the School of Medicine continues to be progressed. Stage 1 of the ICT competition, initial site appraisals, surveys and feasibility studies have been completed.

Following the award of SEUPB Peace Plus Funding, a site located along the Northland Road (currently vacant and disused), will be redeveloped to feature a covered sports and recreational dome, cafe, changing facilities, ancillary accommodation, bicycle, car and coach parking. A design team has been appointed and are progressing through the design with planning applications submitted in October 2025.

Belfast Campus

The Design team for the City Deals funded Centre for Digital Healthcare Technology (CDHT) completed the design phases supported with stakeholder engagement. In January 2025, the project Board approved to split the project into 2 phases - demolition and construction - with the demolition contractor taking possession of the site in June 2025.

Jordanstown Campus

As part of preparations for the campus disposal, redundant equipment and furniture continue to be auctioned across the campus, with parts of the building subsequently isolated and decommissioned upon conclusion of each auction, whilst new utility supplies will be installed in the areas designated for retention. There is also an impairment charge of £2.8m in 2025 for a portion of land that is planned to be retained by the University.

Cashflow and Financing

Cash balances including investments and short-term deposits were £118.9m at the year end, which represents a reduction of £20.4m from the previous year. Net cash (including borrowings) decreased by £13.7m during the year and is summarised below:

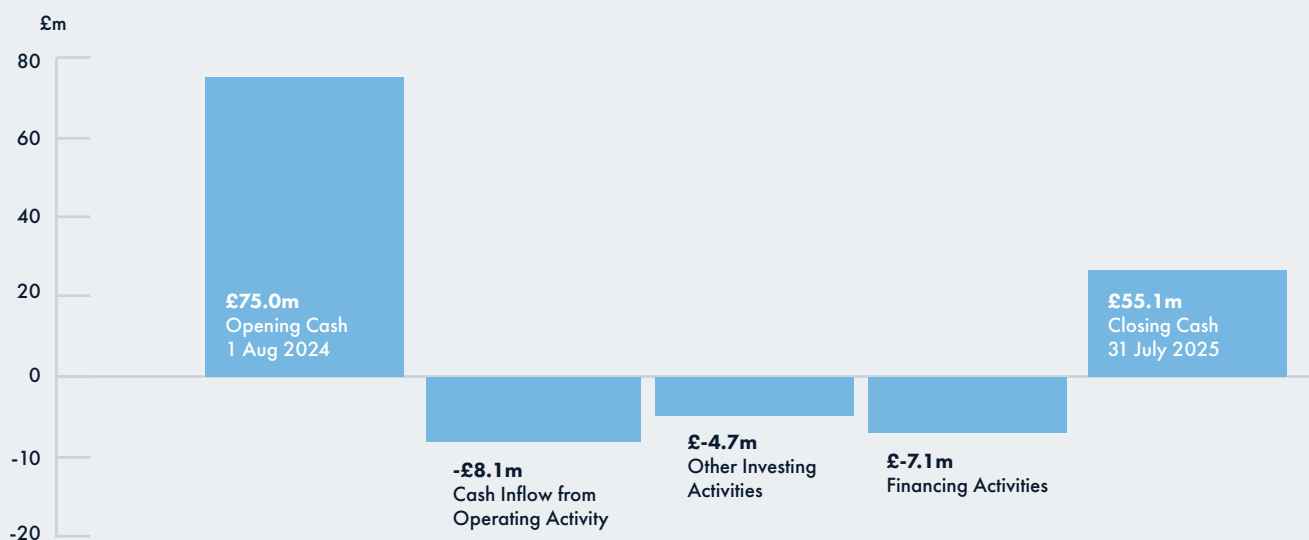
	2025 £m	2024 £m	Change £m
Investments and short term deposits	63.8	64.3	(0.5)
Cash at bank and in hand	55.1	75.0	(19.9)
Bank and other loans	(153.7)	(160.4)	6.7
Net cash	(34.8)	(21.1)	(13.7)

The £19.9m cash reduction on the year comprised:

- Net cash outflow from operating activities for the year of £8.1m (2024: inflow of £7.7m);
- Net cash outflow for investing activities of £4.7m (2024: inflow £37.7m); and
- Net cash outflow for financing of £7.1m (2024: £0.7m).

Throughout the year the Group operated with a cash surplus and in line with its banking covenants. All treasury decisions were undertaken within the framework of the University's treasury policy. The underlying principle of this policy is that the University operates a low-risk approach in managing its investments and liquidity. All funds are placed with counter parties whose underlying credit rating is monitored against minimum criterion. Furthermore, an upper limit of £35m investment in any one financial institution applies.

Cashflow Statement 2024/25



Endowment assets at the year-end were valued at £17m, an increase of £1m due to improving market values. The endowment funds are managed by Rathbones Investment Management.

During the year £30.9m cash was spent on acquiring fixed assets against which £21.7m of capital grants were received.

How We Allocate Our Resources 2024/25

£110.3m Academic Departments Staff Costs: £95.7m Other: £14.6m	£0.01m Pension Adjustment Staff Costs: £0.01m Other: £0.0m	£10.5m Other Spend Staff Costs: £4.0m * Other: £6.5m <i>*including income-generating operations</i>	Total Staff Costs £175.2m
	£57.5m Premises Staff Costs: £4.9m Other: £52.6m	£57.6m Academic Services Staff Costs: £28.9m Other: £28.7m	
£31.6m Research Grants and Contracts Staff Costs: £14.1m Other: £17.5m	£49.1m Administrative and Central Services Staff Costs: £26.2m Other: £22.9m	£9.3m Residences, Catering and Conferences Staff Costs: £1.4m Other: £7.9m	Total Other £150.7m Total £325.9m

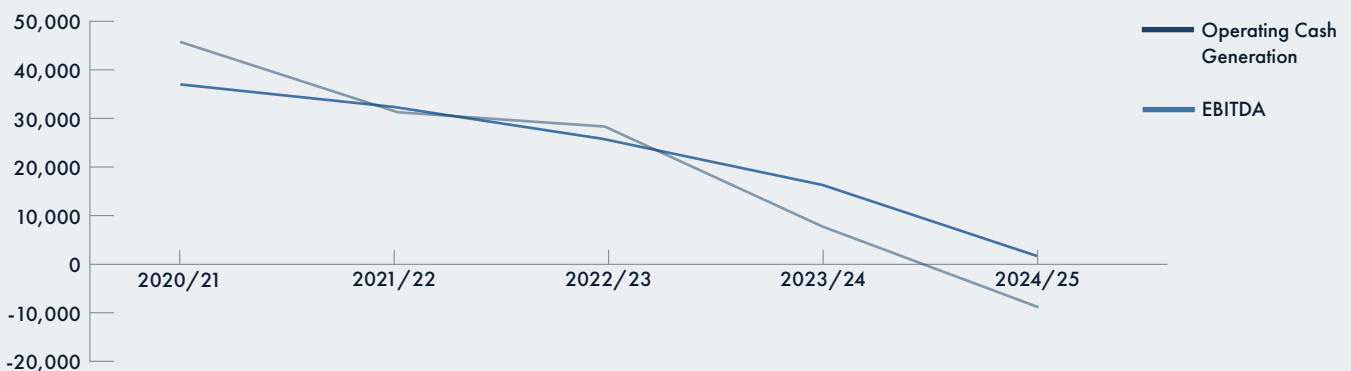
EBITDA

One of the key financial targets monitored is Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA). EBITDA is a measure of operating surplus excluding major accounting adjustments and finance charges. It provides a good indicator of financial capability to service debt and/or fund capital from internally generated cash. A second financial measure is net cash from operating activity, which includes the movement in working capital requirements. The deterioration in both these figures reinforces the decline in the financial position of the University. This deterioration has occurred due to the unsustainable funding model in place for HEI's across the UK, which for Ulster University has seen an absolute reduction in funding body grant for teaching - reducing from £71m in 2009/10 to £68m in 2024/25 -

while student numbers increased by 1,200. Inflation over the same period ran at 52%. Exacerbating this regulated funding position were challenges in international student recruitment as a consequence of Government immigration policy and restriction on visas for students and foreign workers, which directly impacted the University income. In light of these developments the University recognised that it would require a period of time to recover margin and rebuild EBITDA, and this is reflected in its five-year forecasts, which outline margin growth activity up to 2029 to address the fall in EBITDA.

The following table shows the movement of these two cash indicators over the last five years.

EBITDA to Cash Generated from Operating Activities 2020/21 to 2024/25



From the above it can be seen that the University's EBITDA has reduced to £2.1m in 2024/25 (23/24 £17.3) which is lower than the University's Financial Sustainability Strategy target of £18m but in line with an agreed reduction as part of Council oversight.

Net Assets

Total net assets of £450m (2024: £445m) have increased by 1%. The net book value of fixed assets decreased by £0.2m to £540.9m (2024: £541.1m) and investments increased by £6.3m to £40.6m (2024: £34.3m) due to a fair value adjustment of £4.4m and new investments made by Innovation Ulster Limited.

The net current assets position is reduced by £16.2m to £82.3m (2024 £98.5m) with a decrease of £19.9m in cash funds. The balance sheet reflects the University's continued investments in the University campuses and supporting the subsidiary companies Innovation Ulster Limited and Studio Ulster Limited.

Endowments






In the year to 31 July 2025 the Endowment fund value grew to £17m, (2024: £16m) representing an increase of 7%.

The University has an investment approach that focuses on the integration of environmental, social and governance (ESG) considerations into its investment management processes and ownership practices, with the aim to have a positive societal impact and the recognition that the generation of long-term sustainable returns is dependent on stable, well-functioning and well governed social, environmental and economic systems. In support of this, the University has employed a Fund Manager who is a signatory to the United Nations Principles for Responsible Investment (UNPRI).

Financial Health

Key performance indicators are set out below with an assessment on progress against the financial strategy target with **red** meaning immediate action required, **amber** more work required and **green** on track.

When taken together, this indicates the financial challenges facing Ulster University specifically and the UK HE sector more generally.

Financial Sustainability Indicators	2025 Actual	2024 Actual		Comments
(Deficit) after deducting pension provision movement as a % of income	(6.1%)	(0.9%)		This indicates the level of return available for investment in capital.
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	£2.1m	£17.3m		This is a measure of operating surplus excluding accounting adjustments and finance charges. It is a good indicator of financial capability to service debt and/or capital expenditure from internally generated cash.
Liquidity ratio	133 days	231 days		This measures our ability to fund short term cash requirements. Financial Strategy target sets a minimum level at 42 days.
Net Liquidity ratio (after pension movement)	147 days	190 days		This measures our ability to fund short term cash requirements after deducting depreciation and pension movements.
Current assets to current liabilities	2.1:1	2.3:1		An indicator of financial strength to meet short term liabilities.

Financial Outlook

The financial results for 2024/25 reflect the challenges facing the HE sector across the UK as a result of a range of factors. The sector has experienced a significant downturn in international student recruitment due to changes in visa regulations and increased cost of employers National Insurance contributions introduced during the year. In addition, there has been no increase in per student funding to NI HEIs from NI Executive for undergraduate home students.

Overall financial margin continued to be impacted as funding levels from the NI Executive have not kept pace with inflation, while significant cost pressures continue due to inflationary increases. For Ulster this has been exacerbated as the University continues to support delivery of the NI Executive commitment in the Programme for Government to expand the Derry~Londonderry campus. This has resulted in increased student numbers at the campus, which have increased the overall funded student places in the University but has also consumed reserves as the University contributes towards the capital spend required for the expansion, and incurs increased operating costs as the estate must expand in advance of student recruitment. Growth continues at the Derry~Londonderry campus, demonstrating the University's commitment to supporting delivery of the NI Executive's commitment to expand provision.

Diversification of income remains a priority in order to reduce reliance on NI Executive funding, a strategy that has been successful to date but is increasingly difficult due to wider UK Government policy on immigration and international students, with a proposed 6% levy being applied to all international students as well as a reduction of 6 months in the duration of graduate visas. This, coupled with increased international competition for students and the move towards more in country provision by providers, is making international growth increasingly challenging. To counter this risk the University has recruited a Pro-Vice Chancellor and Executive Dean to lead Global Engagement and is in the midst of developing a refreshed strategy for this activity, including partnership and Transnational Education (TNE) opportunities.

Over the last five years the University cash flow from operating activities has averaged over £20m, demonstrating that the University has a good track record of generating cash to invest in staff and the estate. These reserves are important to support the University as it works to address deficits and deliver margin growth.

Recognising the challenges being faced by NI based HEIs, the Department for the Economy (DFE) has initiated a review of HE funding in NI which is due to be completed in 18 months. This will consider the increased cost for Ulster University in operating a multi-campus institution, which heretofore has not reflected in the funding model.

The University continues to deliver against its strategy - 'People, Place and Partnership'. The strategic commitment to our multi-campus University model is evident in the planned scale of investment across all campuses with funding and investment being committed through a range of Growth and City Deals, and the Irish Government commitment to the provision of capital funding for a new teaching block on the Derry~Londonderry campus.

The outlook for the 2025/26 financial year and beyond remains challenging as the University operates in an increasingly complex and ever changing operating environment. Ongoing activity will see the University seek to work in partnership with key stakeholders and funders to develop a financially sustainable pathway for the University to deliver against its own ambitions, and those of the NI Executive. This will require enhanced collaborative working and changes to how activity is undertaken in order to balance the desire and expectation of Ulster University to support delivery of NI Executive objectives in relation to regional balance and growth in Derry~Londonderry with the reality of a university delivering operational deficits. Income diversification opportunities are constrained due to market conditions and government policy in relation to immigration and international recruitment while cost inflation continues. While the NI Executive is providing funding to support Derry~Londonderry expansion, the recurrent funding per student is at an unsustainable level and the University must guard against growing a loss making model and activity continues to deliver margin growth activities.

Hugo Wilson
Honorary Treasurer

Sustainability

Ulster University continued to demonstrate its strategic commitment to climate action, inclusion, innovation, and regional impact through its integrated focus on People, Planet, Place, and Partnership. These pillars guide the University's efforts to deliver meaningful change locally, nationally, and globally, aligning with the United Nations Sustainable Development Goals (UN SDGs) and reinforcing Ulster University's mission to lead transformative, values-driven education, research, and engagement.

People

Ulster University remains steadfast in its commitment to cultivating a supportive, inclusive, safe, and healthy environment for all staff and students. This commitment was further reinforced by the appointment of Professor Ian Montgomery, Dean of Sustainability and CSR, as Chair of Belfast Healthy Cities, underscoring the University's leadership in shaping equitable and sustainable urban futures.

Over the past year, a series of strategic initiatives and achievements have strengthened the University's inclusion and wellbeing agenda:

Wellbeing

The Valuing Voices Action Plan, informed by comprehensive staff feedback, placed health and wellbeing at its core. Regular progress updates ensured transparency and accountability. As part of the University's Mental Health Strategy, a dedicated conference was convened, focusing on early intervention and addressing disparities in mental health outcomes.

Inclusion

Ulster University continued to advance gender equality through the Aurora Women's Leadership Programme, which has supported over 110 women to date. Recognition of sector-leading progress was reflected in the awarding of Athena Swan Silver and Gold Awards to the Schools of Engineering and Nursing and Paramedic Science, respectively.

Belonging

The launch of the UU NeuroNetwork marked a significant step in fostering a culture of belonging. This initiative provides a supportive space for neurodivergent staff, students, alumni, and employers - promoting awareness, connection, and pathways to meaningful employment.

Planet

Ulster University continued to demonstrate sector-leading environmental stewardship through impactful initiatives in infrastructure and energy efficiency, circular economy, sustainable travel, and nature-positive action. The University's achievements were recognised with Platinum status in the 2024 Northern Ireland Environmental Benchmarking Survey, affirming its position as a leader in environmental sustainability.

Infrastructure and Energy Efficiency

Ulster University continues to embed sustainability as a core principle across its capital development programme, with a strong emphasis on energy efficiency, carbon reduction, and environmental performance. As part of the CADRIC, ICT tender specifications required a BREEAM Excellent building design that improves energy performance, reduces carbon and water usages, supports biodiversity, and encourages sustainable travel.

Progress is also being made on the Shared Island Funded Teaching and Student Centre, which is being designed to incorporate Passivhaus principles and achieve a BREEAM Excellent standard. Key sustainability features include air-source heat pumps, rooftop solar panels, a green roof, and a rainwater harvesting system.

The School of Medicine's OBC advanced through key approval stages, incorporating whole-life carbon management and a commitment to achieving BREEAM Excellent standards. Similarly, the CDHT is targeting a BREEAM Excellent rating and features a fully electric design powered by air-source heat pumps and rooftop solar panels.

In parallel, the University has implemented a comprehensive programme of energy efficiency upgrades across all campuses. These include boiler refurbishments, replacement of air conditioning systems with electric and energy-efficient units, expansion of photovoltaic (PV) schemes, installation of electric vehicle (EV) charging infrastructure, and widespread LED lighting upgrades. These initiatives reflect Ulster University's continued commitment to reducing energy consumption and carbon emissions across its estate.

Circular Economy and Waste Reduction

Through the Great Cable Challenge, Ulster University collected over 7,000 metres of unused cables across its campuses, contributing to a UK-wide initiative aimed at reducing electronic waste and promoting responsible recycling practices. The University has collaborated with the Northern Ireland Resources Network on a number of circular economy initiatives including the establishment of a first ever Repair Cafe on Rathlin Island as part of the University's AHRC funded Future Island-Island project.

Travel and Transport

The University advanced its sustainable transport agenda by launching an Electric Vehicle (EV) Salary Sacrifice Scheme and began transitioning its Estates fleet to electric vehicles, resulting in reduced emissions and operational costs. Ulster also achieved Gold Cycle Friendly Employer status and secured first place in the Active Travel Challenge for the second consecutive year.

Nature-Positive Action

Building on the successful pilot of a Natural Capital Assessment and Account for the Coleraine Campus, baseline ecology surveys were completed at the Derry~Londonderry and Jordanstown Campuses. These surveys lay the groundwork for the development of comprehensive Natural Capital Assessments, Accounts, and enhancement plans, supporting biodiversity and ecosystem resilience across the University estate.

Place

Ulster University reaffirmed its commitment to sustainability through inclusive learning environments and impactful research addressing global health, equity, and climate challenges.

This commitment was embedded across all faculties through curriculum innovation, student engagement, and international collaboration - highlighting the University's leadership in responsible education and its role in shaping a more equitable and resilient future.

Teaching Excellence and Responsible Education

Ulster University, in partnership with the Ulster University Students' Union (UUSU), was awarded Responsible Futures Accreditation by Students Organising for Sustainability UK (SOS-UK) - a nationally recognised mark of excellence in sustainability education. This accreditation reflects a comprehensive, institution-wide commitment to embedding Education for Sustainable

Development (ESD) across teaching, learning, and the wider student experience. It recognises the joint efforts of staff and students to embed sustainability across teaching, activities, and culture. The achievement reflects Ulster University's proactive approach to equipping graduates with the skills and values needed to tackle global sustainability challenges.

Ulster University collaborated with Queen's University Belfast and AdvanceHE to develop the Education for Sustainable Development (ESD) Curriculum Design Toolkit, supporting educators in embedding sustainability across disciplines and equipping staff with practical resources.

Ulster University Business School hosted the second Sustainable Futures (PRME) Conference, focused on SDG3: Good Health and Wellbeing. The event brought together over 50 participants to explore how education and collaboration can support healthier, more equitable communities.

Students further strengthened the University's global sustainability profile through international initiatives such as the Sustainable Innovation Challenge and SDG Flag Day. The Ulster University Business School's Sustainability Socials, featuring leaders in circular fashion, showcased the impact of student-led engagement in responsible business education.

Research Impact and Global Collaboration

Ulster University strengthened its global research footprint through a strategic partnership with Kwame Nkrumah University of Science and Technology (KNUST) in Ghana, advancing antimicrobial stewardship and enhancing clinical service delivery.

The Centre for International Health Innovation and Partnerships (CIHIP) continued to drive collaborative research focused on health systems, policy development, and innovation, reinforcing Ulster's role in shaping resilient healthcare infrastructures.

Celebrating 50 years of Community Youth Work, Ulster hosted the Journal of Youth Studies Conference, convening global experts to address pressing challenges in youth mental health, social inequality, and climate resilience.

Ulster also co-founded mide, an all-island research consortium dedicated to addressing the gender gap in sport and health science, with the aim of improving participation, performance, and wellbeing for women and girls.

Furthering inclusive practice, Ulster researchers developed new guidance to support inclusive physical activity in special education settings, ensuring that all children have equitable opportunities to thrive through movement and play.

Partnership

Driving Inclusive Growth and Employability

Ulster University continues to lead strategic partnerships that address Northern Ireland's evolving skills and employability landscape. Through initiatives such as EPIC Futures, supported by UKRI, the University is advancing inclusive, evidence-based solutions for a fairer labour market. This work complements Ulster's role in the Belfast Region City Deal, particularly through the Advanced Manufacturing Innovation Centre (AMIC), which is set to create 1,500 jobs, train apprentices, and support innovation across the sector.

As a key delivery partner in the Derry~Londonderry Strabane City Deal, Ulster is leading two transformative projects:

- The Cognitive Analytics and Digital Robotics Innovation Centre, positioning the region as a global leader in AI and robotics.
- The second phase of the School of Medicine, delivering world-class facilities and addressing long-term healthcare needs.

The Irish Government through the Shared Island Fund is supporting the development of the Teaching and Student Centre at Derry~Londonderry Campus to expand higher education on both sides of the border. These projects support regional regeneration, talent development, and inclusive economic growth.

Strengthening Industry Collaboration

Ulster University continues to foster innovation through strategic engagement with industry. The School of Engineering's Industry Partnership Forum and the Artificial Intelligence Collaboration Centre (AICC) exemplify this approach, strengthening links between academia and business. These platforms support productivity, competitiveness, and the development of a future-ready workforce through postgraduate qualifications and sector-specific training.

Community Engagement and Cultural Leadership

The University's Connected to the Community campaign, recognised with a HEIST Gold Award, highlights its role in promoting cultural vibrancy and civic engagement. Through partnerships with local stakeholders, Ulster supported flagship events including the City of Derry Jazz and Big Band Festival, Foyle Maritime Festival, and Foyle Film Festival, enriching the cultural life of the region and fostering inclusive participation.

Inspiring the Next Generation

Ulster continues to deliver impactful outreach through hands-on STEM experiences and strategic engagement:

- UGenie Academy provided immersive training in molecular biology.
- Envisage 2064 challenged students to imagine the future of computing and sustainability.
- GEMX MakeME Academy introduced pupils to advanced engineering and robotics.
- CelebrateHER Conference empowered 300 women through dialogue and action.

These initiatives strengthen pathways from education to industry and reflect Ulster's commitment to inclusive, future-focused learning.

Championing Responsible Business

Ulster University achieved 'Ambassador' accreditation under the Belfast Business Promise, a city-wide initiative promoting responsible business practices. This recognition underscores the University's leadership in ethical, sustainable, and community-focused operations.



Risk Managing

When managing risk, the University adheres to its Risk Management Policy which aims to protect the institution and its stakeholders from unforeseen or unacceptable exposure to risks. This policy forms part of the University's internal control and corporate governance arrangements. It applies to strategic, departmental, faculty and project risk management.

Risk Management

The University's approach to risk management provides assurance to the Senior Leadership Team, Audit and Risk Committee, Council and the Department for the Economy that those risks that threaten the achievement of the University's strategic objectives are being actively identified, monitored and mitigated against. This systemic risk management process aims to provide:

- Enhanced decision-making by forecasting important threats and opportunities;
- A more effective use and allocation of resources;
- A recognition of responsibility and accountability;
- A more targeted, risk-based internal audit plan;
- An enhanced communication and escalation of significant risks from within operational and tactical areas

Process

Our Senior Leadership team (SLT), is collectively and individually, responsible for effective risk management in their areas of responsibility, in accordance with the risk management policy and procedures. Key roles of the SLT are to:

- Regularly review the institutional risk appetite statement and appetites assigned to the strategic priorities, for consideration and approval by the Audit and Risk Committee;
- Regularly review all significant strategic risks faced by the University for consideration by Audit and Risk Committee and keep these risks under scrutiny;
- Undertake training and development activities associated with risk management;
- Ensure the adoption of risk management amongst their staff.

In addition;

- All senior officers are required to undertake regular reviews and assessment of key risks within their areas of operation as part of routine management arrangements.
- The SLT are responsible, as project leaders, for the risk management of major institutional projects.
- The Chief Strategy and Finance Officer is responsible for ensuring that the University operates effective procedures relating to risk management and for undertaking formal reviews on behalf of Council of the risk management policy.
- The Risk Management Committee supports the SLT by working to ensure that agreed risk management practices and procedures are embedded within the University providing a consistent approach to risk management and ensuring that University risks are monitored and reported on an on-going basis taking cognisance of emerging opportunities.
- Staff within Risk and Resilience provide on-going training to risk owners in order to facilitate the effective operation of risk management across the University.
- SLT undertakes periodical reviews of the Strategic Risk Register to ensure that it is operating within agreed risk tolerances and significant risks are being escalated and de-escalated on a timely basis.
- Risk and Resilience regularly produce reports for all risk owners highlighting any significant risks across the University that relate to their area of responsibility.

Risk Registers

Risk registers exist at three different levels across the University: strategic; tactical (portfolio level); and operational (faculty and departmental). There are also project risk registers in place for major projects, e.g. City Deals.

Integration with Internal Audit

Our internal audit strategy is developed around the University's strategic risks which are summarised below, as well as those risks facing the sector. The annual audit plan of reviews across key areas further supports our risk management processes.

An overview of key strategic risks, by category, is provided below:		
Risk Category	High Level Description	Rating
Financial Sustainability	Partnership/TNE	●
	City Deals (including SUL)	●
	Funding Model	●
Regional Balance	Pace, scale and complexity of programme	●
People	Absence, morale and workload	●
Compliance	Net Zero	●
	Research Governance	●
	IT and Cyber	●
	Data Protection	●
	H&S	●

The emerging risk associated with Generative Artificial Intelligence has been included in the University's Strategic Risk Register for the 2025/26 academic year.

Corporate Governance Statement

The University is committed to promoting best practice in all aspects of corporate governance. The following statement aims to provide readers of the Financial Statements with an understanding of the governance arrangements applied by Council, the governing body of the University.

The University endeavours to structure its governance arrangements and 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) and in line with the Committee of University Chairs (CUC) Higher Education Code of Governance (September 2020) and its own Statement of Primary Responsibilities (see pages 26 to 27).

The University is an autonomous body, whose legal status derives from a Royal Charter granted in 1984. The University's objects, powers and framework of governance are set out in the Charter and supporting Statutes, which are currently under review. Council also seeks to comply with the Charity Commission's guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education.

Council meets formally at least five times each year. It is responsible for the ongoing strategic direction of the University, the stewardship of its revenue and property, and the general conduct of its affairs. Council works closely with the Vice-Chancellor and his Senior Leadership Team (SLT) to set the institutional strategy and purpose, and the SLT ensures that steps are taken to deliver the institutional goals, supported by elective systems of control and risk management.

Under its Delegated Authority Framework, Council delegates some of its powers and responsibilities to its core Committees. The Framework provides clarity on those matters reserved to Council for collective decision to include, for example, approval of the University's Strategic Plan, and those which it delegates to its Committees and to the Vice-Chancellor. Each Committee is provided with a clear remit and written Terms of Reference stating the extent and limits of its responsibilities and authority. The key governance Committees are Senate; the Audit and Risk Committee; the Resources Committee; the People Committee; and the Campus Capital Development Committee (formerly the Belfast Campus Development Committee and the City Deals and Special Projects Committee).

Further detail on Council and its core Committees is set out below.

Council

The Council, which is comprised of a majority of members who are appointed from outside the University, met six times during the year. With the exception of the Students' Union President, Council members serve for a maximum of two terms of four years. Council has two Pro-Chancellors, who act as Chair and Deputy Chair of Council. The Pro-Chancellors are supported in this role by the Honorary Treasurer, who is also appointed from among the external members of Council.

Both the Vice-Chancellor and the Students' Union President are ex-officio members of Council and the composition also includes four members of University staff. With the exception of the Vice-Chancellor, whose emoluments are disclosed in Note 7, none of the members receive any payment, other than the reimbursement of reasonable expenses, for the work that they do in their capacity as members of Council.

The membership of Council, during the 2024/25 academic year was as follows:

Ex Officio Members:

Dr J Pyper	Pro Chancellor and Chair of Council
Dr E Way	Second Pro Chancellor
Dr D Clements	Honorary Treasurer (until 31 May 2025)
Mr H Wilson	Honorary Treasurer (from 01 June 2025), appointed to Council 1 September 2024
Professor P Bartholomew	Vice-Chancellor
Mr E Davies	President of the Students' Union (from 01 June 2024 to 30 June 2025)

External Members:

Mr P Lobban	From 1 October 2016 (until 31 August 2024)
Dr P McNaney	From 1 October 2016 (until 31 August 2024)
Mr P Sheridan	From 9 November 2018
Mrs M Lindsay	From 9 November 2018
Mr R Sloan	From 15 February 2019
Mr A Moore	From 9 December 2020
Mr C Conway	From 1 March 2023
Dr J Healy	From 1 March 2023 (until 24 March 2025)
Mr N Brady	From 1 September 2024
Mr P Convery	From 1 September 2024
Mr J Eakin	From 1 September 2024
Mr D Magee	From 1 September 2024
Ms G McAuley	From 1 September 2024
Mr C Trotter	From 1 September 2024
Mr H Wilson	From 1 September 2024
Ms H Gelles-Ebner	From 1 May 2025
Professor C Ross	From 1 May 2025

Elected Staff Members:

Ms G Horgan	From 15 February 2019 (until 16 November 2024)
Professor A Gallagher	From 1 October 2020

The Audit and Risk Committee

The Audit and Risk Committee, chaired by Pro-Chancellor Dr Elaine Way (Mr Jeremy Eakin appointed Chair from 1 August 2025), met five times during the year, with the University's Internal and External Auditors in attendance at all meetings. The Committee considered detailed reports together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation timescales. While Senior Management attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee, and the Committee meets both the External and Internal Auditors in private session at least once each year.

The Resources Committee

The Resources Committee, chaired by the Honorary Treasurer (Dr David Clements until 31 December 2024, and Hugo Wilson from 1 January 2025), met five times during the academic year. The Committee recommends to the Council the University's annual revenue and capital budgets for the University group and monitors performance in relation to the approved budget. The Committee also has, inter alia, oversight of matters pertaining to the estate and information technology.

The People Committee

The People Committee, chaired by Dr Jenny Pyper, Chair of Council, met six times during the academic year. The Committee brings together the responsibilities of remuneration, nominations and people and culture - to include matters such as staffing and recruitment; health, safety and wellbeing; employee and industrial relations; and EDI Initiatives. In this context, it reviews annually the salaries of the senior staff of the University including that of the Vice-Chancellor. The review takes account of any external earnings, including consultancy, by senior staff as well as the salary norms within the higher education sector for a wide variety of senior posts. The Committee is also responsible for recommending the appointment and re-appointment of members to Council and its Committees, together with University appointments on subsidiary companies.

Campus Capital Development Committee

The Campus Capital Development Committee, established with effect from 1 January 2025, and chaired by Peter Sheridan, met twice during the academic year. The Committee, which replaces both the Belfast Campus Development Committee and the City Deals and Special Projects Committee, has the primary role of providing governance oversight for the implementation of significant capital development projects across each of the University's four campuses.

The Vice-Chancellor

The Vice-Chancellor, as principal academic and administrative officer of the University, has responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal Financial Memorandum between the University and the Department for the Economy (DfE), the Vice-Chancellor is the designated Chief Accounting Officer of the University and, in that capacity, can be summoned to appear before the Public Accounts Committee of the Northern Ireland Assembly.

As de facto Chief Executive of the University, the Vice-Chancellor exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments and the shaping of the institutional ethos. The Deputy Vice-Chancellor, University Provost, Chief Strategy and Finance Officer, Chief People Officer, Pro-Vice-Chancellors and Executive Deans of Faculties, Professional Service Directors and the University Secretary all contribute in various ways to these aspects of the work, but the ultimate responsibility for what is done rests with the Vice-Chancellor. The executive structure of the University is represented by the Senior Leadership Team (SLT), which comprises of the Vice-Chancellor (Chair), the Deputy Vice-Chancellor, the University Provost, the Pro-Vice-Chancellors, the Chief People Officer, the Chief Strategy and Finance Officer and Executive Deans of Faculties.

The University maintains a Register of Interests of Members of the Council and Senior Officers. The Register of Members Interests of the Council is available online on the University's governance webpages.

The Office of the University Secretary provides the secretariat to the Council. Any enquiries about the constitution and governance of the University should be addressed to the University Secretary
universitysecretary@ulster.ac.uk.

The Senate

The Senate, chaired by the Vice-Chancellor, is the academic authority of the University. It is composed mainly of academic staff but provision is also made for membership of non-academic staff and students. Its role is to direct and regulate the teaching, learning, and research work of the University.

Statement of Internal Control

As the governing body of Ulster University, we, the Council, have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible in accordance with the responsibilities assigned to the governing body in the Charter and Statutes and the Financial Memorandum with the Department for the Economy (DfE).

The Council is of the view that there is an ongoing process for identifying the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage these efficiently, effectively and economically. Those procedures have been in place for the year ended 31 July 2025.

The following actions have taken place in relation to the risk management policy and for reviewing the effectiveness of the systems of internal control:

- The Council met six times in the year to consider the strategic direction and plans of the University and to monitor performance against those plans;
- There is clear definition of the responsibilities of, and authority delegated to, committees of the Council and the Executive;
- The University's current strategic plan sets the framework of strategic aims and objectives against which risks are assessed and performance is monitored and reported;
- A Strategic Risk Register, which incorporates the key risks at institutional level, is maintained;
- The Senior Leadership Team and the Risk Management Committee formally reviews and assesses high risks bi-monthly;
- A strategic Fraud Risk Register has been developed and is reviewed quarterly by the Risk Management Committee;
- All faculties and departments, as part of their planning, maintain and review their risk registers;
- The Audit and Risk Committee receives reports from the independent Internal Auditors on the adequacy and effectiveness of the University's systems of internal control with recommendations for improvement, as appropriate.

In addition to these, other actions were taken in-year to enhance internal control.

The work of the Internal Audit service has been informed by analysis of the operational, business and financial risks to which the University is exposed and upon which Internal Audit activity for 2024/25 was based. The Internal Audit service operates to agreed standards and submits regular reports, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the system of internal controls, together with recommendations for improvement. Deloitte (NI) Ltd was appointed as the University's internal auditors in June 2022 on a three-year contract, with a 12 month contract extension awarded in January 2025.

Our reviews of the effectiveness of the system of internal control are informed by the work of the Internal Auditors and the SLT within the institution who have responsibility for the development and maintenance of the internal control framework and by comments made by the External Auditors in their year-end management letter and other reports. The Audit and Risk Committee monitors the effectiveness of the systems of internal control on Council's behalf. Any system of internal control can, however, only provide reasonable, but no absolute assurance against material loss or misstatement. Based on Deloitte's assurance audits conducted during the year, including follow up reviews, and except for limited assurances in the areas of Data Protection (Patient Records) and Field-work Procedure, Deloitte provided the Audit and Risk Committee and other stakeholders of the University with a satisfactory level of assurance.

In accordance with the Statutes, Council, as the governing body, is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control, and is required to present audited Financial Statements for each financial year.



Statement of the Council's Responsibilities

The Council is responsible for ensuring the maintenance of proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that Financial Statements are prepared in accordance with the Statutes, the Statement of Recommended Practice on Accounting in Higher Education Institutions and other relevant accounting standards.

In addition, within the terms and conditions of a Financial Memorandum agreed between the Department for the Economy and the Council of the University, the Council, through its designated office holder, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the Financial Statements to be prepared, the Council has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Financial Statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. The Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future; for this reason the going concern basis continues to be adopted in the preparation of the Financial Statements.

The Council has taken reasonable steps to:

- Ensure that funds from DfE are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Department and any other conditions which the Department may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of the University and prevent and detect fraud;
- Secure the economical, efficient and effective management of the University's resources and expenditure.

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:

- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, and cash flow budgets;
- Regular 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 by the Resources Committee on behalf of the Council;
- A Financial Procedures Manual, detailing financial controls and procedures;
- A professional Internal Audit team whose annual programme is approved by the Audit and Risk Committee.

The Audit and Risk Committee, on behalf of Council, has reviewed the effectiveness of the University's system of internal financial control. Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.



Statement of Primary Responsibilities

The Council is the governing body of the University and its members are the trustees in relation to the University's status as an exempt charity. The Council is responsible for overseeing the University's activities, determining its future direction, and fostering an environment in which institutional objectives are achieved.

This Statement is based on the model statement contained in the Higher Education Code of Governance, published by the Committee of University Chairs in September 2020, adapted to reflect the powers and responsibilities that the Council derives from its approved Charter and Statutes.

Consistent with the University's constitution, the primary responsibilities of the University Council are as follows:

1. To provide oversight and accountability for the University's arrangements for governance and risk management.
2. To set and agree the mission, strategic vision and values of the University with the Executive, in accordance with its primary objectives of learning, teaching and research.
3. To approve and keep under review the University's long-term academic and strategic plans, including key performance indicators, ensuring that these meet the interests of stakeholders, especially staff, students, alumni and other beneficiaries.
4. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the strategy, plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
5. To delegate authority to the Vice-Chancellor, as Head of the Institution, for the academic, corporate, financial, estate and human resource management of the University.
6. Through an effective Scheme of Delegated Authority, regularly reviewed by Council, to establish and keep under review the policies, procedures and limits within such management functions as shall be undertaken by, and under the authority of, the Vice-Chancellor.
7. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, risk assessment, value for money arrangements and robust procedures for handling internal grievances and managing conflicts of interest.
8. To establish processes to monitor and evaluate the performance and effectiveness of Council itself.
9. To conduct its business in accordance with best practice in Higher Education corporate governance, the University's agreed values, and with the principles of public life drawn up by the Committee on Standards in Public Life.

- 10.** To safeguard the good name and values of the University.
- 11.** To appoint the Vice-Chancellor as Chief Academic and Administrative Officer of the University, and as its Accounting Officer, and to put in place suitable arrangements for monitoring their performance.
- 12.** To appoint a Secretary to Council and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
- 13.** To be the employing authority for all staff in the University and to be accountable for ensuring that an appropriate people and culture strategy is established.
- 14.** To seek assurance that the University is meeting the conditions of funding as set by regulatory and funding bodies and other major University funders, and that the use of funds is in line with the principles of regularity, propriety and value for money.
- 15.** To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall accountability for the University's assets, property and estate.
- 16.** To be the University's legal authority and, as such, to ensure systems are in place for meeting all its legal obligations, including those arising from contracts and other legal commitments made in the University's name. This includes accountability for health, safety, wellbeing and security and for equality, diversity and inclusion.
- 17.** In consultation with Senate, to receive assurance that adequate provision has been made for the general welfare of students.
- 18.** To ensure that the procedures in place for managing students, including disciplinary procedures, are fair and equitable.
- 19.** To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.
- 20.** To determine regulations for the custody and use of the common seal of the University.
- 21.** To approve, for consideration by Privy Council, changes to the Charter and Statutes and to ensure that the institution's constitution is always followed, and that appropriate advice is available to enable this to happen.
- 22.** To promote a positive culture which supports inclusivity and diversity across the institution, including within Council's own composition.
- 23.** In partnership with Senate, to maintain and protect the principles of academic freedom and freedom of speech legislation.
- 24.** To ensure that all students and staff have appropriate opportunities to engage with the governance and management of the institution by operating in an open, honest and accountable manner.
- 25.** To ensure the University is appropriately accessible and relevant to its local communities and is open to engagement with local communities in identifying its role in delivering public/community benefit and economic civic duties.

Independent Auditor's Report to the Council of Ulster University

Opinion

We have audited the financial statements of Ulster University ('the parent institution') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the Group and University Statement of Comprehensive Income, the Group and University Statement of Changes in Reserves, the Group and University Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 30, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Ulster University's group financial statements and parent institution financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent institution's affairs as at 31 July 2025 and of the group's and of the parent institution's income and expenditure, gains and losses and changes in reserves, and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been properly prepared in accordance with the Department for the Economy's Accounts Direction to Higher Education Institutions for 2024-25 Financial Statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the University Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent institution's ability to continue as a going concern for the period to 31 July 2027.

Our responsibilities and the responsibilities of the University Council's with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The University Council are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Financial Memorandum (Part 1) between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster ("Financial Memorandum")

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- funds from whatever source administered by Ulster University have been properly applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by the Department for the Economy have been applied in accordance with the Financial Memorandum and any applicable terms and conditions attached to them.

Matters on which we are required to report by exception

Under the Funding Council's Financial Memorandum, the University is required to include a Statement of Internal Control within the annual financial statements. We are not required to audit this statement, or to form an opinion on the effectiveness of risk management and control procedures but have a duty to report by exception whether this statement is inconsistent with our knowledge of the University.

Responsibilities of the Council

As explained more fully in the Statement of the Council's Responsibilities set out on page 24, the University Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the University Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the group's and the parent institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Council either intend to liquidate the group or the parent institution or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are FRS 102, the Statement of Recommended Practice for Further and Higher Education and the Financial Memorandum between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.
- We understood how Ulster University is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through reading the University Council minutes and papers provided to the Audit and Risk Committee.
- We assessed the susceptibility of the group and parent institution financial statements to material misstatement, including how fraud might occur by considering the risk of management override and identified the recognition of tuition fee, research grants and other income as fraud risks.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the group and

parent institution's policies and procedures relating to:

- Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Our procedures also included discussions amongst the engagement team regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified the potential for fraud in the following areas: revenue recognition and management override of controls.

In addition to the above, our procedures to respond to the identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Reading minutes of meetings of those charged with governance and the University Council;
- In addressing the risk of management override of controls we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately. We reviewed significant accounting estimates for management bias and noted that we did not identify any significant unusual transactions in the financial statements;
- In addressing the risk of improper recognition of revenue we performed a substantive analytical review over tuition fee income and focused our testing on those items of income that fell outside of our expectations. We tested a sample of research income and education contracts (including any associated deferred income) to assess performance related conditions and recognition in the correct year. For a sample of deferred income items (also covering additions and releases), we confirmed that income

had been recognised in the correct financial year and that conditions had been met. We also tested a sample of income transactions before and after the year end to confirm that they had been recorded in the correct financial year. Our testing also included agreeing a sample of these income streams to supporting agreements or letters, confirms from 3rd parties, remittances and the receipt of payment in bank statements, and the testing of certain revenue journals to assess recognition in the current year.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at [frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Council of Ulster University, as a body, in accordance with Charters and Statutes of the University. 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 Ulster University and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Christie (Senior statutory auditor)

for and on behalf of Ernst & Young LLP,
Statutory Auditor
Belfast
3 December 2025

Accounting Policies

Statement of Principal

1. Basis of Preparation

Ulster University (“the University”) is an independent educational charity, registered with the Charity Commission for Northern Ireland, whose legal status derives from a Royal Charter granted in 1984. The address of the University’s registered office is Cromore Road, Coleraine, BT52 1SA.

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice “Accounting for Further and Higher Education 2019” and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (“FRS 102”). The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain land and buildings. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The financial statements are presented in Sterling (£) with all values rounded to the nearest £1,000 except when otherwise indicated.

Going Concern

Further details of the Group and University’s financial performance and outlook are set out in the Operating and Financial Review. Similar to many universities in the UK, the University continues to experience a reduction in EBITDA and operating cash generation, driven by funding body grants not increasing in line with inflation and growth in home student numbers, reduced international students due to changes in UK Government visa requirements, and increased costs including national insurance contributions.

For Ulster funding pressures have been exacerbated as the University continues to support delivery of the NI Executive commitment in the Programme for Government to expand the Derry~Londonderry campus. This has resulted in increased student numbers at the campus, which has increased the overall funded student places in the University but has also consumed reserves as the University contributes towards the capital spend for the expansion, coupled with increased operating costs as the estate must expand in advance of further student recruitment. Continued financial strain arises as the University operates as a multi campus institution resulting in an increased cost base given the need to operate multiple libraries, sports facilities, student services etc. These events and conditions continue to pose risks for the medium to longer-term financial viability of the Group and University.

In preparing the year ended 31 July 2025 Group and University financial statements, Council and University management have prepared a detailed monthly cashflow forecast to 31 July 2027 for the Group that considers the impact of these events and conditions. The detailed cashflow forecast is based on conservative estimates of inflationary increases on Government funding and student numbers. The cashflow also includes the financial support to be provided by the University for the expansion of the Derry~Londonderry campus and the Growth and City Deal projects. While the cashflow forecast shows that the Group and University are expected to have operational cash deficits and reduced cash reserves in the period to 31 July 2027, it indicates that the Group and University will have adequate resources, including sufficient available cash (i.e. net of restricted cash requirements), to meet their obligations and to continue in operational existence to the period ending 31 July 2027.

Accordingly, Council continues to adopt the going concern basis in preparing the Group and University’s financial statements.

2. Consolidation

The consolidated Financial Statements include the University and its subsidiary undertakings Innovation Ulster Limited and Studio Ulster Limited. The results of the subsidiary companies are included in the consolidated Statement of Comprehensive Income from the date of incorporation or acquisition and up to the date of disposal. Intra-Group sales and profits are eliminated fully on consolidation.

The Ulster University's Students' Union is constituted as an independent body and therefore in accordance with FRS 102, its financial statements are not consolidated with the Financial Statements of the University because the University does not control those activities.

The joint venture results of Branch Campus (London, Birmingham and Manchester) Limited, C-TRIC Limited (formerly ABC Research and Innovation Limited) and NI Composites O&M LLP (NICOM) and the investment in NIACE Limited are not consolidated in the Financial Statements on the grounds of materiality.

3. Recognition of Income

Income from the sale of goods and services is credited to the Statement of Comprehensive Income in line with the provision of the associated goods and services.

Academic Fee income is stated gross of any expenditure and credited to the Statement of Comprehensive Income over the period of students' study. Where the amount of tuition fee is reduced, income receivable is shown net of the discount. Bursaries and Scholarships are accounted for gross of expenditure and are not deducted from income.

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

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

Grant Funding - Revenue Grants

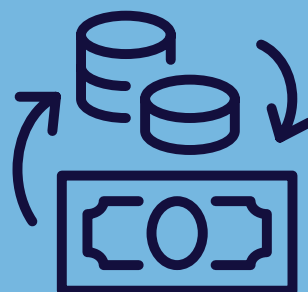
Revenue grants are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income in line with such conditions being met.

Grant Funding - Capital Grants

Where tangible fixed assets are acquired with the aid of Government capital grants, these grants are recognised as deferred income within creditors and released to income over the expected useful economic life of the asset. All other capital grants are recognised in income when the University is entitled to the funds subject to any performance conditions being met.

Other Income

Income from specific endowments and donations, research grants and contracts and other services rendered is included to the extent of the expenditure incurred during the year, together with any related contributions towards overhead costs. All income from short-term deposits and general endowment asset investments is credited to the Statement of Comprehensive Income on a receivable basis. All income from other sources is credited to the Statement of Comprehensive Income on an accruals basis.



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 reserves until such time it is utilised in line with the 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/depreciation of endowments are recorded in income in the year in which they arise.

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

1. Restricted donations - the donor has specified that the donations must be used for a specific 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 for the use of the funds and the University can convert the endowed capital into income.
4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

4. Pension Schemes

The two principal pension schemes for the University's staff are the University's Superannuation Scheme (USS) and the Northern Ireland Local Government Officers Superannuation Committee Pension Fund (NILGOSC). The funds are valued every three years by actuaries using the aggregate method, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The USS scheme is a defined benefit scheme but it is not possible to identify the University's share of underlying assets and liabilities in the USS scheme. As such, contributions made to the scheme are treated as if it were a defined contribution scheme and charged to the Statement of Comprehensive Income. A liability is recorded within the provisions for any contractual commitment to fund past deficits within the USS scheme.

The NILGOSC scheme is a multi-employer scheme and the underlying assets and liabilities are disclosed in the Balance Sheet. The difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as a liability or asset on the balance sheets.

The amount charged to the Statement of Comprehensive Income is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.

The expected return on the pension scheme's assets during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are shown as financing costs in the Statement of Comprehensive Income.

Any difference between the expected return on assets and that actually achieved and any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the Statement of Comprehensive Income.

5. Employment Benefits

Any unused employment benefits for staff with contractual benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement.

6. Foreign Currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of Statement of Comprehensive Income for the financial year.

7. Freehold Land and Buildings

The University adopted the transitional arrangements on conversion to FRS 102 and revalued land and buildings as at 31 July 2014 on three campuses, namely Coleraine, Derry~Londonderry and Belfast. Land and buildings that have been revalued to fair value prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation.

Following the transfer of the Jordanstown campus to Belfast, the value of the land and buildings at Jordanstown is reviewed annually.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Land is held freehold and is not depreciated as it is considered to have an indefinite useful life. Buildings are depreciated on a straight-line basis over their expected useful lives, up to a maximum of 60 years.

8. Assets Under Construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July. They are not depreciated until they are brought into use.

9. Equipment

Equipment, including software and related software development costs, costing less than £25,000 per individual item or group of related items, is written off in the year of acquisition.

All other equipment including software and related development costs are capitalised. Capitalised equipment (other than research grant equipment) is stated at cost and depreciated on a straight-line basis over its expected useful life, assumed to be four years. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Where equipment is acquired with the aid of a specific research grant it is capitalised and depreciated over the shorter of its estimated useful life or the remaining life of the research grant, with the related grant being credited to a deferred capital grant account and released to the Statement of Comprehensive Income over the remaining life of the related grant.

10. Fixed Asset Investments

(a) The University's Endowment Fund is included in the Balance Sheet at market value and is administered by an external fund manager. Investments in subsidiary companies are shown at the lower of cost and net realisable value. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Any changes in fair value are taken directly to the Statement of Comprehensive Income.

(b) Fixed Asset Investments through Innovation Ulster Limited and Ulster Equity Partnership:

From the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines (2022 edition) the company values its fixed asset investments (which comprise trade investments) as follows:

- Price of Most Recent Investment (PMRI) ; or
- Multiple of earnings or revenues; or
- Net Asset Basis

If valuers consider that the passage of time since the date of the last investment diminishes the appropriateness of that methodology, then a modified version of that valuation may be used which refers to industry benchmark valuations or a company-based milestone analysis, i.e. performance against technical or financial targets of milestones.

It is expected that the company will use the PMRI basis where the investment has been made within 24 months, otherwise the Net Assets basis will be used.

Any changes in fair value are taken directly to the Statement of Comprehensive Income.

11. Current Asset Investments

Current asset investments are included at the lower of cost and net realisable value.

12. Stocks

Stocks, which are generally consumable in nature, are expensed to the Statement of Comprehensive Income in the year of purchase.

13. 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 (maturity being less than three months from the placement date), highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. They exclude any such assets held as Endowment Asset Investments.

14. Provision for Bad Debts

Bad debts are written off when recognised as irrecoverable. Debts which are considered doubtful are provided for in the accounts.

15. Leases

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

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.

The cost of operating leases is charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

16. Provisions

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

17. Maintenance of Premises

The University has a 5-year planned maintenance programme which is reviewed on an annual basis. Actual expenditure on maintenance is charged to the Statement of Comprehensive Income in the period it is incurred.

18. Taxation Status

The University is considered to pass the tests set out in Paragraph 1 Schedule 6 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 287 CTA 2009 and sections 471, 478, 488 CTA 2010 (formerly S505 of ICTA 1988) or section 256 of the taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The University is registered as a charity with HM Revenue and Customs and with the Northern Ireland Charity Commission. The University receives no similar exemption in respect of Value Added Tax. Innovation Ulster Limited and Studio Ulster Limited, subsidiaries of the University have no charitable status and can therefore be liable to Corporation Tax on chargeable profits.

19. Reserves

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

The University holds a revaluation reserve resulting from revaluation of fixed assets on conversion to FRS102 as at 31 July 2014.

20. Subsidiary Accounting Policies

The subsidiaries of the University adopts the same accounting policies of the University.

21. Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Carrying Value of Investments

The Group has investments, as disclosed in Note 12, valued using the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines. These methodologies require the use of judgement, including assessing the most appropriate methodologies to be used, whether changes in methodologies are required due to the passage of time since the date of the last investment and in certain methodologies the assumptions to be used. Due to the complexity of these methodologies, and the underlying assumptions used, such estimates are subject to significant uncertainty. Any diminution in value is recognised in profit or loss.

NILGOSC Pension Benefits

The cost of the NILGOSC defined benefit pension plans is determined using actuarial valuations, as disclosed in Note 22. 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. In determining the appropriate discount rate, management considers the yield of high-quality bonds of the same term and currency as the future cashflows.

Judgement is also required in respect of the amount of the NILGOSC pension asset recognised at 31 July 2025 of £49.8m (see Note 22). In the absence of specific guidance in FRS 102 the assessment of the recognition of this asset has been determined using the applicable requirements of International Accounting Standards Board's IFRIC 14 "IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". Details of the assessment made in determining the amount of the recoverable surplus and hence net asset recognised at 31 July 2025, together with a related sensitivity analysis, are set out in Note 22."



Carrying Value of Jordanstown Campus Land and Buildings

The Jordanstown campus activity fully transferred to the new Belfast campus in September 2022. The carrying value of the Jordanstown campus estate included in fixed assets (see Note 11) has been written down to its estimated recoverable amount based on an independent valuation completed in September 2025 by Lambert Smith Hampton, with the fair value of the estate based on market value in accordance with the Royal Institution of Chartered Surveyors Valuation Guidance Standards - Red Book Global. However, such valuations are inherently judgmental with the value attributed sensitive to changes arising from market factors and how the value of the estate is ultimately realised.

In the course of preparing the financial statements the following judgements have been made in the process of applying the accounting policies:

QAHE Tuition Income

As disclosed in Note 25 the University has entered into a joint venture with QA Higher Education (QAHE) to provide services in support of the provision of Ulster University degree courses to domestic and international students at campuses in London, Birmingham and Manchester. The University receives a share of the tuition fees paid by these students. Council have assessed that given the nature of the services provided by the University, and that successful students are awarded an Ulster University degree, that this income represents tuition fee income and accordingly this is presented as such in the Statement of Comprehensive Income.

Statement of Comprehensive Income

Group and University Statement of Comprehensive Income for the Year Ended 31 July 2025

	Note	Group 2025	University 2025	Group 2024	University 2024
		£'000	£'000	£'000	£'000
Income					
Tuition Fees and Education Contracts	1	131,230	131,230	131,777	131,777
Funding Body Grants	2	101,644	101,644	93,896	93,896
Research Grants and Contracts	3	41,674	41,674	38,766	38,766
Other Income	4	21,492	21,228	19,702	19,702
Investment Income	5	7,236	7,650	7,852	7,950
Donations and Endowments	6	959	959	1,113	1,113
Total Income		304,235	304,385	293,106	293,204
Expenditure					
Staff Costs	7	175,165	173,925	161,554	161,474
Movement in USS Pension Provision	7	-	-	(79,836)	(79,836)
Movement in NILGOSC Pension Provision	7	96	96	18	18
		175,261	174,021	81,736	81,656
Other Operating Expenses	8	119,301	114,644	105,545	105,003
Depreciation	11	28,295	28,295	29,242	29,242
Impairment	11	2,800	2,800	1,118	1,118
Interest and Other Finance Costs	9	241	189	2,557	2,557
Total Expenditure		325,898	319,949	220,198	219,576
(Loss)/Surplus Before Other Gains and Losses		(21,663)	(15,564)	72,908	73,628
Gain on Disposal of Fixed Assets		9	9	2,488	2,488
Gain on Investments	12	4,410	1,245	1,160	516
(Loss)/Surplus Before Taxation		(17,244)	(14,310)	76,556	76,632
Taxation		-	-	-	-
(Loss)/Surplus After Taxation		(17,244)	(14,310)	76,556	76,632
Actuarial Gain in Respect of Pension Schemes	22	21,808	21,808	6,774	6,774
Total Comprehensive Income for the Year		4,564	7,498	83,330	83,406
Represented by:					
Endowment Comprehensive Income for the Year		1,117	1,117	1,008	1,008
Unrestricted Comprehensive Income for the Year		7,021	9,955	87,773	87,849
Revaluation Reserve Comprehensive (Deficit) for the Year		(3,574)	(3,574)	(5,451)	(5,451)
Total		4,564	7,498	83,330	83,406

Statement of Changes in Reserves

Group and University Statement of Changes in Reserves Year Ended 31 July 2025

Group	Income and Expenditure Reserve			Total
	Endowment	Unrestricted	Revaluation Reserve	
	£'000	£'000	£'000	£'000
Balance at 1 August 2023	15,035	256,760	89,955	361,750
Income from the Statement of Comprehensive Income	1,008	75,548	-	76,556
Other Comprehensive Income	-	6,774	-	6,774
Transfers between Revaluation and Income and Expenditure	-	5,451	(5,451)	-
Total Comprehensive Income/(Deficit) for the Year	1,008	87,773	(5,451)	83,330
Balance at 1 August 2024	16,043	344,533	84,504	445,080
Income/(Deficit) from the Statement of Comprehensive Income	1,117	(18,361)	-	(17,244)
Other Comprehensive Income	-	21,808	-	21,808
Transfers between Revaluation and Income and Expenditure Reserve	-	3,574	(3,574)	-
Total Comprehensive Income/(Deficit) for the Year	1,117	7,021	(3,574)	4,564
Balance at 31 July 2025	17,160	351,554	80,930	449,644

Statement of Changes in Reserves (continued)

Group and University Statement of Changes in Reserves Year Ended 31 July 2025

University	Income and Expenditure Reserve		Revaluation Reserve	Total
	Endowment	Unrestricted		
	£'000	£'000	£'000	£'000
Balance at 1 August 2023	15,035	244,780	89,955	349,770
Income from the Statement of Comprehensive Income	1,008	75,624	-	76,632
Other Comprehensive Income	-	6,774	-	6,774
Transfers between Revaluation and Income and Expenditure Reserve	-	5,451	(5,451)	-
Total Comprehensive Income/(Deficit) for the Year	1,008	87,849	(5,451)	83,406
Balance at 1 August 2024	16,043	332,629	84,504	433,176
Income/(Deficit) from the Statement of Comprehensive Income	1,117	(15,427)	-	(14,310)
Other Comprehensive Income	-	21,808	-	21,808
Transfers between Revaluation and Income and Expenditure Reserve	-	3,574	(3,574)	-
Total Comprehensive Income/(Deficit) for the Year	1,117	9,955	(3,574)	7,498
Balance at 31 July 2025	17,160	342,584	80,930	440,674

Balance Sheets

Balance Sheets as at 31 July 2025

	Note	Group 2025	University 2025	Group 2024	University 2024
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible Assets	11	540,851	519,516	541,053	532,928
Investments	12	40,628	21,858	34,357	20,173
Total Fixed Assets		581,479	541,374	575,410	553,101
Current Assets					
Debtors	13	39,157	47,129	34,924	37,422
Investments and Short Term Deposits	14	63,754	63,754	64,251	64,251
Cash at Bank and In Hand	15	55,080	53,423	75,014	73,576
Total Current Assets		157,991	164,306	174,189	175,249
Creditors: Amounts Falling Due Within One Year	16	(75,736)	(69,506)	(75,665)	(74,125)
Net Current Assets		82,255	94,800	98,524	101,124
Total Assets Less Current Liabilities		663,734	636,174	673,934	654,225
Creditors: Amounts Falling Due After More Than One Year	17	(263,915)	(245,325)	(255,542)	(247,737)
Pension Asset		49,825	49,825	26,688	26,688
Net Assets Including Pension Assets		449,644	440,674	445,080	433,176
Reserves					
Restricted Reserves					
Endowment Reserve	18	17,160	17,160	16,043	16,043
Unrestricted Reserves					
Income and Expenditure Account - Unrestricted		351,554	342,584	344,533	332,629
Revaluation Reserve		80,930	80,930	84,504	84,504
Total Reserves		449,644	440,674	445,080	433,176

The Financial Statements on pages 32 to 64 were approved by the Council on 2 December 2025 and signed on its behalf by:

Mr Hugo Wilson
Honorary Treasurer

Ms Elaine Hartin
Chief Strategy and Finance Officer

Professor Paul Bartholomew
Vice-Chancellor and Chief Accounting Officer

Group Cash Flow Statement

Group Cash Flow Year Ended 31 July 2025

	Note	Year ended 31 July 2025	Year ended 31 July 2024
		£'000	£'000
Cash Flow from Operating Activities			
(Deficit)/Surplus for the Year before Taxation		(17,244)	76,556
Taxation		-	-
Surplus for the Year after Taxation		(17,244)	76,556
Adjustment for Non-Cash Items			
Depreciation	11	28,295	29,242
Impairment	11	2,800	1,118
Gain on Investments	12	(4,396)	(1,134)
(Increase)/Decrease in Debtors	13	(4,233)	680
(Decrease) in Creditors	16	(75)	(2,291)
(Decrease) in Pension Provision		(1,329)	(79,075)
Deferred Capital Grants Released Income		(6,536)	(7,402)
Adjustment for Investing or Financing Activities			
Investment Income	5	(5,811)	(7,852)
Interest Payable	9	551	509
New Endowment Received	6	(103)	(123)
Profit on Disposal of Fixed Assets		(9)	(2,488)
Net Cash (Outflow)/Inflow from Operating Activities		(8,090)	7,740
Cash Flows from Investing Activities			
Capital Grant Receipts		21,747	8,266
Disposal of Non-Current Asset Investments	12	395	454
Investment Income	5	5,811	7,852
Payments Made to Acquire Fixed Assets	11	(30,893)	(14,988)
Fixed Asset Disposal Proceeds		9	2,925
New Non-Current Asset Investment	12	(2,270)	(2,181)
Withdrawal from Fixed Deposits		497	35,330
		(4,704)	37,658
Cash Flows from Financing Activities			
Interest Paid	9	(551)	(509)
New Endowments Received	6	103	123
Repayments of Amounts Borrowed	17	(6,692)	(331)
		(7,140)	(717)
(Decrease)/Increase in Cash and Cash Equivalents in Year		(19,934)	44,681
Cash and Cash Equivalents at Beginning of the Year		75,014	30,333
Cash and Cash Equivalents at End of the Year		55,080	75,014

Notes to the Financial Statements

1. Tuition Fees and Education Contracts	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Full-time Student Fees	69,631	69,631	67,090	67,090
Overseas Student Fees	26,371	26,371	31,651	31,651
Part-time Fees	12,196	12,196	11,247	11,247
DOH Education Contract	22,441	22,441	21,361	21,361
Short Course Fees	591	591	428	428
	131,230	131,230	131,777	131,777
2. Funding Body Grants	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Teaching Recurrent Grant	68,488	68,488	65,445	65,445
Research Recurrent Grant	17,752	17,752	19,062	19,062
Specific Grants	9,679	9,679	3,454	3,454
Deferred Capital Grants Released In Year				
Buildings	3,673	3,673	3,739	3,739
Equipment	2,052	2,052	2,196	2,196
	101,644	101,644	93,896	93,896
3. Research Grants and Contracts	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Research Councils	14,118	14,118	16,756	16,756
UK Charities	1,481	1,481	1,803	1,803
EU Government	1,218	1,218	2,225	2,225
UK Central Government	18,554	18,554	12,799	12,799
Overseas (Non-EU)	648	648	898	898
Health and Hospital Authorities	154	154	187	187
Other Sources	5,501	5,501	4,098	4,098
	41,674	41,674	38,766	38,766
Included in Research Grants and Contracts Income is £627k (2024: £1,283k) in relation to deferred capital grant release				
4. Other Income	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Residences, Catering and Conferences	3,075	3,075	2,996	2,996
Other Services Rendered	6,472	6,219	7,303	7,303
Other Income	11,761	11,750	9,219	9,219
Deferred Grant Release	184	184	184	184
	21,492	21,228	19,702	19,702

Notes to the Financial Statements (continued)

5. Investment Income	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Investment Income on Expendable Endowments	49	49	53	53
Investment Income on Permanent Endowments	405	405	420	420
Income from Short Term Investments	5,357	5,771	6,328	6,426
Net Receivable Interest on Pension Scheme	1,425	1,425	1,051	1,051
	7,236	7,650	7,852	7,950
6. Donation and Endowments	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
New Endowments	103	103	123	123
Donations	856	856	990	990
	959	959	1,113	1,113
7. Staff Costs	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Wages and Salaries	140,340	139,192	128,785	128,713
Social Security Costs	14,898	14,811	12,452	12,444
Other Pension Costs (Note 22)	19,927	19,922	20,317	20,317
Movement on USS Pension Provision	-	-	(79,836)	(79,836)
Movement on NILGOSC Pension Provision	96	96	18	18
	175,261	174,021	81,736	81,656
Emolument of the Vice-Chancellor	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Salary	277	277	273	273
Benefits	-	-	-	-
	277	277	273	273
Employers Pension Contributions	40	40	47	47
	317	317	320	320

	2025	2024
Ratio of Vice-Chancellor's basic salary to median basic salary of member of University staff	5.99:1	6.17:1
Ratio of Vice-Chancellor's total remuneration to median total remuneration of member of University staff	5.99:1	6.17:1

The Vice-Chancellor leads Ulster University to make a significant social, economic and cultural contribution helping our community to thrive and confidently supporting Northern Ireland on the global stage. In an increasingly competitive sector, University leadership reflects the scale, complexity and impact of higher education across research and teaching. The current Vice-Chancellor is employed on a fixed salary contract which is subjected to an annual uplift in line with the outcome of the national collective pay bargaining. The Vice-Chancellor's salary was determined by the University's committee responsible for remuneration and governance and was set in line with the benchmarked salaries of other Vice-Chancellors who lead similar sized and income earning Higher Education institutions in the sector in the UK.

Excluding the Vice-Chancellor, remuneration of other Higher Paid Staff was in the following bands:	University 2025	University 2024
	No.	No.
£ 100,000 - £ 104,999	14	24
£ 105,000 - £ 109,999	28	16
£ 110,000 - £ 114,999	6	7
£ 115,000 - £ 119,999	9	5
£ 120,000 - £ 124,999	1	-
£ 125,000 - £ 129,999	5	3
£ 130,000 - £ 134,999	1	1
£ 135,000 - £ 139,999	2	-
£ 140,000 - £ 144,999	-	4
£ 145,000 - £ 149,999	2	1
£ 150,000 - £ 154,999	1	-
£ 160,000 - £ 164,999	1	2
£ 165,000 - £ 169,999	1	-
£ 170,000 - £ 174,999	1	-
£ 175,000 - £ 179,999	2	2

Key Management Personnel	University 2025	University 2024
	£'000	£'000
Key Management Personnel Remuneration	2,400	2,219

Compensation for Loss of Office		
Compensation Payable Recorded Within Staff Costs	372	675
Number of Staff Who Received Compensation	37	58

Compensation for loss of office was £372k for 37 staff. This predominantly relates to the termination of research fixed term contracts which attract a redundancy position by virtue of the nature of the funding arrangements.

The Average Weekly Number of Persons (Including Senior Post Holders) Employed by the University During the Year, Expressed as Full-time Equivalents, was:	University 2025	University 2024
	No.	No.
Academic	1,248	1,196
Technical	172	171
Administrative	780	688
Other Including Clerical and Manual	599	584
	2,799	2,639

Notes to the Financial Statements (continued)

8. Other Operating Expenses	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Residences, catering and conferences	5,353	5,353	2,582	2,582
Consumables and laboratory equipment	2,304	2,304	3,118	3,118
Equipment not capitalised	4,125	4,048	3,850	3,522
Books and periodicals	4,336	4,336	4,372	4,372
Fellowships, scholarships and prizes	874	874	787	787
Rent and rates	9,799	6,501	6,619	6,619
Heat, light, water and power	7,111	6,886	6,695	6,695
Long term maintenance	13,658	13,587	9,985	9,985
Contracted out services	9,008	8,898	8,042	8,042
Grants to Ulster University Students' Union	2,079	2,079	2,039	2,039
External Auditors' remuneration	135	114	104	83
External Auditors' remuneration in respect of non-audit services	14	13	20	18
Internal Auditors' remuneration	144	144	157	157
Internal Auditors' remuneration in respect of non-audit services	88	88	159	159
Printing and stationery	1,358	1,342	1,340	1,340
Travel, subsistence and hospitality	6,985	6,911	6,890	6,888
Miscellaneous academic support	2,675	2,675	1,754	1,754
Telephone and postage	290	253	263	263
Research sub-contracting	9,913	9,913	7,936	7,936
Professional services	16,235	16,060	17,837	17,649
IT Services	8,289	8,270	7,679	7,679
Advertising and publicity	2,463	2,196	1,637	1,636
Student Support	10,298	10,298	9,767	9,767
Other expenses	1,767	1,501	1,913	1,913
	119,301	114,644	105,545	105,003

9. Interest and Other Finance Costs

	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Bank loans	108	108	112	112
Other loans	391	391	397	397
Other interest	52	-	-	-
Net charge on pension schemes	-	-	1,794	1,794
Exchange differences	(310)	(310)	254	254
	241	189	2,557	2,557

10. Analysis of 2025 Expenditure by Activity

	Staff Costs	Depreciation and impairment	Other Operating Expenses	Interest and Other Finance Costs	Total
	£'000	£'000	£'000	£'000	£'000
Academic Departments	95,669	2,154	12,484	-	110,307
Academic Services	28,892	4,185	24,483	-	57,560
Research Grants and Contracts	14,070	518	16,967	-	31,555
Residences, Catering and Conferences	1,444	711	7,191	-	9,346
Premises	4,870	21,595	30,516	499	57,480
Administration	26,243	1,932	21,244	(310)	49,109
Other Expenses	4,073	-	6,416	52	10,541
	175,261	31,095	119,301	241	325,898

The depreciation and impairment charged has been funded by:

	£'000
Release from Deferred Capital Grants	5,909
Release from Research Grants and Contracts	627
Transfer from Revaluation Reserve	3,574
General Income	20,985
	31,095

Notes to the Financial Statements (continued)

11. Tangible Assets - Group	Freehold Land and Buildings	Assets Under Construction	Equipment	Total
	£'000	£'000	£'000	£'000
Valuation or Cost				
At 1 August 2024				
Revaluation	173,696	-	-	173,696
Cost	533,253	8,858	83,137	625,248
Total	706,949	8,858	83,137	798,944
Additions at Cost	10,612	16,335	3,946	30,893
Transfer from CIP	961	(19,588)	18,627	-
Disposals	-	-	(4,407)	(4,407)
At 31 July 2025				
Revaluation	173,696	-	-	173,696
Cost	544,826	5,605	101,303	651,734
Total	718,522	5,605	101,303	825,430
Accumulated Depreciation				
At 1 August 2024	192,810	-	65,081	257,891
Depreciation	19,524	-	8,771	28,295
Impairment	2,800	-	-	2,800
Disposals	-	-	(4,407)	(4,407)
At 31 July 2025	215,134	-	69,445	284,579
Net Book Value				
At 31 July 2025	503,388	5,605	31,858	540,851
At 31 July 2024	514,139	8,858	18,056	541,053

The impairment charge relates to a portion of land on the Jordanstown campus revalued at 31 July 2025. (In 2024 the impairment charge of £1.118m related to the tower building on the Coleraine campus).

11. Tangible Assets - Ulster University	Freehold Land and Buildings	Assets Under Construction	Equipment	Total
	£'000	£'000	£'000	£'000
Valuation or Cost				
At 1 August 2024				
Revaluation	173,696	-	-	173,696
Cost	533,253	1,200	82,670	617,123
Total	706,949	1,200	82,670	790,819
Additions at Cost	9,760	4,182	3,741	17,683
Transfer from CIP	961	(1,032)	71	-
Disposals	-	-	(4,407)	(4,407)
At 31 July 2025				
Revaluation	173,696	-	-	173,696
Cost	543,974	4,350	82,075	630,399
Total	717,670	4,350	82,075	804,095
Accumulated Depreciation				
At 1 August 2024	192,810	-	65,081	257,891
Depreciation	19,524	-	8,771	28,295
Impairment	2,800	-	-	2,800
Disposals	-	-	(4,407)	(4,407)
At 31 July 2025	215,134	-	69,445	284,579
Net Book Value				
At 31 July 2025	502,536	4,350	12,630	519,516
At 31 July 2024	514,139	1,200	17,589	532,928

The impairment charge relates to a portion of land on the Jordanstown campus revalued at 31 July 2025. (In 2024 the impairment charge of £1.118m related to the tower building on the Coleraine campus).

Notes to the Financial Statements (continued)

12. Fixed Asset Investments	Subsidiary Companies	Other Fixed Asset Investments	Subsidiary Investment in Spinouts	Endowment Fund Investments	Total
Group	£'000	£'000	£'000	£'000	£'000
At 1 August 2024	-	1,955	16,359	16,043	34,357
Additions	-	-	1,713	557	2,270
Disposals	-	-	-	(395)	(395)
Fair Value Adjustments	-	276	3,165	955	4,396
At 31 July 2025	-	2,231	21,237	17,160	40,628
University					
At 1 August 2024	2,175	1,955	-	16,043	20,173
Additions	292	-	-	557	849
Disposals	-	-	-	(395)	(395)
Fair Value Adjustments	-	276	-	955	1,231
At 31 July 2025	2,467	2,231	-	17,160	21,858

Other fixed asset investments relates to the University's interest in Ulster Equity Limited Partnership.

13. Debtors	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Trade Debtors	20,536	20,502	21,455	21,439
Amounts Due from Group Undertakings	-	9,102	-	4,504
Prepayments and Accrued Income	18,621	17,525	13,469	11,479
	39,157	47,129	34,924	37,422

Amounts due from Group Undertakings includes interest-bearing loan balances of £5.92m (2024: £2.59m) due after one year.

14. Investments and Short Term Deposits	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Investments and Short Term Deposits	63,754	63,754	64,251	64,251
	63,754	63,754	64,251	64,251

Under the terms of the loan agreement with the Strategic Investment Board (see Note 17) the University holds a Cash Reserve account. The investments balance in 2025 includes funds of £38.2m in the Cash Reserve account (2024: £28.8m). There are restrictions over the use of these funds that require prior consent from the Strategic Investment Board.

Investments and Short-Term Deposits have been restated in 2024 to reclassify short-term deposits due within three months as Cash at Bank (Note 30).

15. Cash at Bank and In Hand	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Cash at Bank and In Hand	55,080	53,423	75,014	73,576
	55,080	53,423	75,014	73,576

Cash at Bank and in Hand has been restated for 2024 to reclassify short-term deposits due within three months as Cash at Bank (Note 30).

16. Creditors:	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Amounts Falling Due Within One Year				
Bank Loans	368	368	348	348
Other Loans	6,344	6,344	6,344	6,344
Trade Creditors	20,686	19,781	27,603	26,800
Amounts owed by Group Undertakings	-	17	-	17
Taxation and Social Security	3,882	3,846	6,629	6,629
Accruals	34,660	32,840	28,395	27,755
Obligations Under Operating Leases	2,032	-	-	-
Deferred Capital Grants	7,764	6,310	6,346	6,232
	75,736	69,506	75,665	74,125

17. Creditors:	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Amounts Falling Due After More Than One Year				
Bank Loans	1,123	1,123	1,491	1,491
Other Loans	145,912	145,912	152,256	152,256
Deferred Capital Grants	116,880	98,290	101,795	93,990
	263,915	245,325	255,542	247,737

Bank Loans

Amounts Falling Due:

Less than one year (Note 16)	368	368	348	348
Between one and two years	389	389	368	368
Between two and five years	734	734	1,123	1,123
	1,491	1,491	1,839	1,839

Other Loans

Amounts Falling Due:

Less than one year (Note 16)	6,344	6,344	6,344	6,344
Between one and two years	6,344	6,344	6,344	6,344
Between two and five years	19,032	19,032	19,032	19,032
Greater than five years	120,536	120,536	126,880	126,880
	152,256	152,256	158,600	158,600

Notes to the Financial Statements (continued)

Included in the loans are the following:

Lender	Amount £'000	Repayable	Interest Rate
First Trust Bank loan	1,491	2004-2029	5.475%
Strategic Investment Board loan	152,256	2025-2049	0.25%

The First Trust bank loan is secured by a negative pledge on a portion of land on the Jordanstown campus.

The Strategic Investment Board loan is secured by a fixed charge on the property of the University's four campuses.

Net Debt Movement	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Balance at 1 August 2024	160,439	160,439	160,770	160,770
Capital repayments	(6,692)	(6,692)	(331)	(331)
Balance at 31 July 2025	153,747	153,747	160,439	160,439

18. Endowment Reserves	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Group and University						
Balances at 1 August 2024						
Capital	388	11,955	12,343	4,007	16,350	15,361
Accumulated Income and (Expenditure)	126	1,923	2,049	(2,356)	(307)	(326)
	514	13,878	14,392	1,651	16,043	15,035
New Endowments	-	1	1	102	103	123
Investment Income	14	391	405	49	454	473
Expenditure	-	(154)	(154)	(241)	(395)	(454)
	14	237	251	(192)	59	19
Increase/(Decrease) in Market Value of Investments	9	789	798	157	955	866
At 31 July 2025	537	14,905	15,442	1,718	17,160	16,043
Represented By						
Capital	397	12,745	13,142	4,266	17,408	16,350
Accumulated Income and (Expenditure)	140	2,160	2,300	(2,548)	(248)	(307)
	537	14,905	15,442	1,718	17,160	16,043

Analysis by Type of Purpose:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Lectureships	-	4,861	4,861	9	4,870	4,821
Scholarship and bursaries	-	856	856	838	1,694	1,249
Research support	-	7,758	7,758	871	8,629	7,209
Prize funds	-	437	437	-	437	2,250
General	537	993	1,530	-	1,530	514
	537	14,905	15,442	1,718	17,160	16,043

Analysis by Asset:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Current and Non Current Asset Investments	537	14,905	15,442	1,718	17,160	16,043

Notes to the Financial Statements (continued)

19. Capital Commitments	2025	2024
Group and University	£'000	£'000
Commitments Contracted at 31 July 2025	4,363	1,330
Authorised but not Contracted at 31 July 2025	23,446	23,808
	27,809	25,138

20. Contingent Liabilities

At the year end there were no legal proceedings that are expected to result in a settlement of a material amount by the University.

21. Obligations Under Operating Leases

At 31 July 2025, the group had future minimum rentals payable under non-cancellable operating leases as set out below:

	Group 2025	University 2025	Group 2024	University 2024
	£'000	£'000	£'000	£'000
Not later than one year	3,412	-	-	-
Later than one year and not later than five years	13,649	-	-	-
Later than five years	31,280	-	-	-
	48,341	-	-	-

22. Net Pension Liability

The University participates in three pension schemes. The schemes are the Universities Superannuation Scheme (USS), the Northern Ireland Local Government Officers Superannuation Committee Pension Fund (NILGOSC) and the Health & Social Care Service Pension Scheme (HSCPS). The schemes are defined benefit schemes, which are externally funded. The assets of each scheme are held in a separate trustee-administered fund. The University has a small number of staff in the new School of Medicine who are members of the Health & Social Care Service Pension Scheme, a defined benefit pension scheme for health and social care workers in Northern Ireland. Disclosures are not included for this pension scheme on grounds of materiality.

USS Pension Scheme

The University participates in the Universities Superannuation Scheme (USS). The scheme is a hybrid 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. Due to the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee benefits', the University therefore accounts for the scheme as if it were a wholly defined contribution scheme.

A deficit recovery plan was put in place as part of the 2020 valuation. As the institution is contractually bound to make deficit recovery payments to USS, this was recognised as a liability on the balance sheet, which at 31 July 2023 amounted to £78m. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis.

The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the Statement of Comprehensive Income in the year ended 31 July 2024.

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

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

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

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles

CPI assumption	<ul style="list-style-type: none"> Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: <ul style="list-style-type: none"> 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	<ul style="list-style-type: none"> Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excesses inflation over 5% up to a maximum of 10%): CPI assumptions minus 3bps
Discount rate (forward rates)	<ul style="list-style-type: none"> Fixed interest gilt yield curve plus: <ul style="list-style-type: none"> Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

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

2023 Valuation

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

The current life expectancies on retirement at age 65 are:

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

Notes to the Financial Statements (continued)

NILGOSC Pension Scheme

The University is able to identify its share of the underlying assets and liabilities of the NILGOSC scheme and accordingly present the following information required by FRS 102. A valuation of the fund was carried out at 31 March 2022 and updated to 31 July 2025 by a qualified independent actuary.

Balance Sheet	At 31 July 2025	At 31 July 2024
	£'000	£'000
Present Value of Scheme Liabilities	(170,740)	(184,196)
Fair Value of Scheme Assets	220,565	210,884
Net Pension Asset	49,825	26,688

The FRS 102 valuation of the NILGOSC scheme as at 31 July 2025 resulted in an estimated net pension plan asset of £49,825,000. FRS 102 requires that an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Since FRS 102 provides no further guidance in this respect, as allowed under FRS 102 the University Council have considered the relevant requirements of International Financial Reporting Standards, in particular IFRIC Interpretation 14 IAS 19 - "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (IFRIC 14).

The University Council have considered the ability of the University to recover a surplus through reduced contributions in the future. This has included obtaining an assessment from an independent actuary based on the requirements of IFRIC 14. This assessment estimates that using both a perpetuity approach (i.e. assuming the University would never exit the NILGOSC scheme) and using the remaining service life of the current member employees used in the latest triennial funding valuation, that the present value of the estimated future service cost in each period less the estimated minimum funding requirement contributions that would be required for future service in those periods would be negative. Consequently, no economic benefit is available as a reduction in future contributions.

IFRIC 14 requires that the right to recovery through a refund must be unconditional. While the NILGOSC "Admission and Exit Policy" and The Local Government Pension Scheme Regulations (Northern Ireland) 2014 require the calculation of an exit refund and provide NILGOSC with the ability to defer the timing of any resultant refund payment, neither of these conditions are considered as conditional events over the right of the University to a refund on exit from the NILGOSC scheme. The University Council have therefore concluded that the University does have an unconditional right to a refund of a surplus in the NILGOSC scheme.

Based on their assessment as set out above, University Council have concluded that it is appropriate to recognise the estimated net pension plan asset of £49.825m at 31 July 2025.

The University Council are aware of the June 2024 UK High Court ruling in the case of NTL v Virgin Media, and related July 2025 Court of Appeal decision, which has rendered relevant amendments made between 6 April 1997 and 5 April 2016 to affected contracted-out UK defined benefit pension scheme rules invalid and void in certain circumstances. In particular, section 37 of the Pension Schemes Act 1993 only allowed the rules of contracted-out schemes to be altered in certain circumstances, with the judgment in the Virgin Media case making it clear that where an amendment was made which affected section 9(2B) rights without the necessary section 37 confirmation having been obtained, that amendment would be void (even if the change resulted in a benefit improvement).

The NILGOSC scheme was contracted-out during this period and the University Council and the NILGOSC Scheme Committee are aware that a number of rule changes were made during this time, including some which affected the level of member benefits. Therefore, it is possible that, if any of the rule changes are deemed invalid due to the absence of the necessary section 37 confirmation, this may lead to additional liabilities for the NILGOSC scheme and the University.

The University Council are also aware of the June 2025 announcement by the Pensions and Works Department of the UK Government's plans to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. The legislation has not yet been enacted, and further details of its provisions are pending. Consequently, the University continues to work with NILGOSC to understand if there are any implications for the NILGOSC scheme and the University, including assessing all amendments to member benefits, whether the required section 37 confirmations were obtained and the extent of any additional liabilities arising, which will need to be recognised.

Movements in Present Value of Defined Benefit Obligation	At 31 July 2025	At 31 July 2024
	£'000	£'000
At beginning of the Year	(184,196)	(177,945)
Current Service Cost	(3,764)	(3,458)
Member Contributions	(1,159)	(1,094)
Interest Cost	(9,022)	(8,893)
Benefits Paid	8,844	8,424
Past Service Cost	-	(45)
Actuarial Gains/(Losses)	18,557	(1,185)
At End of Year	(170,740)	(184,196)
Movement in Fair Value of Plan Assets	At 31 July 2025	At 31 July 2024
	£'000	£'000
At beginning of the Year	210,884	196,826
Expected Return on Assets	10,447	9,944
Employer Contributions	3,668	3,485
Member Contributions	1,159	1,094
Benefits Paid	(8,844)	(8,424)
Actuarial Gains	3,251	7,959
At End of Year	220,565	210,884
Expense Recognised in the Income and Expenditure Accounts	At 31 July 2025	At 31 July 2024
	£'000	£'000
Current Service Cost	3,764	3,458
Interest on Defined Benefit Pension Plan Obligation	9,022	8,893
Expected Return on Defined Benefit Pension Plan Assets	(10,447)	(9,944)
Past Service Cost	-	45
Total	2,339	2,452
The (Income)/Expense is Recognised in the Following Line Items in the Income Statement:	At 31 July 2025	At 31 July 2024
	£'000	£'000
Staff Costs	3,764	3,503
Interest Receivable	(1,425)	(1,051)
	2,339	2,452
Amounts Recognised in Other Comprehensive Income	At 31 July 2025	At 31 July 2024
	£'000	£'000
Asset Gains Arising During the Period	3,251	7,959
Liability Gains/(Losses) Arising During the Period	18,557	(1,185)
Total Amount Recognised in Other Comprehensive Income	21,808	6,774

Cumulative actuarial gains recognised as Other Comprehensive Income are £103.3m (2024: £81.5m).

Notes to the Financial Statements (continued)

The Fair Value of the Plan Assets were as follows:	At 31 July 2025 Fair Value	At 31 July 2024 Fair Value
	£'000	£'000
Equities	91,754	84,354
Bonds	80,727	71,279
Property	22,057	19,190
Cash	13,234	23,408
Other	12,793	12,653
	220,565	210,884

Principal Actuarial Assumptions (Expressed as Weighted Averages) at the Year End were as follows:	At 31 July 2025	At 31 July 2024
Discount Rate	5.7%	5.0%
CPI Inflation	2.5%	2.6%
Pension Increases	2.5%	2.6%
Pension Accounts Revaluation Rate	2.5%	2.6%
Salary Increases	4.0%	4.1%

Mortality		Males	Females
Current Pensioners	2025	21.6 years	24.5 years
	2024	21.5 years	24.4 years
Future Pensioners	2025	22.2 years	25.2 years
	2024	22.1 years	25.2 years

The University expects to contribute approximately £2.891m to NILGOSC pensions scheme in the next financial year.

The sensitivity analysis outlines the potential impact on the provision under different scenarios:

Change in Assumptions at 31 July 2025	
0.1% decrease in discount rate	£2.39m increase
0.1% increase in salaries	£0.17m increase
0.1% increase to pensions and rate of revaluation of pension accounts	£2.22m increase
1 year increase in post-retirement mortality	£4.1m decrease

The Total Pension Cost for the University was:	Group 2025	Group 2024
	£'000	£'000
Charge to staff costs - USS	16,155	(62,206)
Charge to staff costs – NILGOSC	3,766	2,633
Charge to staff costs - HSCPS	97	72
Charge to staff costs - Nest	5	-
Total Pension Cost (Note 7)	20,023	(59,501)

23. Student Support Funds

	Group and University 2025	Group and University 2024
	£'000	£'000
Balance Carried Forward	337	411
Funding Council Grants	1,164	1,420
Interest	2	3
Disbursed to Students	(1,398)	(1,497)
Balance Underspent at 31 July 2025	105	337

Department for the Economy ("DfE") Student Support grants are available solely for students. The University acts only as a paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account. The support funds are used to provide financial help to students whose access to higher education might be inhibited by financial considerations or who for whatever reasons, including physical or other disabilities, face financial difficulties in meeting their living costs.

24. Subsidiary Company Information

There are two companies which are wholly owned subsidiary companies of the University:

Innovation Ulster Limited

This company has been fully consolidated in the Financial Statements.

The company is controlled by the University. The company is registered and operates in Northern Ireland and has a registered address of Ulster University, BD-004-09 York Street, Belfast, Northern Ireland BT15 1ED.

Innovation Ulster Limited is a company established to develop intellectual property rights by patenting and licensing, and to arrange consultancy activities.

Studio Ulster Limited

This company has been fully consolidated in the Financial Statements.

Studio Ulster Limited was incorporated in March 2024. The company has a registered address of Murray House, Murray Street, Belfast, Northern Ireland, BT1 6DN.

Studio Ulster Limited is a company established to provide virtual production centric services in production and post-production to stakeholders operating in the motion picture, video and television programme industry sectors.

IUL (Ireland) Limited

Innovation Ulster Limited has one wholly owned subsidiary IUL (Ireland) Limited.

IUL (Ireland) Limited is a company limited by shares incorporated on 22 June 2021 and is registered in the Republic of Ireland. The registered office of the company is Bishopsgate, Henry Street, Limerick. This is a dormant company. Innovation Ulster Limited has invested €2 in the company's share capital.

Notes to the Financial Statements (continued)

25. Joint Venture Information

The University has two joint ventures. Branch Campus (London, Birmingham and Manchester) Limited is a joint venture between Ulster University and QAHE (Ulst) Limited for the principal purpose of providing services in support of the provision of degree courses to domestic and international students at campuses in London, Birmingham and Manchester.

C-TRIC Limited (previously named ABC Research & Innovation Limited) is a company limited by guarantee with Ulster University, Derry City Council and the Western Trust as equal partners. The principal activity of the company is to develop an Academia Business Clinical Research Innovation facility.

The results of Branch Campus (London, Birmingham and Manchester) Limited and C-TRIC Limited are not consolidated in the Group Financial Statements on the grounds of materiality

Through Innovation Ulster Limited (IUL), a wholly owned subsidiary, the University has a joint venture with NI Composites O&M LLP (NICOM). NICOM was incorporated in 2011 to promote collaborative research in advanced composites. It is a joint venture between IUL and Queens Composites Limited, a wholly owned subsidiary of Queen's University Belfast. The results of NICOM are not consolidated in the Group Financial Statements on the grounds of materiality.

26. Other Investments

Ulster Equity Limited Partnership

Ulster Equity Partnership is a limited partnership with Ulster University, Invest NI and TechStart NI for the principal purpose of carrying on the business of an investor and in particular to identify, research, negotiate, make or monitor the progress of and sell, realise, exchange or distribute equity or equity-related investments in connection with providing seed capital for the development of post – research post – proof of concept spin-out/in companies from Ulster University including from the technology sectors related to the Ulster University research base.

Through Ulster Equity Partnership the University has the following holdings:

7.40% of Axial Medical Printing Limited

0.86% of Responsible Clothing Limited (previously HARU)

14.92% of Humain Limited

3.69% of Locate Match Limited

2.82% of Neurovalens Limited

4.23% of CDS New Ventures Limited

Innovation Ulster Limited

Through Innovation Ulster Limited, a wholly owned subsidiary, the University has the following holdings:

Included in fixed asset investments above, the Company holds investment of under 25% in:

2.92% of Pulse AI Ltd

1.35% of Vesalic Ltd

24.42% of Klas Therapeutics

8.00% of Performa Sports Limited

2.20% of Datactics Limited

3.50% of Axial 3D Limited

6.48% of SISAF Limited

14.00% of Neuroconcise Limited

5.33% of Humain Limited

0.82% of Responsible (Haru)

12.60% of Modern Nature

14.00% of StimOxyGen Limited

20.00% of Exrt Intelligent Healthcare Limited

20.00% of Pneuma Healthcare Limited

14.47% of SonoTarg Limited

5.30% of Respiratory Analytics Limited

1.73% of Surecert Limited

17.80% Dia Beta Labs Limited

3.43% Neurovalens Limited

10.00% Inclutech Limited

2.55% Retinize Limited

6.20% Ilimex Limited

The Company has holdings of greater than 25% in the following companies:

Status	Active	Active	Active	Active	Active	Active	Active
Name	SWIPS	Galvani Ltd	Actionsense Ltd	Axis Composites Ltd	Jenarron Therapeutics Ltd	Solaform Ltd	Efectis UK/Ireland Ltd
Country of Incorporation	Northern Ireland	United Kingdom	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland
Principal Activity	Innovations in reducing heating and cooling energy demands	Development of treatment for chronic disease	Secure digital water marking technology	Design and manufacture of 3D woven carbon fibre preforms	Putty like material applied and removed to wounds	Solar water heater	Fire testing
% Shares Held and Type	25%	25%	26%	28%	34%	45%	33%
Convertible Loan Stock	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Turnover	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Profit or Loss Before Tax	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net (Liabilities)/Assets	N/A	(£7,591)	(£130,701)	£3,937	(£7,776)	£30,338	£4,057k
Financial Year End	31 March 2025	30 June 2024	31 May 2024	28 Feb 2025	30 Sept 2024	31 July 2025	31 Dec 2024

In the year ended 31st July 2019 the company invested €500,000 in Enbarr Limited, an investment fund managed by Imprimatur Capital. The market value at 31 July 2025 is £856,000.

27. Related Party Transactions

Due to the nature of the University's operations and the composition of the University's 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 the Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. The University has taken advantage of the exemptions contained in section 33, FRS 102 'Related Party Transactions' not to disclose transactions with subsidiaries as all of the voting rights are controlled within the Group.

28. Leasing Arrangements and Post Balance Sheet Events

On 29 August 2024 Studio Ulster Limited entered into a novation lease agreement with Belfast Harbour Commissioners in respect of a new studio facility constructed by Belfast Harbour Commissioners and from which Studio Ulster Limited now operates from. Further, and to enable installation of studio equipment purchased by Studio Ulster Limited before finalisation of the lease agreement (see below), on 30 August 2024 an early access agreement was entered into between the Belfast Harbour Commissioners and Studio Ulster Limited for nil consideration.

During the planning condition period, this Early Access Letter was superseded by a short-term Licence to Occupy dated 1 April 2025, permitting ongoing operational preparation. A Licence for Alterations in respect of fit-out works was completed on 10 April 2025.

Notes to the Financial Statements (continued)

The formal lease agreement was granted and signed on 20 August 2025. The lease is for a term of 15 years at an annual rent of £3.3m (Note 21).

29. Ultimate Controlling Party

There is no one ultimate controlling party.

30. Correction of error

The comparative amounts related to "Investments and Short Term Deposits" and "Cash at Bank and in Hand" at 31 July 2024 in the Group and University's Balance Sheets have been restated to correct for the inclusion within "Investments and Short Term Deposits" of deposit accounts totaling £62,954,000 which had maturity periods of 3 months or less from opening, and as required by section 7 of FRS 102 should have been presented as "Cash at Bank and in Hand". This error and its correction (including in respect of an equivalent smaller error at 31 July 2023 of £2,683,000) have also resulted in the comparative amounts for "New Fixed Deposits" and changes in the amount of "Cash and Cash Equivalents" in the Group Cash Flow Statement being restated.

The impact of this restatement is as follows:

Impact on Balance Sheet	Previously Reported Group 2024	Previously Reported University 2024	Adjustment 2024	Restated Group 2024	Restated University 2024
	£'000	£'000	£'000	£'000	£'000
Current Assets, Investments and Short-Term Deposits	127,205	127,205	(62,954)	64,251	64,251
Cash at Bank and in Hand	12,060	10,622	62,954	75,014	73,576
Total Current Assets	139,265	137,827	-	139,265	137,827

Impact on Group Cash Flow Statement	Previously Reported Year Ended 31 July 2024	Adjustment 2024	Restated Year Ended 31 July 2024
	£'000	£'000	£'000
Cash Flows from Investing Activities			
(New Fixed Deposits)/Withdrawal from Fixed Deposits		(24,941)	35,330
Total		(22,613)	37,658
(Decrease)/Increase in Cash and Cash Equivalents in the Year		(15,590)	44,681
Cash and Cash Equivalents at the Beginning of the Year	27,650	2,683	30,333
Cash and Cash Equivalents at the End of the Year	12,060	62,954	75,014

University of Ulster

Northern Ireland - Charity number 100166

Accounts

Financial Statements

FOR THE YEAR TO 31 JULY 2024



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Operating and Financial Review

Financial performance during the year shows a surplus of £83.3m (2022/23: surplus £38.3m). This includes a net credit of £85.8m (2022/23: credit £25.2m) due to pension funds activity in the USS and NILGOSC pension schemes. The balance sheet has strengthened with total net assets increasing to £445m (2022/23: £362m) reflecting cash surpluses generated during the year and the release of the USS pension liability.

Scope of Financial Statements

The financial statements presented to the University's Council have been prepared on a consolidated basis and include the results of Ulster University and its subsidiary companies Innovation Ulster Limited and Studio Ulster Limited. This report should be read with the Annual Review 2024 which provides a detailed summary of activities undertaken by the University in delivering its corporate objectives.

Public Benefit

The University is an independent educational charity whose legal status is derived from a Royal Charter granted in 1984.

Ulster University's charitable purpose is the advancement of education. In setting and reviewing the University's objectives and activities, Council has given due regard to relevant guidance on the reporting of public benefit, in particular, the Charity Commission's supplementary public benefit guidance on the advancement of education. We deliver our charitable purpose for the public benefit, by implementing our corporate plan and delivering on those strategic aims and objectives approved by Council to shape our academic portfolio in response to the demands of students and employers, and to deliver research and innovation that achieves economic and social transformation.

The distinctiveness of the University within the Higher Education (HE) sector places it within a small group of HE Institutions (HEI's) that are research-engaged and business-focused with significant commercialisation of research and major knowledge transfer relationships.

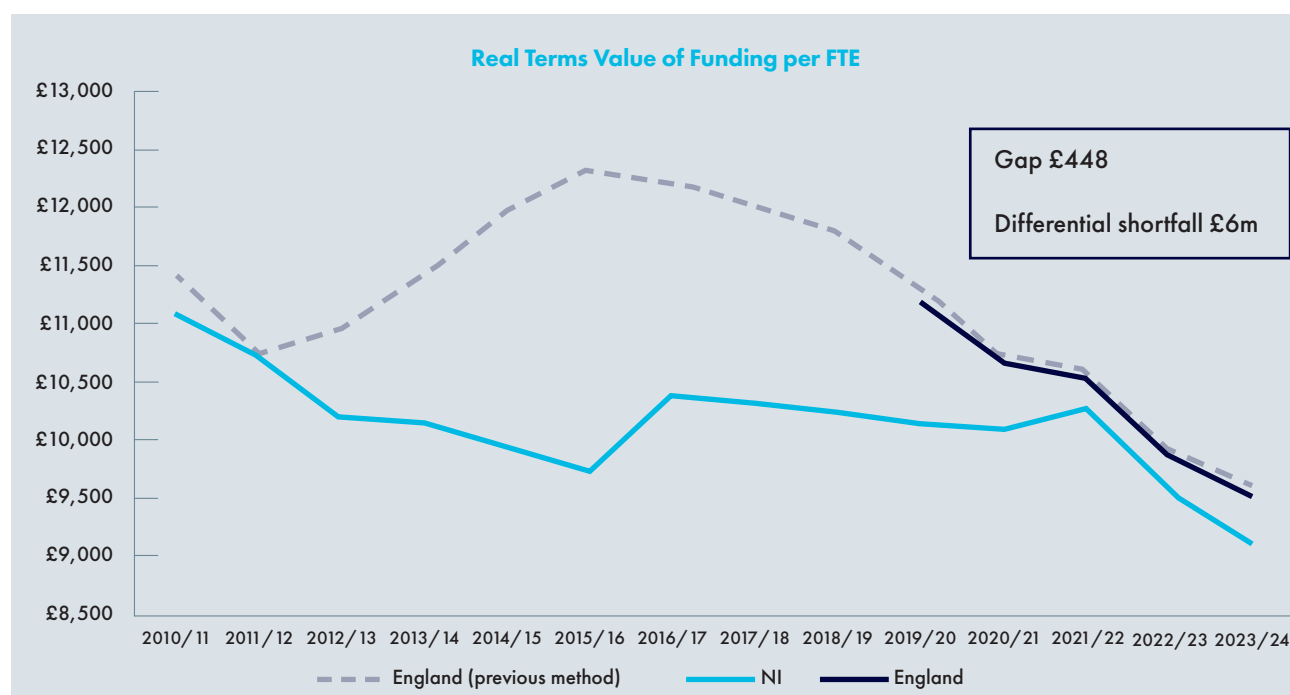
Financial Performance

The University's underlying financial performance continues to remain strong as shown below.

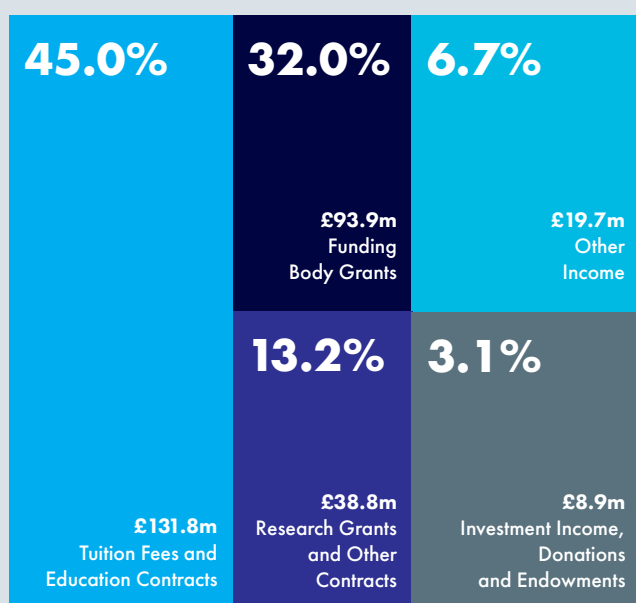
	2023/24	2022/23
Staff costs excluding pension adjustment: Income ratio	55.1%	53.7%
Cash spend on fixed assets	£15.0m	£18.2m
Earnings before interest, tax, depreciation and amortisation (EBITDA)	£17.3m	£27.8m
% Income from non-government sources	35%	33%

The University's consolidated comprehensive surplus for the year was £83.3m (2022/23: surplus £38.3m). This reflects the impact of pension adjustments attributable to the University relating to both USS and NILGOSC pension schemes with a credit to the Statement of Comprehensive Income of £85.8m (2022/23: credit £25.2m). The underlying financial performance excluding the pension adjustment is a deficit of £2.5m (2022/23: surplus £13.1m). Non-government income grew from £91.6m to £102.6m, an increase of 12%. This is a result of the increase in both international and educational partnership tuition fee income.

Ulster University is operating in an environment where we receive less funding per student per year than comparable institutions in England. The Department for the Economy (DFE) has announced that they are going to undertake a review of HE funding in NI. Differential funding is shown in the table below:



Sources of Income 2023/24



Income

Total income of £293.1m in 2023/24 increased by 4.1% on prior year primarily due to an increase in tuition fees, research grants and contracts income and improved investment returns (£6.4m versus £3.4m in 2022/23), with a slight offset arising from decreased Funding Body Grants.

Tuition Fee growth of 8% to £131.8m is due to an increase in both student numbers and educational partnership contracts activity.

Funding Body Grants fell 5.2% from 2022/23 primarily due to a decrease in grants for special initiatives following one offs received in 2022/23 not repeated this year. The recurrent grant for teaching and research activities from the Department for the Economy (DfE) also decreased slightly.

Research Income growth of 9% to £38.8m, reflects the increased level of awards particularly from the UK Research Councils over the past few years.

Other income of £19.7m (2022/23: £19.9m) remained relatively stable year on year. There was a fall in income received from the Competency Test Centre due to the change in Government visa regulations, mostly offset by higher income levels from residences, catering, conference and other income.

Expenditure

Total expenditure in 2023/24 was £220m (2022/23: £269m), including a pension credit movement of £78m in 2024 (2022/23: credit of £7.8m). Excluding pension adjustments staff costs of £162m represents 54% of the total expenditure (2022/23: £151m equating to 55% of total expenditure).

Other operating expenses (excluding depreciation) total £105.5m (2022/23: £96.6m). This includes expenditure on utilities, maintenance of premises, administration, equipment, student accommodation, scholarships, bursaries and, library services. The year on year increase is mainly attributable to an increase in the University rates of £6.6m (2022/23 £3.7m) due to additional buildings now in use, significant increased software license costs and continued cost pressures due to inflation.

Impact of Pension Deficit

The Statement of Total Comprehensive Income (SOI) for the year includes a net credit of £85.8m from the University's pension liability movement (2022/23 credit £25.2m), which is in relation to a number of factors as follows:

- The 2023 valuation of the USS pension scheme resulted in a surplus resulting in the release of £78m liability to the Statement of Comprehensive Income during the 2023/24 financial year (see note 18)
- A £6.8m actuarial gain in the NILGOSC pension scheme; and
- £1m interest receivable in relation to NILGOSC pension scheme.

The pension provisions credit is a non-cash movement and is not a measure of the University's operational financial performance or surplus generated. It is simply the difference, year on year, of the estimated value of the assets and liabilities of the University's defined benefit pension schemes.

Certain assumptions are used to value future liabilities of the pension scheme and the assets belonging to the pension scheme. These estimates reflect changes to the actuarial assumptions as a consequence of developments in the year.

The FRS 102 valuation of the NILGOSC pension scheme at 31 July 2024 resulted in an estimated net pension asset of £26.7m (2022/23 £18.9m).

Estates Capital Plan

The Estates capital work for 2023/24 has continued to focus on enhancing the experience for students, staff and the wider community.

The masterplan (focusing on long, medium and short term plans) is central to informing the development of the new Estate Strategy to be completed in 2024/25. In developing this Strategy, the Estates Services team continues to work closely with academic colleagues and external stakeholders on the development of City Deals for both Belfast Region and Derry City & Strabane Region (and Inclusive Futures Fund for Derry Region) and the Growth Deal for Causeway Coast and Glens Borough Council as well as the Taskforce set up by the Minister in relation to growth of the Derry~Londonderry campus.

Coleraine Campus

The following works have been progressed in 2024:

- Refresh of Students Union (including new furniture)
- Remedial works to address fire damage in a teaching laboratory in Block G4, with the final reinstatement to be commenced in Autumn 2024
- Further site surveys to identify Reinforced Autoclaved Aerated Concrete (RAAC) resulting in a small element of immediate remedial works initiated in the Summer of 2024. Additional non-urgent remedial work is scheduled for 2024/25.

Design proposals have been progressed for the demolition of the end-of-life Tower building, and associated replacement landscaping, and a major internal remodelling of the main campus's pedestrian area to enhance the campus experience for all users. Furthermore, the University will continue to complete essential long-term maintenance to the building fabric. An impairment charge relating to the Tower building of £1.1m has been made in the Statement of Comprehensive Income.

Derry/Londonderry Campus

The University purchased one building and one site in 2023/24, both located adjacent to the Derry/Londonderry campus. The University Competence Test Centre (CTC) was relocated to the newly purchased building following a partial refurbishment.

A key element of the City's Inclusive Futures Fund is the School of Medicine and Teaching Block, and the Strand Road site was purchased to facilitate this. A space brief for the new build has been developed and the outline business case has been submitted for review and approval to DfE.

To facilitate the development of a new teaching block, funded under the Republic of Ireland's Shared Island initiative, the University has appointed an architect and town planning team to commence engagement with the local authority on the chosen site. In tandem, a process for the procurement of an integrated design team has been launched.

Construction of a new car park extension on the Duncreggan site, to facilitate the growth in campus numbers, was completed over summer 2024.

To assist with the campus legibility, further wayfinding signage has been installed.

Belfast Campus

The design team has been appointed for the Centre of Digital Health Technology, a City Deals funded project.

The University has completed the refurbishment of The Academy restaurant to align it more closely with a commercial training environment.

Jordanstown Campus

The new sports centre projects planning submission has been received with the project now returned from tender and being assessed.

The decluttering and clearance of the vacated campus is effectively complete with remaining elements being disposed of via public auction.

Other Jordanstown elements include the services rationalisation detailed design which is being completed to facilitate the disposal of large areas of the campus.

Sustainability

At Ulster University, as leaders and change-makers we live in a world of ever-increasing complexity. Climate change is intensifying social and ecological crises across the world, making urgent action to address a range of sustainability issues more critical than ever. By adopting a people-centred approach we develop and deliver real-world sustainability outcomes across our campuses, in our curriculum and through our community and research impact.

In 2023/24 as part of putting people at the centre of our sustainability outcomes we completed a double materiality assessment to better understand what sustainability means to the University and its stakeholders. Key groups of stakeholders were consulted for the materiality assessment: the Leadership Team, Sustainability Steering Group, staff, students and external stakeholders using a range of engagement approaches including exploratory workshops, focus groups, surveys, and interviews. The materiality assessment identified key sustainability topics and classified these into a priority matrix indicating high or low materiality to the University along with recommendations for those topics of highest priority.

Campus

Like many organisations we acknowledge our operations need to go low carbon and high nature to tackle the twin crises of climate change and biodiversity loss together. We do this through our campus and nature positive outcomes.

In 2023/24 we commenced a campus Net Zero Buildings Project to outline options, costs, and carbon reductions for a representative sample of University building types. This project aimed to inform the wider campus decarbonisation masterplan. In conjunction with this project, we implemented a Capital Development and Retrofit Sustainable Design Procedure to provide a consistent approach for ensuring our capital development and retrofit building projects are aligned with the institutional drive for net zero, delivering buildings free of direct emissions and fossil fuel heating/cooling.

A Natural Capital Assessment and Account for our Coleraine campus was completed during the year which included an ecological footprint baseline and valuation of the ecosystem services provided by our campus grounds, woodlands, and wildflower meadows. The project outcome included the creation of a natural

capital account and balance sheet and a proposed enhancement plan to increase campus biodiversity.

Other nature positive outcomes in 2023/24 included:

- Staff and students planted sunflower seeds on the Derry~Londonderry campus to create a 'Campus of Hope' supporting Derry City & Strabane District Council's, district of HOPE initiative to foster a culture of optimism, resilience, and progress within the district;
- Celebration of Earth Day with the official opening of the Students' Union 'Wellbeing Garden' at Coleraine campus to foster a deeper connection with nature.
- Ambassadors from the One Young World Summit planted wildflower seeds on the Belfast campus creating a rooftop 'One Young World Garden' to commemorate the Summit's visit to Belfast.

Curriculum

Ulster University has an ongoing commitment to embed Education for Sustainable Development across the academy in curriculum design, graduate attributes and through a broad range of sustainability learning outcomes including:

- Ulster University Business School made an official commitment to integrating sustainability into its business curriculum and research endeavours, by joining a global network of likeminded business schools around the world, marking a milestone in the University's Principles for Responsible Management Education (PRME) journey;
- Action Renewables, Northern Ireland's leading renewable energy charity, committed funding for a new scholarship for students starting an MSc in Energy Storage at the Belfast campus exploring thermal and electrical storage technologies and how intermittent renewable energy sources can be mixed into the existing energy system; and
- Participation in the SDG Teach In. At Ulster we worked on reaching more students and educators during the 2024 campaign with Ulster placed 3rd in the UK for the number of educators taking part in the campaign and placed 8th in the UK for the number of students reached.

Community and Research Impact

In 2023/24 we launched our new Research Strategy 2023-2028. The strategy commits to a research-led approach to inform colleagues, communities, policy makers and businesses on ways we can make the best use of our resources and tackle major societal challenges such as climate change, energy, food and water security and social inclusion and deprivation along with new technologies and solutions to build the sustainable world. Other community and research impact outcomes included:

- A consortium led by Ulster University secured £4.625m in funding from the Arts and Humanities Research Council for one of four new 'Green Transition Ecosystems' across the UK. On Rathlin Island the 'Future Island-Island' project will work closely with the local community to advance its current Net Zero 2030 strategy. The focus will be on managing their specific waste types alongside the development of digital heritage and sustainable tourism applications.
- Ulster University was the highest-ranking UK University and joint fifth in the world for University outreach activities in the Times Higher Education Impact Rankings 2024 in recognition of Ulster's extensive, ongoing outreach activities. Additionally, in the category related to Sustainable Development Goal 17: Partnership for the Goals, Ulster was ranked joint 20th, with a relative position in the Top 1%.
- All research outputs published on the University's research portal PURE, are assigned UN Sustainable Development Goal signifiers relevant to the kind of outputs generated representing substantial and sustained outputs across all 17 SDG's.
- The University's Dean of Sustainability and Corporate Social Responsibility was invited to take the role of Chair of the Derry and Strabane Climate Commission, which aims to achieve a sustainable, net zero and climate resilient City & District.

The year ahead

For academic year 2024/25 our campus, curriculum and community and research commitments will focus on:

- Integrating results from the materiality assessment into sustainability strategy, planning and reporting;
- Developing a mix of net zero building projects to include increasing campus based renewable energy provision through ground and roof mounted PV schemes and geothermal feasibility investigations for ground source heating;
- Seeking accreditation to the Students Organising for Sustainability Responsible Futures Framework, the only framework of its kind that maps out the organisation enhancement required to achieve whole institution engagement with sustainability learning; and
- Further developing our community outreach activities and delivering our Research strategy.

Cashflow and Financing

Net cash increased by £9.7m during the year. The movement in funds is summarised below:

	2023/24 £m	2022/23 £m	Change £m
Investments and short term deposits	1272	102.2	25.0
Cash at bank and in hand	12.1	27.7	(15.6)
Bank and other loans	(160.4)	(160.7)	0.3
Net cash	(21.1)	(30.8)	9.7

The net cash inflow from operating activities for the year was £7.7m (2022/23: £29.1m), outflow of £22.6m (2022/23 £30.1m) for investing activities and outflow of £0.7m (2022/23 £0.7m) for financing. Throughout the year the Group operated with a cash surplus and in line with its banking covenants. All treasury decisions were undertaken within the framework of the University's treasury policy. The underlying principle of this policy is that the University operates a low-risk approach in managing its investments and liquidity. All funds are placed with counter parties whose underlying credit rating is monitored against minimum criteria. Furthermore, an upper limit of investment in any one financial institution of £35m applies. The University's Treasury Management policy was approved by General Purposes and Finance Committee in April 2015.

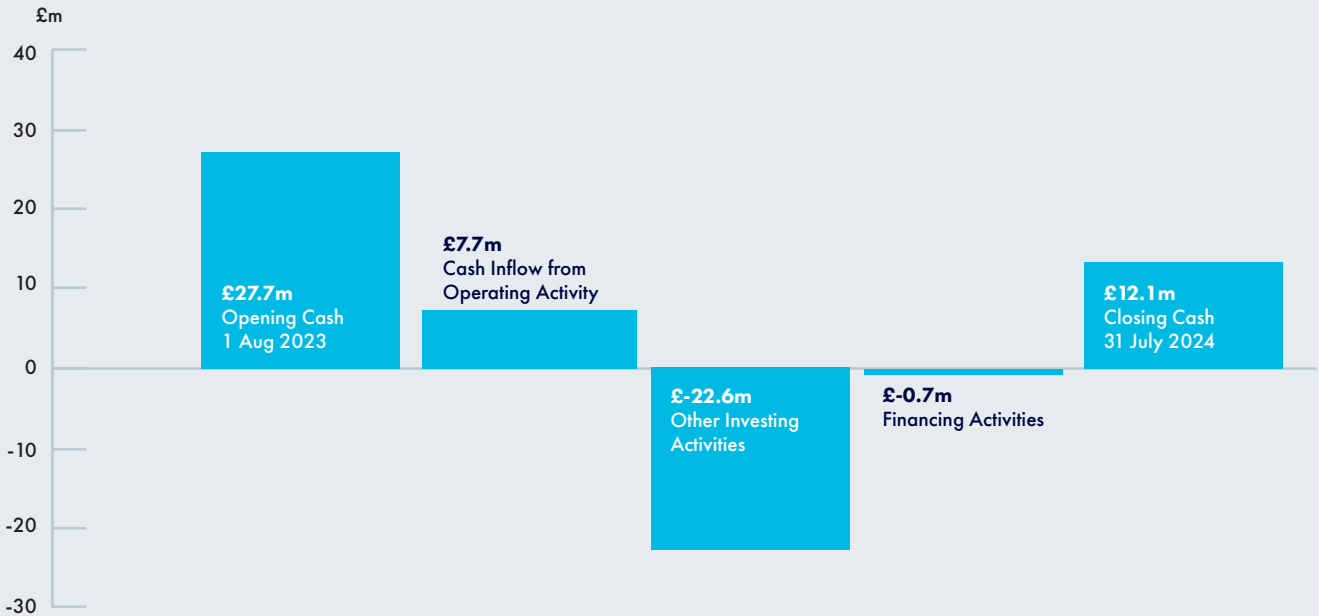
Endowment assets at the year-end were valued at £16m, an increase of £1m due to improving market values. The endowment funds are managed by Rathbones Investment Management.

During the year £15.0m cash was spent on acquiring fixed assets against which £8.3m of capital grants were received.

How We Allocate Our Resources 2023/24

<p>£107.0m Academic Departments</p> <p>Staff Costs: £91.2m Other: £15.8m</p>	<p>Total Staff Costs £81.7m</p>
<p>£31.4m Research Grants and Contracts</p> <p>Staff Costs: £12.9m Other: £18.5m</p>	<p>Total Other £138.5m</p>
<p>£51.2m Premises</p> <p>Staff Costs: £4.6m Other: £46.6m</p>	<p>Total £220.2m</p>
<p>£45.3m Administrative and Central Services</p> <p>Staff Costs: £22.4m Other: £22.9m</p>	
<p>£6.1m Residences, Catering and Conferences</p> <p>Staff Costs: £1.4m Other: £4.7m</p>	
<p>£52.6m Academic Services</p> <p>Staff Costs: £26.4m Other: £26.2m</p>	
<p>(£78.0m) Pension Adjustment</p> <p>Staff Costs: (£79.8m) Other: £1.8m</p>	
<p>£4.6m Other Spend</p> <p>Staff Costs: £2.6m *Other: £2.0m</p> <p><small>*including income-generating operations</small></p>	

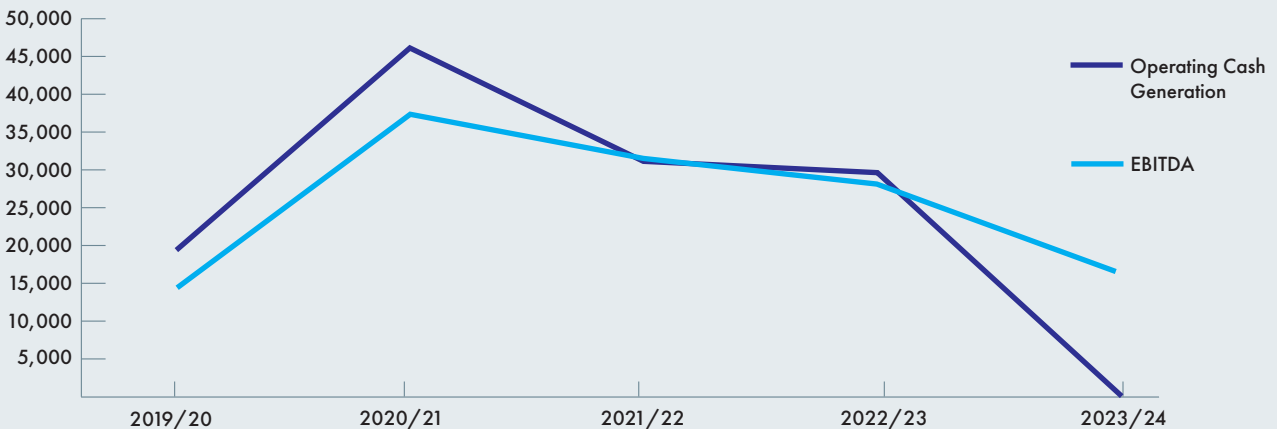
Cashflow Statement 2023/24



EBITDA

One of the key targets which is being monitored as part of the financial strategy is the accumulation of cash to support our corporate ambitions. Two figures are being monitored. Firstly, Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA). EBITDA is a measure of operating surplus excluding major accounting adjustments and finance charges. It provides a good indicator of financial capability to service debt and/or fund capital from internally generated cash. The second figure is net cash from operating activity. This figure takes into account movement in working capital requirements. The following table shows the movement of these two cash indicators over the last five years.

EBITDA to Cash Generated from Operating Activities 2019/20 to 2023/24



From the above it can be seen that the University continues to operate in a financially sustainable manner and can support investment in its infrastructure with EBITDA at £17.3m.

Net Assets

Total net assets £445m (2022/23: £361.8m) have increased by 23%. The net book value of fixed assets decreased by £15.8m to £541.0m (2022/23: £556.9m) which includes a full year of depreciation for the Greater Belfast Development. The net current assets position is strong at £98.5m (2022/23 £92.6m) with an increase of £9.7m in cash funds. The balance sheet reflects the University's investments in the Greater Belfast Development and the subsidiary companies Innovation Ulster Limited and Studio Ulster Limited as well as maintaining investment in other campuses and the recovery of the pension fund.

Endowments





In the year to 31 July 2024 the Endowment fund value grew to £16m, (2022/23: £15m) representing an increase of 6.7%.

The University holds the ethical policy of ensuring investments are made in a responsible manner. In support of this, the University in collaboration with the Students' Union, made the decision to divest from fossil fuel companies and instead invest our endowment fund into more sustainable alternatives. Fossil fuel divestment is the removal of investment assets including stocks, bonds, and investment funds from companies involved in extracting fossil fuels, to reduce climate change by tackling its ultimate causes. The University has fully divested from these investment assets.

Future Financial Health

Key performance indicators are set out below with an assessment on progress against the financial strategy target with **red** meaning immediate action required, **amber** more work required and **green** on track.

When taken together these measures reflect the strong governance and effective management of the University's resources in sustaining financial health in the short, medium and long term.

Financial Sustainability Indicators	2024 Actual	2023 Actual		Comments
(Deficit)/ Surplus after deducting pension provision movement as a % of income	(0.9%)	4.7%		This indicates the level of return necessary for investment in capital.
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	£17.3m	£27.8m		This is a measure of operating surplus excluding accounting adjustments and finance charges. It is a good indicator of financial capability to service debt and/or capital expenditure from internally generated cash. Financial Strategy target sets EBITDA at £18m.
Liquidity ratio	231 days	176 days		This measures our ability to fund short term cash requirements. Financial Strategy target sets a minimum level at 42 days.
Current assets to current liabilities	2.3:1	2.3:1		An indicator of financial strength to meet short term liabilities.

Financial Outlook

The financial results for 2023/24 were positive despite a number of challenges facing the HE sector across the UK – which saw a significant downturn in international student recruitment due to changes in visa regulations by Government.

These changes did impact the University but to a lesser extent than other universities across the UK due to the reliance of University financials on international students and the success of our partnership with QAHE.

Overall financial margin continued to be impacted as funding levels from Government do not keep pace with inflation while cost pressures continue due to inflationary increases and estate expansion continues to facilitate growth in Derry~Londonderry. Diversification of income remains a priority in order to reduce reliance on government funding, a strategy that has been successful to date. Plans are in place for the coming year to further build out capacity in this area with Studio Ulster Limited becoming operational and the expansion of the team working on partnership activity in the University.

Over the last five years the University cash flow from operating activities has averaged over £25m showing the University has a good track record of generating cash to invest in staff and the estate. This reflects the strong governance and effective management of the University's resources in sustaining financial health.

The University continues to deliver against strategy 'People, Place and Partnership'. The strategic commitment to our multi-campus University model is evident in the planned scale of investment across all campuses with funding and investment being committed through a range of Growth and City Deals, and the Irish Government commitment to the provision of capital funding for a new teaching block on the Derry~Londonderry campus. Growth continues at the Derry~Londonderry campus, demonstrating the University's commitment to supporting delivery of the NI Executive's commitment to expand provision.

The outlook for the 2024/25 financial year and beyond remains challenging as the University operates in an increasingly complex changing operating environment. Ongoing activity will seek to work in partnership with key stakeholders and funders to develop a financially sustainable pathway for the University to deliver against the ambitions of the University and the Northern Ireland executive.

David Clements
Honorary Treasurer

Risk Managing

When managing risk, the University adheres to its Risk Management Policy which aims to protect the institution and its stakeholders from unforeseen or unacceptable exposure to risks. This policy forms part of the University's internal control and corporate governance arrangements. It applies to strategic, departmental, faculty and project risk management.

Risk Management

The University's approach to risk management provides assurance to the Senior Leadership Team, Audit and Risk Committee, Council and the Department for the Economy that those risks that threaten the achievement of the University's strategic objectives are being actively identified, monitored and mitigated against. This systemic risk management process aims to provide:

- Enhanced decision-making by forecasting important threats and opportunities;
- A more effective use and allocation of resources;
- A recognition of responsibility and accountability;
- A more targeted, risk-based internal audit plan;
- An enhanced communication and escalation of significant risks from within operational and tactical areas.

Process

Our Senior Leadership Team, (SLT), is, collectively and individually, responsible for effective risk management in their areas of responsibility, in accordance with the risk management policy and procedures. Key roles of the SLT are to:

- Regularly review the institutional risk appetite statement and appetites assigned to the strategic priorities, for consideration and approval by the Audit and Risk Committee;
- Regularly review all significant strategic risks faced by the University for consideration by Audit and Risk Committee and keep these risks under scrutiny;
- Undertake training and development activities associated with risk management;
- Ensure the adoption of risk management amongst their staff.

In addition;

- All senior officers are required to undertake regular reviews and assessment of key risks within their areas of operation as part of routine management arrangements.
- The SLT are responsible, as project leaders, for the risk management of major institutional projects.
- The Chief Strategy and Finance Officer is responsible for ensuring that the University operates effective procedures relating to risk management and for undertaking formal reviews on behalf of Council of the risk management policy.
- The Risk Management Committee supports the SLT by working to ensure that agreed risk management practices and procedures are embedded within the University providing a consistent approach to risk management and ensuring that University risks are monitored and reported on an on-going basis taking cognisance of emerging opportunities.
- Staff within Audit, Risk and Business Continuity provide on-going training to risk owners in order to facilitate the effective operation of risk management across the University.
- SLT undertakes periodical reviews of the Strategic Risk Register to ensure that it is operating within agreed risk tolerances and significant risks are being escalated and de-escalated on a timely basis.
- Audit, Risk and Business Continuity regularly produce reports for all risk owners highlighting any significant risks across the University that relate to their area of responsibility.

Risk registers

Risk registers exist at three different levels across the University: strategic; tactical (portfolio level); and operational (faculty and departmental). There are also project risk registers in place for major projects, e.g. City Deals.

Integration with Internal Audit

Our internal audit strategy is developed around the University's strategic risks which are listed below, as well as those risks facing the sector. The annual audit plan of reviews across key areas further supports our risk management processes.

An overview of key strategic risks, by category, is provided below:

Regional balance – the risk that the University's ability to achieve campus balance as set out in the University strategy is negatively impacted due to the pace, scale and complexity of change required.

Financial sustainability – this risk is largely focused on the University's ability to deliver on planned income diversification activities at the required scale and/or margin. These activities are necessary to mitigate against the impacts of level and scale of government funding for HE, policy changes impacting international student recruitment, and wider geo-political events impacting University income opportunities and cost base.

Cyber – the ever present risk of a cyber-attack requires ongoing vigilance and investment in Digital infrastructure.

People – linked to staff wellbeing and our ability to fill vacancies on a timely basis.

Compliance – taking into account the significant compliance obligations for the University including Health and Safety, Data/Information Governance, statutory returns to HESA (including Data Futures), CMA compliance and governance obligations in relation to research.

Sustainability – based on the risk that the University has failed to plan sufficiently to meet environmental sustainability obligations.

Corporate Governance Statement

The University is committed to promoting best practice in all aspects of corporate governance. The following statement aims to provide readers of the Financial Statements with an understanding of the governance arrangements applied by Council, the governing body of the University.

The University endeavours to structure its governance arrangements and 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) and in line with the Committee of University Chairs (CUC) Higher Education Code of Governance (September 2020) and its own Statement of Primary Responsibilities (see pages 24 to 25).

The University is an autonomous body, whose legal status derives from a Royal Charter granted in 1984. The University's objects, powers and framework of governance are set out in the Charter and supporting Statutes, which are currently under review. Council also seeks to comply with the Charity Commission's guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education.

Council meets formally at least five times each year. It is responsible for the ongoing strategic direction of the University, the stewardship of its revenue and property, and the general conduct of its affairs. Council works closely with the Vice-Chancellor and his Senior Leadership Team (SLT) to set the institutional strategy and purpose, and the SLT ensures that steps are taken to deliver the institutional goals, supported by elective systems of control and risk management.

Under its Delegated Authority Framework, Council delegates some of its powers and responsibilities to its core Committees. The Framework provides clarity on those matters reserved to Council for collective decision to include, for example, approval of the University's Strategic Plan, and those which it delegates to its Committees and to the Vice-Chancellor. Each Committee is provided with a clear remit and written Terms of Reference stating the extent and limits of its responsibilities and authority. The key governance Committees are Senate; the Audit & Risk Committee; the Resources Committee; the People Committee (formerly the Governance, Nominations and Remuneration Committee); the Belfast Campus Development Committee; and the City Deals and Special Projects Committee).

Further detail on Council and its core Committees is set out overleaf.

Council

The Council, which met seven times during the year, has a membership of eighteen, the majority of whom (thirteen) are appointed from outside the University. With the exception of the Students' Union President, Council members serve for a maximum of two terms of four years. Council has two Pro-Chancellors, who act as Chair and Deputy Chair of Council. The Pro-Chancellors are supported in this role by the Honorary Treasurer, who is also appointed from among the external members of Council. Both the Vice-Chancellor and the Students' Union President are ex-officio members of Council and the membership also includes three elected members of University staff. With the exception of the Vice-Chancellor, whose emoluments are disclosed in Note 7, none of the members receive any payment, other than the reimbursement of reasonable expenses, for the work that they do in their capacity as members of Council.

The membership of Council, during the 2023/24 academic year is as follows:

Ex Officio Members:

Dr J Pyper	Pro-Chancellor and Chair of Council (from 01 July 2019)
Dr E Way	Second Pro-Chancellor (from 20 June 2020)
Mr D Clements	Honorary Treasurer (from 01 August 2016)
Professor P Bartholomew	Vice-Chancellor (from 17 August 2020)
Ms R Allen	President of the Students' Union (from 01 June 2023 - 30 June 2024)

External Members:

Mr P Lobban	Appointed 01 October 2016
Dr P McNaney	Appointed 01 October 2016
Dr J Stuart	Appointed 01 October 2016 (until 15 September 2023)
Mr P Sheridan	Appointed 09 November 2018
Mrs M Lindsay	Appointed 09 November 2018
Mr R Sloan	Appointed 15 February 2019
Mr A Moore	Appointed 09 December 2020
Ms J Taggart	Appointed 01 January 2021 (until 18 July 2024)
Mr C Conway	Appointed 01 March 2023
Mr J Healy	Appointed 01 March 2023

Elected Staff Members:

Ms G Horgan	Appointed 15 February 2019
Mr E Friel	Appointed 01 October 2020 (until 23 October 2023)
Professor A Gallagher	Appointed 01 October 2020

The Audit and Risk Committee

The Audit & Risk Committee, chaired by Pro-Chancellor Dr Elaine Way, met five times during the year, with the University's Internal and External Auditors in attendance at all meetings. The Committee considered detailed reports together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation timescales. While Senior Management attend meetings of the Audit & Risk Committee as necessary, they are not members of the Committee, and the Committee meets both the External and Internal Auditors in private session at least once each year.

The Resources Committee

The Resources Committee, chaired by the Honorary Treasurer David Clements, met seven times during the academic year. The Committee recommends to the Council the University's annual revenue and capital budgets for the University group and monitors performance in relation to the approved budget. The Committee also has, *inter alia*, oversight of matters pertaining to the estate, information technology and people and culture.

The People Committee

The People Committee, chaired by Dr Jenny Pyper, Chair of Council, met five times during the academic year. The Committee brings together the responsibilities of remuneration, nominations and people and culture. In this context, it reviews annually the salaries of the senior staff of the University including that of the Vice-Chancellor. The review takes account of any external earnings, including consultancy, by senior staff as well as the salary norms within the higher education sector for a wide variety of senior posts. The Committee is also responsible for recommending the appointment and re-appointment of members to Council and its Committees, together with University appointments on subsidiary companies.

The Belfast Campus Development Committee

The Belfast Campus Development Committee, chaired by Dr Peter McNaney, met six times during the academic year. The Committee is responsible to Council for oversight of all aspects of the Belfast Campus building development and the relocation of staff and students to the new Campus.

The City Deals and Special Projects Committee

The City Deals and Special Projects Committee chaired by Mr Peter Sheridan, met five times during the academic year. The Committee is responsible to the Council for oversight in relation to the governance and assurance frameworks underpinning City Deal and Special Projects, with the special projects falling within the scope of the Committee to be determined, from time to time, by Council.

The Vice-Chancellor

The Vice-Chancellor, as principal academic and administrative officer of the University, has responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal Financial Memorandum between the University and the Department for the Economy (DfE) (currently under review), the Vice-Chancellor is the designated Chief Accounting Officer of the University and, in that capacity, can be summoned to appear before the Public Accounts Committee of the Northern Ireland Assembly.

As de facto Chief Executive of the University, the Vice-Chancellor exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments and the shaping of the institutional ethos. The Deputy Vice-Chancellor, University Provost, Chief Strategy and Finance Officer, Chief People Officer, Pro-Vice-Chancellors, Executive Deans of Faculties, Professional Service Directors and the University Secretary all contribute in various ways to these aspects of the work, but the ultimate responsibility for what is done rests with the Vice-Chancellor. The executive structure of the University is represented by the Senior Leadership Team (SLT), which comprises of the Vice-Chancellor (Chair), the Deputy Vice-Chancellor, the University Provost, the Pro-Vice-Chancellors, the Chief People Officer, the Chief Strategy and Finance Officer and the Pro-Vice Chancellors & Executive Deans.

The University maintains a Register of Interests of Members of the Council and Senior Officers, which may be consulted by arrangement with the University Secretary. The Register of Members Interests of the Council is available online on the University's governance webpages.

The Office of the University Secretary provides the secretariat to the Council. Any enquiries about the constitution and governance of the University should be addressed to the University Secretary universitysecretary@ulster.ac.uk.

The Senate

The Senate, chaired by the Vice-Chancellor, is the academic authority of the University. It is composed mainly of academic staff but provision is also made for membership of non-academic staff and students. Its role is to direct and regulate the teaching and research work of the University.

Statement of Internal Control

As the governing body of Ulster University, we, the Council, have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible in accordance with the responsibilities assigned to the governing body in in the Charter and Statutes and the Financial Memorandum with the Department for the Economy (DfE).

The Council is of the view that there is an ongoing process for identifying the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage these efficiently, effectively and economically. Those procedures have been in place for the year ended 31 July 2024.

The following actions have taken place in relation to the risk management policy and for reviewing the effectiveness of the systems of internal control:

- The Council met seven times in the year to consider the strategic direction and plans of the University and to monitor performance against those plans;
- There is clear definition of the responsibilities of and authority delegated to, committees of the Council and the Executive;
- The University's current strategic plan sets the framework of strategic aims and objectives against which risks are assessed and performance is monitored and reported;
- A Strategic Risk Register, which incorporates the key risks at institutional level, is maintained;
- The Senior Leadership Team formally reviews and assesses high risks bi-monthly;
- All faculties and departments, as part of their planning, maintain and review their risk registers;
- The Audit and Risk Committee receives reports from the independent Internal Auditors on the adequacy and effectiveness of the University's systems of internal control with recommendations for improvement, as appropriate.

In addition to these, other actions were taken in-year to enhance internal control. The work of the Internal Audit service has been informed by analysis of the operational, business and financial risks to which the University is exposed and upon which Internal Audit activity for 2023/24 was based. The Internal Audit service operates to agreed standards and submits regular reports, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the system of internal controls, together with recommendations for improvement. Deloitte (NI) Ltd were appointed as the University's internal auditors in June 2022 on a three-year contract.

Our reviews of the effectiveness of the system of internal control are informed by the work of the Internal Auditors and the SLT within the institution who have responsibility for the development and maintenance of the internal control framework and by comments made by the External Auditors in their year-end management letter and other reports. The Audit and Risk Committee monitors the effectiveness of the systems of internal control on Council's behalf. Any system of internal control can, however, only provide reasonable, but no absolute assurance against material loss or misstatement.

In accordance with the Statutes, the Council, as a governing body, is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control, and is required to present audited Financial Statements for each financial year.



Statement of the Council's Responsibilities

The Council is responsible for ensuring the maintenance of proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that Financial Statements are prepared in accordance with the Statutes, the Statement of Recommended Practice on Accounting in Higher Education Institutions and other relevant accounting standards.

In addition, within the terms and conditions of a Financial Memorandum agreed between the Department for the Economy and the Council of the University, the Council, through its designated office holder, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the Financial Statements to be prepared, the Council has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Financial Statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. The Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future; for this reason the going concern basis continues to be adopted in the preparation of the Financial Statements.

The Council has taken reasonable steps to:

- Ensure that funds from DfE are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Department and any other conditions which the Department may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of the University and prevent and detect fraud;
- Secure the economical, efficient and effective management of the University's resources and expenditure.

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:

- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, and cash flow budgets;
- Regular 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 by the Resources Committee on behalf of the Council;
- A Financial Procedures Manual, detailing financial controls and procedures;
- A professional Internal Audit team whose annual programme is approved by the Audit and Risk Committee.

The Audit and Risk Committee, on behalf of Council, has reviewed the effectiveness of the University's system of internal financial control. Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.



Statement of Primary Responsibilities

The Council is the governing body of the University and its members are the trustees in relation to the University's status as an exempt charity. The Council is responsible for overseeing the University's activities, determining its future direction, and fostering an environment in which institutional objectives are achieved.

This Statement is based on the model statement contained in the Higher Education Code of Governance, published by the Committee of University Chairs in September 2020, adapted to reflect the powers and responsibilities that the Council derives from its approved Charter and Statutes.

Consistent with the University's constitution, the primary responsibilities of the University Council are as follows:

- 1.** To set and agree the mission, strategic vision and values of the University with the Executive, in accordance with its primary objectives of learning, teaching and research.
- 2.** To provide oversight and accountability for the University's arrangements for governance and risk management.
- 3.** To approve and keep under review the University's long-term academic and strategic plans, including key performance indicators, ensuring that these meet the interests of stakeholders, especially staff, students, alumni and other beneficiaries.
- 4.** To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the strategy, plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
- 5.** To delegate authority to the Vice-Chancellor, as Head of the Institution, for the academic, corporate, financial, estate and human resource management of the University.
- 6.** Through an effective Scheme of Delegated Authority, regularly reviewed by Council, to establish and keep under review the policies, procedures and limits within such management functions as shall be undertaken by, and under the authority of, the Vice-Chancellor.
- 7.** To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, risk assessment, value for money arrangements and robust procedures for handling internal grievances and managing conflicts of interest.
- 8.** To establish processes to monitor and evaluate the performance and effectiveness of Council itself.
- 9.** To conduct its business in accordance with best practice in Higher Education corporate governance, the University's agreed values, and with the principles of public life drawn up by the Committee on Standards in Public Life.

- 10.** To safeguard the good name and values of the University.
- 11.** To appoint the Vice-Chancellor as Chief Academic and Administrative Officer of the University, and as its Accounting Officer, and to put in place suitable arrangements for monitoring their performance.
- 12.** To appoint a Secretary to Council and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
- 13.** To be the employing authority for all staff in the University and to be accountable for ensuring that an appropriate people and culture strategy is established.
- 14.** To seek assurance that the University is meeting the conditions of funding as set by regulatory and funding bodies and other major University funders, and that the use of funds is in line with the principles of regularity, propriety and value for money.
- 15.** To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall accountability for the University's assets, property and estate.
- 16.** To be the University's legal authority and, as such, to ensure systems are in place for meeting all its legal obligations, including those arising from contracts and other legal commitments made in the University's name. This includes accountability for health, safety, wellbeing and security and for equality, diversity and inclusion.
- 17.** In consultation with Senate, to receive assurance that adequate provision has been made for the general welfare of students.
- 18.** To ensure that the procedures in place for managing students, including disciplinary procedures, are fair and equitable.
- 19.** To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.
- 20.** To determine regulations for the custody and use of the common seal of the University.
- 21.** To approve, for consideration by Privy Council, changes to the Charter and Statutes and to ensure that the institution's constitution is always followed, and that appropriate advice is available to enable this to happen.
- 22.** To promote a positive culture which supports inclusivity and diversity across the institution, including within Council's own composition.
- 23.** In partnership with Senate, to maintain and protect the principles of academic freedom and freedom of speech legislation.
- 24.** To ensure that all students and staff have appropriate opportunities to engage with the governance and management of the institution by operating in an open, honest and accountable manner.
- 25.** To ensure the University is appropriately accessible and relevant to its local communities and is open to engagement with local communities in identifying its role in delivering public/community benefit and economic civic duties.

Independent Auditor's Report to the Council of Ulster University

Opinion

We have audited the financial statements of Ulster University ('the parent institution') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the Group and University Statement of Comprehensive Income, the Group and University Statement of Changes in Reserves, the Group and University Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 28, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Ulster University's group financial statements and parent institution financial statements (the "financial statements"):

- Give a true and fair view of the state of the group's and of the parent institution's affairs as at 31 July 2024 and of the group's and of the parent institution's income and expenditure, gains and losses and changes in reserves, and of the group's cash flows for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- Have been properly prepared in accordance with the Department for the Economy's Accounts Direction to Higher Education Institutions for 2023-24 Financial Statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the University Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent institution's ability to continue as a going concern for the period to 31 July 2026.

Our responsibilities and the responsibilities of the University Council's with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The University Council are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Financial Memorandum (Part 1) between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster ("Financial Memorandum")

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- Funds from whatever source administered by Ulster University have been applied properly to those purposes and managed in accordance with relevant legislation; and
- Funds provided by Department for the Economy have been applied in accordance with the Financial Memorandum and any applicable terms and conditions attached to them.

Matters on which we are required to report by exception

Under the Funding Council's Financial Memorandum, the University is required to include a Statement of Internal Control within the annual financial statements. We are not required to audit this statement, or to form an opinion on the effectiveness of risk management and control procedures but have a duty to report by exception whether this statement is inconsistent with our knowledge of the University.

Responsibilities of the Council

As explained more fully in the Statement of the Council's Responsibilities set out on page 22, the University Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the University Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the group's and the parent institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Council either intend to liquidate the group or the parent institution or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are FRS 102, the Statement of Recommended Practice for Further and Higher Education and the Financial Memorandum between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.
- We understood how Ulster University is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through reading the University Council minutes and papers provided to the Audit and Risk Committee.
- We assessed the susceptibility of the group and parent institution financial statements to material misstatement, including how fraud might occur by considering the risk of management override and identified the recognition of tuition fee, research grants and other income as fraud risks.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the group and parent institution's policies and procedures relating to:

- o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - o The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Our procedures also included discussions amongst the engagement team regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified the potential for fraud in the following areas: revenue recognition and management override of controls.

In addition to the above, our procedures to respond to the identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Reading minutes of meetings of those charged with governance and the University Council;
- In addressing the risk of management override of controls we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately. We reviewed significant accounting estimates for management bias and noted that we did not identify any significant unusual transactions in the financial statements;
- In addressing the risk of improper recognition of revenue we performed a substantive analytical review over tuition fee income and focused our testing on those items of income that fell outside of our expectations. We tested a sample of research income and education contracts (including any associated deferred income) to assess performance related conditions and recognition in the correct year. For a sample of deferred income items (also covering additions and releases), we confirmed that income had been recognised in the correct financial year and that conditions had been met. We also tested a sample of income transactions before and after the

year end to confirm that they had been recorded in the correct financial year. Our testing also included agreeing a sample of these income streams to supporting agreements or letters, remittances and the receipt of payment in bank statements, and the testing of certain revenue journals to assess recognition in the current year.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org/uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Council of Ulster University, as a body, in accordance with the Charters and Statutes of the University. 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 Ulster University and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Christie (Senior statutory auditor)

for and on behalf of Ernst & Young LLP,
Statutory Auditor Belfast

27 November 2024

Statement of Principal Accounting Policies

1. Basis of Preparation

Ulster University ("the University") is an independent educational charity, registered with the Charity Commission for Northern Ireland, whose legal status derives from a Royal Charter granted in 1984. The address of the University's registered office is Cromore Road, Coleraine, BT52 1SA.

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice "Accounting for Further and Higher Education 2019" and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"). The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain land and buildings. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The financial statements are presented in Sterling (£) with all values rounded to the nearest £1,000 except when otherwise indicated.

Going Concern

The University and Group's financial statements have been prepared on a going concern basis.

The University has prepared a 5 year strategic plan and financial forecasts. The new Belfast campus opened in September 2022 and the long-term loan agreement with the Strategic Investment Board to assist the funding of the Greater Belfast Development is fully drawn down.

The University has prepared detailed monthly cashflow forecasts to 31 July 2026, based on conservative estimates of student numbers and in line with its Strategic Plan, which show the University operating within the terms of its funding facilities and sufficient cash resources throughout this period. The cashflow demonstrates the University will continue to maintain cash reserves over the period to 31 July 2026 and meet all its obligations.

On this basis, Council has a reasonable expectation that the University and its subsidiary undertakings have adequate resources to continue in operational existence for the period to 31 July 2026. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

2. Consolidation

The consolidated Financial Statements include the University and its subsidiary undertakings Innovation Ulster Limited and Studio Ulster Limited. The results of the subsidiary companies are included in the consolidated Statement of Comprehensive Income from the date of incorporation or acquisition or up to the date of disposal. Intra-Group sales and profits are eliminated fully on consolidation.

The Ulster University's Students' Union is constituted as an independent body and therefore in accordance with FRS 102, its financial statements are not consolidated with the Financial Statements of the University because the University does not control those activities.

The joint venture results of Branch Campus (London & Birmingham) Limited, C-TRIC Limited (formerly ABC Research & Innovation Limited) and NI Composites O&M LLP (NICOM) and the investment in NIACE Limited are not consolidated in the Financial Statements on the grounds of materiality.

3. Recognition of Income

Income from the sale of goods and services is credited to the Statement of Comprehensive Income in line with the provision of the associated goods and services.

Academic Fee income is stated gross of any expenditure and credited to the Statement of Comprehensive Income over the period of students' study. Where the amount of tuition fee is reduced, income receivable is shown net of the discount. Bursaries and Scholarships are accounted for gross of expenditure and are not deducted from income.

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

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

Grant Funding – Revenue Grants

Revenue grants 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 in line with such conditions being met.

Grant Funding – Capital Grants

Where tangible fixed assets are acquired with the aid of Government capital grants, these grants are recognised as deferred income within creditors and released to income over the expected useful economic life of the asset. All other capital grants are recognised in income when the University is entitled to the funds subject to any performance conditions being met.

Other Income

Income from specific endowments and donations, research grants and contracts and other services rendered is included to the extent of the expenditure incurred during the year, together with any related contributions towards overhead costs. All income from short-term deposits and general endowment asset investments is credited to the Statement of Comprehensive Income on a receivable basis. All income from other sources is credited to the Statement of Comprehensive Income on an accruals basis.



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 reserves until such time it is utilised in line with the 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/depreciation of endowments are recorded in income in the year in which they arise.

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

1. Restricted donations – the donor has specified that the donations must be used for a specific 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 for the use of the funds and the University can convert the endowed capital into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

4. Pension Schemes

The two principal pension schemes for the University's staff are the University's Superannuation Scheme (USS) and the Northern Ireland Local Government Officers Superannuation Committee.

Pension Fund (NILGOSC). The funds are valued every three years by actuaries using the aggregate method, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The USS scheme is a defined benefit scheme but it is not possible to identify the University's share of underlying assets and liabilities in the USS scheme. As such, contributions made to the scheme are treated as if it were a defined contribution scheme and charged to the Statement of Comprehensive Income. A liability is recorded within the provisions for any contractual commitment to fund past deficits within the USS scheme.

The NILGOSC scheme is a multi-employer scheme and the underlying assets and liabilities are disclosed in the Balance Sheet. The difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as an asset or liability on the balance sheets.

The amount charged to the Statement of Comprehensive Income is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.

The expected return on the pension scheme's assets during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are shown as financing costs in the Statement of Comprehensive Income.

Any difference between the expected return on assets and that actually achieved and any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the Statement of Comprehensive Income.

5. Employment Benefits

Any unused employment benefits for staff with contractual benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement.

6. Foreign Currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of Statement of Comprehensive Income for the financial year.

7. Freehold Land and Buildings

The University has adopted the transitional arrangements on conversion to FRS 102 and has revalued land and buildings as at 31 July 2014 on three campuses, namely Coleraine, Derry/Londonderry and Belfast. Land and buildings that have been revalued to fair value prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation.

Following the transfer of the Jordanstown campus to Belfast, the value of the land and buildings at Jordanstown is reviewed annually.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Land is held freehold and is not depreciated as it is considered to have an indefinite useful life. Buildings are depreciated on a straight line basis over their expected useful lives, up to a maximum of 60 years.

8. Assets Under Construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July. They are not depreciated until they are brought into use.

9. Equipment

Equipment, including software and related software development costs, costing less than £25,000 per individual item or group of related items, is written off in the year of acquisition.

All other equipment including software and related development costs are capitalised. Capitalised equipment (other than research grant equipment) is stated at cost and depreciated on a straight line basis over its expected useful life, assumed to be four years. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Where equipment is acquired with the aid of a specific research grant it is capitalised and depreciated over the shorter of its estimated useful life or the remaining life of the research grant, with the related grant being credited to a deferred capital grant account and released to the Statement of Comprehensive Income over the remaining life of the related grant.

10. Fixed Asset Investments

- (a) The University's Endowment Fund is included in the Balance Sheet at market value and is administered by an external fund manager. Investments in subsidiary companies are shown at the lower of cost and net realisable value. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Any changes in fair value are taken directly to the Statement of Comprehensive Income.
- (b) Fixed Asset Investments through Innovation Ulster Limited and Ulster Equity Partnership.

From the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines (2022 edition) the company values its fixed asset investments (which comprise trade investments) as follows:

- Price of Most Recent Investment (PMRI); or
- Multiple of earnings or revenues; or
- Net asset basis

If valuers consider that the passage of time since the date of the last investment diminishes the appropriateness of that methodology, then a modified version of that valuation may be used which refers to industry benchmark valuations or a company based milestone analysis, i.e. performance against technical or financial targets of milestones.

It is expected that the company will use the PMRI basis where the investment has been made within 12 months, otherwise the Net Assets basis will be used.

Any changes in fair value are taken directly to the Statement of Comprehensive Income.

11. Current Asset Investments

Current asset investments are included at the lower of cost and net realisable value.

12. Stocks

Stocks, which are generally consumable in nature, are expensed to the Statement of Comprehensive Income in the year of purchase.

13. Cash and Cash Equivalents

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

Cash equivalents comprise of short term assets readily disposable but not within 24 hours without penalty. They include short term deposits and other instruments held as part of the University's treasury management activities. They exclude any such assets held as Endowment Asset Investments.

14. Provision for Bad Debts

Bad debts are written off when recognised as irrecoverable. Debts which are considered doubtful are provided for in the accounts.

15. Leases

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

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.

The cost of operating leases is charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

16. Provisions

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

17. Maintenance of Premises

The University has a 5 year planned maintenance programme which is reviewed on an annual basis. Actual expenditure on maintenance is charged to the Statement of Comprehensive Income in the period it is incurred.

18. Taxation Status

The University is considered to pass the tests set out in Paragraph 1 Schedule 6 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 287 CTA 2009 and sections 471, 478, 488 CTA 2010 (formerly S505 of ICTA 1988) or section 256 of the taxation of Chargeable gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The University is registered as a charity with HM Revenue and Customs and with the Northern Ireland Charity Commission. The University receives no similar exemption in respect of Value Added Tax. Innovation Ulster Limited and Studio Ulster Limited, subsidiaries of the University, have no charitable status and can therefore be liable to Corporation Tax on chargeable profits.

19. Reserves

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

The University holds a revaluation reserve resulting from revaluation of fixed assets on conversion to FRS 102 as at 31 July 2014.

20. Subsidiary Accounting Policies

The subsidiaries of the University adopts the same accounting policies of the University.

21. Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Carrying Value of Investments

The Group has investments, as disclosed in **Note 12**, valued using the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines. These methodologies require the use of judgement, including assessing the most appropriate methodologies to be used, whether changes in methodologies are required due to the passage of time since the date of the last investment and in certain methodologies the assumptions to be used. Due to the complexity of these methodologies, and the underlying assumptions used, such estimates are subject to significant uncertainty. Any diminution in value is recognised in profit or loss.

NILGOSC Pension Benefits

The cost of the NILGOSC defined benefit pension plans is determined using actuarial valuations, as disclosed in **Note 22**. 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. In determining the appropriate discount rate, management considers the yield of high quality bonds of the same term and currency as the future cashflows.

Judgement is also required in respect of the amount of the NILGOSC pension asset recognised at 31 July 2024 of £26.7m (see **Note 22**). In the absence of specific guidance in FRS 102 the assessment of the recognition of this asset been determined using the applicable requirements of International Accounting Standards Board's IFRIC 14 "IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". Details of the assessment made in determining the amount of the recoverable surplus and hence net asset recognised at 31 July 2024, together with a related sensitivity analysis, are set out in **Note 22**."



USS Pension Scheme

As the institution is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. At 31 July 2023 the University's balance sheet included a liability of £78m for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required for the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the University was no longer required to make deficit recovery contributions. The remaining liability of £78m was released to the Statement of Comprehensive Income. Further disclosures relating the deficit recovery liability can be found in **Note 22**.

Carrying Value of Jordanstown Campus Land and Buildings

The Jordanstown campus activity fully transferred to the new Belfast campus in September 2023. The carrying value of the Jordanstown campus estate included in fixed assets (see **Note 11**) has been written down to its estimated recoverable amount based on an independent valuation completed in April 2022 by Lambert Smith Hampton, with the fair value of the estate based on market value in accordance with the Royal Institution of Chartered Surveyors Valuation Guidance Standards – Red Book Global. The members of the Council have assessed that this fair value continues to be appropriate as at 31 July 2024. However, such valuations are inherently judgemental with the value attributed sensitive to changes arising from market factors and how the value of the estate is ultimately realised.

QAHE Tuition Income

As disclosed in **Note 25** the University has entered into a joint venture with QA Higher Education (QAHE) to provide services in support of the provision of Ulster University degree courses to domestic and international students at campuses in London and Birmingham. The University receives a share of the tuition fees paid by these students which in the year ended 31 July 2024 was £10.4m (2023 £5.2m). Council have assessed that given the nature of the services provided by the University, and that successful students are awarded an Ulster University degree, that this income represents tuition fee income and accordingly this is presented as such in the Statement of Comprehensive Income.

Statement of Comprehensive Income

Group and University Statement of Comprehensive Income for the Year Ended 31 July 2024

	Note	Group 2024	University 2024	Group 2023	University 2023
		£000	£000	£000	£000
Income					
Tuition Fees and Education Contracts	1	131,777	131,777	121,964	121,964
Funding Body Grants	2	93,896	93,896	99,065	99,065
Research Grants and Contracts	3	38,766	38,766	35,442	35,442
Other Income	4	19,702	19,702	19,905	20,907
Investment Income	5	7,852	7,950	4,114	4,141
Donations and Endowments	6	1,113	1,113	961	961
Total Income		293,106	293,204	281,451	282,480
Expenditure					
Staff Costs	7	161,554	161,474	151,075	151,075
Movement in USS Pension Provision	7	(79,836)	(79,836)	(12,878)	(12,878)
Movement in NILGOSC Pension Provision	7	18	18	2,139	2,139
		81,736	81,656	140,336	140,336
Other Operating Expenses	8	105,545	105,003	96,600	96,591
Depreciation	11	29,242	29,242	28,857	28,857
Impairment	11	1,118	1,118	-	-
Interest and Other Finance Costs	9	2,557	2,557	3,176	3,176
Total Expenditure		220,198	219,576	268,969	268,960
Surplus Before Other Gains and Losses		72,908	73,628	12,482	13,520
Gain on Disposal of Fixed Assets		2,488	2,488	1,357	1,357
Gain on Investments	12	1,160	516	7,282	1,906
Surplus Before Taxation		76,556	76,632	21,121	16,783
Taxation		-	-	(4)	-
Surplus After Taxation		76,556	76,632	21,117	16,783
Actuarial Gain in Respect of Pension Schemes	22	6,774	6,774	17,187	17,187
Total Comprehensive Income for the Year		83,330	83,406	38,304	33,970
Represented by:					
Endowment Comprehensive Income/(Deficit) for the Year		1,008	1,008	(328)	(328)
Unrestricted Comprehensive Income for the Year		87,773	87,849	43,047	38,713
Revaluation Reserve Comprehensive (Deficit) for the Year		(5,451)	(5,451)	(4,415)	(4,415)
Total		83,330	83,406	38,304	33,970

Statement of Changes in Reserves

Group and University Statement of Changes in Reserves Year Ended 31 July 2024

Group	Income and Expenditure Reserve		Revaluation Reserve	Total
	Endowment	Unrestricted		
	£000	£000	£000	£000
Balance at 1 August 2022	15,363	213,713	94,370	323,446
(Deficit)/Income from the Statement of Comprehensive Income	(328)	21,445	-	21,117
Other Comprehensive Income	-	17,187	-	17,187
Transfers Between Revaluation and Income and Expenditure Reserve	-	4,415	(4,415)	-
Total Comprehensive (Deficit)/Income for the Year	(328)	43,047	(4,415)	38,304
Balance at 1 August 2023	15,035	256,760	89,955	361,750
Income from the Statement of Comprehensive Income	1,008	75,548	-	76,556
Other Comprehensive Income	-	6,774	-	6,774
Transfers Between Revaluation and Income and Expenditure Reserve	-	5,451	(5,451)	-
Total Comprehensive Income/(Deficit) for the Year	1,008	87,773	(5,451)	83,330
Balance at 31 July 2024	16,043	344,533	84,504	445,080

Statement of Changes in Reserves (continued)

Group and University Statement of Changes in Reserves Year Ended 31 July 2024

University	Income and Expenditure Reserve		Revaluation Reserve	Total
	Endowment	Unrestricted		
	£000	£000	£000	£000
Balance at 1 August 2022	15,363	206,067	94,370	315,800
(Deficit)/income from the Statement of Comprehensive Income	(328)	17,111	-	16,783
Other comprehensive Income	-	17,187	-	17,187
Transfers Between Revaluation and Income and Expenditure Reserve	-	4,415	(4,415)	-
Total Comprehensive (Deficit)/Income for the Year	(328)	38,713	(4,415)	33,970
Balance at 1 August 2023	15,035	244,780	89,955	349,770
Income from the Statement of Comprehensive Income	1,008	75,624	-	76,632
Other Comprehensive Income	-	6,774	-	6,774
Transfers Between Revaluation and Income and Expenditure Reserve	-	5,451	(5,451)	-
Total Comprehensive Income/(Deficit) for the Year	1,008	87,849	(5,451)	83,406
Balance at 31 July 2024	16,043	332,629	84,504	433,176

Balance Sheets

Balance Sheets as at 31 July 2024

	Note	Group 2024	University 2024	Group 2023	University 2023
		£000	£000	£000	£000
Fixed Assets					
Tangible Assets	11	541,053	532,928	556,879	556,879
Investments	12	34,357	20,173	31,496	18,842
Total Fixed Assets		575,410	553,101	588,375	575,721
Current Assets					
Debtors	13	34,924	37,422	35,604	36,604
Investments and Short Term Deposits	14	127,205	127,205	102,264	102,264
Cash at Bank and In Hand	15	12,060	10,622	27,650	27,331
Total Current Assets		174,189	175,249	165,518	166,199
Creditors: Amounts Falling Due Within One Year	16	(75,665)	(74,125)	(72,908)	(72,915)
Net Current Assets		98,524	101,124	92,610	93,284
Total Assets Less Current Liabilities		673,934	654,225	680,985	669,005
Creditors: Amounts Falling Due After More Than One Year	17	(255,542)	(247,737)	(260,074)	(260,074)
Pension Liability		-	-	(78,042)	(78,042)
Pension Asset		26,688	26,688	18,881	18,881
Provision for Liabilities	18	26,688	26,688	(59,161)	(59,161)
Net Assets Including Pension Assets and Liabilities		445,080	433,176	361,750	349,770
Reserves					
Restricted Reserves					
Endowment Reserve	19	16,043	16,043	15,035	15,035
Unrestricted Reserves					
Income and Expenditure Account – Unrestricted		344,533	332,629	256,760	244,780
Revaluation Reserve		84,504	84,504	89,955	89,955
Total Reserves		445,080	433,176	361,750	349,770

The Financial Statements on pages 30 to 61 were approved by the Council on 25 November 2024 and signed on its behalf by:

Mr David Clements
Honorary Treasurer

Ms Elaine Hartin
Chief Strategy and Finance Officer

Professor Paul Bartholomew
Vice-Chancellor and Chief Accounting Officer

Group Cash Flow Statement

Group Cash Flow Year Ended 31 July 2024

	Note	Year ended 31 July 2024	Year ended 31 July 2023
		£000	£000
Cash Flow from Operating Activities			
Surplus for the Year before Taxation		76,556	21,121
Taxation		-	(4)
Surplus for the Year after Taxation		76,556	21,117
Adjustment for Non-Cash Items			
Depreciation	11	29,242	28,857
Impairment	11	1,118	
Gain on investments	12	(1,134)	(7,282)
Decrease/(Increase) in Debtors	13	680	(8,359)
(Decrease)/Increase in Creditors	16	(2,291)	14,049
(Decrease) in Pension Provision	18	(79,075)	(8,008)
Deferred capital grants released income		(7,402)	(6,210)
Adjustment for Investing or Financing Activities			
Investment Income	5	(7,852)	(4,114)
Interest Payable	9	509	525
New Endowment Received	6	(123)	(128)
Profit on Disposal of fixed assets		(2,488)	(1,357)
Net Cash Inflow from Operating Activities		7,740	29,090
Cash Flows from Investing Activities			
Capital Grant Receipts		8,266	2,520
Disposal of Non-Current Asset Investments	12	454	728
Investment Income	5	7,852	4,114
Payments made to Acquire Fixed Assets	11	(14,988)	(18,233)
Fixed Asset Disposal Proceeds		2,925	1,650
New Non-Current Asset Investment	12	(2,181)	(851)
New Fixed Deposits		(24,941)	(20,040)
		(22,613)	(30,112)
Cash Flows from Financing Activities			
Interest Paid	9	(509)	(525)
New Endowments Received	6	123	128
Repayments of Amounts Borrowed	17	(331)	(313)
		(717)	(710)
(Decrease) in Cash and Cash Equivalents in the Year		(15,590)	(1,732)
Cash and Cash Equivalents at Beginning of the Year		27,650	29,382
Cash and Cash Equivalents at End of the Year		12,060	27,650

Notes to the Financial Statements

1. Tuition Fees and Education Contracts	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Full-time Student Fees	67,090	67,090	62,987	62,987
Overseas Student Fees	31,651	31,651	24,061	24,061
Part-time Fees	11,247	11,247	12,950	12,950
DOH Education Contract	21,361	21,361	20,714	20,714
Short Course Fees	428	428	1,252	1,252
	131,777	131,777	121,964	121,964

2. Funding Body Grants	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Recurrent Grant	84,507	84,507	84,704	84,704
Special Initiatives	3,454	3,454	8,579	8,579
Deferred Capital Grants Released in Year				
– Buildings	3,739	3,739	3,926	3,926
– Equipment	2,196	2,196	1,856	1,856
	93,896	93,896	99,065	99,065

3. Research Grants and Contracts	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Research Councils	16,756	16,756	13,802	13,802
UK Charities	1,803	1,803	1,708	1,708
EU Government	2,225	2,225	2,785	2,785
UK Central Government	12,799	12,799	12,397	12,397
Overseas (Non-EU)	898	898	876	876
Health and Hospital Authorities	187	187	217	217
Other Sources	4,098	4,098	3,657	3,657
	38,766	38,766	35,442	35,442

Included in Research Grants and Contracts Income is £1,283k (2023: £243k) in relation to deferred capital grant release

4. Other Income	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Residences, Catering and Conferences	2,996	2,996	2,425	2,425
Other Services Rendered	7,303	7,303	9,319	9,325
Other Income	9,219	9,219	7,977	8,973
Deferred Grant Release	184	184	184	184
	19,702	19,702	19,905	20,907

Notes to the Financial Statements (continued)

5. Investment Income	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Investment Income on Expendable Endowments	53	53	57	57
Investment Income on Permanent Endowments	420	420	414	414
Income from Short Term Investments	6,328	6,426	3,461	3,488
Net Receivable Interest on Pension Scheme	1,051	1,051	182	182
	7,852	7,950	4,114	4,141
6. Donation and Endowments	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
New Endowments	123	123	128	128
Donations	990	990	833	833
	1,113	1,113	961	961
7. Staff Costs	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Wages and Salaries	128,785	128,713	116,611	116,611
Social Security Costs	12,452	12,444	11,253	11,253
Other Pension Costs (Note 22)	20,317	20,317	23,211	23,211
Movement on USS Pension Provision (Note 18)	(79,836)	(79,836)	(12,878)	(12,878)
Movement on NILGOSC Pension Provision (Note 18)	18	18	2,139	2,139
	81,736	81,656	140,336	140,336
Emolument of the Vice-Chancellor	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Salary	273	273	263	263
Benefits	-	-	-	-
	273	273	263	263
Employers Pension Contributions	47	47	57	57
	320	320	320	320

	2024	2023
Ratio of Vice-Chancellor's Basic Salary to Median Basic Salary of Member of University Staff	6.17:1	6.15:1
Ratio of Vice-Chancellor's Total Remuneration to Median Total Remuneration of Member of University Staff	6.17:1	6.11:1

The Vice-Chancellor leads Ulster University to make a significant social, economic and cultural contribution helping our community to thrive and confidently supporting Northern Ireland on the global stage. In an increasingly competitive sector, University leadership reflects the scale, complexity and impact of higher education across research and teaching. The current Vice-Chancellor is employed on a fixed salary contract which is subjected to an annual uplift in line with the outcome of the national collective pay bargaining. The Vice-Chancellor's salary was determined by the University's committee responsible for remuneration and governance and was set in line with the benchmarked salaries of other Vice-Chancellors who lead similar sized and income earning Higher Education institutions in the sector in the UK.

Excluding the Vice-Chancellor, Remuneration of other Higher Paid Staff was in the Following Bands:	Group 2024	University 2024	Group 2023	University 2023
	No.	No.	No.	No.
£100,000 - £104,999	24	24	12	12
£105,000 - £109,999	16	16	9	9
£110,000 - £114,999	7	7	1	1
£115,000 - £119,999	5	5	1	1
£120,000 - £124,999	0	0	1	1
£125,000 - £129,999	3	3	1	1
£130,000 - £134,999	1	1	3	3
£135,000 - £139,999	0	0	1	1
£140,000 - £144,999	4	4	2	2
£145,000 - £149,999	1	1	-	-
£155,000 - £159,999	0	0	2	2
£160,000 - £164,999	2	2	-	-
£170,000 - £174,999	0	0	1	1
£175,000 - £179,999	2	2	-	-

Key Management Personnel	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Key Management Personnel Remuneration	2,268	2,219	2,501	2,501

Compensation for Loss of Office

Compensation Payable Recorded Within Staff Costs	675	675	1,130	1,130
Number of Staff Who Received Compensation	58	58	70	70

During the year the University paid £675K for compensation for loss of office to 58 members of staff. These payments to staff in 2023/24 were mainly as a result of the relocation of the School of Health Sciences from Jordanstown campus to the Derry~Londonderry campus and the termination of research related fixed-term contracts, which attract a redundancy position by virtue of the nature of the funding arrangements.

The Average Weekly Number of Persons (Including Senior Post Holders) Employed by the University During the Year, Expressed as Full-time Equivalents, was:	Group 2024	University 2024	Group 2023	University 2023
	No.	No.	No.	No.
Academic	1,196	1,196	1,149	1,149
Technical	171	171	165	165
Administrative	690	688	633	633
Other Including Clerical and Manual	584	584	545	545
	2,641	2,639	2,492	2,492

Notes to the Financial Statements (continued)

8. Other Operating Expenses	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Residences and Conferences	2,582	2,582	3,204	3,204
Consumables and Laboratory equipment	3,118	3,118	3,206	3,206
Equipment not Capitalised	3,850	3,522	4,948	4,948
Books and Periodicals	4,372	4,372	4,182	4,182
Fellowships, Scholarships and Prizes	787	787	562	562
Rates	6,619	6,619	3,727	3,727
Heat, Light, Water and Power	6,695	6,695	7,666	7,666
Long Term Maintenance	9,985	9,985	8,994	8,994
Contracted Out Services	8,042	8,042	7,366	7,366
Grants to Ulster University Students' Union	2,039	2,039	1,942	1,942
External Auditors' Remuneration	104	83	87	81
External Auditors' Remuneration in Respect of Non-Audit Services	20	18	36	34
Internal Auditors' Remuneration	157	157	143	143
Internal Auditors' Remuneration in Respect of Non-Audit Services	159	159	191	191
Printing and Stationery	1,340	1,340	1,144	1,144
Travel, Subsistence and Hospitality	6,890	6,888	5,292	5,292
Miscellaneous Academic Support	1,754	1,754	1,716	1,716
Telephone and Postage	263	263	310	310
Research Sub-contracting	7,936	7,936	7,032	7,032
Legal and Professional Services	17,837	17,649	14,931	14,931
IT Services	7,679	7,679	5,813	5,813
Advertising and Publicity	1,637	1,636	1,787	1,787
Student Support	9,767	9,767	9,304	9,304
Other Expenses	1,913	1,913	3,017	3,016
	105,545	105,003	96,600	96,591

9. Interest and Other Finance Costs	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Bank Loans	112	112	128	128
Other Loans	397	397	397	397
Net Charge on Pension Schemes	1,794	1,794	2,913	2,913
Exchange Differences	254	254	(262)	(262)
	2,557	2,557	3,176	3,176

10. Analysis of 2024 Expenditure by Activity	Staff Costs	Depreciation and impairment	Other Operating Expenses	Interest and Other Finance Costs	Total
	£000	£000	£000	£000	£000
Academic Departments	91,219	2,071	13,732	-	107,022
Academic Services	26,427	4,234	21,852	-	52,513
Research Grants and Contracts	12,866	1,175	17,350	-	31,391
Residences, Catering and Conferences	1,419	670	4,025	-	6,114
Premises	4,603	20,216	25,881	509	51,209
Administration	22,427	1,994	20,666	254	45,341
Other Expenses	(77,225)	-	2,039	1,794	(73,392)
	81,736	30,360	105,545	2,557	220,198

£000

**The depreciation and impairment
charged has been funded by:**

Release from Deferred Capital Grants	6,119
Release from Research Grants and Contracts	1,283
Transfer from Revaluation Reserve	4,415
General Income	18,543
	30,360

Notes to the Financial Statements (continued)

11. Tangible Assets – Group	Freehold Land and Buildings	Assets Under Construction	Equipment	Total
	£000	£000	£000	£000
Valuation or Cost				
At 1 August 2023				
Revaluation	173,696	-	-	173,696
Cost	510,935	19,892	83,637	614,464
Total	684,631	19,892	83,637	788,160
Additions at Cost	3,359	8,632	2,958	14,949
Transfer CIP	19,506	(19,666)	160	-
Disposals	(547)	-	(3,618)	(4,165)
At 31 July 2024				
Revaluation	173,696	-	-	173,696
Cost	533,253	8,858	83,137	625,248
Total	706,949	8,858	83,137	798,944
Accumulated Depreciation				
At 1 August 2023	172,023	-	59,258	231,281
Depreciation	19,801	-	9,441	29,242
Impairment	1,118	-	-	1,118
Disposals	(132)	-	(3,618)	(3,750)
At 31 July 2024	192,810	-	65,081	257,891
Net Book Value				
At 31 July 2024	514,139	8,858	18,056	541,053
At 31 July 2023	512,608	19,892	24,379	556,879

The impairment charge relates to the tower building on the Coleraine campus which is due to be demolished in 2024/25.

11. Tangible Assets – Ulster University	Freehold Land and Buildings	Assets Under Construction	Equipment	Total
	£000	£000	£000	£000
Valuation or Cost				
At 1 August 2023				
Revaluation	173,696	-	-	173,696
Cost	510,935	19,892	83,637	614,464
Total	684,631	19,892	83,637	788,160
Additions at Cost	3,359	974	2,958	7,291
Transfer CIP	19,506	(19,666)	160	-
Disposals	(547)	-	(4,085)	(4,632)
At 31 July 2024				
Revaluation	173,696	-	-	173,696
Cost	533,253	1,200	82,670	617,123
Total	706,949	1,200	82,670	790,819
Accumulated Depreciation				
At 1 August 2023	172,023	-	59,258	231,281
Depreciation	19,801	-	9,441	29,242
Impairment	1,118	-	-	1,118
Disposals	(132)	-	(3,618)	(3,750)
At 31 July 2024	192,810	-	65,081	257,891
Net Book Value				
At 31 July 2024	514,139	1,200	17,589	532,928
At 31 July 2023	512,608	19,892	24,379	556,879

The impairment charge relates to the tower building on the Coleraine campus which is due to be demolished in 2024/25.

Notes to the Financial Statements (continued)

12. Fixed Asset Investments	Subsidiary Companies	Other Fixed Asset Investments	Subsidiary Investment in Spinouts	Endowment Fund Investments	Total
Group	£000	£000	£000	£000	£000
At 1 August 2023	-	2,305	14,156	15,035	31,496
Additions	-	-	1,585	596	2,181
Disposals	-	-	-	(454)	(454)
Fair Value Adjustments	-	(350)	618	866	1,134
At 31 July 2024	-	1,955	16,359	16,043	34,357
University					
At 1 August 2023	1,502	2,305	-	15,035	18,842
Additions	673	-	-	596	1,269
Disposals	-	-	-	(454)	(454)
Fair Value Adjustments	-	(350)	-	866	516
At 31 July 2024	2,175	1,955	-	16,043	20,173

Other fixed asset investments relates to the University's interest in Ulster Equity Limited Partnership.

13. Debtors	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Trade Debtors	21,455	21,439	23,999	23,976
Amounts Due from Group Undertakings	-	4,504	-	1,023
Prepayments and Accrued Income	13,469	11,479	11,605	11,605
	34,924	37,422	35,604	36,604

Amounts due from Group Undertakings includes loan balances of £2.59m (2023; £1.0m) due after one year.

14. Investments and Short Term Deposits	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Investments and Short Term Deposits	127,205	127,205	102,264	102,264
	127,205	127,205	102,264	102,264

Under the terms of the loan agreement with the Strategic Investment Board (see note 17) the University holds a Cash Reserve account. The investments balance in 2024 includes funds of £28.8m in the Cash Reserve account (2023: £19.3m). There are restrictions over the use of these funds that require prior consent from the Strategic Investment Board.

15. Cash at Bank and In Hand	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000
Cash at Bank and In Hand	12,060	10,622	27,650	27,331
	12,060	10,622	27,650	27,331

16. Creditors:	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000

Amounts Falling Due Within One Year				
Bank Loans	348	348	331	331
Other Loans	6,344	6,344	-	-
Trade Creditors	27,603	26,800	29,694	29,694
Amounts owed by Group undertakings	-	17	-	15
Taxation and Social Security	6,629	6,629	7,076	7,076
Accruals	28,395	27,755	28,165	28,157
Deferred Capital Grants	6,346	6,232	7,642	7,642
	75,665	74,125	72,908	72,915

17. Creditors:	Group 2024	University 2024	Group 2023	University 2023
	£000	£000	£000	£000

Amounts Falling Due After More Than One Year				
Bank Loans	1,491	1,491	1,839	1,839
Other Loans	152,256	152,256	158,600	158,600
Deferred Capital Grants	101,795	93,990	99,635	99,635
	255,542	247,737	260,074	260,074

Bank Loans

Amounts Falling Due:				
Less Than One Year (Note 16)	348	348	331	331
Between One and Two Years	368	368	348	348
Between Two and Five Years	1,123	1,123	1,168	1,168
Greater Than Five Years	-	-	323	323
	1,839	1,839	2,170	2,170

Other Loans

Amounts Falling Due:				
Less Than One Year (Note 16)	6,344	6,344	-	-
Between One and Two Years	6,344	6,344	6,344	6,344
Between Two and Five Years	19,032	19,032	19,032	19,032
Greater Than Five Years	126,880	126,880	133,224	133,224
	158,600	158,600	158,600	158,600

Notes to the Financial Statements (continued)

Included in the loans are the following:

Lender	Amount £000	Repayable	Interest Rate
First Trust Bank Loan	1,839	2004-2029	5.475 %
Strategic Investment Board Loan	158,600	2025-2049	0.25 %

The First Trust bank loan is secured by a negative pledge on a portion of land on the Jordanstown campus.

The Strategic Investment Board loan is secured by a fixed charge on the property of the University's four campuses.

Net Debt Movement	Group	University	Group	University
	2024	2024	2023	2023
	£000	£000	£000	£000
Balance at 1 August 2023	160,770	160,770	161,083	161,083
Capital repayments	(331)	(331)	(313)	(313)
Balance at 31 July 2024	160,439	160,439	160,770	160,770

18. Provisions for Liabilities	Obligation to Fund	Defined Benefit	Total
	Deficit on USS	Obligations	
	Pension (Note 22)	(Note 22)	Provision
Group and University	£000	£000	£000
At 1 August 2023	78,042	(18,881)	59,161
(Credited)/Charged During the Year:			
Staff Costs	(79,836)	18	(79,818)
Interest Payable/(receivable)	1,794	(1,051)	743
Actuarial Gain	-	(6,774)	(6,774)
At 31 July 2024	-	(26,688)	(26,688)

USS Deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arose from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan.

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%.

As set out in Note 22 no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The University was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the Statement of Comprehensive Income.

The major assumptions used to calculate the obligation in 2023 were:

	2023
Discount Rate	5.52%
Salary Growth	3.0%

19. Endowment Reserves	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2024 Total	2023 Total
	£000	£000	£000	£000	£000	£000
Group and University						
Balances at 1 August 2023						
Capital	362	11,213	11,575	3,786	15,361	15,631
Accumulated Income and (Expenditure)	111	1,693	1,804	(2,130)	(326)	(268)
	473	12,906	13,379	1,656	15,035	15,363
New Endowments	-	2	2	121	123	128
Investment Income	15	405	420	53	473	471
Expenditure	-	(175)	(175)	(279)	(454)	(528)
	15	230	245	(226)	19	(57)
Increase/(Decrease) in Market Value of Investments	26	740	766	100	866	(399)
At 31 July 2024	514	13,878	14,392	1,651	16,043	15,035
Represented By						
Capital	388	11,955	12,343	4,007	16,350	15,361
Accumulated Income and (Expenditure)	126	1,923	2,049	(2,356)	(307)	(326)
	514	13,878	14,392	1,651	16,043	15,035

Analysis by Type of Purpose:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2024 Total	2023 Total
	£000	£000	£000	£000	£000	£000
Lectureships	-	4,564	4,564	257	4,821	4,558
Scholarships and Bursaries	-	759	759	490	1,249	1,162
Research Support	-	6,305	6,305	904	7,209	6,766
Prize Funds	-	2,250	2,250	-	2,250	2,076
General	514	-	514	-	514	473
	514	13,878	14,392	1,651	16,043	15,035

Analysis by Asset:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2024 Total	2023 Total
	£000	£000	£000	£000	£000	£000
Current and Non Current Asset Investments	514	13,878	14,392	1,651	16,043	15,035

Notes to the Financial Statements (continued)

20. Capital Commitments	2024	2023
Group and University	£000	£000
Commitments Contracted at 31 July 2024	1,330	5,244
Authorised but not Contracted at 31 July 2024	23,808	10,962
	25,138	16,206

21. Contingent Liabilities

At the year end there were no legal proceedings that are expected to result in a settlement of a material amount by the University.

On 5 July 2022 the University entered into an agreement for lease with the Belfast Harbour Commissioners in respect of the studio facility to be constructed by the Belfast Harbour Commissioners, and which Studio Ulster Limited would operate from. This agreement for lease was subsequently novated to the Studio Ulster Limited on 29 August 2024. Further, and to enable installation of studio equipment purchased by Studio Ulster Limited before finalisation of the lease agreement (see below), on 30 August 2024 an early access agreement was entered into between the Belfast Harbour Commissioners and Studio Ulster Limited for nil consideration.

At this time the lease agreement related to the studio facility remains to be agreed. However, based on current negotiations with the Belfast Harbour Commissioners this lease is expected to result in an initial lease term of 15 years.

22. Net Pension Liability

The University participates in three pension schemes. The schemes are the Universities Superannuation Scheme (USS), the Northern Ireland Local Government Officers Superannuation Committee Pension Fund (NILGOSC) and the Health & Social Care Service Pension Scheme (HSCPS). The schemes are defined benefit schemes, which are externally funded. The assets of each scheme are held in a separate trustee-administered fund. The University has a small number of staff in the new School of Medicine who are members of the Health & Social Care Service Pension Scheme, a defined benefit pension scheme for health and social care workers in Northern Ireland. Disclosures are not included for this pension scheme on grounds of materiality.

USS Pension Scheme

The University participates in the Universities Superannuation Scheme (USS). The scheme is a hybrid 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.

Due to the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee benefits', the University therefore accounts for the scheme as if it were a wholly defined contribution scheme.

Where a scheme valuation determines that the scheme is in deficit on a technical provision basis (as was the case following the 2020 valuation), the trustees of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The University recognises a liability for the contributions payable that arose from such an agreement (to the extent that they related to a deficit) with related expenses being recognised through the Statement of Comprehensive Income. Following the 2023 valuation a deficit recovery plan was no longer required because the scheme was in surplus on a technical provisions basis. Further disclosures relating to the deficit recovery liability can be found in note 18.

As a result, the amount charged or credited to the Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme, and until 31 December 2023 the movements in liability for the deficit recovery contributions payable under the Scheme's Recovery Plan.

The total cost credited to the Comprehensive Income account is £78m (2022/23: charge £10.0m).

Deficit recovery contributions due within one year for the institution are £nil (2022/23: £5.7m).

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

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

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

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles

CPI assumption	<ul style="list-style-type: none"> Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: <ul style="list-style-type: none"> 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	<ul style="list-style-type: none"> Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excesses inflation over 5% up to a maximum of 10%): CPI assumptions minus 3bps
Discount rate (forward rates)	<ul style="list-style-type: none"> Fixed interest gilt yield curve plus: <ul style="list-style-type: none"> Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

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

2023 Valuation

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

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

Notes to the Financial Statements (continued)

NILGOSC Pension Scheme

The University is able to identify its share of the underlying assets and liabilities of the NILGOSC scheme and accordingly present the following information required by FRS 102.

A valuation of the fund was carried out at 31 March 2022 and updated to 31 July 2024 by a qualified independent actuary.

Balance Sheet	At 31 July 2024	At 31 July 2023
	£000	£000
Present Value of Scheme Liabilities	(184,196)	(177,945)
Fair Value of Scheme Assets	210,884	196,826
Net Pension Asset	26,688	18,881

The FRS 102 valuation of the NILGOSC scheme as at 31 July 2024 resulted in an estimated net pension plan asset of £26,688,000. FRS 102 requires that an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Since FRS 102 provides no further guidance in this respect, as allowed under FRS 102 the University Council have considered the relevant requirements of International Financial Reporting Standards, in particular IFRIC Interpretation 14 IAS 19—“The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (IFRIC 14).

The University Council have considered the ability of the University to recover a surplus through reduced contributions in the future. This has included obtaining an assessment from an independent actuary based on the requirements of IFRIC 14. This assessment estimates that using both a perpetuity approach (i.e. assuming the University would never exit the NILGOSC scheme) and using the remaining service life of the current member employees used in the latest triennial funding valuation, that the present value of the estimated future service cost in each period less the estimated minimum funding requirement contributions that would be required for future service in those periods would be negative. Consequently, no economic benefit is available as a reduction in future contributions.

IFRIC 14 requires that the right to recovery through a refund must be unconditional. While the NILGOSC “Admission and Exit Policy” and The Local Government Pension Scheme Regulations (Northern Ireland) 2014 require the calculation of an exit refund and provide NILGOSC with the ability to defer the timing of any resultant refund payment, neither of these conditions are considered as conditional events over the right of the University to a refund on exit from the NILGOSC scheme. The University Council have therefore concluded that the University does have an unconditional right to a refund of a surplus in the NILGOSC scheme.

The University Council are aware of the June 2023 UK High Court ruling in the case of NTL v Virgin Media, and related July 2024 Court of Appeal decision, which has rendered relevant amendments made between 6 April 1997 and 5 April 2016 to affected contracted-out UK defined benefit pension scheme rules invalid and void in certain circumstances. In particular, section 37 of the Pension Schemes Act 1993 only allowed the rules of contracted-out schemes to be altered in certain circumstances, with the judgment in the Virgin Media case making it clear that where an amendment was made which affected section 9(2B) rights without the necessary section 37 confirmation having been obtained, that amendment would be void (even if the change resulted in a benefit improvement).

The NILGOSC scheme was contracted-out during this period and the University Council and the NILGOSC Scheme Committee are aware that a number of rule changes were made during this time, including some which affected the level of member benefits. Therefore, it is possible that, if any of the rule changes are deemed invalid due to the absence of the necessary section 37 confirmation, this may lead to additional liabilities for the NILGOSC scheme and the University.

In line with the majority of UK pension schemes, the University Council and the NILGOSC Scheme Committee have not taken any action pending the outcome of the Appeal. Following the recent Appeal decision, the University will seek to work with the Committee to understand if there are any implications for the NILGOSC scheme and the University, including assessing all amendments to member benefits, whether the required section 37 confirmations were obtained and the extent of any additional liabilities arising, which will need to be recognised.

Based on their assessment as set out above, University Council have concluded that it is appropriate to recognise the estimated net pension plan asset of £26.688m at 31 July 2024.

Movements in Present Value of Defined Benefit Obligation	At 31 July 2024	At 31 July 2023
	£000	£000
At Beginning of the Year	(177,945)	(207,067)
Current Service Cost	(3,458)	(5,271)
Member Contributions	(1,094)	(994)
Interest Cost	(8,893)	(7,132)
Benefits Paid	8,424	7,733
Past service Cost	(45)	-
Actuarial Gains	(1,185)	34,786
At End of Year	(184,196)	(177,945)
Movement in Fair Value of Plan Assets	At 31 July 2024	At 31 July 2023
	£000	£000
At Beginning of the Year	196,826	210,718
Expected Return on Assets	9,944	7,314
Employer Contributions	3,485	3,132
Member Contributions	1,094	994
Benefits Paid	(8,424)	(7,733)
Actuarial (Losses)/Gains	7,959	(17,599)
At End of Year	210,884	196,826
Expense Recognised in the Income and Expenditure Accounts	At 31 July 2024	At 31 July 2023
	£000	£000
Current Service Cost	3,458	5,271
Interest on Defined Benefit Pension Plan Obligation	8,893	7,132
Expected Return on Defined Benefit Pension Plan Assets	(9,944)	(7,314)
Past Service Cost	45	-
Total	2,452	5,089
The (Income)/Expense is Recognised in the Following Line Items in the Income Statement:	At 31 July 2024	At 31 July 2023
	£000	£000
Staff Costs	3,503	5,271
Interest (Receivable)/Payable	(1,051)	(182)
	2,452	5,089
Amounts Recognised in Other Comprehensive Income	At 31 July 2024	At 31 July 2023
	£000	£000
Asset Gains/(Losses) Arising During the Period	7,959	(17,599)
Liability Gains/(Losses) Arising During the Period	(1,185)	34,786
Total Amount Recognised in Other Comprehensive Income	6,774	17,187

Cumulative actuarial gains recognised as Other Comprehensive Income are £81.5m (2022/23: £74.7m).

Notes to the Financial Statements (continued)

The Fair Value of the Plan Assets were as follows:	At 31 July 2024 Fair Value	At 31 July 2023 Fair Value
	£000	£000
Equities	84,354	84,439
Bonds	71,279	68,101
Property	19,190	20,470
Cash	23,408	12,203
Other	12,653	11,613
	210,884	196,826

Principal Actuarial Assumptions (Expressed as Weighted Averages) at the Year End were as follows:	At 31 July 2024	At 31 July 2023
Discount Rate	5.0%	5.1%
CPI Inflation	2.6%	2.6%
Pension Increases	2.6%	2.6%
Pension Accounts Revaluation Rate	2.6%	2.6%
Salary Increases	4.1%	4.1%

Mortality		Males	Females
Current Pensioners	2024	21.5 years	24.4 years
	2023	21.7 years	24.5 years
Future Pensioners	2024	22.1 years	25.2 years
	2023	22.6 years	25.5 years

The University expects to contribute approximately £3.578m to NILGOSC pensions scheme in the next financial year.

The sensitivity analysis outlines the potential impact on the provision under different scenarios:

Change in Assumptions at 31 July 2024

0.1% decrease in discount rate	£2.7m increase
0.1% increase in salaries	£0.2m increase
0.1% increase to pensions and rate of revaluation of pension accounts	£2.4m increase
1 year increase in post-retirement mortality	£4.8m decrease

The Total Pension Cost for the University was:	Group 2024	Group 2023
	£000	£000
Charge to Staff Costs – USS	(62,206)	7,126
Charge to Staff Costs – NILGOSC	2,633	5,289
Charge to Staff Costs – HSCPS	72	57
Total Pension Cost (see Note 7)	(59,501)	12,472

23. Student Support Funds

	Group and University 2024	Group and University 2023
	£000	£000
Balance Carried Forward	411	292
Funding Council Grants	1,420	2,684
Interest	3	7
Disbursed to Students	(1,497)	(2,572)
Balance Underspent at 31 July 2024	337	411

Department for the Economy (“DfE”) Student Support grants are available solely for students. The University acts only as a paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account. The support funds are used to provide financial help to students whose access to higher education might be inhibited by financial considerations or who for whatever reasons, including physical or other disabilities, face financial difficulties in meeting their living costs.

24. Subsidiary Company Information

There are two companies which are wholly owned subsidiary companies of the University:

Innovation Ulster Limited

This company has been fully consolidated in the Financial Statements.

The company is controlled by the University. The company is registered and operates in Northern Ireland and has a registered address of Ulster University, BD-004-09 York Street, Belfast, Northern Ireland BT15 1ED.

Innovation Ulster Limited is a company established to develop intellectual property rights by patenting and licensing, and to arrange consultancy activities.

Studio Ulster Limited

Studio Ulster Limited was incorporated in March 2023. The company has a registered address of Murray House, Murray Street, Belfast, Northern Ireland, BT1 6DN.

Studio Ulster Limited is a company established to provide virtual production centric services in production and post-production to stakeholders operating in the motion picture, video and television programme industry sectors.

This company has been fully consolidated in the Financial Statements.

25. Joint Venture Information

The University has two joint ventures. Branch Campus (London and Birmingham) Limited is a joint venture between Ulster University and QAHE (Ulst) Limited for the principal purpose of providing services in support of the provision of degree courses to domestic and international students at campuses in London and Birmingham.

C-TRIC Limited (previously named ABC Research & Innovation Limited) is a company limited by guarantee with Ulster University, Derry City and Strabane District Council and the Western Trust as equal partners. The principal activity of the company is to develop an Academia Business Clinical Research Innovation facility.

The results of Branch Campus (London & Birmingham) Limited and C-TRIC Limited are not consolidated in the Group Financial Statements on the grounds of materiality.

Through Innovation Ulster Limited (IUL), a wholly owned subsidiary, the University has a joint venture with NI Composites O & M LLP (NICOM). NICOM was incorporated in 2011 to promote collaborative research in advanced composites. It is a joint venture between IUL and Queens Composites Limited, a wholly owned subsidiary of Queen’s University Belfast. The results of NICOM are not consolidated in the Group Financial Statements on the grounds of materiality.

Notes to the Financial Statements (continued)

26. Other Investments

Ulster Equity Limited Partnership

Ulster Equity Partnership is a limited partnership with Ulster University, Invest NI and TechStart NI for the principal purpose of carrying on the business of an investor and in particular to identify, research, negotiate, make or monitor the progress of and sell, realise, exchange or distribute equity or equity-related investments in connection with providing seed capital for the development of post – research post – proof of concept spin-out/in companies from Ulster University including from the technology sectors related to the Ulster University research base.

Through Ulster Equity Partnership the University has the following holdings:

- 7.49% of Axial Medical Printing Limited
- 0.86% of Responsible Clothing Limited (previously HARU)
- 14.92% of Humain Limited
- 3.69% of Locate Match Limited
- 6.71% of Neuroconcise Limited
- 2.82% of Neurovalens Limited
- 4.23% of CDS New Ventures Limited

Innovation Ulster Limited

Through Innovation Ulster Limited, a wholly owned subsidiary, the University has the following holdings:

Included in fixed asset investments above, the Company holds investment of under 25% in:

- 3% of Pulse AI Ltd
- 1.35% of Vesalic Ltd
- 21% of Klas Therapeutics
- 7.94% of Performa Sports Limited
- 2.40% of Datactics Limited
- 3.04% of Axial 3D Limited
- 6.48% of SISAF Limited
- 14.31% of Neuroconcise Limited
- 6.00% of Humain Limited
- 1.25% of Responsible (Haru)
- 7.50% of Modern Nature
- 20% of StimOxyGen Limited
- 20% of Exrt Intelligent Healthcare Limited
- 20% of Pneuma Healthcare Limited
- 16.29% of SonoTarg Limited
- 5.30% of Respiratory Analytics Limited
- 3% of Surecert
- 8.54% SWIPS
- CLN Neurovalens

The Company has holdings of greater than 25% in the following companies:

Status	Active	Active	Active	Active	Active	Active	Active
Name	Dia Beta Labs Ltd	Galvani Ltd	Actionsense Ltd	Axis Composites Ltd	Jenarron Therapeutics Ltd	Solaform Ltd	Efectis UK/Ireland Ltd
Country of Incorporation	Northern Ireland	United Kingdom	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland
Principal Activity	Development of treatment for metabolic disease progression	Development of treatment for chronic disease	Secure digital water marking technology	Design and manufacture of 3D woven carbon fibre preforms	Putty like material applied and removed to wounds	Solar water heater	Fire testing
% Shares Held and Type	35%	25%	26%	28.02%	33.62%	45.63%	33.00%
Convertible Loan Stock	£150,000	£100,000	N/A	N/A	N/A	N/A	N/A
Turnover	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Profit or Loss Before Tax	N/A	(17,178)	N/A	N/A	N/A	N/A	N/A
Net Assets/(Liabilities)	£51.5k	£93.4k	(£137.8k)	(£1.5k)	£14k	£39.4k	£3.5m
Financial Year End	30 April 2023	31 Dec 2023	31 May 2023	28 Feb 2023	30 Sept 2023	31 July 2023	31 Dec 2023

In the year ended 31st July 2019 the company invested €500,000 in Enbarr Limited, an investment fund managed by Imprimatur Capital. The market value at 31 July 2024 is £856,000.

27. Related Party Transactions

Due to the nature of the University's operations and the composition of the University's 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 the Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. The University has taken advantage of the exemptions contained in section 33, FRS 102 'Related Party Transactions' not to disclose transactions with subsidiaries as all of the voting rights are controlled within the Group.

28. Ultimate Controlling Party

There is no one ultimate controlling party.

University of Ulster

Northern Ireland - Charity number 100166

Accounts

Financial Statements

FOR THE YEAR TO 31 JULY 2023

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Operating and Financial Review

Financial performance during the year shows a surplus of £38.3m (2022: surplus £13.4m). This includes a net credit of £25.2m (2022: charge £5.1m) due to pension funds activity in the USS and NILGOSC pension schemes. The balance sheet has strengthened with total net assets increasing to £362m (2022: £323m) reflecting an increase in capital assets and cash surpluses generated during the year.

Scope of Financial Statements

The financial statements presented to the University's Council have been prepared on a consolidated basis and include the results of Ulster University and its subsidiary company Innovation Ulster Limited. This report should be read with the Annual Review 2023 which provides a detailed summary of activities undertaken by the University in delivering its corporate objectives.

Public Benefit

The University is an independent educational charity whose legal status is derived from a Royal Charter granted in 1984.

Ulster University's charitable purpose is the advancement of education. In setting and reviewing the University's objectives and activities, Council has given due regard to relevant guidance on the reporting of public benefit, in particular, the Charity Commission's supplementary public benefit guidance on the advancement of education. We deliver our charitable purpose for the public benefit, by implementing our corporate plan and delivering on those strategic aims and objectives approved by Council to shape our academic portfolio in response to the demands of students and employers, and to deliver research and innovation that achieves economic and social transformation.

The distinctiveness of the University within the Higher Education (HE) sector places it within a small group of HE Institutions (HEI's) that are research-engaged and business-focused with significant commercialisation of research and major knowledge transfer relationships.

Financial Performance

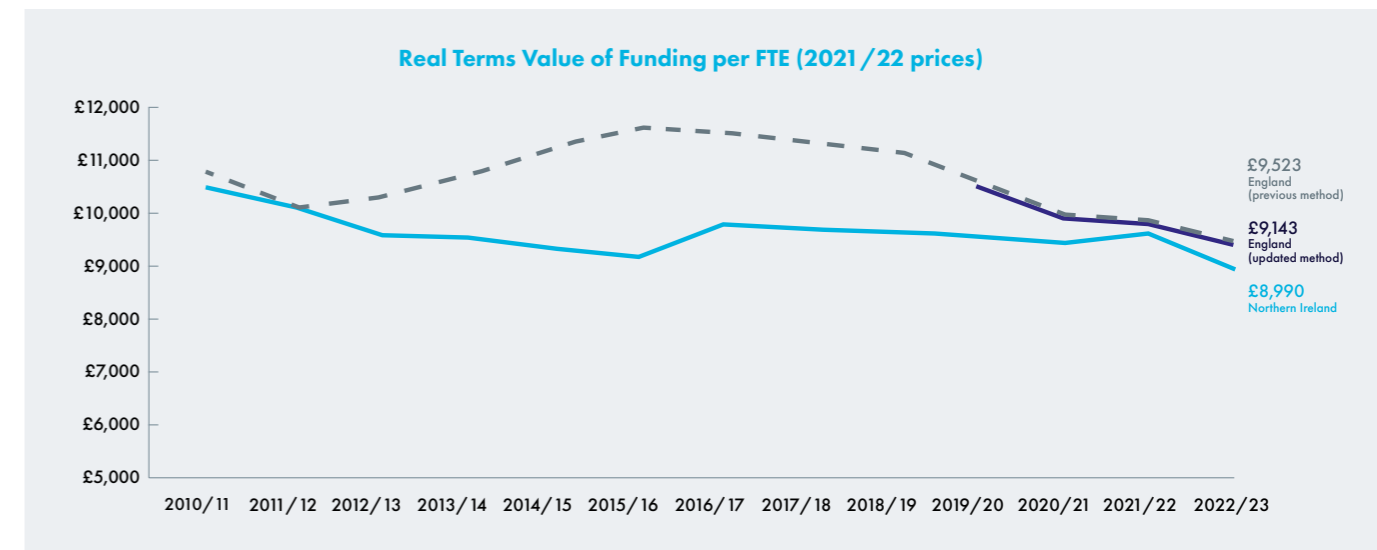
The University's underlying financial performance continues to remain strong as shown below.

	2023	2022
Staff costs excluding pension adjustment: Income ratio	53.7%	54.2%
Cash spend on fixed assets	£18m	£47m
Earnings before interest, tax, depreciation and amortisation (EBITDA)	£27.8m	£31.5m
% Income from non-government sources	33%	27%

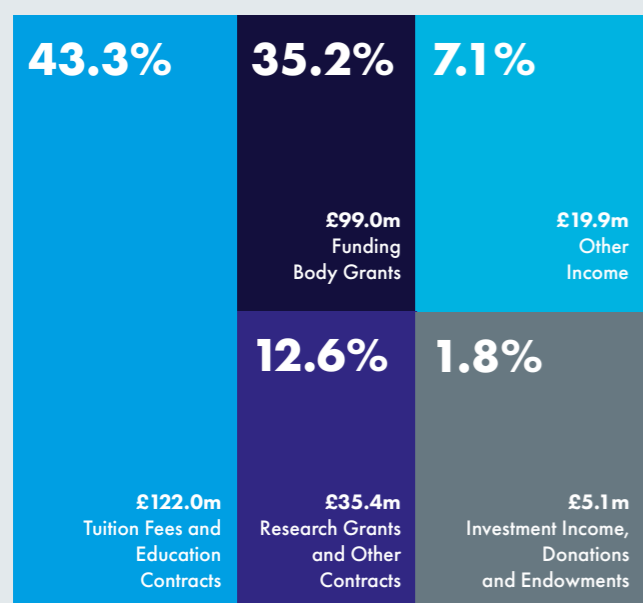
The University's consolidated comprehensive surplus for the year was £38.3m (2022: surplus £13.4m). This reflects the impact of pension adjustments attributable to the University relating to both USS and NILGOSC pension schemes with a credit to the Statement of Comprehensive Income of £25.2m (2022: charge £5.1m). The underlying financial performance excluding the pension adjustment is a surplus of £13.1m (2022: surplus £18.5m). Non-government income grew from £70.2m to £91.6m, an increase of 30.5%. This is a result of the increase in both international and educational partnership tuition fee income.

Ulster University is operating in an environment where we receive less funding per student per year than comparable institutions in England.

Differential funding is shown in the chart below:



Sources of Income 2022/23



Income

Total income in 2022/23 was £281.4m (2022: £259.4m). This represents an increase of 8.5% from last year and is reflective of an increase in tuition fees, research grants and contracts income and improved investment returns.

Funding Body Grants fell 2.9% from 21/22. The recurrent grant for teaching and research activities from the Department for the Economy (DfE) increased 4.8%, this is due to increased student numbers for the new Medical School, an increase in research funding following the outcome of the Research Excellence Framework and an additional one-off research grant funding for 22/23. The grants for special initiatives was lower in 22/23 compared to 21/22 as 21/22 received covid related grants and funding for the set-up of the Graduate Medical School. Growth of 15.4% in tuition fees is due to an increase in student numbers from overseas and in the educational partnerships contracts.

Research Income increased 13% year on year from £31.4m to £35.4m. There was a significant increase in UK government funded grants of over £5m and a fall in EU government funded grants of £2.7m. This can be explained largely to the UK Government underwriting EU funding for the financial year. In addition, the impact of City Deals is taking effect with significant increases in research income within the Faculty of Arts due to Studio

Ulster Limited, with income increasing significantly from AHRC and DfE. While research income from the EU has decreased, this trend will likely change in the future, with the UK associating with Horizon Europe from January 2024. Although this will have little impact in the short term, there will be a significant increase in the medium to long term.

Other income of £19.9m remained stable year on year. The level of trading activity has stabilised after the Covid pandemic.

Expenditure

Total expenditure in 2022/23 was £269m (2022: £300.5m), with staff costs representing 54.0% of the total expenditure (2022: 58.2%), after excluding pension adjustment.

Other operating expenses includes expenditure on utilities and premises maintenance costs, administration costs, equipment, student accommodation, scholarships and bursaries and, library services. Other operating expenses (excluding depreciation) for the year were £96.6m, which compares to the prior year cost of £83.1m. This is due to inflationary increase in costs, increased expenditure in research activity and increased costs for international students, both these costs are in line with increased income from these streams. Travel costs also increased returning to pre covid levels.

Impact of Pension Deficit

The Statement of Total Comprehensive Income (SOCl) for the year includes a net credit of £25.2m from the University's pension liability movement (2022: charge £5.1m). This includes an actuarial gain in the NILGOSC pension scheme of £17.2m (2022: gain £54.6m).

The pension provision credit is a non-cash movement and is not a measure of the University's operational financial performance or surplus generated. It is simply the difference, year on year, of revisions of the estimated value of the scheme assets and liabilities of the University's defined benefit pension schemes.

Certain assumptions are used to value future liabilities of the pension scheme and the assets belong to the pension scheme. These estimates reflect changes to the actuary's assumptions as a consequence of developments in the year.

The FRS 102 valuation of the NILGOSC pension scheme at 31 July 2023 resulted in an estimated net pension asset of £18.9m.

Estates Capital Plan

The Estates capital work for 2022/23 has continued to focus on enhancing the experience for students, staff and the wider community. This included the further development of areas of the campus master plans for Coleraine and Derry~Londonderry to supplement the long-term master plan vision for the campuses.

In addition, this work also provides short to medium frameworks for the development at the campuses in line with the respective masterplans. The masterplan work will inform the development of the new Estate Strategy which is now scheduled for completion in 2023/24. Aligned to the delivery of the Estates masterplan the University purchased two new buildings in 22/23. Mount Royal in Derry~Londonderry facilitates student residences needs associated with the campus expansion while the purchase of the Irish News building in Belfast is a longer term investment to facilitate future campus needs.

The Estates Services team continues to work closely with academic colleagues and external stakeholders on the development of City Deals for both Belfast Region and Derry City and Strabane Region (and Inclusive Futures Fund for Derry Region).

A key element of the Inclusive Futures Fund is the School of Medicine which opened in temporary accommodation for Semester 1 2021/22. This followed an extensive refurbishment of one of the listed buildings on the campus. A space brief for the new build School of Medicine has been developed and will be finalised on agreement of student numbers intake.

On the Coleraine campus, the University have progressed remedial works to address the impact of a fire in a teaching laboratory in Block G4 of the campus with design work for the final reinstatement now well underway.

In addition, the University are progressing the engagement on the potential development of a golf driving range on the campus in tandem with continuing to also carry out essential long-term maintenance to building fabric.

On the Derry~Londonderry campus, significant refurbishment works have been completed on Block MF to facilitate the arrival of the School of Health Sciences which has now completed its first year of teaching on the campus. The completed facilities provide modern state of the art specialist teaching and learning spaces, student hubs, social spaces, offices and ancillary accommodation.

To assist with the Derry~Londonderry campus legibility, new wayfinding signage has been installed throughout the campus and a new pedestrian route through the campus, which links the previously disconnected lower levels, has also been completed. Construction of a new car park on the Duncreggan site, to facilitate the growth in campus numbers, was also completed.

Additional works on the Derry~Londonderry campus included the development of a 'sports yard' to facilitate external activities and the installation of a new heating system in the university owned student accommodation to improve reliability and operational flexibility.

On the Belfast campus, the University has progressed the design work for the refurbishment of the Academy Restaurant and Students' Union both of which will progress to site over summer 2023. Other campus interventions have included the creating of a student social area adjacent to the main campus entrance. The final phase of the Greater Belfast Development project (Block BC) completed in September 2022 and the new campus in Belfast was fully operational for the start of the academic year.

In relation to the Jordanstown campus, the new sports centre projects planning submission was lodged in October 2023 with a view to commencing construction in Spring 2024 while decluttering and clearance of the vacated campus is ongoing with view to having this substantially complete by end of the year.

Other Jordanstown elements include the services rationalisation strategy which has been developed to facilitate the disposal of large areas of the campus.

An initial inspection to identify Reinforced Autoclaved Aerated Concrete (RAAC) has been undertaken and seven roof locations, all located on the Coleraine campus, require further investigation. Conditions indicate there is no urgent or immediate work required. It is however anticipated that some remedial works will be undertaken during 23/24, following a more detailed investigation.

Sustainability

Climate and Nature Positive Action

In recognising that the climate emergency and biodiversity crisis are inextricably linked we are responding to these challenges through our campus Climate and Nature Positive actions, engagement, and accreditations.

Climate Positive

Ulster University have completed a net zero carbon modelling project as part of a foundation phase of developing a climate and sustainability strategy. The modelling project presented a series of decarbonisation pathways to reach net zero with different target dates utilising a mix of varying investment and project interventions across the University's entire value chain emissions.

In 2022/23 a preferred decarbonisation scenario was developed into a more detailed Net Zero Carbon Roadmap outlining the major actions required to achieve emission reductions. The Net Zero Roadmap provides a high-level guide to next actions required, including but not limited to:

- Campus and building portfolio assessments and detailed strategies for reducing electrical and heat demand, phasing out gas usage and assessing embodied carbon on future new build and retrofit construction.
- The creation, adoption, and implementation of relevant policies i.e., introduction of innovative business travel policies.
- Focused engagement with key stakeholders, such as suppliers, local government authorities and the student body, to achieve the emissions reduction targets.
- Target-setting for supply chain decarbonisation to reduce upstream Scope 3 emissions.
- Regular annual assessments of carbon emissions to ensure decarbonisation is proceeding at an optimal rate consistent with the net zero carbon roadmap.
- Improvement of data quality and collection processes.

The new enhanced Belfast campus opened in September 2022, its city centre location provided the ideal location and opportunity to promote active and sustainable travel to the over 15,000 staff and students working and studying on the campus.

A range of sustainable travel improvements were introduced including:

- New Translink shuttle bus service connecting the campus to the nearest train stations and popular student residential areas.
- Free Metro bus transfer from Yorkgate Train Station to campus.

- Enhanced bus service from and to Jordanstown Sports Village (JSV) as well as a park and ride facility at JSV.
- Sustainable Travel Map.
- Opening of Active Travel Hub operated by social enterprise Big Loop Bikes and Sustrans offering cost effective repairs, bike purchase and leasing and a programme of activities, training and events delivered by Sustrans.

Nature Positive

In 2022/23 Ulster University officially pledged to the Nature Positive Universities Alliance committing to assessing the impacts of our natural capital and to determine the most impactful initiatives to introduce and to report progress on. During the year we conducted the first of four pledge requirements by conducting a baseline assessment and ecological survey of the Coleraine campus. Setting nature targets, taking action to protect and restore species and ecosystems and nature reporting will form the next elements of our nature positive pledge and commitments.

Sustainability Engagement and Reward

The Net Zero Challenge digital engagement app was first launched at Ulster University in 2021. The interactive programme is available to all staff and students to engage with individual and university-wide sustainability and wellbeing. By completing positive actions staff and students earn points, a place on the leader board and prizes. After two years the university community has completed almost 10,000 positive sustainability and wellbeing actions so far! Actions have ranged from learning about carbon to travelling actively, and from eating less meat to litter picking.

External Recognition

Ulster University is recognised externally for leading in sustainability through achieving 'Platinum' award in the Business in the Community Environmental Benchmarking Survey and maintaining accreditation to ISO 14001, the International standard for Environmental Management.

For academic year 2023/24 our climate and nature positive commitments will focus on developing a Climate Action Position statement to articulate our position on climate change and focus on completing our first Natural Capital Assessment and Account to facilitate an integrated approach to placing nature on our balance sheet.

Cashflow and Financing

Net cash increased by £18.7m during the year. The movement in funds is summarised below:-

	2023 £m	2022 £m	Change £m
Investments and short term deposits	102.2	82.2	20.0
Cash at bank and in hand	27.7	29.4	(1.7)
Bank and other loans	(160.7)	(161.1)	0.4
Net cash	(30.8)	(49.5)	18.7

The net cash inflow from operating activities for the year was £29.1m (2022: £31.3m), interest paid totalled £0.5m (2022: £0.5m), and interest received totalled £3.5m (2022: £0.4m). Throughout the year the Group operated with a cash surplus and in line with its banking covenants. All treasury decisions were undertaken within the framework of the University's treasury policy. The underlying principle of this policy is that the University operates a low-risk approach in managing its investments and liquidity. All funds are placed with counter parties whose underlying credit rating is monitored against minimum criteria. Furthermore, an upper limit of investment in any one financial institution of £35m applies. The University's Treasury Management policy was approved by General Purposes and Finance Committee in April 2015.

Endowment assets at the year-end were valued at £15.0m, a decrease of £0.3m due to falling market values. The endowment funds are managed by Rathbones Investment Management.

During the year £18.2m cash was spent on acquiring fixed assets against which £2.5m of capital grants were received.

How We Allocate Our Resources 2022/23

£99.8m Academic Departments	Total Staff Costs £140.3m
Staff Costs: £86.7m Other: £13.1m	Total Other £128.7m
£28.0m Research Grants and Contracts	Total £269.0m
Staff Costs: £12.6m Other: £15.4m	
£49.4m Premises	Staff Costs: £4.2m Other: £45.2m
£40.0m Administrative and Central Services	Staff Costs: £20.0m Other: £20.0m
£6.2m Residences, Catering and Conferences	Staff Costs: £1.5m Other: £4.7m
£48.0m Academic Services	Staff Costs: £23.4m Other: £24.6m
(£7.8m) Pension Adjustment	Staff Costs: (£10.7m) Other: £2.9m
£5.4m Other Spend	Staff Costs: £2.6m * Other: £2.8m <small>*including income-generating operations</small>

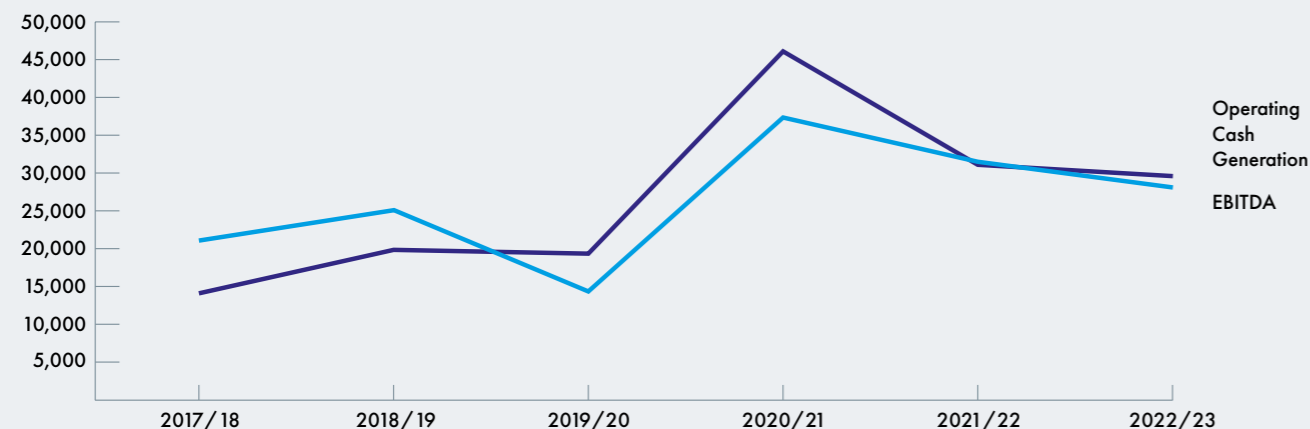
Cashflow Statement 2022/23



EBITDA

One of the key targets which is being monitored as part of the financial strategy is the accumulation of cash to support our corporate ambitions. Two figures are being monitored. Firstly, Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA). EBITDA is a measure of operating surplus excluding major accounting adjustments and finance charges. It provides a good indicator of financial capability to service debt and/or fund capital from internally generated cash. The second figure is net cash from operating activity. This figure takes into account movement in working capital requirements. The following table shows the movement of these two cash indicators over the last five years.

EBITDA to Cash Generated from Operating Activities 2017/18 to 2022/23



From the above it can be seen that the University continues to operate in a financially sustainable manner and can support investment in its infrastructure with EBITDA at £27.8m.

Net Assets

Total net assets £361.8m (2022: £323.4m) have increased by 12.0%. The net book value of fixed assets decreased by £11.7m to £556.9m (2022: £568.6m) which includes the commencement of depreciation for the Greater Belfast Development. The net current assets position remains strong at £92.6m (2022: £82.4m) with an increase of £18.3m in cash funds. The balance sheet reflects the University's continued investment in the Greater Belfast Development as well as maintaining investment in other campuses and the recovery of the pension fund.

Endowments

In the year to 31 July 2023 the Endowment fund value fell to £15.0m, (31 July 2022: £15.3m) representing a decrease of 2.1 %.

The University holds the ethical policy of ensuring investments are made in a responsible manner. In support of this, the University in collaboration with the Students' Union, made the decision to divest from fossil fuel companies and instead invest our endowment fund into more sustainable alternatives. Fossil fuel divestment is the removal of investment assets including stocks, bonds, and investment funds from companies involved in extracting fossil fuels, to reduce climate change by tackling its ultimate causes. The University has fully divested from these investment assets.

Future Financial Health

Key performance indicators are set out below with an assessment on progress against the financial strategy target with **red** meaning immediate action required, **amber** more work required and **green** on track.

When taken together these measures reflect the strong governance and effective management of the University's resources in sustaining financial health in the short, medium and long term.

Financial Sustainability Indicators	2023 Actual	2022 Actual	Comments
Surplus/(Deficit) as a % of income after deducting pension provision movement	4.7%	7.1%	● This indicates the level of return necessary for investment in capital.
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	£27.8m	£31.5m	● This is a measure of operating surplus excluding accounting adjustments and finance charges. It is a good indicator of financial capability to service debt and/or capital expenditure from internally generated cash. Financial Strategy target £18m
Liquidity ratio	176 days	136 days	● This measures our ability to fund short term cash requirements. Financial Strategy set min level at 42 days
Current assets to current liabilities	2.3:1	2.5:1	● An indicator of financial strength to meet short term liabilities.

Financial Outlook

This past year has been very exciting for the University with the official opening of the new Belfast campus by the US President Joe Biden, ongoing growth in Derry~Londonderry and further refurbishment at Coleraine. The financial results for 2022/23 were very positive, with strong growth in international recruitment and significant diversification of income with partners, with a reduced reliance on government funding.

Over the last five years the University cash flow from operating activities has averaged over £25m showing the University has a good track record of generating cash to invest in staff and the estate. This reflects the strong governance and effective management of the University's resources in sustaining financial health.

The University launched its strategy 'People, Place and Partnership' in November 2022, and it recognised the unprecedented time for higher education as it faces the challenge of emerging from the global pandemic and adapting to a changed learning landscape. The University has renewed its commitment to a campus-based university together with a significant expansion of a fully online provision for those wishing to study at a distance. In addition, the strategy has a strong commitment to all areas of sustainability and has recently appointed a new Dean of Sustainability to take forward work in this area.

The strategic commitment to our multi-campus university model is evident in the planned scale of investment across all campuses with funding and investment being committed through a range of Growth and City Deals, and the Irish Government commitment to the provision of capital funding for a new teaching block on the Derry~Londonderry campus.

The outlook for the 2023/24 financial year and beyond is encouraging, however future challenges and an increasingly complex changing operating environment cannot be underestimated particularly upon the public finances.

David Clements
Honorary Treasurer



Risk Managing

When managing risk, the University adheres to its Risk Management Policy which aims to protect the institution and its stakeholders from unforeseen or unacceptable exposure to risks. This policy forms part of the University’s internal control and corporate governance arrangements. It applies to strategic, departmental, faculty and project risk management.

Risk Management

The University’s approach to risk management provides assurance to the Senior Leadership Team, Audit and Risk Committee, Council and the Department for the Economy that those risks that threaten the achievement of the University’s strategic objectives are being actively identified, monitored and mitigated against. This systemic risk management process ensures:

- Enhanced decision-making by forecasting important threats and opportunities;
- A more effective use and allocation of resources;
- A recognition of responsibility and accountability;
- A more targeted, risk-based internal audit plan;
- An enhanced communication and escalation of significant risks from within operational and tactical areas.

Process

Our Senior Leadership Team, (SLT), is, as a collective and individually, responsible for effective risk management in their areas of responsibility, in accordance with the risk management policy and procedures. Key roles of the SLT are to:

- Regularly review the institutional risk appetite statement and appetites assigned to the strategic priorities, for consideration and approval by the Audit and Risk Committee;
- Regularly review all significant strategic risks faced by the University for consideration by Audit and Risk Committee and keep these risks under scrutiny monthly;
- Undertake training and development activities associated with risk management;
- Ensure the adoption of risk management amongst their staff.

In addition;

- All senior officers are required to undertake regular reviews and assessment of key risks within their areas of operation as part of routine management arrangements.
- The SLT are responsible, as project leaders, for the risk management of major institutional projects.
- The Chief Strategy and Finance Officer is responsible for ensuring that the University operates effective procedures relating to risk management and for undertaking formal reviews on behalf of Council of the risk management policy.
- Staff within Audit, Risk and Business Continuity provide on-going training to risk owners in order to facilitate the effective operation of risk management across the University.
- SLT undertakes periodical reviews of the Strategic Risk Register to ensure that it is operating within agreed risk tolerances and significant risks are being escalated and de-escalated on a timely basis.
- Audit, Risk and Business Continuity regularly produce reports for all risk owners highlighting any significant risks across the University that relate to their area of responsibility.

Risk registers

Risk registers exist at three different levels across the university: strategic; tactical (portfolio level); and operational (faculty and departmental). There are project risk registers, e.g. City Deals.

Integration with Internal Audit

Our internal audit strategy is developed around the University’s strategic risks which are listed below, as well as those risks facing the sector. The annual audit plan of reviews across key areas further supports our risk management processes.

The risks for the 2022/23 year were:

The University cannot attract/access investment as needed to operate in a financially sustainable manner and sustain our multi-campus operation.

Cyber Security Preparedness: University could be adversely impacted in the event of a cyber attack.

Inability to develop and maintain a high quality, fit for purpose, digital infrastructure to support teaching and learning delivery.

Inability to generate all benefits from the Greater Belfast Development building due to contractual issues resulting in damage to reputation and/or adverse impact to student and staff experience.

Failure to fully recognise and react positively to the welfare and wellbeing needs of our staff in the delivery of the University’s objectives.

Failure to recruit, retain and progress adequate numbers of students to meet the academic plan.

Failure to promote and embed a strong culture of good governance across the University to support compliance with legal, statutory and regulatory requirements.

Inability to maintain and protect information, digital and physical assets, and maintain business operations while meeting our legal and regulatory obligations.

Inability to identify and respond to our students’ expectations and support health and wellbeing.

High quality university environment is not developed/maintained and utilised effectively to deliver a high-quality student and staff experience in respect of learning, research and campus life.

Statement Corporate Governance

The University is committed to promoting best practice in all aspects of corporate governance. The following statement aims to provide readers of the Financial Statements with an understanding of the governance arrangements applied by Council, the governing body of the University.

The University endeavours to structure its governance arrangements and 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) and in line with the Committee of University Chairs (CUC) Higher Education Code of Governance (September 2020) and its own Statement of Primary Responsibilities (see pages 24 to 25).

The University is an autonomous body, whose legal status derives from a Royal Charter granted in 1984. The University's objects, powers and framework of governance are set out in the Charter and supporting Statutes, which are currently under review. Council also seeks to comply with the Charity Commission's guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education.

Council meets formally at least five times each year. It is responsible for the ongoing strategic direction of the University, the stewardship of its revenue and property, and the general conduct of its affairs. Council works closely with the Vice-Chancellor and his Senior Leadership Team (SLT) to set the institutional strategy and purpose, and the SLT ensures that steps are taken to deliver the institutional goals, supported by elective systems of control and risk management.

Under its Delegated Authority Framework, Council delegates some of its powers and responsibilities to its core Committees. The Framework provides clarity on those matters reserved to Council for collective decision to include, for example, approval of the University's Strategic Plan, and those which it delegates to its Committees and to the Vice-Chancellor. Each Committee is provided with a clear remit and written Terms of Reference stating the extent and limits of its responsibilities and authority. The key governance Committees are Senate; the Audit and Risk Committee; the Resources Committee; the People Committee (formerly the Governance, Nominations and Remuneration Committee); the Belfast Campus Development Committee; and the City Deals and Special Projects Committee).

Further detail on Council and its core Committees is set out overleaf.

Council

The Council, which met six times during the year, has a membership of eighteen, the majority of whom (thirteen) are appointed from outside the University. With the exception of the Students' Union President, Council members serve for a maximum of two terms of four years. Council has two Pro-Chancellors, who act as Chair and Deputy Chair of Council. The Pro-Chancellors are supported in this role by the Honorary Treasurer, who is also appointed from among the external members of Council. Both the Vice-Chancellor and the Students' Union President are ex-officio members of Council and the membership also includes three elected members of University staff. With the exception of the Vice-Chancellor, whose emoluments are disclosed in Note 7, none of the members receive any payment, other than the reimbursement of reasonable expenses, for the work that they do in their capacity as members of Council.

The membership of Council, during the 2022/23 academic year, is provided below:

Ex Officio Members:

Dr J Pyper	Pro-Chancellor and Chair of Council (from 01 July 2019)
Dr E Way	Second Pro-Chancellor (from 20 June 2020)
Mr D Clements	Honorary Treasurer (from 01 August 2016)
Professor P Bartholomew	Vice-Chancellor (from 17 August 2020)
Ms G Boyle	President of the Students' Union (from 01 June 2022 - 01 June 2023)

External Members:

Mr P Lobban	appointed 01 October 2016
Dr P McNaney	appointed 01 October 2016
Dr J Stuart	appointed 01 October 2016
Mr P Sheridan	appointed 09 November 2018
Mrs M Lindsay	appointed 09 November 2018
Mr R Sloan	appointed 15 February 2019
Mr A Moore	appointed 09 December 2020
Ms J Taggart	appointed 01 January 2021
Mr C Conway	appointed 01 March 2023
Mr J Healy	appointed 01 March 2023

Elected Staff Members:

Ms G Horgan	appointed 15 February 2019
Mr E Friel	appointed 01 October 2020
Professor A Gallagher	appointed 01 October 2020

The Audit and Risk Committee

The Audit and Risk Committee, chaired by Pro-Chancellor Dr Elaine Way, met five times during the year, with the University's Internal and External Auditors in attendance at all meetings. The Committee considered detailed reports together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation timescales. While Senior Management attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee, and the Committee meets both the External and Internal Auditors in private session at least once each year.

The Resources Committee

The Resources Committee, chaired by the Honorary Treasurer David Clements, met five times during the academic year. The Committee recommends to the Council the University's annual revenue and capital budgets for the University group and monitors performance in relation to the approved budget. The Committee also has, *inter alia*, oversight of matters pertaining to the estate, information technology and people and culture.

The People Committee

The People Committee, chaired by Dr Jenny Pyper, Chair of Council, met seven times during the academic year. The Committee brings together the responsibilities of remuneration, nominations and people and culture. In this context, it reviews annually the salaries of the senior staff of the University including that of the Vice-Chancellor. The review takes account of any external earnings, including consultancy, by senior staff as well as the salary norms within the higher education sector for a wide variety of senior posts. The Committee is also responsible for recommending the appointment and re-appointment of members to Council and its Committees, together with University appointments on subsidiary companies.

The Belfast Campus Development Committee

The Belfast Campus Development Committee, chaired by Dr Peter McNaney, met five times during the academic year. The Committee is responsible to Council for oversight of all aspects of the Belfast campus building development and the relocation of staff and students to the new campus.

The City Deals and Special Projects Committee

The City Deals and Special Projects Committee chaired by Mr Peter Sheridan, met five times during the academic year. The Committee is responsible to the Council for oversight in relation to the governance and assurance frameworks underpinning City Deal and Special Projects, with the special projects falling within the scope of the Committee to be determined, from time to time, by Council.

The Vice-Chancellor

The Vice-Chancellor, as principal academic and administrative officer of the University, has responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal Financial Memorandum between the University and the Department for the Economy (DfE) currently under review, the Vice-Chancellor is the designated Chief Accounting Officer of the University and, in that capacity, can be summoned to appear before the Public Accounts Committee of the Northern Ireland Assembly.

As de facto Chief Executive of the University, the Vice-Chancellor exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments and the shaping of the institutional ethos. The Deputy Vice-Chancellor, University Provost, Chief Strategy and Finance Officer, Chief People Officer, Pro-Vice-Chancellors, Executive Deans of Faculties, Professional Service Directors and the University Secretary all contribute in various ways to these aspects of the work, but the ultimate responsibility for what is done rests with the Vice-Chancellor. The executive structure of the University is represented by the Senior Leadership Team (SLT), which comprises of the Vice-Chancellor (Chair), the Deputy Vice-Chancellor, the University Provost, the Pro-Vice-Chancellors, the Chief People Officer, the Chief Strategy and Finance Officer and the Executive Deans.

The University maintains a Register of Interests of Members of the Council and Senior Officers, which may be consulted by arrangement with the University Secretary. The Register of Members of the Council is available online on the University's governance web pages.

The Office of the University Secretary provides the secretariat to the Council. Any enquiries about the constitution and governance of the University should be addressed to the University Secretary.

The Senate

The Senate, chaired by the Vice-Chancellor, is the academic authority of the University. It is composed mainly of academic staff but provision is also made for membership of non-academic staff and students. Its role is to direct and regulate the teaching and research work of the University.

Statement of Internal Control

As the governing body of Ulster University, we, the Council, have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible in accordance with the responsibilities assigned to the governing body in the Charter and Statutes and the Financial Memorandum with the Department for the Economy (DfE).

The Council is of the view that there is an ongoing process for identifying the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage these efficiently, effectively and economically. Those procedures have been in place for the year ended 31 July 2023.

The following actions have been taken in relation to the risk management policy and for reviewing the effectiveness of the systems of internal control:

- The Council met six times in the year to consider the strategic direction and plans of the University and to monitor performance against those plans;
- There is clear definition of the responsibilities of, and authority delegated to, committees of the Council and the Executive;
- The University's current strategic plan sets the framework of strategic aims and objectives against which risks are assessed and performance is monitored and reported;
- A Strategic Risk Register, which incorporates the key risks at institutional level, is maintained;
- The Senior Leadership Team (SLT) formally reviews and assesses high risks bi-monthly;
- All faculties and departments, as part of their planning, maintain and review their risk registers;
- The Audit and Risk Committee receives reports from the independent Internal Auditors on the adequacy and effectiveness of the University's systems of internal control with recommendations, as appropriate, for improvement.

In addition to these, other actions were taken in-year to enhance internal control:

The work of the Internal Audit service has been informed by an analysis of the operational, business and financial risks to which the University is exposed and upon which Internal Audit activity for 2022/23 was based. The Internal Audit service operates to agreed standards and submits regular reports, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the system of internal controls, together with recommendations for improvement. Deloitte (NI) Ltd were appointed as the University's internal auditors in June 2022 on a three-year contract.

Our reviews of the effectiveness of the system of internal control are informed by the work of the Internal Auditors and the SLT within the institution who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their year end management letter and other reports. The Audit and Risk Committee monitors the effectiveness of the systems of internal control on Council's behalf. Any system of internal control can, however, only provide reasonable, but not absolute assurance against material loss or misstatement.

In accordance with the Statutes, the Council, as a governing body, is responsible for the administration and management of the affairs of the University including ensuring an effective system of internal control and is required to present audited Financial Statements for each financial year.



Statement of the Council's Responsibilities

The Council is responsible for ensuring the maintenance of proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that Financial Statements are prepared in accordance with the Statutes, the Statement of Recommended Practice on Accounting in Higher Education Institutions and other relevant accounting standards.

In addition, within the terms and conditions of a Financial Memorandum agreed between the Department for the Economy and the Council of the University, the Council, through its designated office holder, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the Financial Statements to be prepared, the Council has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Financial Statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. The Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future; for this reason the going concern basis continues to be adopted in the preparation of the Financial Statements.

The Council has taken reasonable steps to:

- Ensure that funds from DfE are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Department and any other conditions which the Department may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of the University and prevent and detect fraud;
- Secure the economical, efficient and effective management of the University's resources and expenditure.

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:

- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, and cash flow budgets;
- Regular 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 by the Resources Committee on behalf of the Council;
- A Financial Procedures Manual, detailing financial controls and procedures;
- A professional Internal Audit team whose annual programme is approved by the Audit and Risk Committee.

The Audit and Risk Committee, on behalf of Council, has reviewed the effectiveness of the University's system of internal financial control. Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.



Statement of Primary Responsibilities

The Council is the governing body of the University and its members are the trustees in relation to the University's status as an exempt charity. The Council is responsible for overseeing the University's activities, determining its future direction, and fostering an environment in which institutional objectives are achieved.

This Statement is based on the model statement contained in the Higher Education Code of Governance, published by the Committee of University Chairs in September 2020, adapted to reflect the powers and responsibilities that the Council derives from its approved Charter and Statutes.

Consistent with the University's constitution, the primary responsibilities of the University Council are as follows:

1. To set and agree the mission, strategic vision and values of the University with the Executive, in accordance with its primary objectives of learning, teaching and research.
2. To provide oversight and accountability for the University's arrangements for governance and risk management.
3. To approve and keep under review the University's long-term academic and strategic plans, including key performance indicators, ensuring that these meet the interests of stakeholders, especially staff, students, alumni and other beneficiaries.
4. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the strategy, plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
5. To delegate authority to the Vice-Chancellor, as Head of the Institution, for the academic, corporate, financial, estate and human resource management of the University.
6. Through an effective Scheme of Delegated Authority, regularly reviewed by Council, to establish and keep under review the policies, procedures and limits within such management functions as shall be undertaken by, and under the authority of, the Vice-Chancellor.
7. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, risk assessment, value for money arrangements and robust procedures for handling internal grievances and managing conflicts of interest.
8. To establish processes to monitor and evaluate the performance and effectiveness of Council itself.
9. To conduct its business in accordance with best practice in Higher Education corporate governance, the University's agreed values, and with the principles of public life drawn up by the Committee on Standards in Public Life.
10. To safeguard the good name and values of the University.
11. To appoint the Vice-Chancellor as Chief Academic and Administrative Officer of the University, and as its Accounting Officer, and to put in place suitable arrangements for monitoring their performance.
12. To appoint a Secretary to Council and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
13. To be the employing authority for all staff in the University and to be accountable for ensuring that an appropriate people and culture strategy is established.
14. To seek assurance that the University is meeting the conditions of funding as set by regulatory and funding bodies and other major University funders, and that the use of funds is in line with the principles of regularity, propriety and value for money.
15. To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall accountability for the University's assets, property and estate.
16. To be the University's legal authority and, as such, to ensure systems are in place for meeting all its legal obligations, including those arising from contracts and other legal commitments made in the University's name. This includes accountability for health, safety, wellbeing and security and for equality, diversity and inclusion.
17. In consultation with Senate, to receive assurance that adequate provision has been made for the general welfare of students.
18. To ensure that the procedures in place for managing students, including disciplinary procedures, are fair and equitable.
19. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.
20. To determine regulations for the custody and use of the common seal of the University.
21. To approve, for consideration by Privy Council, changes to the Charter and Statutes and to ensure that the institution's constitution is always followed, and that appropriate advice is available to enable this to happen.
22. To promote a positive culture which supports inclusivity and diversity across the institution, including within Council's own composition.
23. In partnership with Senate, to maintain and protect the principles of academic freedom and freedom of speech legislation.
24. To ensure that all students and staff have appropriate opportunities to engage with the governance and management of the institution by operating in an open, honest and accountable manner.
25. To ensure the University is appropriately accessible and relevant to its local communities and is open to engagement with local communities in identifying its role in delivering public/community benefit and economic civic duties.

Report to the Council of Ulster University Independent Auditor's

Opinion

We have audited the financial statements of Ulster University ('the University') and its subsidiaries (the 'Group') for the year ended 31 July 2023 which comprise the Group and University Statement of Comprehensive Income, the Group and University Statement of Changes in Reserves, the Group and University Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 28, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2023 and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been properly prepared in accordance with the Department for the Economy's Accounts Direction to Higher Education Institutions for 2022-23 Financial Statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Group and parent institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the University Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent institution's ability to continue as a going concern for the period to 31 July 2025.

Our responsibilities and the responsibilities of the University Council's with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The University Council is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Financial Memorandum (Part 1) between the Department for Employment and Learning (now the Department of the Economy) and the University of Ulster ("Financial Memorandum")

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- funds from whatever source administered by the institution for specific purposes have been applied properly to those purposes and, if relevant, managed in accordance with relevant legislation; and
- funds provided by Department for the Economy have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them.

Matters on which we are required to report by exception

Under the Funding Council's Financial Memorandum (Part 1), the University is required to include a Statement of Internal Control within the annual financial statements. We are not required to audit this statement, or to form an opinion on the effectiveness of risk management and control procedures but have a duty to report by exception whether this statement is inconsistent with our knowledge of the University.

Responsibilities of the Council

As explained more fully in the Statement of the Council's Responsibilities set out on page 22, the University Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the University Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the group's and the parent institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Council either intend to liquidate the group or the parent institution or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the University and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the University and determined that the most significant are FRS 102, the Statement of Recommended Practice for Further and Higher Education and the Financial Memorandum between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.
- We understood how Ulster University is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through reading the University Council minutes and papers provided to the Audit and Risk Committee.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the University's policies and procedures relating to:
 - o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

- o The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the University's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and identified the recognition of tuition fee, research grants and other income as fraud risks. Our testing included agreeing a sample of these income streams to supporting agreements or letters, remittances and the receipt of payment in bank statements, and the testing of certain revenue journals to assess recognition in the current year. In addition, for a sample of deferred income items, we reviewed the related supporting documentation to assess performance related conditions, whether the required conditions had been met and that income had therefore been recognised in the correct financial year. We also tested a sample of income items before and after the year end to confirm that they had been recorded in the correct financial year.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business and review of Council.

In addition to the above, our procedures to respond to the identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Reading minutes of meetings of those charged with governance and the Council;
- In addressing the risk of management override of controls we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for

appropriately. We reviewed significant accounting estimates for management bias and noted that we did not identify any significant unusual transactions in the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Council of Ulster University, as a body, in accordance with the Charters and Statutes of the University. 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 Ulster University as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Christie (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast
24 November 2023

Statement of Principal Accounting Policies

1. Basis of Preparation

Ulster University (“the University”) is an independent educational charity, registered with the Charity Commission for Northern Ireland, whose legal status derives from a Royal Charter granted in 1984. The address of the University’s registered office is Cromore Road, Coleraine, BT52 1SA.

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice “Accounting for Further and Higher Education 2019” and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (“FRS 102”). The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain land and buildings. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The financial statements are presented in Sterling (£) with all values rounded to the nearest £1,000 except when otherwise indicated.

Going Concern

The University and Group’s financial statements have been prepared on a going concern basis.

The University has prepared a 5 year strategic plan and financial forecasts. The new Belfast campus opened in September 2022 and the long-term loan agreement with the Strategic Investment Board to assist the funding of the Greater Belfast Development is fully drawn down.

The University has prepared detailed monthly cashflow forecasts to 31 July 2025, based on conservative estimates of student numbers and in line with its Strategic Plan, which show the University operating within the terms of its funding facilities and sufficient cash resources throughout this period. The cashflow demonstrates the University will continue to maintain cash reserves over the period to 31 July 2025 and meet all its obligations.

On this basis, Council has a reasonable expectation that the University and its subsidiary undertaking have adequate resources to continue in operational existence for the period to 31 July 2025. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

2. Consolidation

The consolidated Financial Statements include the University and its subsidiary undertaking Innovation Ulster Limited. The results of the subsidiary company are included in the consolidated Statement of Comprehensive Income from the date of acquisition or up to the date of disposal. Intra-Group sales and profits are eliminated fully on consolidation.

The Ulster University’s Students’ Union is constituted as an independent body and therefore in accordance with FRS 102, its financial statements are not consolidated with the Financial Statements of the University because the University does not control those activities.

The subsidiary company Studio Ulster Limited, the joint venture results of Branch Campus (London & Birmingham) Limited, C-TRIC Limited (formerly ABC Research & Innovation Limited) and NI Composites O&M LLP (NICOM) and the investment in NIACE Limited are not consolidated in the Financial Statements on the grounds of materiality.

3. Recognition of Income

Income from the sale of goods and services is credited to the Statement of Comprehensive Income in line with the provision of the associated goods and services.

Academic Fee income is stated gross of any expenditure and credited to the Statement of Comprehensive Income over the period of students’ study. Where the amount of tuition fee is reduced, income receivable is shown net of the discount. Bursaries and Scholarships are accounted for gross of expenditure and are not deducted from income.

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

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

Grant Funding – Revenue Grants

Revenue grants 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 in line with such conditions being met.

Grant Funding – Capital Grants

Where tangible fixed assets are acquired with the aid of Government capital grants, these grants are recognised as deferred income within creditors and released to income over the expected useful economic life of the asset. All other capital grants are recognised in income when the University is entitled to the funds subject to any performance conditions being met.

Other Income

Income from specific endowments and donations, research grants and contracts and other services rendered is included to the extent of the expenditure incurred during the year, together with any related contributions towards overhead costs. All income from short-term deposits and general endowment asset investments is credited to the Statement of Comprehensive Income on a receivable basis. All income from other sources is credited to the Statement of Comprehensive Income on an accruals basis.



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 reserves until such time it is utilised in line with the 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/depreciation of endowments are recorded in income in the year in which they arise.

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

1. Restricted donations – the donor has specified that the donations must be used for a specific 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 for the use of the funds and the University can convert the endowed capital into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective

4. Pension Schemes

The two principal pension schemes for the University's staff are the University's Superannuation Scheme (USS) and the Northern Ireland Local Government Officers Superannuation Committee.

Pension Fund (NILGOSC). The funds are valued every three years by actuaries using the aggregate method, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The USS scheme is a defined benefit scheme but it is not possible to identify the University's share of underlying assets and liabilities in the USS scheme. As such, contributions made to the scheme are treated as if it were a defined contribution scheme and charged to the Statement of Comprehensive Income. A liability is recorded within the provisions for any contractual commitment to fund past deficits within the USS scheme.

The NILGOSC scheme is a multi-employer scheme and the underlying assets and liabilities are disclosed in the Balance Sheet. The difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as a liability on the balance sheets.

The amount charged to the Statement of Comprehensive Income is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.

The expected return on the pension scheme's assets during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are shown as financing costs in the Statement of Comprehensive Income.

Any difference between the expected return on assets and that actually achieved and any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the Statement of Comprehensive Income.

5. Employment Benefits

Any unused employment benefits for staff with contractual benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement.

6. Foreign Currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of Statement of Comprehensive Income for the financial year.

7. Freehold Land and Buildings

The University has adopted the transitional arrangements on conversion to FRS 102 and has revalued land and buildings as at 31 July 2014 on three campuses, namely Coleraine, Derry~Londonderry and Belfast. Land and buildings that have been revalued to fair value prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation.

Following the transfer of the Jordanstown campus to Belfast, the value of the land and buildings at Jordanstown is reviewed annually.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Land is held freehold and is not depreciated as it is considered to have an indefinite useful life. Buildings are depreciated on a straight line basis over their expected useful lives, up to a maximum of 60 years.

8. Assets Under Construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July. They are not depreciated until they are brought into use.

9. Equipment

Equipment, including software and related software development costs, costing less than £25,000 per individual item or group of related items, is written off in the year of acquisition.

All other equipment including software and related development costs are capitalised. Capitalised equipment (other than research grant equipment) is stated at cost and depreciated on a straight line basis over its expected useful life, assumed to be four years. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Where equipment is acquired with the aid of a specific research grant it is capitalised and depreciated over the shorter of its estimated useful life or the remaining life of the research grant, with the related grant being credited to a deferred capital grant account and released to the Statement of Comprehensive Income over the remaining life of the related grant.

10. Fixed Asset Investments

(a) The University's Endowment Fund is included in the Balance Sheet at market value and is administered by an external fund manager. Investments in subsidiary companies are shown at the lower of cost and net realisable value. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Any changes in fair value are taken directly to the Statement of Comprehensive Income.

(b) Fixed Asset Investments through Innovation Ulster Limited and Ulster Equity Partnership.

From the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines (2018 edition) the company values its fixed asset investments (which comprise trade investments) as follows:

- Price of Most Recent Investment (PMRI); or
- Multiple of earnings or revenues; or
- Net asset basis

If valuers consider that the passage of time since the date of the last investment diminishes the appropriateness of that methodology, then a modified version of that valuation may be used which refers to industry benchmark valuations or a company based milestone analysis, i.e. performance against technical or financial targets of milestones.

It is expected that the company will use the PMRI basis where the investment has been made within 12 months, otherwise the Net Assets basis will be used.

Any changes in fair value are taken directly to the Statement of Comprehensive Income.

11. Current Asset Investments

Current asset investments are included at the lower of cost and net realisable value.

12. Stocks

Stocks, which are generally consumable in nature, are expensed to the Statement of Comprehensive Income in the year of purchase.

13. Cash and Cash Equivalents

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

Cash equivalents comprise of short term assets readily disposable but not within 24 hours without penalty. They include short term deposits and other instruments held as part of the University's treasury management activities. They exclude any such assets held as Endowment Asset Investments.

14. Provision for Bad Debts

Bad debts are written off when recognised as irrecoverable. Debts which are considered doubtful are provided for in the accounts.

15. Leases

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

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.

The cost of operating leases is charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

16. Provisions

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

17. Maintenance of Premises

The University has a 5 year planned maintenance programme which is reviewed on an annual basis. Actual expenditure on maintenance is charged to the Statement of Comprehensive Income in the period it is incurred.

18. Taxation Status

The University is considered to pass the tests set out in Paragraph 1 Schedule 6 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 287 CTA 2009 and sections 471, 478, 488 CTA 2010 (formerly S505 of ICTA 1988) or section 256 of the taxation of Chargeable gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The University is registered as a charity with HM Revenue and Customs and with the Northern Ireland Charity Commission. The University receives no similar exemption in respect of Value Added Tax. Innovation Ulster Limited, a subsidiary of the University has no charitable status and can therefore be liable to Corporation Tax on chargeable profits.

19. Reserves

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

The University holds a revaluation reserve resulting from revaluation of fixed assets on conversion to FRS 102 as at 31 July 2014.

20. Subsidiary Accounting Policies

The subsidiary of the University adopts the same accounting policies of the University.

21. Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Carrying Value of Investments

The Group has investments, as disclosed in **Note 12**, valued using the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines. These methodologies require the use of judgement, including assessing the most appropriate methodologies to be used, whether changes in methodologies are required due to the passage of time since the date of the last investment and in certain methodologies the assumptions to be used. Due to the complexity of these methodologies, and the underlying assumptions used, such as estimates are subject to significant uncertainty. Any diminution in value is recognised in profit or loss.

NILGOSC Pension Benefits

The cost of the NILGOSC defined benefit pension plans is determined using actuarial valuations, as disclosed in **Note 22**. 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. In determining the appropriate discount rate, management considers the yield of high quality bonds of the same term and currency as the future cashflows.

Judgement is also required in respect of the amount of the NILGOSC pension asset recognised at 31 July 2023 of £18.9m (see **Note 22**). In the absence of specific guidance in FRS 102 the assessment of the recognition of this asset has been determined using the applicable requirements of International Accounting Standards Board's IFRIC 14 "IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". Details of the assessment made in determining the amount of the recoverable surplus and hence net asset recognised at 31 July 2023, together with a related sensitivity analysis, are set out in **Note 22**.

USS Pension Scheme

As the institution is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. 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 22**.

Carrying Value of Jordanstown Campus Land and Buildings

The Jordanstown campus activity fully transferred to the new Belfast campus in September 2022. The carrying value of the Jordanstown campus estate included in fixed assets (see **Note 11**) has been written down to its estimated recoverable amount based on an independent valuation completed in April 2020 by Lambert Smith Hampton, with the fair value of the estate based on market value in accordance with the Royal Institution of Chartered Surveyors Valuation Guidance Standards – Red Book Global. The members of the Council have assessed that this fair value continues to be appropriate as at 31 July 2023. However, such valuations are inherently judgemental with the value attributed sensitive to changes arising from market factors and how the value of the estate is ultimately realised.



Statement of Comprehensive Income

Group and University Statement of Comprehensive Income for the Year Ended 31 July 2023

	Note	Group 2023	University 2023	Group 2022	University 2022
		£000	£000	£000	£000
Income					
Tuition Fees and Education Contracts	1	121,964	121,964	105,693	105,693
Funding Body Grants	2	99,065	99,065	102,044	102,044
Research Grants and Contracts	3	35,442	35,442	31,375	31,375
Other Income	4	19,905	20,907	19,387	19,299
Investment Income	5	4,114	4,141	821	821
Donations and Endowments	6	961	961	154	154
Total Income		281,451	282,480	259,474	259,386
Expenditure					
Staff Costs	7	151,075	151,075	140,706	140,706
Movement in USS Pension Provision	7	(12,878)	(12,878)	53,239	53,239
Movement in NILGOSC Pension Provision	7	2,139	2,139	5,441	5,441
		140,336	140,336	199,386	199,386
Other Operating Expenses	8	96,600	96,591	83,126	84,228
Depreciation	11	28,857	28,857	16,154	16,154
Interest and Other Finance Costs	9	3,176	3,176	1,808	1,808
Total Expenditure		268,969	268,960	300,474	301,576
Surplus/(Deficit) Before Other Gains and Losses		12,482	13,520	(41,000)	(42,190)
Gain on Disposal of Fixed Assets		1,357	1,357	-	-
Gain/(Deficit) on Investments	12	7,282	1,906	(211)	(1,032)
Surplus/(Deficit) Before Taxation		21,121	16,783	(41,211)	(43,222)
Taxation		(4)	-	-	-
Surplus/(Deficit) After Taxation		21,117	16,783	(41,211)	(43,222)
Actuarial Gain in Respect of Pension Schemes	22	17,187	17,187	54,643	54,643
Total Comprehensive Income for the Year		38,304	33,970	13,432	11,421
Represented by:					
Endowment Comprehensive (Deficit) for the Year		(328)	(328)	(775)	(775)
Unrestricted Comprehensive Income for the Year		43,047	38,713	19,744	17,733
Revaluation Reserve Comprehensive (Deficit) for the Year		(4,415)	(4,415)	(5,537)	(5,537)
Total		38,304	33,970	13,432	11,421

Statement of Changes in Reserves

Group and University Statement of Changes in Reserves Year Ended 31 July 2023

Group	Income and Expenditure Reserve		Revaluation Reserve	Total
	Endowment	Unrestricted		
	£000	£000	£000	£000
Balance at 1 August 2021	16,138	193,969	99,907	310,014
(Deficit) from the Statement of Comprehensive Income	(775)	(40,436)	-	(41,211)
Other Comprehensive Income	-	54,643	-	54,643
Transfers Between Revaluation and Income and Expenditure Reserve	-	5,537	(5,537)	-
Total Comprehensive Income/(Deficit) for the Year	(775)	19,744	(5,537)	13,432
Balance at 1 August 2022	15,363	213,713	94,370	323,446
Income/(Deficit) from the Statement of Comprehensive Income	(328)	21,445	-	21,117
Other Comprehensive Income	-	17,187	-	17,187
Transfers Between Revaluation and Income and Expenditure Reserve	-	4,415	(4,415)	-
Total Comprehensive Income/(Deficit) for the Year	(328)	43,047	(4,415)	38,304
Balance at 31 July 2023	15,035	256,760	89,955	361,750

Statement of Changes in Reserves (continued)

Group and University Statement of Changes in Reserves Year Ended 31 July 2023

University	Income and Expenditure Reserve			Total
	Endowment	Unrestricted	Revaluation Reserve	
	£000	£000	£000	
Balance at 1 August 2021	16,138	188,334	99,907	304,379
(Deficit) from the Statement of Comprehensive Income	(775)	(42,447)	-	(43,222)
Other comprehensive Income	-	54,643	-	54,643
Transfers Between Revaluation and Income and Expenditure Reserve	-	5,537	(5,537)	-
Total Comprehensive Income/(Deficit) for the Year	(775)	17,733	(5,537)	11,421
Balance at 1 August 2022	15,363	206,067	94,370	315,800
Income/(Deficit) from the Statement of Comprehensive Income	(328)	17,111	-	16,783
Other Comprehensive Income	-	17,187	-	17,187
Transfers Between Revaluation and Income and Expenditure Reserve	-	4,415	(4,415)	-
Total Comprehensive Income/(Deficit) for the Year	(328)	38,713	(4,415)	33,970
Balance at 31 July 2023	15,035	244,780	89,955	349,770

Balance Sheets

Balance Sheets as at 31 July 2023

	Note	Group 2023	University 2023	Group 2022	University 2022
		£000	£000	£000	£000
Fixed Assets					
Tangible Assets	11	556,879	556,879	568,567	568,567
Investments	12	31,496	18,842	24,091	16,865
Total Fixed Assets		588,375	575,721	592,658	585,432
Current Assets					
Debtors	13	35,604	36,604	27,245	27,008
Investments and Short Term Deposits	14	102,264	102,264	82,224	82,224
Cash at Bank and In Hand	15	27,650	27,331	29,382	29,221
Total Current Assets		165,518	166,199	138,851	138,453
Creditors: Amounts Falling Due Within One Year	16	(72,908)	(72,915)	(56,441)	(56,463)
Net Current Assets		92,610	93,284	82,410	81,990
Total Assets Less Current Liabilities					
Creditors: Amounts Falling Due After More Than One Year	17	(260,074)	(260,074)	(267,266)	(267,266)
Pension Liability		(78,042)	(78,042)	(88,007)	(88,007)
Pension Asset		18,881	18,881	3,651	3,651
Provision for Liabilities	18	(59,161)	(59,161)	(84,356)	(84,356)
Net Assets Including Pension Assets and Liabilities		361,750	349,770	323,446	315,800
Reserves					
Restricted Reserves					
Endowment Reserve	19	15,035	15,035	15,363	15,363
Unrestricted Reserves					
Income and Expenditure Account – Unrestricted		256,760	244,780	213,713	206,067
Revaluation Reserve		89,955	89,955	94,370	94,370
Total Reserves		361,750	349,770	323,446	315,800

The Financial Statements on pages 30 to 61 were approved by the Council on 23 November 2023 and signed on its behalf by:

Mr David Clements
Honorary Treasurer

Ms Elaine Hartin
Chief Strategy and Finance Officer

Professor Paul Bartholomew
Vice-Chancellor and Chief Accounting Officer

Group Cash Flow Statement

Group Cash Flow Year Ended 31 July 2023

	Note	Year ended 31 July 2023	Year ended 31 July 2022
		£000	£000
Cash Flow from Operating Activities			
Surplus/(Deficit) for the Year before Taxation		21,121	(41,211)
Taxation		(4)	-
Surplus/(Deficit) for the Year after Taxation		21,117	(41,211)
Adjustment for Non-Cash Items			
Depreciation	11	28,857	16,154
(Gain)/Loss on Investments	12	(7,282)	211
(Increase) in Debtors	13	(8,359)	(5,152)
Increase in Creditors	16	14,049	5,922
(Decrease)/Increase in Pension Provision	18	(8,008)	59,718
Deferred Capital Grants Released Income		(6,210)	(3,883)
Adjustment for Investing of Financing Activities			
Investment Income	5	(4,114)	(821)
Interest Payable	9	525	512
New Endowment Received	6	(128)	(105)
(Profit) on Disposal of Fixed Assets		(1,357)	-
Net Cash Inflow from Operating Activities		29,090	31,345
Cash Flows from Investing Activities			
Capital Grant Receipts		2,520	6,964
Disposal of Non-Current Asset Investments	12	728	269
Investment Income	5	4,114	821
Payments made to Acquire Fixed Assets	11	(18,233)	(47,145)
Fixed Asset Disposal Proceeds		1,650	-
New Non-Current Asset Investment	12	(851)	(1,370)
New Fixed Deposits		(20,040)	(19,488)
		(30,112)	(59,949)
Cash Flows from Financing Activities			
Interest Paid	9	(525)	(512)
New Endowments Received	6	128	105
New Unsecured Loans	17	-	20,850
Repayments of Amounts Borrowed	17	(313)	(338)
		(710)	20,105
(Decrease) in Cash and Cash Equivalents in the Year		(1,732)	(8,499)
Cash and Cash Equivalents at Beginning of the Year		29,382	37,881
Cash and Cash Equivalents at End of the Year		27,650	29,382

Notes to the Financial Statements

1. Tuition Fees and Education Contracts

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Full-time Student Fees	62,987	62,987	62,770	62,770
Overseas Student Fees	24,061	24,061	12,084	12,084
Part-time Fees	12,950	12,950	11,212	11,212
DOH Education Contract	20,714	20,714	18,859	18,859
Short Course Fees	1,252	1,252	768	768
	121,964	121,964	105,693	105,693

2. Funding Body Grants

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Recurrent Grant	84,704	84,704	80,819	80,819
Specific Grants				
– Covid Support Grants	-	-	5,517	5,517
Special Initiatives	8,579	8,579	12,715	12,715
Deferred Capital Grants Released in Year				
– Buildings	3,926	3,926	2,179	2,179
– Equipment	1,856	1,856	814	814
	99,065	99,065	102,044	102,044

3. Research Grants and Contracts

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Research Councils	13,802	13,802	12,797	12,797
UK Charities	1,708	1,708	1,585	1,585
EU Government	2,785	2,785	5,540	5,540
UK Central Government	12,397	12,397	7,267	7,267
Overseas (Non-EU)	876	876	643	643
Health and Hospital Authorities	217	217	43	43
Other Sources	3,657	3,657	3,500	3,500
	35,442	35,442	31,375	31,375

Included in research grants and contracts income is £243k (2022: £658k) in relation to deferred capital grant release.

4. Other Income

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Residences, Catering and Conferences	2,425	2,425	2,056	2,056
Other Services Rendered	9,319	9,325	10,294	10,206
Other Income	7,977	8,973	6,805	6,805
Deferred Grant Release	184	184	232	232
	19,905	20,907	19,387	19,299

Notes to the Financial Statements (continued)

5. Investment Income	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Investment Income on Expendable Endowments	57	57	50	50
Investment Income on Permanent Endowments	414	414	371	371
Income from Short Term Investments	3,461	3,488	400	400
Net Receivable Interest on Pension Scheme	182	182	-	-
	4,114	4,141	821	821
6. Donation and Endowments	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
New Endowments	128	128	105	105
Donations	833	833	49	49
	961	961	154	154
7. Staff Costs	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Wages and Salaries	116,611	116,611	108,580	108,580
Social Security Costs	11,253	11,253	10,661	10,661
Other Pension Costs (Note 22)	23,211	23,211	21,465	21,465
Movement on USS Pension Provision (Note 18)	(12,878)	(12,878)	53,239	53,239
Movement on NILGOSC Pension Provision (Note 18)	2,139	2,139	5,441	5,441
	140,336	140,336	199,386	199,386
Emolument of the Vice-Chancellor	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Salary	263	263	253	253
Benefits	-	-	-	-
	263	263	253	253
Employers Pension Contributions	57	57	54	54
	320	320	307	307

	2023	2022
Ratio of Vice-Chancellor's Basic Salary to Median Basic Salary of Member of University Staff	6.15:1	5.78:1
Ratio of Vice-Chancellor's Total Remuneration to Median Total Remuneration of Member of University Staff	6.11:1	6.01:1

The Vice-Chancellor leads Ulster University to make a significant social, economic and cultural contribution helping our community to thrive and confidently supporting Northern Ireland on the global stage. In an increasingly competitive sector, university leadership reflects the scale, complexity and impact of higher education across research and teaching. The current Vice-Chancellor is employed on a fixed salary contract which is subjected to an annual uplift in line with the outcome of the national collective pay bargaining. The Vice-Chancellor's salary was determined by the University's committee responsible for remuneration and governance and was set in line with the benchmarked salaries of other Vice-Chancellors who lead similar sized and income earning Higher Education institutions in the sector in the UK.

Excluding the Vice-Chancellor, Remuneration of other Higher Paid Staff was in the Following Bands:-	Group 2023	University 2023	Group 2022	University 2022
	No.	No.	No.	No.
£100,000 - £104,999	12	12	7	7
£105,000 - £109,999	9	9	-	-
£110,000 - £114,999	1	1	2	2
£115,000 - £119,999	1	1	1	1
£120,000 - £124,999	1	1	1	1
£125,000 - £129,999	1	1	2	2
£130,000 - £134,999	3	3	2	2
£135,000 - £139,999	1	1	-	-
£140,000 - £144,999	2	2	-	-
£145,000 - £149,999	-	-	1	1
£150,000 - £154,999	-	-	-	-
£155,000 - £159,999	2	2	-	-
£160,000 - £164,999	-	-	1	1
£165,000 - £169,999	-	-	-	-
£170,000 - £174,999	1	1	-	-

Key Management Personnel	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Key Management Personnel Remuneration	2,501	2,501	2,242	2,242

Compensation for Loss of Office

Compensation Payable Recorded Within Staff Costs	1,130	1,130	368	368
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During the year the University paid £1,130k for compensation for loss of office to 70 members of staff. These payments in 22/23 were mainly as a result of the relocation of the School of Health Sciences from the Jordanstown campus to the Derry~Londonderry campus, the closure of the Greater Belfast Development project and staff on fixed term contracts.

The Average Weekly Number of Persons (Including Senior Post Holders) Employed by the University During the Year, Expressed as Full-time Equivalents, was:-	Group 2023	University 2023	Group 2022	University 2022
	No.	No.	No.	No.
Academic	1,149	1,149	1,135	1,135
Technical	165	165	141	141
Administrative	633	633	611	611
Other Including Clerical and Manual	545	545	516	516
	2,492	2,492	2,403	2,403

Notes to the Financial Statements (continued)

8. Other Operating Expenses	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Residences and Conferences	3,204	3,204	1,977	1,977
Consumables and Laboratory equipment	3,206	3,206	3,283	3,283
Equipment not Capitalised	4,948	4,948	4,319	4,319
Books and Periodicals	4,182	4,182	4,584	4,584
Fellowships, Scholarships and Prizes	562	562	461	461
Rates	3,727	3,727	4,382	4,382
Heat, Light, Water and Power	7,666	7,666	8,096	8,096
Long Term Maintenance	8,994	8,994	9,308	9,308
Contracted Out Services	7,366	7,366	5,835	5,835
Grants to Ulster University Students' Union	1,942	1,942	1,872	1,872
External Auditors' Remuneration	87	81	58	58
External Auditors' Remuneration in Respect of Non-Audit Services	36	34	52	52
Internal Auditors' Remuneration	143	143	69	69
Internal Auditors' Remuneration in Respect of Non-Audit Services	191	191	6	-
Printing and Stationery	1,144	1,144	592	592
Travel, Subsistence and Hospitality	5,292	5,292	3,634	3,634
Miscellaneous Academic Support	1,716	1,716	1,455	1,455
Telephone and Postage	310	310	322	322
Research Sub-contracting	7,032	7,032	4,222	4,222
Legal and Professional Services	14,931	14,931	10,954	10,954
IT Services	5,813	5,813	5,758	5,758
Advertising and Publicity	1,787	1,787	958	958
Student Support	9,304	9,304	9,357	9,357
Other Expenses	3,017	3,016	1,572	2,680
	96,600	96,591	83,126	84,228

9. Interest and Other Finance Costs	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Bank Loans	128	128	145	145
Other Loans	397	397	367	367
Net Charge on Pension Schemes	2,913	2,913	1,038	1,038
Exchange Differences	(262)	(262)	258	258
	3,176	3,176	1,808	1,808

10. Analysis of 2023 Expenditure by Activity	Staff Costs	Depreciation	Other Operating Expenses	Interest and Other Finance Costs	Total
	£000	£000	£000	£000	£000
Academic Departments	86,752	1,752	11,304	-	99,808
Academic Services	23,442	3,987	20,470	-	47,899
Research Grants and Contracts	12,617	33	15,383	-	28,033
Residences, Catering and Conferences	1,467	581	4,198	-	6,246
Premises	4,169	20,872	23,868	525	49,434
Administration	20,040	1,632	18,594	(262)	40,004
Other Expenses	(8,151)	-	2,783	2,913	(2,455)
	140,336	28,857	96,600	3,176	268,969

£000

The depreciation charged has been funded by:

Release from Deferred Capital Grants	5,965
Release from Research Grants and Contracts	243
Transfer from Revaluation Reserve	4,415
General Income	18,234
	28,857

Notes to the Financial Statements (continued)

11. Tangible Assets – Group and University	Freehold Land and Buildings	Assets Under Construction	Equipment	Total
	£000	£000	£000	£000
Valuation or Cost				
At 1 August 2022				
Revaluation	173,696	-	-	173,696
Cost	283,668	248,938	68,827	601,433
Total	457,364	248,938	68,827	775,129
Additions at Cost	5,731	5,442	6,289	17,462
Transfer CIP	221,829	(234,488)	12,659	-
Disposals	(293)	-	(4,138)	(4,431)
At 31 July 2023				
Revaluation	173,696	-	-	173,696
Cost	510,935	19,892	83,637	614,464
Total	684,631	19,892	83,637	788,160
Accumulated Depreciation				
At 1 August 2022	150,777	-	55,785	206,562
Charge for Year	21,246	-	7,611	28,857
Disposals	-	-	(4,138)	(4,138)
At 31 July 2023	172,023	-	59,258	231,281
Net Book Value				
At 31 July 2023	512,608	19,892	24,379	556,879
At 31 July 2022	306,587	248,938	13,042	568,567

12. Fixed Asset Investments	Subsidiary Companies	Other Fixed Asset Investments	Subsidiary Investment in Spinouts	Endowment Fund Investments	Total
Group	£000	£000	£000	£000	£000
At 1 August 2022	-	-	8,728	15,363	24,091
Additions	-	-	252	599	851
Disposals	-	-	(200)	(528)	(728)
Fair Value Adjustments	-	2,305	5,376	(399)	7,282
At 31 July 2023	-	2,305	14,156	15,035	31,496
University					
At 1 August 2022	1,502	-	-	15,363	16,865
Additions	-	-	-	599	599
Disposals	-	-	-	(528)	(528)
Fair Value Adjustments	-	2,305	-	(399)	1,906
At 31 July 2023	1,502	2,305	-	15,035	18,842

During the year, the investment in Ulster Equity Limited Partnership was revalued and £2.3m was recognised as a fair value adjustment.

13. Debtors	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Amounts falling due within one year				
Trade Debtors	23,999	24,999	15,632	15,395
Prepayments and Accrued Income	11,605	11,605	11,613	11,613
	35,604	36,604	27,245	27,008
14. Investments and Short Term Deposits				
	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Investments and Short Term Deposits	102,264	102,264	82,224	82,224
	102,264	102,264	82,224	82,224

Under the terms of the loan agreement with the Strategic Investment Board (see **Note 17**) the University holds a Cash Reserve account. The investments balance in 2023 includes funds of £19.3m in the Cash Reserve account (2022: £9.6m). There are restrictions over the use of these funds that require prior consent from the Strategic Investment Board.

15. Cash at Bank and In Hand	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Cash at Bank and In Hand	27,650	27,331	29,382	29,221
	27,650	27,331	29,382	29,221

Notes to the Financial Statements (continued)

16. Creditors:	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Amounts Falling Due Within One Year				
Bank Loans	331	331	313	313
Trade Creditors	29,694	29,694	23,767	23,767
Amounts Owed by Group Undertakings	-	15	-	28
Taxation and Social Security	7,076	7,076	6,412	6,412
Accruals	28,165	28,157	21,478	21,472
Deferred Capital Grants	7,642	7,642	4,471	4,471
	72,908	72,915	56,441	56,463
17. Creditors:				
	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Amounts Falling Due After More Than One Year				
Bank Loans	1,839	1,839	2,170	2,170
Other Loans	158,600	158,600	158,600	158,600
Deferred Capital Grants	99,635	99,635	106,496	106,496
	260,074	260,074	267,266	267,266
Bank Loans				
Amounts Falling Due:				
Less Than One Year (Note 16)	331	331	313	313
Between One and Two Years	348	348	331	331
Between Two and Five Years	1,168	1,168	1,105	1,105
Greater Than Five Years	323	323	734	734
	2,170	2,170	2,483	2,483
Other Loans				
Amounts Falling Due:				
Less Than One Year (Note 16)	-	-	-	-
Between One and Two Years	6,344	6,344	-	-
Between Two and Five Years	19,032	19,032	19,050	19,050
Greater Than Five Years	133,224	133,224	139,550	139,550
	158,600	158,600	158,600	158,600

Included in the loans are the following:-

Lender	Amount £000	Repayable	Interest Rate
First Trust Bank Loan	2,170	2004-2029	5.475 %
Strategic Investment Board Loan	158,600	2025-2049	0.25 %

The First Trust bank loan is secured by a negative pledge on a portion of land on the Jordanstown campus.

The Strategic Investment Board loan is secured by a fixed charge on the property of the University's four campuses.

Net Debt Movement	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Balance at 1 August	161,083	161,083	140,571	140,571
New Loans	-	-	20,850	20,850
Capital repayments	(313)	(313)	(338)	(338)
Balance at 31 July	160,770	160,770	161,083	161,083

18. Provisions for Liabilities	Obligation to Fund Deficit on USS Pension (Note 22)	Defined Benefit Obligations (Note 22)	Total Provision
Group and University	£000	£000	£000
At 1 August 2022	88,007	(3,651)	84,356
(Credited)/Charged During the Year:			
Staff Costs	(12,878)	2,139	(10,739)
Interest Payable	2,913	(182)	2,731
Actuarial Gain	-	(17,187)	(17,187)
At 31 July 2023	78,042	(18,881)	59,161

USS Deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in Note 22.

Following the completion of the 2020 actuarial valuation, a new deficit recovery plan was agreed of which more detail is given in Note 22. This new plan requires deficit payments of 6.2% of salaries from 1 April 2023 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038.

The major assumptions used to calculate the obligation are:

	2023	2022
Discount Rate	5.52%	3.31%
Salary Growth	3.0%	2.5%

Notes to the Financial Statements (continued)

A sensitivity analysis on the assumptions used is disclosed in **Note 22**.

Since the year end, the preliminary results of the 2023 actuarial valuation have been produced and these show a significant improvement in the funding position with the scheme moving from a deficit of £14.1b to a surplus of £7.4b. As a result, a consultation is underway to assess the potential use of the surplus to reduce future contributions and improve benefits. The outcome of this is expected to be implemented by April 2024.

19. Endowment Reserves	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000
Group and University						
Balances at 1 August						
Capital	374	11,549	11,923	3,708	15,631	17,477
Accumulated Income and (Expenditure)	97	1,492	1,589	(1,857)	(268)	(1,339)
	471	13,041	13,512	1,851	15,363	16,138
New Endowments	-	3	3	125	128	105
Investment Income	14	400	414	57	471	421
Expenditure	-	(199)	(199)	(329)	(528)	(269)
	14	201	215	(272)	(57)	152
(Decrease)/Increase in Market Value of Investments	(12)	(339)	(351)	(48)	(399)	(1,032)
At 31 July	473	12,906	13,379	1,656	15,035	15,363
Represented By						
Capital	362	11,213	11,575	3,786	15,361	15,631
Accumulated Income and (Expenditure)	111	1,693	1,804	(2,130)	(326)	(268)
	473	12,906	13,379	1,656	15,035	15,363

Analysis by Type of Purpose:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000
Lectureships	-	4,315	4,315	243	4,558	4,427
Scholarships and Bursaries	-	709	709	453	1,162	1,413
Research Support	-	5,806	5,806	960	6,766	6,980
Prize Funds	-	2,076	2,076	-	2,076	2,072
General	473	-	473	-	473	471
	473	12,906	13,379	1,656	15,035	15,363

Analysis by Asset:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000
Current and Non Current Asset Investments	473	12,906	13,379	1,656	15,035	15,363

20. Capital Commitments

Group and University	2023	2022
	£000	£000
Commitments Contracted at 31 July	5,244	14,228
Authorised but not Contracted at 31 July	10,962	13,891
	16,206	28,119

Outstanding commitments include £15.3m which relates to the development of the Greater Belfast campus.

21. Contingent Liabilities

At the year end there were no legal proceedings that are expected to result in a settlement of a material amount by the University.

Following the completion of the new campus in Belfast in September 2022, the University is in the process of agreeing the Final Account with the main contractor, including the resolution of claims and counter claims between the parties. The University is confident in its position and that the possibility of settlement of material amounts, if any, beyond those assumed in preparing these financial statements, is remote.

Notes to the Financial Statements (continued)

22. Net Pension Liability

The University participates in three pension schemes. The schemes are the Universities Superannuation Scheme (USS), the Northern Ireland Local Government Officers Superannuation Committee Pension Fund (NILGOSC) and the Health and Social Care Service Pension Scheme (HSCPS). The schemes are defined benefit schemes, which are externally funded. The assets of each scheme are held in a separate trustee-administered fund. The University has a small number of staff in the new School of Medicine who are members of the Health and Social Care Service Pension Scheme, a defined benefit pension scheme for health and social care workers in Northern Ireland. Disclosures are not included for this pension scheme on grounds of materiality.

USS Pension Scheme

The University participates in the Universities Superannuation Scheme (USS). The scheme is a hybrid 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. Due to the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee benefits', the University 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 University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Deficit Recovery Liability

The total cost credited to the Comprehensive Income account is £12.9m (2022: charge £53.5m).

Deficit recovery contributions due within one year for the institution are £5.7m (2022: £5.9m).

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles.

uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles

CPI assumption	<ul style="list-style-type: none"> Term dependent rates in line with the difference between the fixed interest and index linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	<ul style="list-style-type: none"> CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: <ul style="list-style-type: none"> Pre-retirement: 2.75% pa Post retirement: 1.00% pa

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 Valuation
Mortality Base Table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future Improvements to Mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2023 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount Rate	5.52%	3.31 %
Pensionable Salary Growth	3.0%	2.5 %

Sensitivity Analysis

The sensitivity analysis outlines the potential impact on the provision under different scenarios:

Change in Assumptions at 31 July 2023	
0.5% p.a. decrease in discount rate	£2.8m increase
0.5% p.a. increase in salary inflation over duration	£2.9m increase
0.5% p.a. increase in salary inflation year 1 only	£0.4m increase
0.5% increase in staff changes over duration	£2.8m increase
0.5% increase in staff changes year 1 only	£0.4m increase
1% increase in deficit contributions	£12.4m increase

Notes to the Financial Statements (continued)

NILGOSC Pension Scheme

The University is able to identify its share of the underlying assets and liabilities of the NILGOSC scheme and accordingly present the following information required by FRS 102.

A valuation of the fund was carried out at 31 March 2019 and updated to 31 July 2023 by a qualified independent actuary.

Balance Sheet	At 31 July 2023	At 31 July 2022
	£000	£000
Present Value of Scheme Liabilities	(177,945)	(207,067)
Fair Value of Scheme Assets	196,826	210,718
Net Pension Asset	18,881	3,651

The FRS 102 valuation of the NILGOSC scheme as at 31 July 2023 resulted in an estimated net pension plan asset of £18.881m. FRS 102 requires that an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Since FRS 102 provides no further guidance in this respect, as allowed under FRS 102 the University Council have considered the relevant requirements of International Financial Reporting Standards, in particular IFRIC Interpretation 14 IAS 19—“The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (IFRIC 14).

The University Council have considered the ability of the University to recover a surplus through reduced contributions in the future. This has included obtaining an assessment from an independent actuary based on the requirements of IFRIC 14. This assessment estimates that using both a perpetuity approach (i.e. assuming the University would never exit the NILGOSC scheme) and using the remaining service life of the current member employees used in the latest triennial funding valuation, that the present value of the estimated future service cost in each period less the estimated minimum funding requirement contributions that would be required for future service in those periods would be negative. Consequently, no economic benefit is available as a reduction in future contributions.

IFRIC 14 requires that the right to recovery through a refund must be unconditional. While the NILGOSC “Admission and Exit Policy” and The Local Government Pension Scheme Regulations (Northern Ireland) 2014 require the calculation of an exit refund and provide NILGOSC with the ability to defer the timing of any resultant refund payment, neither of these conditions are considered as conditional events over the right of the University to a refund on exit from the NILGOSC scheme. The University Council have therefore concluded that the University does have an unconditional right to a refund of a surplus in the NILGOSC scheme.

Based on their assessment as set out above, University Council have concluded that it is appropriate to recognise the estimated net pension plan asset of £18.881m at 31 July 2023.

Movements in Present Value of Defined Benefit Obligation	At 31 July 2023	At 31 July 2022
	£000	£000
At Beginning of the Year	(207,067)	(276,731)
Current Service Cost	(5,271)	(8,287)
Member Contributions	(994)	(898)
Interest Cost	(7,132)	(4,653)
Benefits Paid	7,733	7,084
Actuarial Gains/(Losses)	34,786	76,418
At End of Year	(177,945)	(207,067)

Movement in Fair Value of Plan Assets	At 31 July 2023	At 31 July 2022
	£000	£000
At Beginning of the Year	210,718	231,918
Expected Return on Assets	7,314	3,915
Employer Contributions	3,132	2,846
Member Contributions	994	898
Benefits Paid	(7,733)	(7,084)
Actuarial (Losses)/Gain	(17,599)	(21,775)
At End of Year	196,826	210,718

Expense Recognised in the Income and Expenditure Accounts	At 31 July 2023	At 31 July 2022
	£000	£000
Current Service Cost	5,271	8,287
Interest on Defined Benefit Pension Plan Obligation	7,132	4,653
Expected Return on Defined Benefit Pension Plan Assets	(7,314)	(3,915)
Total	5,089	9,025

The (Income)/Expense is Recognised in the Following Line Items in the Income Statement:	At 31 July 2023	At 31 July 2022
	£000	£000
Staff Costs	5,271	8,287
Interest Payable	(182)	738
	5,089	9,025

Amounts Recognised in Other Comprehensive Income	At 31 July 2023	At 31 July 2022
	£000	£000
Asset (Losses) Arising During the Period	(17,599)	(21,775)
Liability Gains Arising During the Period	34,786	76,418
Total Amount Recognised in Other Comprehensive Income	17,187	54,643

Cumulative actuarial gains recognised as Other Comprehensive Income are £74.7m (2022: £57.53m).

Notes to the Financial Statements (continued)

The Fair Value of the Plan Assets were as follows:-	At 31 July 2023 Fair Value	At 31 July 2022 Fair Value
	£000	£000
Equities	84,439	81,127
Bonds	68,101	79,651
Property	20,470	25,918
Cash	12,203	14,750
Other	11,613	9,272
	196,826	210,718

Principal Actuarial Assumptions (Expressed as Weighted Averages) at the Year End were as follows:-	At 31 July 2023	At 31 July 2022
Discount Rate	5.1%	3.5%
CPI Inflation	2.6%	2.7%
Pension Increases	2.6%	2.7%
Pension Accounts Revaluation Rate	2.6%	2.7%
Salary Increases	4.1%	4.2%

Mortality		Males	Females
Current Pensioners	2023	21.7 years	24.5 years
	2022	21.8 years	25.0 years
Future Pensioners	2023	22.6 years	25.5 years
	2022	23.2 years	26.4 years

The University expects to contribute approximately £3.204m to NILGOSC pensions scheme in the next financial year.

The sensitivity analysis outlines the potential impact on the provision under different scenarios:

Change in Assumptions at 31 July 2023	
0.1% decrease in discount rate	£2.7m increase
0.1% increase in salaries	£0.2m increase
0.1% increase to pensions and rate of revaluation of pension accounts	£2.3m increase
1 year increase in post-retirement mortality	£4.5m increase

The Total Pension Cost for the University was:	Group 2023	Group 2022
	£000	£000
Charge to Staff Costs – USS	7,126	71,833
Charge to Staff Costs – NILGOSC	5,289	8,282
Charge to Staff Costs – HSCPS	57	30
Total Pension Cost (see Note 7)	12,472	80,145

23. Student Support Funds

	Group and University 2023	Group and University 2022
	£000	£000
Balance Carried Forward	292	645
Funding Council Grants	2,684	1,386
Interest	7	-
Disbursed to Students	(2,572)	(1,739)
Balance Underspent at 31 July 2023	411	292

Department for the Economy (“DfE”) Student Support grants are available solely for students. The University acts only as a paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account. The support funds are used to provide financial help to students whose access to higher education might be inhibited by financial considerations or who for whatever reasons, including physical or other disabilities, face financial difficulties in meeting their living costs.

24. Subsidiary Company Information

There are two companies which are wholly owned subsidiary companies of the University:

- Innovation Ulster Limited

This company has been fully consolidated in the Financial Statements.

The company is controlled by the University. The company is registered and operates in Northern Ireland and has a registered address of Ulster University, BD-004-09 York Street, Belfast, Northern Ireland BT15 1ED.

Innovation Ulster Limited is a company established to develop intellectual property rights by patenting and licensing, and to arrange consultancy activities.

- Studio Ulster Limited

Studio Ulster Limited was incorporated in March 2023. The company has a registered address of Murray House, Murray Street, Belfast, Northern Ireland, BT1 6DN.

Studio Ulster Limited is a company established to provide virtual production centric services in production and post-

production to stakeholders operating in the motion picture, video and television programme industry sectors.

The company is not trading and remains dormant as at 31 July 2023.

25. Joint Venture Information

The University has two joint ventures. Branch Campus (London & Birmingham) Limited is a joint venture between Ulster University and QAHE (Ulst) Limited for the principal purpose of providing services in support of the provision of degree courses to domestic and international students at campuses in London and Birmingham.

C-TRIC Limited (previously named ABC Research & Innovation Limited) is a company limited by guarantee with Ulster University, Derry City Council and the Western Trust as equal partners. The principal activity of the company is to develop an Academia Business Clinical Research Innovation facility.

The results of Branch Campus (London & Birmingham) Limited and C-TRIC Limited are not consolidated in the Group Financial Statements on the grounds of materiality.

Through Innovation Ulster Limited (IUL), a wholly owned subsidiary, the University has a joint venture with NI Composites O&M LLP (NICOM). NICOM was incorporated in 2011 to promote collaborative research in advanced composites. It is a joint venture between IUL and Queen’s Composites Limited, a wholly owned subsidiary of Queen’s University Belfast. The results of NICOM are not consolidated in the Group Financial Statements on the grounds of materiality.

Notes to the Financial Statements (continued)

26. Other Investments

Ulster Equity Limited Partnership

Ulster Equity Partnership is a limited partnership with Ulster University, Invest NI and TechStart NI for the principal purpose of carrying on the business of an investor and in particular to identify, research, negotiate, make or monitor the progress of and sell, realise, exchange or distribute equity or equity-related investments in connection with providing seed capital for the development of post – research post – proof of concept spin-out/in companies from Ulster University including from the technology sectors related to the Ulster University research base.

Through Ulster Equity Partnership the University has the following holdings:

7.49% of Axial Medical Printing Limited

6.92% of Haru Limited

14.92% of Humain Limited

3.96% of Locate Match Limited

6.71% of Neuroconcise Limited

2.82% of Neurovalens Limited

4.23% of CDS New Ventures Limited

Innovation Ulster Limited

Through Innovation Ulster Limited, a wholly owned subsidiary, the University has the following holdings:-

Included in fixed asset investments above, the Company holds investment of under 25% in:

2.64% of CDS New Ventures Limited

7.94% of Performa Sports Limited

2.40% of Datactics Limited

3.04% of Axial 3D Limited

6.20% of SISAF Limited

14.31% of Neuroconcise Limited

6.00% of Humain Limited

8.92% of Haru

7.50% of Modern Nature

20.0% of StimOxyGen Limited

20.0% of eXRT Intelligent Healthcare Limited

20.0% of Pneuma Healthcare Limited

18.0% of SonoTarg Limited

5.3% of Respiratory Analytics Limited

The Company has holdings of greater than 25% in the following companies:

Status	Active	Active	Active	Active	Active
Name	Actionsense Limited	Axis Composites Limited	Jenarron Therapeutics Limited	Solaform Limited	Efectis UK/Ireland Limited
Country of Incorporation	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland
Principal Activity	Secure digital water marking technology	Design and manufacture of 3D woven carbon fibre preforms	Putty like material applied and removed to wounds	Solar water heater	Fire testing
% Shares Held and Type	26.13%	28.02%	33.62%	45.63%	33.00%
Convertible Loan Stock	N/A	N/A	N/A	N/A	N/A
Turnover	N/A	N/A	N/A	N/A	N/A
Profit or Loss Before Tax	N/A	N/A	N/A	N/A	N/A
Net Assets/ (Liabilities)	(£151,448)	£2,597	£28,107	£44,978	£2,590,034
Financial Year End	31 May 2022	28 February 2022	30 September 2022	31 July 2022	31 December 2022

In the year ended 31 July 2019 the company invested €500,000 in Enbarr Limited, an investment fund managed by Imprimatur Capital. The value at 31 July 2023 is £856,000.

27. Related Party Transactions

Due to the nature of the University's operations and the composition of the University's 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 the Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. The University has taken advantage of the exemptions contained in section 33, FRS 102 'Related Party Transactions' not to disclose transactions with subsidiaries as all of the voting rights are controlled within the Group.

28. Ultimate Controlling Party

There is no one ultimate controlling party.

University of Ulster

Northern Ireland - Charity number 100166

Annual report



22
23

Annual
Review

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FOREWORDS



VICE-CHANCELLOR

I am pleased to introduce our review of the 2022-23 academic year. It has been a year of significant transformation and progress for the University as we launched our new University Strategy.

'People, Place and Partnership' has been designed to help us unlock our collective potential across the University to deliver sustainable futures for all. With this strategy, we are re-committing to our pan-regional presence and all the opportunities this delivers for those who study with us, work with us, and partner with us.

This year also saw the completion of the move into our new Belfast campus, a facility which entirely reflects the University's vision and innovation in the delivery of the very best learning and research environments. It stands as a beacon for aspiration, as an engine of innovation and as a symbol of what has been achieved in our collective, recent history. Located between one of the most vibrant parts of the city and an area previously starved of investment, our new campus is transforming the learning experiences of our students. It is also a publicly accessible asset for the city and for the many partners, collaborators and visitors who are now a regular part of campus life and events.

Of course, this year we celebrated a milestone in Northern Ireland's history: the 25th anniversary of the Belfast Good Friday Agreement. During this anniversary year, we hosted a full programme of arts and other events, and we were privileged to welcome the President of the United States of America on his visit to Northern Ireland. President Joseph R Biden made his key address to a gathered audience at his only engagement in Northern Ireland, at Ulster University Belfast.

In a wide-ranging speech, he highlighted the future investment of American firms in Northern Ireland and the unprecedented economic opportunity that this presents. He ended his speech by saying: "Let's celebrate 25 extraordinary years by recommitting to renewal and repair by making this exceptional peace the birth right of every child in Northern Ireland for all the days to come."

The University's activity to mark the anniversary had a significant focus on the concept of renewal and it was inspiring to bring together more than 100 partners on our Coleraine campus to explore the future of the Tourism sector in Northern Ireland and the opportunities for collaboration to make the vision of a vibrant north coast a reality.

Throughout the year, our delivery of high-quality teaching, research and professional services support across all faculties, portfolios and departments has been recognised externally as we continued to achieve outstanding results in the NSS and Postgraduate Taught Experience Surveys, as well as achieving our highest ever ranking in the QS World University Rankings: top 35% of global universities and top 40 UK universities in The Sunday Times' Good University Guide. Our students also voted us number one university in the UK for graduate employability and job prospects in the Student Crowd Survey.

Our undergraduate health sciences students are now benefiting from joining Ulster University's multi-disciplinary centre of healthcare excellence, as over 900 students and 80 staff made the move from Jordanstown to new specialist learning spaces created at the heart of our campus in Derry~Londonderry. The transfer of health sciences further expands frontline healthcare course provision as these programmes are now delivered alongside the Paramedic Science teaching provision, the School of Medicine and the long-standing and award-winning School of Nursing.

Students across the campus will soon benefit from a new teaching and student services building, following the announcement in June of significant investment from the Irish Government as part of the Shared Island initiative.

Teams across the University continued to win awards: the Residential Life team were awarded Best Student Community (UK & Ireland) at the 2022 Global Student Living Awards; the Student Money Team won 'Team of the Year' at the annual NASMA conference; and the Office for Digital Learning (ODL) won Ulster University's first Collaborative Award for Teaching Excellence through Advance HE, all of which you can read about below.

This year was not without its sadness. We were deeply saddened by the loss of Professor Brian Murphy, a much valued and respected colleague who will be missed by so many across Ulster University. Brian's dedication to widening access to education was inspirational. The 'Taking Boys Seriously' research project, designed to understand and address the systemic and personal barriers limiting access to education for young males, is delivering real-world change today and represents a powerful and enduring legacy that we are committed to taking forward.

As you will read below, 2022/23 was a truly memorable year for our entire University community, made possible only through the talent, dedication, and commitment of our colleagues. All of these achievements and the many other successes we have enjoyed this year are testament to the individual and collective commitment of all of our people, not only this year but ongoing. My sincere thanks go to each and everyone.

A handwritten signature in black ink that reads "P. Bartholomew". The signature is written in a cursive, slightly slanted style.

PROFESSOR PAUL BARTHOLOMEW | VICE-CHANCELLOR

FOREWORDS



CHAIR OF COUNCIL

Through this 2022/23 Annual Review, we are reflecting on a milestone year of extraordinary events, inspirational visits and change and growth for Ulster University.

This year, we continued our proud tradition of recognising and celebrating inspirational role models for our students through the awarding of Honorary Doctorates.

We celebrated key figures from across sport, broadcasting, peacebuilding and community work, business, health and social work, and the arts, including Michael Longley, one of Northern Ireland's foremost contemporary poets and James Martin, who starred in the history making, Academy Award, BAFTA and Irish Film and Television Academy (IFTA) winning short film, *An Irish Goodbye*.



▲ Speaker Emerita of the US House of Representatives, Nancy Pelosi, Receives Honorary Doctorate From Ulster University.

In the 25th anniversary year of the Belfast Good Friday Agreement, we also recognised the Speaker Emerita of the US House of Representatives, Nancy Pelosi, for the outstanding contribution she has made to the promotion of human rights and protection of people, and her unwavering support for peace making.

Our global vision has continued to be recognised externally by the 2023 Times Higher Education (THE) Impact Rankings which are the main global ranking system that assesses universities on their commitment to the United Nations' 17 Sustainable Development Goals (SDGs). It placed the University within the top 13% of participating institutions, from over 1,500 universities worldwide. Additionally, the University was ranked in the 101-200 range for a second consecutive year, scoring 85.4% overall and ranking in the Top 100 Worldwide for four SDG categories. The global ranking, which comes as the University undertakes a wider assessment of its sustainability priorities, was based on teaching, research, outreach and stewardship.

This year saw the appointment of two new external Ulster University Council members in February: John Healy OBE, former Managing Director of Allstate and Chris Conway, Group Chief Executive of Translink. Both bring their considerable industry experience and knowledge to these roles and offer us invaluable insight and advice, as we work collaboratively to provide oversight of strategy, stewardship, and overall governance of the University.

The teaching excellence and research prowess of our teams has seen us go from strength to strength in UK and Global rankings, and most importantly, delivery of a rewarding and innovative learning experience for our students.

In this review you will be able to read more about our pioneering research projects from healthcare to AI and beyond, and distinguished colleagues within our community who are leading their fields, driving real impact and earning recognition on national and international levels. Some of these are through lifetime achievement awards, appointments to Research Societies, King's Honours, National Teaching Fellowships and more.

Our students continue to excel and inspire us, winning Global Undergraduate, Study USA and Student Television Awards, Research Fellowships and many more of which you can read in the stories which follow. Our students are at the heart of everything we do, and we are proud to highlight the impact they are making during their time at university with us.

This is an academic year I will look back on with huge pride in the innovation and commitment of the staff and student community at Ulster University. Thank you to my University Council colleagues for their continued support and dedication to good governance across all areas of the University.

On behalf of Council, I would like to formally thank and congratulate the entire University community for their individual impact and collective efforts in delivering such a momentous and outstanding year in the life of the University.

DR JENNY PYPER
PRO-CHANCELLOR AND CHAIR OF COUNCIL

STUDENT EXPERIENCE

At Ulster University, unwavering support for every student's unique journey is not just a promise but a guiding principle.



86 Community Scholarships Awarded, Helping Students Access Higher Education

In September Ulster University awarded a further 47 Community Scholarships (in addition to 39 in 2021) to students starting at the university, removing the financial barriers that prevent many from accessing higher education. These scholarships aim to address inequality by supporting those students who have faced challenges on their educational journey who may be discouraged from going to university due to financial barriers.

[READ MORE >>](#)



Virtual Campus project named winner in Digital Construction Live Awards 2023

This project was named winner of the 'Excellence in Workplace Health and Wellbeing' award at the Digital Construction Live Awards. It allows applicants, students, staff, and visitors to explore Ulster University like never before using Virtual Reality helping to reduce feelings of anxiety before visiting new spaces on campus.

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Final phase of Ulster University enhanced Belfast campus completed

The final phase of Ulster University's enhanced Belfast campus opened its doors in September, welcoming staff and students to this inspiring city centre space. Taking its architectural design inspiration from the shape of the surrounding Belfast hills, the new 75,000m² addition to the campus is one of the largest higher education capital builds in Europe and is transforming higher education in the city and playing a vital role in supporting the ambitions for North Belfast as well as the wider city and region, with an estimated investment regeneration impact of circa £1.4bn.

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Ulster University wins Best Student Community (UK and Ireland) award at Global Student Living Awards

The Residential Life team won the prestigious Best Student Community (UK and Ireland) award at the 2022 Global Student Living Awards. This recognition was particularly significant because the awards were based entirely on feedback from students.

[READ MORE >>](#)

Graduate Attributes Framework launched

This new Framework seeks to encourage a university-wide commitment to the development of a vibrant and enhanced student learning experience. It will enhance a coherent and skills-focused curriculum across all modes of study at Ulster University and develop a shared identity and a language to describe the distinct features of the Ulster learning experience and institutional values.

STUDENT EXPERIENCE

Award Winning TV Chef and Broadcaster Andi Oliver Inspires Culinary Arts Students

Award-winning TV chef and broadcaster Andi Oliver inspired culinary arts students during a Culinary Salon event in the Academy Restaurant. Held in partnership with the Oxford Cultural Collective and made possible by a grant from the Savoy Educational Trust, this sold-out event marked the 8th in a series celebrating cultural diversity in the contemporary hospitality scene.

[READ MORE >>](#)



Student Money Team wins 'Team of the Year' at the annual NASMA conference

Our Student Money team won the 'Team of the Year' award at the annual National Association of Student Money Advisers (NASMA) conference for excelling in their service delivery to students. Supporting students in one-to-one interventions or in group workshops, face to face, via teams or on the telephone, they deliver inclusive, holistic support with integrity and compassion for our students and their respective situations and challenges.

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Ulster University opens Mo Mowlam Studio on its Derry~Londonderry campus

The official opening of the newly-refurbished cinematic arts studio at Ulster University's Derry~Londonderry campus, named after former Secretary of State for Northern Ireland, the late Mo Mowlam marked 25 years since she oversaw the signing of the Belfast Good Friday Agreement. The studio and a new mural within it is a celebration of Mo Mowlam's lasting impact and legacy and was the first in a year-long series of events at Ulster University to mark the 25th anniversary.

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Ulster University gains White Ribbon and NI Diversity Mark Accreditations and Athena Swan UK Silver Award for Gender Equality

White Ribbon Accreditation underlines our commitment to our students, staff and whole university community, that the university will continue to work towards achieving gender equality and ending violence against women and girls. The University was also awarded Bronze Diversity Mark accreditation in recognition of its commitment to creating an inclusive and diverse workplace. Finally, Ulster University has been highly committed to the principles that underpin the Athena Swan Charter for many years and is delighted to have that commitment recognised by this institution-wide Athena Swan Silver.

[READ MORE ABOUT THE ATHENA SWAN CHARTER >>](#)

PIONEERING RESEARCH AND IMPACT

Our university is at the forefront of pioneering research and innovation, making a profound impact that shapes and delivers sustainable futures.



Pioneering drug-gene testing to alleviate healthcare waiting times

Led by the Personalised Medicine Centre in the School of Medicine, drug-gene testing will reduce the likelihood of ineffective or inappropriate drug treatments being prescribed, while minimising the risk of serious side effects for patients taking prescription medication. It could improve the safety and effectiveness of nearly one million prescriptions each year and reduce the frequency of admissions to hospital and repeat visits to doctors, alleviating pressure on the health service and reducing the cost of medicine.

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Partnership with Action Mental Health delivers 24/7 service to those in need

A three-year Ulster University research project has created a new means of delivering 24/7 mental health support, which has been adopted by leading mental health charity Action Mental Health. By developing a multilingual mental wellbeing chat bot, Ulster University has enabled around-the-clock access to mental health and wellbeing support using engaging dialogue and psycho-education. Adopted by Action Mental Health in a KTP, the ChatPal chat bot is available for use in four languages and is now freely available for organisations to integrate into their current service offering.

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School of Sport appointed as a BASES outreach hub

Ulster's School of Sport is the only facility on the island of Ireland to be appointed as a BASES (British Association of Sport and Exercise Sciences) hub for 2023-24. One of only 10 in UK universities, the hub is working to enrich learning and understanding of sport and exercise science in NI, while also encouraging the development of the next generation of sports scientists. The funding award is being used to deliver sport science workshops across all four campuses of the University, with pupils studying GCSE, A-level and BTEC sport-related subjects invited.

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Taking Boys Seriously Summit Aims to Stop Boys Falling Behind in Education

This summit brought together more than 200 young men who participated in an initial trial in 2021, alongside educators, teachers, and youth workers. The project aims to tackle boys' educational underachievement in NI by actively engaging with the students to understand their concerns. The TBS research project was recognised for its Outstanding Contribution to the Local Community at the 2022 THE Awards.

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PIONEERING RESEARCH AND IMPACT

Two Ulster University Early Career Researchers awarded 1851 Research Fellowships

Two Ulster University Early Career Researchers were awarded prestigious 1851 Research Fellowships to support their research into workplace mental health and dementia treatment. Gillian Cameron will use the funding to advance her research into the role of digital interventions in supporting workplace mental health and wellbeing, in partnership with Inspire Wellbeing. The second funding award will further Kate Turley's research into the creation of personalised indoor lighting to support the wellbeing of those living with dementia.

[READ MORE >>](#)



Ulster University awarded £80k by Longitude Prize on Dementia for AI model that will detect, prevent, and monitor agitation in people living with dementia

Ulster University was named a semi-finalist, and awarded an £80k funding grant, from the Longitude Prize on Dementia for the creation of an AI model that will detect, prevent, and monitor agitation in people living with the disease. The funding was granted for CLEAR-AI, an intelligent platform developed in collaboration with partners to better understand the behaviour of individuals living with dementia, to enable them to maintain independence. The CLEAR-AI project was awarded one of 24 Discovery Award grants totalling £1.9m, funded by the Alzheimer's Society and Innovate UK.

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Research finds alcohol and drug use in NI increased by 60% during COVID pandemic

Ulster research revealed that alcohol and drug consumption in NI increased by 60% during the COVID-19 pandemic. Commissioned by the Northern Ireland Alcohol and Drug Alliance (NIADA), the study uncovered the most commonly used drugs in Northern Ireland throughout the pandemic and the reasons for their consumption, including boredom, feelings of anxiety or depression and social isolation. Launched at Parliament Buildings, the study provided the evidence required to tackle the continued impacts of drug-related activity in NI.

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Future Schools Project wins 2022 BERA Public Engagement and Impact Award

Ulster University's 'Future Schools' project has been named team winner of the 2022 BERA Public Engagement and Impact Award, which recognises and celebrates the impact of research and practice in the education community and how both have demonstrably engaged the public.

[READ MORE >>](#)



EXCELLENCE IN EDUCATION

We place our students and their experience and ambitions at the heart of everything we do, fostering a learning environment where students thrive and reach their fullest potential.



▲ Members of the Office for Digital Learning who won Ulster University's first Collaborative Award for Teaching Excellence through Advance HE.

▼ Lauren Kelso, a final year Illustration student, who won the Ulster Orchestra competition to design merchandise in partnership with Ulster University's Belfast School of Art.



▼ Vice Chancellor Paul Bartholomew pictured with staff members of the Campus Life and Sports departments, alongside some student athletes at the Ulster University Sports Village - Jordanstown.



Outstanding Academic Impact recognised with the announcement of three new National Teaching Fellowships and a CATE Award

Awarded a National Teaching Fellowship for 2022 were Richard Beggs, who works to enhance student experiences and outcomes through technology; Professor Ruth Fee, Professor of Public Services Education who has driven key educational partnerships within the criminal justice sector; and Dr Colm Murphy, who works to transform journalism education. Ulster University's ODL also for the first time secured a Collaborative Award for Teaching Excellence (CATE) for Teaching Excellence through Advance HE, bringing the number of national awards received for learning and teaching excellence in 2022 to four, the maximum any institution can receive in a year.

[READ MORE ABOUT NATIONAL TEACHING FELLOWSHIPS >>](#)

[READ MORE ABOUT CATE FOR TEACHING EXCELLENCE >>](#)

Ulster University sweeps the board at Student Television Awards

In the 2023 Student Television Awards, Ulster Screen Academy received a remarkable 16 nominations and 5 wins. These nominations covered Screen Production, Cinematic Arts, and Animation courses offered at in Derry~Londonderry and Belfast.

[READ MORE >>](#)

Final Year Illustration Student Wins Ulster Orchestra Competition to Design New Merchandise

Lauren Kelso, a final year Illustration student, won the Ulster Orchestra competition to design merchandise in partnership with Ulster University's Belfast School of Art. Lauren's winning design features on the new range of goods and gifts.

[READ MORE >>](#)

Ulster University to invest £10m in Jordanstown Sports Village

An investment of £10million is being made in the Ulster University Sports Village - Jordanstown. Following a two-storey extension, the indoor facility will house a gym, fitness suites, a physio room, student sports clubhouse, teaching and event space, making it a state-of-the-art, multi-sport facility for the use of students, staff, and the local community.

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EXCELLENCE IN EDUCATION



▲ The first cohort of students to graduate from the MSc in Leadership and Innovation in the Public Sector, a Masters programme jointly delivered and awarded by UUBS and Atlantic Technological University.

▼ Kate O'Connor, one of a number of high profile Performance Sport Scholars recognised by Ulster University.



Ulster University marks important milestone as its top-class sporting talent is celebrated

Ulster University's Sports Services team has achieved the Sport Ireland Institute Accreditation for Student Athlete Support (ASAS), which recognised good practice in 'dual career' support for student athletes, which allows them to combine their education with their sporting career. The news comes as the university announced its 2022 Performance Sport Scholars, a cohort of 42 who come from a variety of 17 team and individual sports, including European, World, Olympic and Commonwealth athletes.

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Ulster University celebrates inaugural medical education scholarships and welcomes second cohort of scholars

In November 2022, Ulster University celebrated our inaugural Medical Education Scholars by thanking donors and partners with a celebratory event, before also welcoming a second cohort of 10 medical student scholars. With £380,000 secured from alumni and partners to date, these scholarships aim to help remove financial barriers for those from disadvantaged and under-represented backgrounds and widen access to medical education. The University has also been able to provide 50 students with their first stethoscope through donations from donors and partners from across the private sector, as well as enhance the School of Medicine's teaching and learning environment with an investment of £1.25million in the Randox Professor of Medicine.

[READ MORE >>](#)

Ulster University collects gongs at Education, Grad Ireland and AHECS Awards

Ulster University was named winner of the Best Research Project Award for the Student Psychological Intervention Trial (SPIT), held in collaboration with ATU Donegal. The SPIT study helped identify the factors influencing mental health and wellbeing in students and trialled a novel way to provide support through online CBT-intervention. A second Education Award was won for the University's Graduate Leadership Programme which won the Best Internship Programme Award. Finally, at the Grad Ireland and AHECS Awards, the Employability and Careers team was named winner of the Strategic Innovation Award for the Enterprise Placement Year.

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Key milestone in cross-border partnership with Atlantic Technological University

The first 15 students from the MSc in Leadership and Innovation in the Public Sector, a cross-border programme jointly delivered by UUBS and Atlantic Technological University (ATU), have graduated. Designed to empower senior public servants to develop their knowledge, understanding and applied leadership skills to implement transformational change in public services, the programme was designed with input from both the Office of An Taoiseach and the Department of Finance, with a focus on delivering transformational change in the North West region.

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INSPIRING PEOPLE

At Ulster University, you'll find a vibrant community of inspiring people who are passionate about learning, creating, and making a positive impact on the world.



Speaker Emerita of the U.S. House of Representatives, Nancy Pelosi, receives Honorary Doctorate

On the eve of St. Patrick's Day at a ceremony in Washington D.C., the Speaker Emerita of the U.S. House of Representatives, Nancy Pelosi, received an Honorary Doctorate. The honour recognised the remarkable contribution Speaker Emerita Pelosi has made to her country through the promotion of human rights and protection of people, and her unwavering support for peace making. It was bestowed as the University marked the 25th Anniversary of the Belfast Good Friday Agreement through a programme of events in NI and US.

[READ MORE >>](#)

Ulster University announces this year's inspiring and accomplished honorary graduates

Ulster University recognised 11 key figures including Oscar Winner, James Martin; World Champion gymnast, Rhys McClenaghan; prize-winning poet, Michael Longley; Ford's UK Managing Director, Lisa Brankin; BBC Radio 3 broadcaster, Sean Rafferty; leader in women's football, Sara Booth MBE; and experts in peace-building and health and social care.

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Ulster University students awarded at Global Undergraduate Summit

Kenna White, a student at Ulster University, originally from the US, won the Global Undergraduate Award at the 2022 Summit for her work titled 'Can aquatic plant Lemna Minor facilitate the emergence of Enterococci faecalis superbugs?' Each year thousands of students worldwide submit their undergraduate research projects and 500 academics pick just 25 Global Winners.

[READ MORE >>](#)

Three Ulster University Academics admitted to the RIA

Peace and equality champion, Emeritus Professor Monica McWilliams, Professor Andrew Cooper, one of the world's top ten coastal management researchers, and linguist and former Provost of Ulster University's Jordanstown campus, Professor Raffaella Folli, are being recognised for their extraordinary contributions to the sciences, humanities and social sciences, as well as to public service.

[READ MORE >>](#)

Ulster University PhD Researcher Yasna Najmi named winner of the 2022 UK 3MT® People's Choice Award

Yasna, from the School of Pharmacy and Pharmaceutical Sciences, won the National 3MT People's Choice Award after presenting her research on 'A Herbal Alternative to Treating Dental Implant Disease.' The competition saw 1,000 competitors from over 70 UK and Ireland Universities.

[READ MORE >>](#)



INSPIRING PEOPLE

Belfast School of Art welcomes its first Freelands Foundation Fellow, Ciarraí MacCormac

The Belfast School of Art's BA and MFA Fine Art courses were delighted to welcome their first Freelands Foundation Fellow, Ciarraí MacCormac, who will work as an Artist-in-Residence alongside our undergraduate and postgraduate students. As a Fellow, Ciarraí will have a studio in the department to engage with current students, support staff to undertake workshops, crits, and tutorials as well as having the opportunity to deliver an artist's talk.

[READ MORE >>](#)



Professor Paul McCarron named Fellow of the Pharmaceutical Society of Northern Ireland

Professor McCarron, Head of School of Pharmacy and Pharmaceutical Sciences, was named Fellow of the Pharmaceutical Society of NI. He received recognition for his outstanding contribution to pharmacy, at an award ceremony hosted by the leadership body, Pharmacy Forum NI.

[READ MORE >>](#)

Ulster Lecturer receives the Ronny Pieters Award

Jerome Marley, Lecturer in Nursing, and Faculty Partnership Manager in the School of Nursing and Paramedic Science, has received the Ronny Pieters Award in recognition of an outstanding and enduring contribution to the development of Urological Nursing in Europe.

[READ MORE >>](#)



Professors Ruth Fee, Sonja McIlpatrick and Frank Casey recognised in Birthday and New Year's Honours

Professor Fee was awarded an MBE for services to Higher Education and Public Services in NI, Professor McIlpatrick received an MBE for services to Higher Education and Public Health and Professor Casey received an OBE for services to Healthcare in NI.

[READ MORE >>](#)

Professor Cherith Semple awarded Lifetime Achievement Award to Head and Neck Cancer Services

Cherith, Professor of Nursing was awarded the British Association of Head and Neck Oncologists (BAHNO) Lifetime Achievement Award. Over the past 20 years, she has focused her clinical academic career supporting patients and families with head and neck cancer, with a key focus on promoting post-treatment quality of life.

[READ MORE >>](#)



GLOBAL VISION

We foster a global vision that transcends borders and embraces diverse perspectives, promoting a strong, internationally relevant curriculum which prepares our students to thrive and lead in an interconnected world.



President Joseph R. Biden makes key address at Ulster University

April 2023 brought a landmark moment for the University as we welcomed President Joseph R. Biden to Belfast. In one of his only engagements during a visit to Northern Ireland marking the 25th Anniversary of the Good Friday Agreement, President Biden was welcomed to the University by Vice Chancellor Paul Bartholomew and Ulster University student Gabrielle

Feenan. President Biden gave a wide-ranging speech in which he welcomed the enhancement and expansion of the Belfast campus and highlighted the continued investment of American firms in Northern Ireland and the unprecedented opportunity this presents.

[READ MORE >>](#)

Taoiseach announces €44.5 million Shared Island cross-border funding to expand the Derry~Londonderry campus

This major investment will fund a new teaching and student services building at the campus, expanding higher education provision both sides of the border with additional lecture and seminar spaces, computer labs, and on-campus student services. The investment, announced by An Taoiseach Leo Varadkar and Tánaiste Micheál Martin in June 2023 underpins existing teaching and research cooperation between Ulster University and ATU Donegal.

[READ MORE >>](#)

Ulster University to strengthen education provision in border communities with new partnership

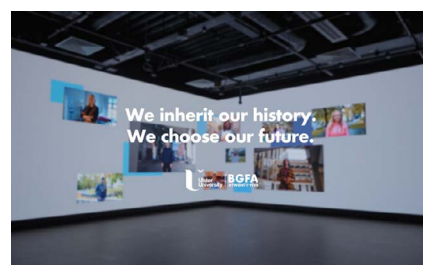
Ulster University, in partnership with Educate Together and the Integrated Education Fund, launched a new and innovative project to develop and strengthen the sustainability of primary education provision in border communities. Aimed towards gaining a better understanding of the educational challenges and opportunities facing those living in border areas, the project will examine two cross-border rural communities and is supported by International Fund for Ireland (IFI).

[READ MORE >>](#)

Belfast Good Friday Agreement@25 - Year Long Programme of Events

This year saw the beginning of a year-long arts and events programme to commemorate the pivotal moment in time, 25 years ago. It included new, exclusive arts commissions such as AGREEMENT by Amanda Dunsmore and After the Rain; 25@25: a new leadership programme to support and develop 25 leaders of tomorrow from a host of different sectors; and a major Tourism Summit.

[READ MORE >>](#)



GLOBAL VISION

Ulster University to strengthen education provision in border communities with new partnership

Ulster University, in partnership with Educate Together and the Integrated Education Fund, launched a new and innovative project to develop and strengthen the sustainability of primary education provision in border communities. Aimed towards gaining a better understanding of the educational challenges and opportunities facing those living in border areas, the project will examine two cross-border rural communities and is supported by International Fund for Ireland (IFI).

[READ MORE >>](#)



Ulster University student Ryan named Study USA student of the Year

Ulster University student Ryan Higgins was named Study USA Student of the Year in 2022. An Architectural Engineering student, Ryan spent a year at the University of Indianapolis and achieved top academic marks for an essay highlighting how the experience has helped further his employability.

[READ MORE >>](#)



Atlantic Futures: Major €4million Cross-Border Research Partnership Launches

In January 2023 a major €4million, four-year cross-border research partnership between the University, ATU and the Universities of Galway and Limerick launched to address structural and societal imbalances across the North West Atlantic Innovation Corridor. A research team is co-located across three hubs in Derry~Londonderry, Galway and Limerick and will work to understand issues in the region including slow economic growth, low levels of female entrepreneurship and higher rates of mental health difficulties among young people.

[READ MORE >>](#)

OUR VALUES

Our Values set the tone for our University, where we are and where we want to get to.

UU VALUES AT THE CORE OF THIS NEW CHAPTER

At Ulster University we are embarking on organisational change that will affect individuals and teams across each of our campuses, both now and in the years to come.

Our core values of Integrity, Inclusion, Collaboration and Enhancing Potential will help to underpin the work of those who have a role in supporting the University's transformation and help to keep the needs of colleagues at the very heart of our thinking, planning and delivery.

Achieving Excellence Together

The co-created nature of our Ulster University Values provides an indication of the culture within our community. They give us direction on how we can Achieve Excellence Together, to enhance our employee and student experience, now and in the future.

We continue to work together to help facilitate and embed values driven activities and further colleague engagement at Ulster University.

Integrity

At Ulster University, we are open and honest, allowing us to develop professional and positive trusting relationships. We strive to make sound judgements, recognise each other's contribution and understand the impact our actions can have on colleagues and students.



▲ Ulster University's values

Collaboration

Working together, we can continually build trust between individuals and teams and commit to actively listening and communicating with each other. As a University we support cross-team working and creating a transparent environment that promotes connectedness and partnerships internally and externally.

Enhancing Potential

This year we have worked to enhance potential and are pioneering in our teaching, research and professional practice. We nurture our strengths and ambitions, empowering each person to become their 'best self', and as a University we have recognised and rewarded excellence.

Inclusion

We are an inclusive University community which celebrates individual differences and encourages inter-cultural respect always. We treat each other fairly, behaving with respect and dignity in our language and actions.

FINANCIAL REVIEW

This past year has been very exciting for the University with the official opening of the new Belfast campus by the US President Joe Biden, ongoing growth in Derry/ Londonderry and further refurbishment at Coleraine. The financial results for 2022/23 were very positive, with strong growth in international recruitment and significant diversification of income with partners, with a reduced reliance on government funding.

Financial performance during the year shows a surplus of £38.3m (2022 surplus £13.4m). This includes a net credit of £25.2m (2022: charge £5.1m) due to pension funds activity in the USS and NILGOSC pension schemes. The balance sheet has strengthened with total net assets increasing to £362m (2022 £323m) reflecting an increase in capital assets and cash surpluses generated during the year.





The outlook for the 2023/24 financial year and beyond is encouraging, however future challenges and an increasingly complex changing operating environment cannot be underestimated particularly upon the public finances.

FINANCIAL STATEMENTS

The financial statements comprise the financial results of the University consolidated with the results of its subsidiary company. The University is an independent educational charity whose legal status is derived from a Royal Charter granted in 1984. The distinctiveness of the University within the higher education sector places it within a small group of institutions that are research engaged and business focussed with significant commercialisation of research, major knowledge transfer relationships. It has a focus on contributing to economic, social and cultural development in Northern Ireland and its global standing.

FINANCIAL HEALTH

Key performance indicators are set out below with an assessment on progress against the financial strategy target with **red** meaning action required, **amber** more work required and **green** on track. When taken together these measures reflect the strong governance and effective management of the University's resources in sustaining financial health in the short, medium and long term.

Financial Sustainability Indicators	2023 Actual	2022 Actual	Status	Comments
Surplus as a % of income after deducting pension provision movement	4.7%	7.1%		This indicates the level of return necessary for investment in capital.
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	£27.8m	£31.5m		This is a measure of operating surplus excluding accounting adjustments and finance charges. It is a good indicator of financial capability to service debt and/or capital expenditure from internally generated cash.
Liquidity ratio	176 days	136 days		This measures our ability to fund short term cash requirements.
Current assets to current liabilities	2.3:1	2.5:1		An indicator of financial strength to meet short term liabilities

Summary of Financial Position

Key Performance Indicators from the financial statements

Year Ended 31 July	2023 £m	2022 £m	2021 £m	2020 £m	2019 £m
Total income	281.4	259.5	239.2	214.6	218.3
Surplus/(Deficit) before Gains and Losses	12.5	(41.0)	16.4	18.0	(32.2)
EBITDA	27.8	31.5	37.3	14.4	24.9
Net assets	361.8	323.4	310.0	255.7	262.3

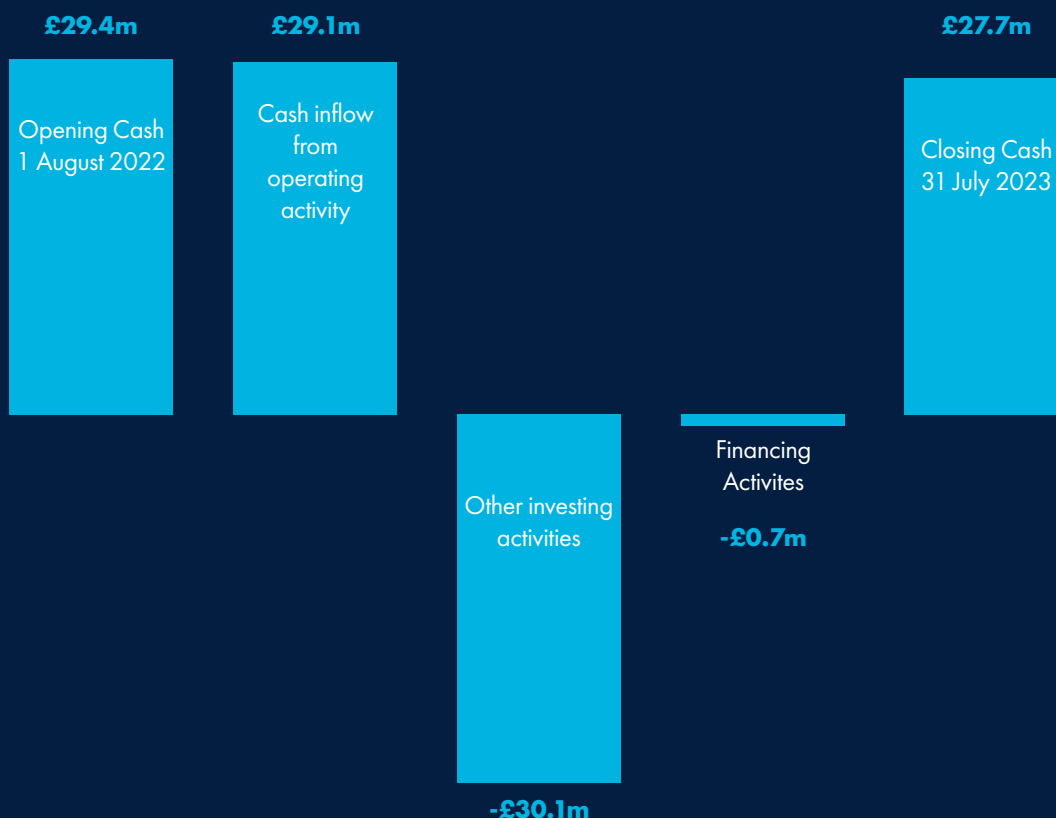
Treasury, Borrowings and Investments

Net cash increased £18.7m during the year.
The movement in funds is summarised below:

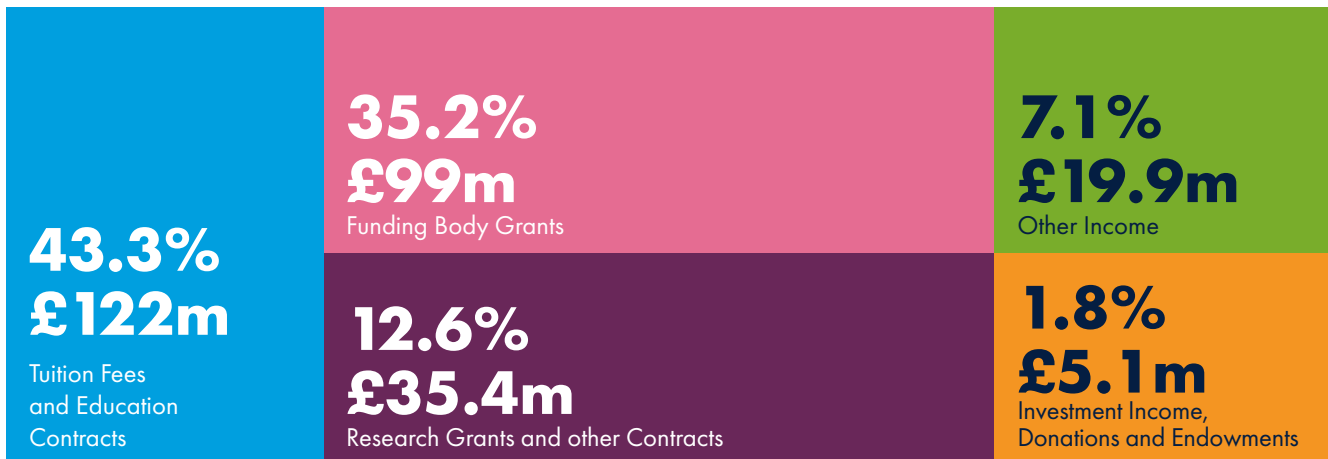
	2023 £m	2022 £m	Change £m
Investments and short term deposits	102.2	82.2	20.0
Cash at bank and in hand	27.7	29.4	(1.7)
Bank and other loans	(160.7)	(161.1)	0.4
Net cash	(30.8)	(49.5)	18.7

During the year £18.2m cash was spent on acquiring fixed assets against which £2.5m of capital grants were received.

Cashflow Statement 2022-23



Sources of Income 2022-23



How We Allocated Our Resources 2022-23



GOVERNANCE 2022-23

Council and the Committees of Council

COUNCIL COMPOSITION

Ex-Officio Members

Pro-Chancellors

Dr J Pyper
Dr E Way

Vice-Chancellor

Professor P Bartholomew

Honorary Treasurer

Mr D Clements

President of the Students' Union

Ms G Boyle

Appointed Members

*Eight persons not being members
of staff or students of the University*

Mr C Conway (from 01/03/23)
Mr J Healy (from 01/03/23)
Mrs M Lindsay
Mr P Lobban
Mr A Moore
Dr P M^cNaney
Mr P Sheridan
Mr R Sloan
Dr J Stuart
Ms J Taggart

Elected Members

Two members of Academic Staff

Professor A Gallagher
Ms G Horgan

One member of Academic-Related Staff

Mr E Friel

COUNCIL COMMITTEE

Audit and Risk Committee

Committee Composition Ex-Officio Members

Dr E Way (Chair)

Appointed Members

Mr C Conway (from 01/03/23)
Mr P Sheridan (until 16/04/23)
Mr R Sloan
Mrs M Lindsay (from 17/04/23)
Ms J Taggart (from 17/04/23)

Elected Member

Mr E Friel (until 16/04/23)

External Independent Members

Mr A Bing (from 01/03/23)

COUNCIL COMMITTEE

People Committee

Committee Composition Ex-Officio Members

Dr J Pyper (Chair)
Professor P Bartholomew (Vice-Chancellor)
Mr D Clements
Dr E Way

Appointed Member

Dr J Stuart (until 16/04/23)

External Independent Members

Mr D Bingham
Mr A Hunter
Ms G M^cAuley

COUNCIL COMMITTEE

Resources Committee

Committee Composition Ex-Officio Members

Mr D Clements (Chair)
Professor P Bartholomew (Vice-Chancellor)
Dr J Pyper
Ms G Boyle

Appointed Members

Mr J Healy (*from 01/03/23*)
Mrs M Lindsay (*until 16/04/23*)
Mr P Lobban
Dr P M^cNaney

Elected Members

Ms G Horgan (*until 16/04/23*)
Professor A Gallagher

External Independent Members

Mr C Trotter (*from 01/03/23*)

COUNCIL COMMITTEE

Belfast Campus Development Committee

Committee Composition

Dr P M^cNaney (Chair)
Mr D Clements (Deputy Chair)
Professor P Bartholomew (Vice-Chancellor)
Mr P Lobban
Mr A Moore
Professor P Gray

Co-opted Independent Members

Mr D Gregory
Mr J Cole

COUNCIL COMMITTEE

City Deals and Special Projects Committee

Committee Composition

Mr P Sheridan (Chair)
Mr E Friel
Ms G Horgan (*from 17/04/23*)
Mr R Sloan
Dr J Stuart

Statement of Primary Responsibilities

The Council has adopted a statement of primary responsibilities which is available for download at:

[ULSTER.AC.UK/STATEMENTOFPRIMARYRESPONSIBILITIES](https://www.ulster.ac.uk/statementofprimaryresponsibilities)



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ulster.ac.uk



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University of Ulster

Northern Ireland - Charity number 100166

Annual return

Financial Statements

FOR THE YEAR TO 31 JULY 2023

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Operating and Financial Review

Financial performance during the year shows a surplus of £38.3m (2022: surplus £13.4m). This includes a net credit of £25.2m (2022: charge £5.1m) due to pension funds activity in the USS and NILGOSC pension schemes. The balance sheet has strengthened with total net assets increasing to £362m (2022: £323m) reflecting an increase in capital assets and cash surpluses generated during the year.

Scope of Financial Statements

The financial statements presented to the University's Council have been prepared on a consolidated basis and include the results of Ulster University and its subsidiary company Innovation Ulster Limited. This report should be read with the Annual Review 2023 which provides a detailed summary of activities undertaken by the University in delivering its corporate objectives.

Public Benefit

The University is an independent educational charity whose legal status is derived from a Royal Charter granted in 1984.

Ulster University's charitable purpose is the advancement of education. In setting and reviewing the University's objectives and activities, Council has given due regard to relevant guidance on the reporting of public benefit, in particular, the Charity Commission's supplementary public benefit guidance on the advancement of education. We deliver our charitable purpose for the public benefit, by implementing our corporate plan and delivering on those strategic aims and objectives approved by Council to shape our academic portfolio in response to the demands of students and employers, and to deliver research and innovation that achieves economic and social transformation.

The distinctiveness of the University within the Higher Education (HE) sector places it within a small group of HE Institutions (HEI's) that are research-engaged and business-focused with significant commercialisation of research and major knowledge transfer relationships.

Financial Performance

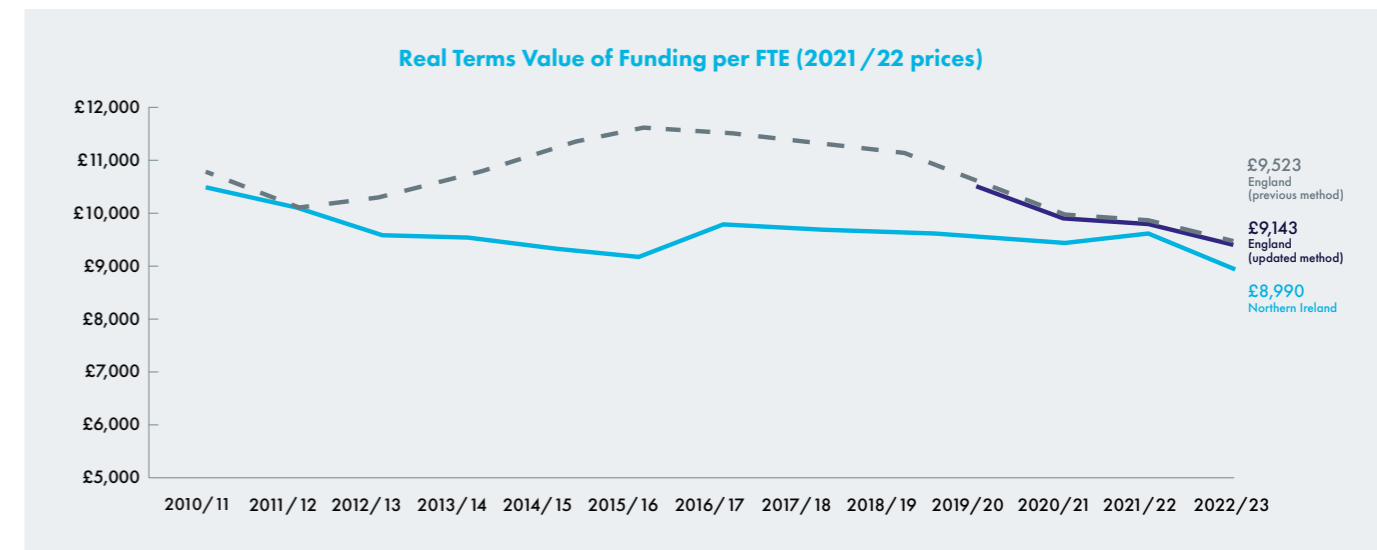
The University's underlying financial performance continues to remain strong as shown below.

	2023	2022
Staff costs excluding pension adjustment: Income ratio	53.7%	54.2%
Cash spend on fixed assets	£18m	£47m
Earnings before interest, tax, depreciation and amortisation (EBITDA)	£27.8m	£31.5m
% Income from non-government sources	33%	27%

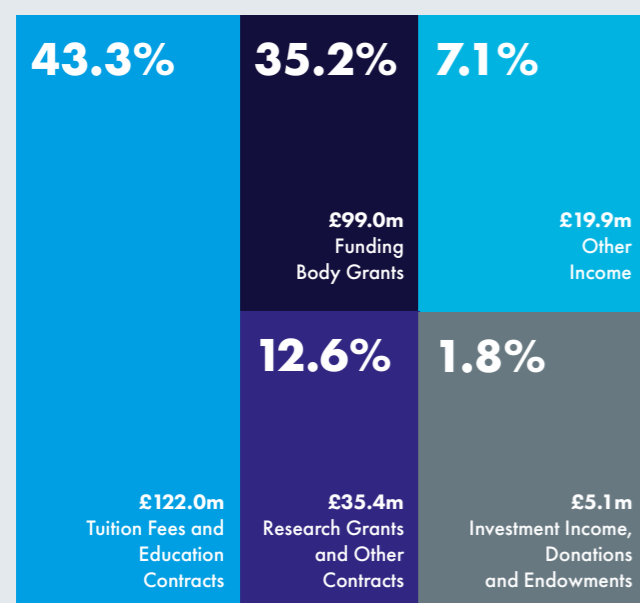
The University's consolidated comprehensive surplus for the year was £38.3m (2022: surplus £13.4m). This reflects the impact of pension adjustments attributable to the University relating to both USS and NILGOSC pension schemes with a credit to the Statement of Comprehensive Income of £25.2m (2022: charge £5.1m). The underlying financial performance excluding the pension adjustment is a surplus of £13.1m (2022: surplus £18.5m). Non-government income grew from £70.2m to £91.6m, an increase of 30.5%. This is a result of the increase in both international and educational partnership tuition fee income.

Ulster University is operating in an environment where we receive less funding per student per year than comparable institutions in England.

Differential funding is shown in the chart below:



Sources of Income 2022/23



Income

Total income in 2022/23 was £281.4m (2022: £259.4m). This represents an increase of 8.5% from last year and is reflective of an increase in tuition fees, research grants and contracts income and improved investment returns.

Funding Body Grants fell 2.9% from 21/22. The recurrent grant for teaching and research activities from the Department for the Economy (DfE) increased 4.8%, this is due to increased student numbers for the new Medical School, an increase in research funding following the outcome of the Research Excellence Framework and an additional one-off research grant funding for 22/23. The grants for special initiatives was lower in 22/23 compared to 21/22 as 21/22 received covid related grants and funding for the set-up of the Graduate Medical School. Growth of 15.4% in tuition fees is due to an increase in student numbers from overseas and in the educational partnerships contracts.

Research Income increased 13% year on year from £31.4m to £35.4m. There was a significant increase in UK government funded grants of over £5m and a fall in EU government funded grants of £2.7m. This can be explained largely to the UK Government underwriting EU funding for the financial year. In addition, the impact of City Deals is taking effect with significant increases in research income within the Faculty of Arts due to Studio

Ulster Limited, with income increasing significantly from AHRC and DfE. While research income from the EU has decreased, this trend will likely change in the future, with the UK associating with Horizon Europe from January 2024. Although this will have little impact in the short term, there will be a significant increase in the medium to long term.

Other income of £19.9m remained stable year on year. The level of trading activity has stabilised after the Covid pandemic.

Expenditure

Total expenditure in 2022/23 was £269m (2022: £300.5m), with staff costs representing 54.0% of the total expenditure (2022: 58.2%), after excluding pension adjustment.

Other operating expenses includes expenditure on utilities and premises maintenance costs, administration costs, equipment, student accommodation, scholarships and bursaries and, library services. Other operating expenses (excluding depreciation) for the year were £96.6m, which compares to the prior year cost of £83.1m. This is due to inflationary increase in costs, increased expenditure in research activity and increased costs for international students, both these costs are in line with increased income from these streams. Travel costs also increased returning to pre covid levels.

Impact of Pension Deficit

The Statement of Total Comprehensive Income (SOCl) for the year includes a net credit of £25.2m from the University's pension liability movement (2022: charge £5.1m). This includes an actuarial gain in the NILGOSC pension scheme of £17.2m (2022: gain £54.6m).

The pension provision credit is a non-cash movement and is not a measure of the University's operational financial performance or surplus generated. It is simply the difference, year on year, of revisions of the estimated value of the scheme assets and liabilities of the University's defined benefit pension schemes.

Certain assumptions are used to value future liabilities of the pension scheme and the assets belong to the pension scheme. These estimates reflect changes to the actuary's assumptions as a consequence of developments in the year.

The FRS 102 valuation of the NILGOSC pension scheme at 31 July 2023 resulted in an estimated net pension asset of £18.9m.

Estates Capital Plan

The Estates capital work for 2022/23 has continued to focus on enhancing the experience for students, staff and the wider community. This included the further development of areas of the campus master plans for Coleraine and Derry~Londonderry to supplement the long-term master plan vision for the campuses.

In addition, this work also provides short to medium frameworks for the development at the campuses in line with the respective masterplans. The masterplan work will inform the development of the new Estate Strategy which is now scheduled for completion in 2023/24. Aligned to the delivery of the Estates masterplan the University purchased two new buildings in 22/23. Mount Royal in Derry~Londonderry facilitates student residences needs associated with the campus expansion while the purchase of the Irish News building in Belfast is a longer term investment to facilitate future campus needs.

The Estates Services team continues to work closely with academic colleagues and external stakeholders on the development of City Deals for both Belfast Region and Derry City and Strabane Region (and Inclusive Futures Fund for Derry Region).

A key element of the Inclusive Futures Fund is the School of Medicine which opened in temporary accommodation for Semester 1 2021/22. This followed an extensive refurbishment of one of the listed buildings on the campus. A space brief for the new build School of Medicine has been developed and will be finalised on agreement of student numbers intake.

On the Coleraine campus, the University have progressed remedial works to address the impact of a fire in a teaching laboratory in Block G4 of the campus with design work for the final reinstatement now well underway.

In addition, the University are progressing the engagement on the potential development of a golf driving range on the campus in tandem with continuing to also carry out essential long-term maintenance to building fabric.

On the Derry~Londonderry campus, significant refurbishment works have been completed on Block MF to facilitate the arrival of the School of Health Sciences which has now completed its first year of teaching on the campus. The completed facilities provide modern state of the art specialist teaching and learning spaces, student hubs, social spaces, offices and ancillary accommodation.

To assist with the Derry~Londonderry campus legibility, new wayfinding signage has been installed throughout the campus and a new pedestrian route through the campus, which links the previously disconnected lower levels, has also been completed. Construction of a new car park on the Duncreggan site, to facilitate the growth in campus numbers, was also completed.

Additional works on the Derry~Londonderry campus included the development of a 'sports yard' to facilitate external activities and the installation of a new heating system in the university owned student accommodation to improve reliability and operational flexibility.

On the Belfast campus, the University has progressed the design work for the refurbishment of the Academy Restaurant and Students' Union both of which will progress to site over summer 2023. Other campus interventions have included the creating of a student social area adjacent to the main campus entrance. The final phase of the Greater Belfast Development project (Block BC) completed in September 2022 and the new campus in Belfast was fully operational for the start of the academic year.

In relation to the Jordanstown campus, the new sports centre projects planning submission was lodged in October 2023 with a view to commencing construction in Spring 2024 while decluttering and clearance of the vacated campus is ongoing with view to having this substantially complete by end of the year.

Other Jordanstown elements include the services rationalisation strategy which has been developed to facilitate the disposal of large areas of the campus.

An initial inspection to identify Reinforced Autoclaved Aerated Concrete (RAAC) has been undertaken and seven roof locations, all located on the Coleraine campus, require further investigation. Conditions indicate there is no urgent or immediate work required. It is however anticipated that some remedial works will be undertaken during 23/24, following a more detailed investigation.

Sustainability

Climate and Nature Positive Action

In recognising that the climate emergency and biodiversity crisis are inextricably linked we are responding to these challenges through our campus Climate and Nature Positive actions, engagement, and accreditations.

Climate Positive

Ulster University have completed a net zero carbon modelling project as part of a foundation phase of developing a climate and sustainability strategy. The modelling project presented a series of decarbonisation pathways to reach net zero with different target dates utilising a mix of varying investment and project interventions across the University's entire value chain emissions.

In 2022/23 a preferred decarbonisation scenario was developed into a more detailed Net Zero Carbon Roadmap outlining the major actions required to achieve emission reductions. The Net Zero Roadmap provides a high-level guide to next actions required, including but not limited to:

- Campus and building portfolio assessments and detailed strategies for reducing electrical and heat demand, phasing out gas usage and assessing embodied carbon on future new build and retrofit construction.
- The creation, adoption, and implementation of relevant policies i.e., introduction of innovative business travel policies.
- Focused engagement with key stakeholders, such as suppliers, local government authorities and the student body, to achieve the emissions reduction targets.
- Target-setting for supply chain decarbonisation to reduce upstream Scope 3 emissions.
- Regular annual assessments of carbon emissions to ensure decarbonisation is proceeding at an optimal rate consistent with the net zero carbon roadmap.
- Improvement of data quality and collection processes.

The new enhanced Belfast campus opened in September 2022, its city centre location provided the ideal location and opportunity to promote active and sustainable travel to the over 15,000 staff and students working and studying on the campus.

A range of sustainable travel improvements were introduced including:

- New Translink shuttle bus service connecting the campus to the nearest train stations and popular student residential areas.
- Free Metro bus transfer from Yorkgate Train Station to campus.

- Enhanced bus service from and to Jordanstown Sports Village (JSV) as well as a park and ride facility at JSV.
- Sustainable Travel Map.
- Opening of Active Travel Hub operated by social enterprise Big Loop Bikes and Sustrans offering cost effective repairs, bike purchase and leasing and a programme of activities, training and events delivered by Sustrans.

Nature Positive

In 2022/23 Ulster University officially pledged to the Nature Positive Universities Alliance committing to assessing the impacts of our natural capital and to determine the most impactful initiatives to introduce and to report progress on. During the year we conducted the first of four pledge requirements by conducting a baseline assessment and ecological survey of the Coleraine campus. Setting nature targets, taking action to protect and restore species and ecosystems and nature reporting will form the next elements of our nature positive pledge and commitments.

Sustainability Engagement and Reward

The Net Zero Challenge digital engagement app was first launched at Ulster University in 2021. The interactive programme is available to all staff and students to engage with individual and university-wide sustainability and wellbeing. By completing positive actions staff and students earn points, a place on the leader board and prizes. After two years the university community has completed almost 10,000 positive sustainability and wellbeing actions so far! Actions have ranged from learning about carbon to travelling actively, and from eating less meat to litter picking.

External Recognition

Ulster University is recognised externally for leading in sustainability through achieving 'Platinum' award in the Business in the Community Environmental Benchmarking Survey and maintaining accreditation to ISO 14001, the International standard for Environmental Management.

For academic year 2023/24 our climate and nature positive commitments will focus on developing a Climate Action Position statement to articulate our position on climate change and focus on completing our first Natural Capital Assessment and Account to facilitate an integrated approach to placing nature on our balance sheet.

Cashflow and Financing

Net cash increased by £18.7m during the year. The movement in funds is summarised below:-

	2023 £m	2022 £m	Change £m
Investments and short term deposits	102.2	82.2	20.0
Cash at bank and in hand	27.7	29.4	(1.7)
Bank and other loans	(160.7)	(161.1)	0.4
Net cash	(30.8)	(49.5)	18.7

The net cash inflow from operating activities for the year was £29.1m (2022: £31.3m), interest paid totalled £0.5m (2022: £0.5m), and interest received totalled £3.5m (2022: £0.4m). Throughout the year the Group operated with a cash surplus and in line with its banking covenants. All treasury decisions were undertaken within the framework of the University's treasury policy. The underlying principle of this policy is that the University operates a low-risk approach in managing its investments and liquidity. All funds are placed with counter parties whose underlying credit rating is monitored against minimum criteria. Furthermore, an upper limit of investment in any one financial institution of £35m applies. The University's Treasury Management policy was approved by General Purposes and Finance Committee in April 2015.

Endowment assets at the year-end were valued at £15.0m, a decrease of £0.3m due to falling market values. The endowment funds are managed by Rathbones Investment Management.

During the year £18.2m cash was spent on acquiring fixed assets against which £2.5m of capital grants were received.

How We Allocate Our Resources 2022/23

£99.8m Academic Departments	Total Staff Costs £140.3m
Staff Costs: £86.7m Other: £13.1m	Total Other £128.7m
£28.0m Research Grants and Contracts	Total £269.0m
Staff Costs: £12.6m Other: £15.4m	
£49.4m Premises	Staff Costs: £4.2m Other: £45.2m
£40.0m Administrative and Central Services	Staff Costs: £20.0m Other: £20.0m
£6.2m Residences, Catering and Conferences	Staff Costs: £1.5m Other: £4.7m
£48.0m Academic Services	Staff Costs: £23.4m Other: £24.6m
(£7.8m) Pension Adjustment	Staff Costs: (£10.7m) Other: £2.9m
£5.4m Other Spend	Staff Costs: £2.6m * Other: £2.8m <small>*including income-generating operations</small>

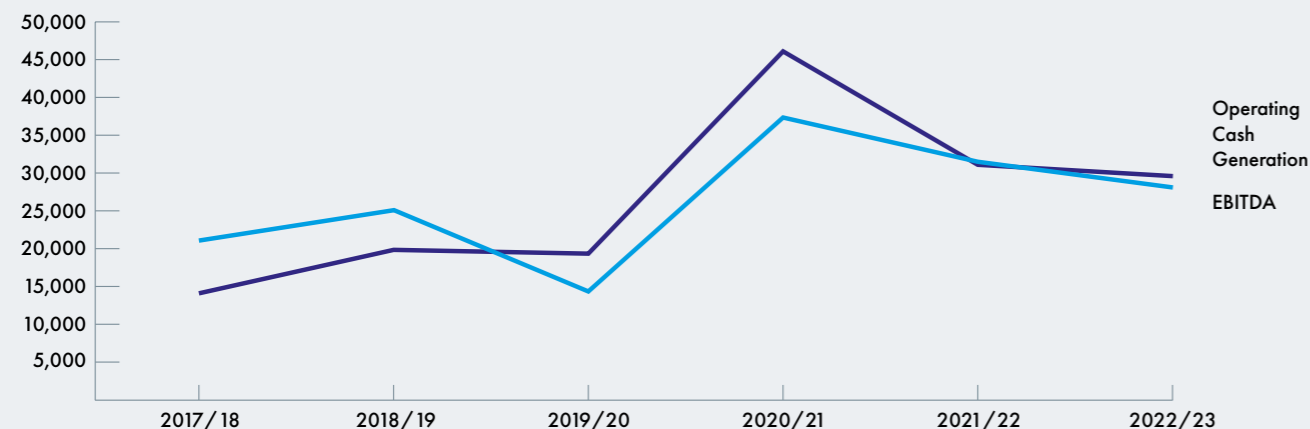
Cashflow Statement 2022/23



EBITDA

One of the key targets which is being monitored as part of the financial strategy is the accumulation of cash to support our corporate ambitions. Two figures are being monitored. Firstly, Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA). EBITDA is a measure of operating surplus excluding major accounting adjustments and finance charges. It provides a good indicator of financial capability to service debt and/or fund capital from internally generated cash. The second figure is net cash from operating activity. This figure takes into account movement in working capital requirements. The following table shows the movement of these two cash indicators over the last five years.

EBITDA to Cash Generated from Operating Activities 2017/18 to 2022/23



From the above it can be seen that the University continues to operate in a financially sustainable manner and can support investment in its infrastructure with EBITDA at £27.8m.

Net Assets

Total net assets £361.8m (2022: £323.4m) have increased by 12.0%. The net book value of fixed assets decreased by £11.7m to £556.9m (2022: £568.6m) which includes the commencement of depreciation for the Greater Belfast Development. The net current assets position remains strong at £92.6m (2022: £82.4m) with an increase of £18.3m in cash funds. The balance sheet reflects the University's continued investment in the Greater Belfast Development as well as maintaining investment in other campuses and the recovery of the pension fund.

Endowments

In the year to 31 July 2023 the Endowment fund value fell to £15.0m, (31 July 2022: £15.3m) representing a decrease of 2.1 %.

The University holds the ethical policy of ensuring investments are made in a responsible manner. In support of this, the University in collaboration with the Students' Union, made the decision to divest from fossil fuel companies and instead invest our endowment fund into more sustainable alternatives. Fossil fuel divestment is the removal of investment assets including stocks, bonds, and investment funds from companies involved in extracting fossil fuels, to reduce climate change by tackling its ultimate causes. The University has fully divested from these investment assets.

Future Financial Health

Key performance indicators are set out below with an assessment on progress against the financial strategy target with **red** meaning immediate action required, **amber** more work required and **green** on track.

When taken together these measures reflect the strong governance and effective management of the University's resources in sustaining financial health in the short, medium and long term.

Financial Sustainability Indicators	2023 Actual	2022 Actual	Comments
Surplus/(Deficit) as a % of income after deducting pension provision movement	4.7%	7.1%	● This indicates the level of return necessary for investment in capital.
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	£27.8m	£31.5m	● This is a measure of operating surplus excluding accounting adjustments and finance charges. It is a good indicator of financial capability to service debt and/or capital expenditure from internally generated cash. Financial Strategy target £18m
Liquidity ratio	176 days	136 days	● This measures our ability to fund short term cash requirements. Financial Strategy set min level at 42 days
Current assets to current liabilities	2.3:1	2.5:1	● An indicator of financial strength to meet short term liabilities.

Financial Outlook

This past year has been very exciting for the University with the official opening of the new Belfast campus by the US President Joe Biden, ongoing growth in Derry~Londonderry and further refurbishment at Coleraine. The financial results for 2022/23 were very positive, with strong growth in international recruitment and significant diversification of income with partners, with a reduced reliance on government funding.

Over the last five years the University cash flow from operating activities has averaged over £25m showing the University has a good track record of generating cash to invest in staff and the estate. This reflects the strong governance and effective management of the University's resources in sustaining financial health.

The University launched its strategy 'People, Place and Partnership' in November 2022, and it recognised the unprecedented time for higher education as it faces the challenge of emerging from the global pandemic and adapting to a changed learning landscape. The University has renewed its commitment to a campus-based university together with a significant expansion of a fully online provision for those wishing to study at a distance. In addition, the strategy has a strong commitment to all areas of sustainability and has recently appointed a new Dean of Sustainability to take forward work in this area.

The strategic commitment to our multi-campus university model is evident in the planned scale of investment across all campuses with funding and investment being committed through a range of Growth and City Deals, and the Irish Government commitment to the provision of capital funding for a new teaching block on the Derry~Londonderry campus.

The outlook for the 2023/24 financial year and beyond is encouraging, however future challenges and an increasingly complex changing operating environment cannot be underestimated particularly upon the public finances.

David Clements
Honorary Treasurer



Risk Managing

When managing risk, the University adheres to its Risk Management Policy which aims to protect the institution and its stakeholders from unforeseen or unacceptable exposure to risks. This policy forms part of the University’s internal control and corporate governance arrangements. It applies to strategic, departmental, faculty and project risk management.

Risk Management

The University’s approach to risk management provides assurance to the Senior Leadership Team, Audit and Risk Committee, Council and the Department for the Economy that those risks that threaten the achievement of the University’s strategic objectives are being actively identified, monitored and mitigated against. This systemic risk management process ensures:

- Enhanced decision-making by forecasting important threats and opportunities;
- A more effective use and allocation of resources;
- A recognition of responsibility and accountability;
- A more targeted, risk-based internal audit plan;
- An enhanced communication and escalation of significant risks from within operational and tactical areas.

Process

Our Senior Leadership Team, (SLT), is, as a collective and individually, responsible for effective risk management in their areas of responsibility, in accordance with the risk management policy and procedures. Key roles of the SLT are to:

- Regularly review the institutional risk appetite statement and appetites assigned to the strategic priorities, for consideration and approval by the Audit and Risk Committee;
- Regularly review all significant strategic risks faced by the University for consideration by Audit and Risk Committee and keep these risks under scrutiny monthly;
- Undertake training and development activities associated with risk management;
- Ensure the adoption of risk management amongst their staff.

In addition;

- All senior officers are required to undertake regular reviews and assessment of key risks within their areas of operation as part of routine management arrangements.
- The SLT are responsible, as project leaders, for the risk management of major institutional projects.
- The Chief Strategy and Finance Officer is responsible for ensuring that the University operates effective procedures relating to risk management and for undertaking formal reviews on behalf of Council of the risk management policy.
- Staff within Audit, Risk and Business Continuity provide on-going training to risk owners in order to facilitate the effective operation of risk management across the University.
- SLT undertakes periodical reviews of the Strategic Risk Register to ensure that it is operating within agreed risk tolerances and significant risks are being escalated and de-escalated on a timely basis.
- Audit, Risk and Business Continuity regularly produce reports for all risk owners highlighting any significant risks across the University that relate to their area of responsibility.

Risk registers

Risk registers exist at three different levels across the university: strategic; tactical (portfolio level); and operational (faculty and departmental). There are project risk registers, e.g. City Deals.

Integration with Internal Audit

Our internal audit strategy is developed around the University’s strategic risks which are listed below, as well as those risks facing the sector. The annual audit plan of reviews across key areas further supports our risk management processes.

The risks for the 2022/23 year were:

The University cannot attract/access investment as needed to operate in a financially sustainable manner and sustain our multi-campus operation.

Cyber Security Preparedness: University could be adversely impacted in the event of a cyber attack.

Inability to develop and maintain a high quality, fit for purpose, digital infrastructure to support teaching and learning delivery.

Inability to generate all benefits from the Greater Belfast Development building due to contractual issues resulting in damage to reputation and/or adverse impact to student and staff experience.

Failure to fully recognise and react positively to the welfare and wellbeing needs of our staff in the delivery of the University’s objectives.

Failure to recruit, retain and progress adequate numbers of students to meet the academic plan.

Failure to promote and embed a strong culture of good governance across the University to support compliance with legal, statutory and regulatory requirements.

Inability to maintain and protect information, digital and physical assets, and maintain business operations while meeting our legal and regulatory obligations.

Inability to identify and respond to our students’ expectations and support health and wellbeing.

High quality university environment is not developed/maintained and utilised effectively to deliver a high-quality student and staff experience in respect of learning, research and campus life.

Statement Corporate Governance

The University is committed to promoting best practice in all aspects of corporate governance. The following statement aims to provide readers of the Financial Statements with an understanding of the governance arrangements applied by Council, the governing body of the University.

The University endeavours to structure its governance arrangements and 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) and in line with the Committee of University Chairs (CUC) Higher Education Code of Governance (September 2020) and its own Statement of Primary Responsibilities (see pages 24 to 25).

The University is an autonomous body, whose legal status derives from a Royal Charter granted in 1984. The University's objects, powers and framework of governance are set out in the Charter and supporting Statutes, which are currently under review. Council also seeks to comply with the Charity Commission's guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education.

Council meets formally at least five times each year. It is responsible for the ongoing strategic direction of the University, the stewardship of its revenue and property, and the general conduct of its affairs. Council works closely with the Vice-Chancellor and his Senior Leadership Team (SLT) to set the institutional strategy and purpose, and the SLT ensures that steps are taken to deliver the institutional goals, supported by elective systems of control and risk management.

Under its Delegated Authority Framework, Council delegates some of its powers and responsibilities to its core Committees. The Framework provides clarity on those matters reserved to Council for collective decision to include, for example, approval of the University's Strategic Plan, and those which it delegates to its Committees and to the Vice-Chancellor. Each Committee is provided with a clear remit and written Terms of Reference stating the extent and limits of its responsibilities and authority. The key governance Committees are Senate; the Audit and Risk Committee; the Resources Committee; the People Committee (formerly the Governance, Nominations and Remuneration Committee); the Belfast Campus Development Committee; and the City Deals and Special Projects Committee).

Further detail on Council and its core Committees is set out overleaf.

Council

The Council, which met six times during the year, has a membership of eighteen, the majority of whom (thirteen) are appointed from outside the University. With the exception of the Students' Union President, Council members serve for a maximum of two terms of four years. Council has two Pro-Chancellors, who act as Chair and Deputy Chair of Council. The Pro-Chancellors are supported in this role by the Honorary Treasurer, who is also appointed from among the external members of Council. Both the Vice-Chancellor and the Students' Union President are ex-officio members of Council and the membership also includes three elected members of University staff. With the exception of the Vice-Chancellor, whose emoluments are disclosed in Note 7, none of the members receive any payment, other than the reimbursement of reasonable expenses, for the work that they do in their capacity as members of Council.

The membership of Council, during the 2022/23 academic year, is provided below:

Ex Officio Members:

Dr J Pyper	Pro-Chancellor and Chair of Council (from 01 July 2019)
Dr E Way	Second Pro-Chancellor (from 20 June 2020)
Mr D Clements	Honorary Treasurer (from 01 August 2016)
Professor P Bartholomew	Vice-Chancellor (from 17 August 2020)
Ms G Boyle	President of the Students' Union (from 01 June 2022 - 01 June 2023)

External Members:

Mr P Lobban	appointed 01 October 2016
Dr P McNaney	appointed 01 October 2016
Dr J Stuart	appointed 01 October 2016
Mr P Sheridan	appointed 09 November 2018
Mrs M Lindsay	appointed 09 November 2018
Mr R Sloan	appointed 15 February 2019
Mr A Moore	appointed 09 December 2020
Ms J Taggart	appointed 01 January 2021
Mr C Conway	appointed 01 March 2023
Mr J Healy	appointed 01 March 2023

Elected Staff Members:

Ms G Horgan	appointed 15 February 2019
Mr E Friel	appointed 01 October 2020
Professor A Gallagher	appointed 01 October 2020

The Audit and Risk Committee

The Audit and Risk Committee, chaired by Pro-Chancellor Dr Elaine Way, met five times during the year, with the University's Internal and External Auditors in attendance at all meetings. The Committee considered detailed reports together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation timescales. While Senior Management attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee, and the Committee meets both the External and Internal Auditors in private session at least once each year.

The Resources Committee

The Resources Committee, chaired by the Honorary Treasurer David Clements, met five times during the academic year. The Committee recommends to the Council the University's annual revenue and capital budgets for the University group and monitors performance in relation to the approved budget. The Committee also has, *inter alia*, oversight of matters pertaining to the estate, information technology and people and culture.

The People Committee

The People Committee, chaired by Dr Jenny Pyper, Chair of Council, met seven times during the academic year. The Committee brings together the responsibilities of remuneration, nominations and people and culture. In this context, it reviews annually the salaries of the senior staff of the University including that of the Vice-Chancellor. The review takes account of any external earnings, including consultancy, by senior staff as well as the salary norms within the higher education sector for a wide variety of senior posts. The Committee is also responsible for recommending the appointment and re-appointment of members to Council and its Committees, together with University appointments on subsidiary companies.

The Belfast Campus Development Committee

The Belfast Campus Development Committee, chaired by Dr Peter McNaney, met five times during the academic year. The Committee is responsible to Council for oversight of all aspects of the Belfast campus building development and the relocation of staff and students to the new campus.

The City Deals and Special Projects Committee

The City Deals and Special Projects Committee chaired by Mr Peter Sheridan, met five times during the academic year. The Committee is responsible to the Council for oversight in relation to the governance and assurance frameworks underpinning City Deal and Special Projects, with the special projects falling within the scope of the Committee to be determined, from time to time, by Council.

The Vice-Chancellor

The Vice-Chancellor, as principal academic and administrative officer of the University, has responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal Financial Memorandum between the University and the Department for the Economy (DfE) currently under review, the Vice-Chancellor is the designated Chief Accounting Officer of the University and, in that capacity, can be summoned to appear before the Public Accounts Committee of the Northern Ireland Assembly.

As de facto Chief Executive of the University, the Vice-Chancellor exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments and the shaping of the institutional ethos. The Deputy Vice-Chancellor, University Provost, Chief Strategy and Finance Officer, Chief People Officer, Pro-Vice-Chancellors, Executive Deans of Faculties, Professional Service Directors and the University Secretary all contribute in various ways to these aspects of the work, but the ultimate responsibility for what is done rests with the Vice-Chancellor. The executive structure of the University is represented by the Senior Leadership Team (SLT), which comprises of the Vice-Chancellor (Chair), the Deputy Vice-Chancellor, the University Provost, the Pro-Vice-Chancellors, the Chief People Officer, the Chief Strategy and Finance Officer and the Executive Deans.

The University maintains a Register of Interests of Members of the Council and Senior Officers, which may be consulted by arrangement with the University Secretary. The Register of Members of the Council is available online on the University's governance web pages.

The Office of the University Secretary provides the secretariat to the Council. Any enquiries about the constitution and governance of the University should be addressed to the University Secretary.

The Senate

The Senate, chaired by the Vice-Chancellor, is the academic authority of the University. It is composed mainly of academic staff but provision is also made for membership of non-academic staff and students. Its role is to direct and regulate the teaching and research work of the University.

Statement of Internal Control

As the governing body of Ulster University, we, the Council, have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible in accordance with the responsibilities assigned to the governing body in the Charter and Statutes and the Financial Memorandum with the Department for the Economy (DfE).

The Council is of the view that there is an ongoing process for identifying the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage these efficiently, effectively and economically. Those procedures have been in place for the year ended 31 July 2023.

The following actions have been taken in relation to the risk management policy and for reviewing the effectiveness of the systems of internal control:

- The Council met six times in the year to consider the strategic direction and plans of the University and to monitor performance against those plans;
- There is clear definition of the responsibilities of, and authority delegated to, committees of the Council and the Executive;
- The University's current strategic plan sets the framework of strategic aims and objectives against which risks are assessed and performance is monitored and reported;
- A Strategic Risk Register, which incorporates the key risks at institutional level, is maintained;
- The Senior Leadership Team (SLT) formally reviews and assesses high risks bi-monthly;
- All faculties and departments, as part of their planning, maintain and review their risk registers;
- The Audit and Risk Committee receives reports from the independent Internal Auditors on the adequacy and effectiveness of the University's systems of internal control with recommendations, as appropriate, for improvement.

In addition to these, other actions were taken in-year to enhance internal control:

The work of the Internal Audit service has been informed by an analysis of the operational, business and financial risks to which the University is exposed and upon which Internal Audit activity for 2022/23 was based. The Internal Audit service operates to agreed standards and submits regular reports, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the system of internal controls, together with recommendations for improvement. Deloitte (NI) Ltd were appointed as the University's internal auditors in June 2022 on a three-year contract.

Our reviews of the effectiveness of the system of internal control are informed by the work of the Internal Auditors and the SLT within the institution who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their year end management letter and other reports. The Audit and Risk Committee monitors the effectiveness of the systems of internal control on Council's behalf. Any system of internal control can, however, only provide reasonable, but not absolute assurance against material loss or misstatement.

In accordance with the Statutes, the Council, as a governing body, is responsible for the administration and management of the affairs of the University including ensuring an effective system of internal control and is required to present audited Financial Statements for each financial year.



Statement of the Council's Responsibilities

The Council is responsible for ensuring the maintenance of proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that Financial Statements are prepared in accordance with the Statutes, the Statement of Recommended Practice on Accounting in Higher Education Institutions and other relevant accounting standards.

In addition, within the terms and conditions of a Financial Memorandum agreed between the Department for the Economy and the Council of the University, the Council, through its designated office holder, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the Financial Statements to be prepared, the Council has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Financial Statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. The Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future; for this reason the going concern basis continues to be adopted in the preparation of the Financial Statements.

The Council has taken reasonable steps to:

- Ensure that funds from DfE are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Department and any other conditions which the Department may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of the University and prevent and detect fraud;
- Secure the economical, efficient and effective management of the University's resources and expenditure.

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:

- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, and cash flow budgets;
- Regular 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 by the Resources Committee on behalf of the Council;
- A Financial Procedures Manual, detailing financial controls and procedures;
- A professional Internal Audit team whose annual programme is approved by the Audit and Risk Committee.

The Audit and Risk Committee, on behalf of Council, has reviewed the effectiveness of the University's system of internal financial control. Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.



Statement of Primary Responsibilities

The Council is the governing body of the University and its members are the trustees in relation to the University's status as an exempt charity. The Council is responsible for overseeing the University's activities, determining its future direction, and fostering an environment in which institutional objectives are achieved.

This Statement is based on the model statement contained in the Higher Education Code of Governance, published by the Committee of University Chairs in September 2020, adapted to reflect the powers and responsibilities that the Council derives from its approved Charter and Statutes.

Consistent with the University's constitution, the primary responsibilities of the University Council are as follows:

1. To set and agree the mission, strategic vision and values of the University with the Executive, in accordance with its primary objectives of learning, teaching and research.
2. To provide oversight and accountability for the University's arrangements for governance and risk management.
3. To approve and keep under review the University's long-term academic and strategic plans, including key performance indicators, ensuring that these meet the interests of stakeholders, especially staff, students, alumni and other beneficiaries.
4. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the strategy, plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
5. To delegate authority to the Vice-Chancellor, as Head of the Institution, for the academic, corporate, financial, estate and human resource management of the University.
6. Through an effective Scheme of Delegated Authority, regularly reviewed by Council, to establish and keep under review the policies, procedures and limits within such management functions as shall be undertaken by, and under the authority of, the Vice-Chancellor.
7. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, risk assessment, value for money arrangements and robust procedures for handling internal grievances and managing conflicts of interest.
8. To establish processes to monitor and evaluate the performance and effectiveness of Council itself.
9. To conduct its business in accordance with best practice in Higher Education corporate governance, the University's agreed values, and with the principles of public life drawn up by the Committee on Standards in Public Life.
10. To safeguard the good name and values of the University.
11. To appoint the Vice-Chancellor as Chief Academic and Administrative Officer of the University, and as its Accounting Officer, and to put in place suitable arrangements for monitoring their performance.
12. To appoint a Secretary to Council and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
13. To be the employing authority for all staff in the University and to be accountable for ensuring that an appropriate people and culture strategy is established.
14. To seek assurance that the University is meeting the conditions of funding as set by regulatory and funding bodies and other major University funders, and that the use of funds is in line with the principles of regularity, propriety and value for money.
15. To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall accountability for the University's assets, property and estate.
16. To be the University's legal authority and, as such, to ensure systems are in place for meeting all its legal obligations, including those arising from contracts and other legal commitments made in the University's name. This includes accountability for health, safety, wellbeing and security and for equality, diversity and inclusion.
17. In consultation with Senate, to receive assurance that adequate provision has been made for the general welfare of students.
18. To ensure that the procedures in place for managing students, including disciplinary procedures, are fair and equitable.
19. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.
20. To determine regulations for the custody and use of the common seal of the University.
21. To approve, for consideration by Privy Council, changes to the Charter and Statutes and to ensure that the institution's constitution is always followed, and that appropriate advice is available to enable this to happen.
22. To promote a positive culture which supports inclusivity and diversity across the institution, including within Council's own composition.
23. In partnership with Senate, to maintain and protect the principles of academic freedom and freedom of speech legislation.
24. To ensure that all students and staff have appropriate opportunities to engage with the governance and management of the institution by operating in an open, honest and accountable manner.
25. To ensure the University is appropriately accessible and relevant to its local communities and is open to engagement with local communities in identifying its role in delivering public/community benefit and economic civic duties.

Report to the Council of Ulster University Independent Auditor's

Opinion

We have audited the financial statements of Ulster University ('the University') and its subsidiaries (the 'Group') for the year ended 31 July 2023 which comprise the Group and University Statement of Comprehensive Income, the Group and University Statement of Changes in Reserves, the Group and University Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 28, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2023 and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been properly prepared in accordance with the Department for the Economy's Accounts Direction to Higher Education Institutions for 2022-23 Financial Statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Group and parent institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the University Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent institution's ability to continue as a going concern for the period to 31 July 2025.

Our responsibilities and the responsibilities of the University Council's with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The University Council is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Financial Memorandum (Part 1) between the Department for Employment and Learning (now the Department of the Economy) and the University of Ulster ("Financial Memorandum")

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- funds from whatever source administered by the institution for specific purposes have been applied properly to those purposes and, if relevant, managed in accordance with relevant legislation; and
- funds provided by Department for the Economy have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them.

Matters on which we are required to report by exception

Under the Funding Council's Financial Memorandum (Part 1), the University is required to include a Statement of Internal Control within the annual financial statements. We are not required to audit this statement, or to form an opinion on the effectiveness of risk management and control procedures but have a duty to report by exception whether this statement is inconsistent with our knowledge of the University.

Responsibilities of the Council

As explained more fully in the Statement of the Council's Responsibilities set out on page 22, the University Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the University Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the group's and the parent institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Council either intend to liquidate the group or the parent institution or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the University and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the University and determined that the most significant are FRS 102, the Statement of Recommended Practice for Further and Higher Education and the Financial Memorandum between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.
- We understood how Ulster University is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through reading the University Council minutes and papers provided to the Audit and Risk Committee.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the University's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the University's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and identified the recognition of tuition fee, research grants and other income as fraud risks. Our testing included agreeing a sample of these income streams to supporting agreements or letters, remittances and the receipt of payment in bank statements, and the testing of certain revenue journals to assess recognition in the current year. In addition, for a sample of deferred income items, we reviewed the related supporting documentation to assess performance related conditions, whether the required conditions had been met and that income had therefore been recognised in the correct financial year. We also tested a sample of income items before and after the year end to confirm that they had been recorded in the correct financial year.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business and review of Council.

In addition to the above, our procedures to respond to the identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Reading minutes of meetings of those charged with governance and the Council;
- In addressing the risk of management override of controls we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for

appropriately. We reviewed significant accounting estimates for management bias and noted that we did not identify any significant unusual transactions in the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Council of Ulster University, as a body, in accordance with the Charters and Statutes of the University. 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 Ulster University as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Christie (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast
24 November 2023

Statement of Principal Accounting Policies

1. Basis of Preparation

Ulster University (“the University”) is an independent educational charity, registered with the Charity Commission for Northern Ireland, whose legal status derives from a Royal Charter granted in 1984. The address of the University’s registered office is Cromore Road, Coleraine, BT52 1SA.

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice “Accounting for Further and Higher Education 2019” and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (“FRS 102”). The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain land and buildings. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The financial statements are presented in Sterling (£) with all values rounded to the nearest £1,000 except when otherwise indicated.

Going Concern

The University and Group’s financial statements have been prepared on a going concern basis.

The University has prepared a 5 year strategic plan and financial forecasts. The new Belfast campus opened in September 2022 and the long-term loan agreement with the Strategic Investment Board to assist the funding of the Greater Belfast Development is fully drawn down.

The University has prepared detailed monthly cashflow forecasts to 31 July 2025, based on conservative estimates of student numbers and in line with its Strategic Plan, which show the University operating within the terms of its funding facilities and sufficient cash resources throughout this period. The cashflow demonstrates the University will continue to maintain cash reserves over the period to 31 July 2025 and meet all its obligations.

On this basis, Council has a reasonable expectation that the University and its subsidiary undertaking have adequate resources to continue in operational existence for the period to 31 July 2025. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

2. Consolidation

The consolidated Financial Statements include the University and its subsidiary undertaking Innovation Ulster Limited. The results of the subsidiary company are included in the consolidated Statement of Comprehensive Income from the date of acquisition or up to the date of disposal. Intra-Group sales and profits are eliminated fully on consolidation.

The Ulster University’s Students’ Union is constituted as an independent body and therefore in accordance with FRS 102, its financial statements are not consolidated with the Financial Statements of the University because the University does not control those activities.

The subsidiary company Studio Ulster Limited, the joint venture results of Branch Campus (London & Birmingham) Limited, C-TRIC Limited (formerly ABC Research & Innovation Limited) and NI Composites O&M LLP (NICOM) and the investment in NIACE Limited are not consolidated in the Financial Statements on the grounds of materiality.

3. Recognition of Income

Income from the sale of goods and services is credited to the Statement of Comprehensive Income in line with the provision of the associated goods and services.

Academic Fee income is stated gross of any expenditure and credited to the Statement of Comprehensive Income over the period of students’ study. Where the amount of tuition fee is reduced, income receivable is shown net of the discount. Bursaries and Scholarships are accounted for gross of expenditure and are not deducted from income.

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

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

Grant Funding – Revenue Grants

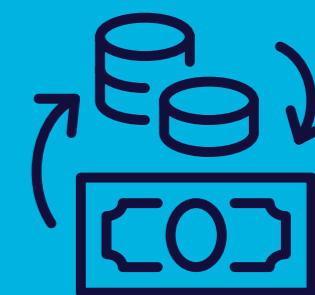
Revenue grants are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income in line with such conditions being met.

Grant Funding – Capital Grants

Where tangible fixed assets are acquired with the aid of Government capital grants, these grants are recognised as deferred income within creditors and released to income over the expected useful economic life of the asset. All other capital grants are recognised in income when the University is entitled to the funds subject to any performance conditions being met.

Other Income

Income from specific endowments and donations, research grants and contracts and other services rendered is included to the extent of the expenditure incurred during the year, together with any related contributions towards overhead costs. All income from short-term deposits and general endowment asset investments is credited to the Statement of Comprehensive Income on a receivable basis. All income from other sources is credited to the Statement of Comprehensive Income on an accruals basis.



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 reserves until such time it is utilised in line with the 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/depreciation of endowments are recorded in income in the year in which they arise.

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

1. Restricted donations – the donor has specified that the donations must be used for a specific 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 for the use of the funds and the University can convert the endowed capital into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective

4. Pension Schemes

The two principal pension schemes for the University's staff are the University's Superannuation Scheme (USS) and the Northern Ireland Local Government Officers Superannuation Committee.

Pension Fund (NILGOSC). The funds are valued every three years by actuaries using the aggregate method, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The USS scheme is a defined benefit scheme but it is not possible to identify the University's share of underlying assets and liabilities in the USS scheme. As such, contributions made to the scheme are treated as if it were a defined contribution scheme and charged to the Statement of Comprehensive Income. A liability is recorded within the provisions for any contractual commitment to fund past deficits within the USS scheme.

The NILGOSC scheme is a multi-employer scheme and the underlying assets and liabilities are disclosed in the Balance Sheet. The difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as a liability on the balance sheets.

The amount charged to the Statement of Comprehensive Income is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.

The expected return on the pension scheme's assets during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are shown as financing costs in the Statement of Comprehensive Income.

Any difference between the expected return on assets and that actually achieved and any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the Statement of Comprehensive Income.

5. Employment Benefits

Any unused employment benefits for staff with contractual benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement.

6. Foreign Currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of Statement of Comprehensive Income for the financial year.

7. Freehold Land and Buildings

The University has adopted the transitional arrangements on conversion to FRS 102 and has revalued land and buildings as at 31 July 2014 on three campuses, namely Coleraine, Derry~Londonderry and Belfast. Land and buildings that have been revalued to fair value prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation.

Following the transfer of the Jordanstown campus to Belfast, the value of the land and buildings at Jordanstown is reviewed annually.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Land is held freehold and is not depreciated as it is considered to have an indefinite useful life. Buildings are depreciated on a straight line basis over their expected useful lives, up to a maximum of 60 years.

8. Assets Under Construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July. They are not depreciated until they are brought into use.

9. Equipment

Equipment, including software and related software development costs, costing less than £25,000 per individual item or group of related items, is written off in the year of acquisition.

All other equipment including software and related development costs are capitalised. Capitalised equipment (other than research grant equipment) is stated at cost and depreciated on a straight line basis over its expected useful life, assumed to be four years. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Where equipment is acquired with the aid of a specific research grant it is capitalised and depreciated over the shorter of its estimated useful life or the remaining life of the research grant, with the related grant being credited to a deferred capital grant account and released to the Statement of Comprehensive Income over the remaining life of the related grant.

10. Fixed Asset Investments

(a) The University's Endowment Fund is included in the Balance Sheet at market value and is administered by an external fund manager. Investments in subsidiary companies are shown at the lower of cost and net realisable value. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Any changes in fair value are taken directly to the Statement of Comprehensive Income.

(b) Fixed Asset Investments through Innovation Ulster Limited and Ulster Equity Partnership.

From the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines (2018 edition) the company values its fixed asset investments (which comprise trade investments) as follows:

- Price of Most Recent Investment (PMRI); or
- Multiple of earnings or revenues; or
- Net asset basis

If valuers consider that the passage of time since the date of the last investment diminishes the appropriateness of that methodology, then a modified version of that valuation may be used which refers to industry benchmark valuations or a company based milestone analysis, i.e. performance against technical or financial targets of milestones.

It is expected that the company will use the PMRI basis where the investment has been made within 12 months, otherwise the Net Assets basis will be used.

Any changes in fair value are taken directly to the Statement of Comprehensive Income.

11. Current Asset Investments

Current asset investments are included at the lower of cost and net realisable value.

12. Stocks

Stocks, which are generally consumable in nature, are expensed to the Statement of Comprehensive Income in the year of purchase.

13. Cash and Cash Equivalents

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

Cash equivalents comprise of short term assets readily disposable but not within 24 hours without penalty. They include short term deposits and other instruments held as part of the University's treasury management activities. They exclude any such assets held as Endowment Asset Investments.

14. Provision for Bad Debts

Bad debts are written off when recognised as irrecoverable. Debts which are considered doubtful are provided for in the accounts.

15. Leases

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

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.

The cost of operating leases is charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

16. Provisions

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

17. Maintenance of Premises

The University has a 5 year planned maintenance programme which is reviewed on an annual basis. Actual expenditure on maintenance is charged to the Statement of Comprehensive Income in the period it is incurred.

18. Taxation Status

The University is considered to pass the tests set out in Paragraph 1 Schedule 6 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 287 CTA 2009 and sections 471, 478, 488 CTA 2010 (formerly S505 of ICTA 1988) or section 256 of the taxation of Chargeable gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The University is registered as a charity with HM Revenue and Customs and with the Northern Ireland Charity Commission. The University receives no similar exemption in respect of Value Added Tax. Innovation Ulster Limited, a subsidiary of the University has no charitable status and can therefore be liable to Corporation Tax on chargeable profits.

19. Reserves

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

The University holds a revaluation reserve resulting from revaluation of fixed assets on conversion to FRS 102 as at 31 July 2014.

20. Subsidiary Accounting Policies

The subsidiary of the University adopts the same accounting policies of the University.

21. Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Carrying Value of Investments

The Group has investments, as disclosed in **Note 12**, valued using the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines. These methodologies require the use of judgement, including assessing the most appropriate methodologies to be used, whether changes in methodologies are required due to the passage of time since the date of the last investment and in certain methodologies the assumptions to be used. Due to the complexity of these methodologies, and the underlying assumptions used, such as estimates are subject to significant uncertainty. Any diminution in value is recognised in profit or loss.

NILGOSC Pension Benefits

The cost of the NILGOSC defined benefit pension plans is determined using actuarial valuations, as disclosed in **Note 22**. 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. In determining the appropriate discount rate, management considers the yield of high quality bonds of the same term and currency as the future cashflows.

Judgement is also required in respect of the amount of the NILGOSC pension asset recognised at 31 July 2023 of £18.9m (see **Note 22**). In the absence of specific guidance in FRS 102 the assessment of the recognition of this asset has been determined using the applicable requirements of International Accounting Standards Board's IFRIC 14 "IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". Details of the assessment made in determining the amount of the recoverable surplus and hence net asset recognised at 31 July 2023, together with a related sensitivity analysis, are set out in **Note 22**.

USS Pension Scheme

As the institution is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. 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 22**.

Carrying Value of Jordanstown Campus Land and Buildings

The Jordanstown campus activity fully transferred to the new Belfast campus in September 2022. The carrying value of the Jordanstown campus estate included in fixed assets (see **Note 11**) has been written down to its estimated recoverable amount based on an independent valuation completed in April 2020 by Lambert Smith Hampton, with the fair value of the estate based on market value in accordance with the Royal Institution of Chartered Surveyors Valuation Guidance Standards – Red Book Global. The members of the Council have assessed that this fair value continues to be appropriate as at 31 July 2023. However, such valuations are inherently judgemental with the value attributed sensitive to changes arising from market factors and how the value of the estate is ultimately realised.



Statement of Comprehensive Income

Group and University Statement of Comprehensive Income for the Year Ended 31 July 2023

	Note	Group 2023	University 2023	Group 2022	University 2022
		£000	£000	£000	£000
Income					
Tuition Fees and Education Contracts	1	121,964	121,964	105,693	105,693
Funding Body Grants	2	99,065	99,065	102,044	102,044
Research Grants and Contracts	3	35,442	35,442	31,375	31,375
Other Income	4	19,905	20,907	19,387	19,299
Investment Income	5	4,114	4,141	821	821
Donations and Endowments	6	961	961	154	154
Total Income		281,451	282,480	259,474	259,386
Expenditure					
Staff Costs	7	151,075	151,075	140,706	140,706
Movement in USS Pension Provision	7	(12,878)	(12,878)	53,239	53,239
Movement in NILGOSC Pension Provision	7	2,139	2,139	5,441	5,441
		140,336	140,336	199,386	199,386
Other Operating Expenses	8	96,600	96,591	83,126	84,228
Depreciation	11	28,857	28,857	16,154	16,154
Interest and Other Finance Costs	9	3,176	3,176	1,808	1,808
Total Expenditure		268,969	268,960	300,474	301,576
Surplus/(Deficit) Before Other Gains and Losses		12,482	13,520	(41,000)	(42,190)
Gain on Disposal of Fixed Assets		1,357	1,357	-	-
Gain/(Deficit) on Investments	12	7,282	1,906	(211)	(1,032)
Surplus/(Deficit) Before Taxation		21,121	16,783	(41,211)	(43,222)
Taxation		(4)	-	-	-
Surplus/(Deficit) After Taxation		21,117	16,783	(41,211)	(43,222)
Actuarial Gain in Respect of Pension Schemes	22	17,187	17,187	54,643	54,643
Total Comprehensive Income for the Year		38,304	33,970	13,432	11,421
Represented by:					
Endowment Comprehensive (Deficit) for the Year		(328)	(328)	(775)	(775)
Unrestricted Comprehensive Income for the Year		43,047	38,713	19,744	17,733
Revaluation Reserve Comprehensive (Deficit) for the Year		(4,415)	(4,415)	(5,537)	(5,537)
Total		38,304	33,970	13,432	11,421

Statement of Changes in Reserves

Group and University Statement of Changes in Reserves Year Ended 31 July 2023

Group	Income and Expenditure Reserve		Revaluation Reserve	Total
	Endowment	Unrestricted		
	£000	£000	£000	£000
Balance at 1 August 2021	16,138	193,969	99,907	310,014
(Deficit) from the Statement of Comprehensive Income	(775)	(40,436)	-	(41,211)
Other Comprehensive Income	-	54,643	-	54,643
Transfers Between Revaluation and Income and Expenditure Reserve	-	5,537	(5,537)	-
Total Comprehensive Income/(Deficit) for the Year	(775)	19,744	(5,537)	13,432
Balance at 1 August 2022	15,363	213,713	94,370	323,446
Income/(Deficit) from the Statement of Comprehensive Income	(328)	21,445	-	21,117
Other Comprehensive Income	-	17,187	-	17,187
Transfers Between Revaluation and Income and Expenditure Reserve	-	4,415	(4,415)	-
Total Comprehensive Income/(Deficit) for the Year	(328)	43,047	(4,415)	38,304
Balance at 31 July 2023	15,035	256,760	89,955	361,750

Statement of Changes in Reserves (continued)

Group and University Statement of Changes in Reserves Year Ended 31 July 2023

University	Income and Expenditure Reserve			Total
	Endowment	Unrestricted	Revaluation Reserve	
	£000	£000	£000	
Balance at 1 August 2021	16,138	188,334	99,907	304,379
(Deficit) from the Statement of Comprehensive Income	(775)	(42,447)	-	(43,222)
Other comprehensive Income	-	54,643	-	54,643
Transfers Between Revaluation and Income and Expenditure Reserve	-	5,537	(5,537)	-
Total Comprehensive Income/(Deficit) for the Year	(775)	17,733	(5,537)	11,421
Balance at 1 August 2022	15,363	206,067	94,370	315,800
Income/(Deficit) from the Statement of Comprehensive Income	(328)	17,111	-	16,783
Other Comprehensive Income	-	17,187	-	17,187
Transfers Between Revaluation and Income and Expenditure Reserve	-	4,415	(4,415)	-
Total Comprehensive Income/(Deficit) for the Year	(328)	38,713	(4,415)	33,970
Balance at 31 July 2023	15,035	244,780	89,955	349,770

Balance Sheets

Balance Sheets as at 31 July 2023

	Note	Group 2023	University 2023	Group 2022	University 2022
		£000	£000	£000	£000
Fixed Assets					
Tangible Assets	11	556,879	556,879	568,567	568,567
Investments	12	31,496	18,842	24,091	16,865
Total Fixed Assets		588,375	575,721	592,658	585,432
Current Assets					
Debtors	13	35,604	36,604	27,245	27,008
Investments and Short Term Deposits	14	102,264	102,264	82,224	82,224
Cash at Bank and In Hand	15	27,650	27,331	29,382	29,221
Total Current Assets		165,518	166,199	138,851	138,453
Creditors: Amounts Falling Due Within One Year	16	(72,908)	(72,915)	(56,441)	(56,463)
Net Current Assets		92,610	93,284	82,410	81,990
Total Assets Less Current Liabilities		680,985	669,005	675,068	667,422
Creditors: Amounts Falling Due After More Than One Year	17	(260,074)	(260,074)	(267,266)	(267,266)
Pension Liability		(78,042)	(78,042)	(88,007)	(88,007)
Pension Asset		18,881	18,881	3,651	3,651
Provision for Liabilities	18	(59,161)	(59,161)	(84,356)	(84,356)
Net Assets Including Pension Assets and Liabilities		361,750	349,770	323,446	315,800
Reserves					
Restricted Reserves					
Endowment Reserve	19	15,035	15,035	15,363	15,363
Unrestricted Reserves					
Income and Expenditure Account – Unrestricted		256,760	244,780	213,713	206,067
Revaluation Reserve		89,955	89,955	94,370	94,370
Total Reserves		361,750	349,770	323,446	315,800

The Financial Statements on pages 30 to 61 were approved by the Council on 23 November 2023 and signed on its behalf by:

Mr David Clements
Honorary Treasurer

Ms Elaine Hartin
Chief Strategy and Finance Officer

Professor Paul Bartholomew
Vice-Chancellor and Chief Accounting Officer

Group Cash Flow Statement

Group Cash Flow Year Ended 31 July 2023

	Note	Year ended 31 July 2023	Year ended 31 July 2022
		£000	£000
Cash Flow from Operating Activities			
Surplus/(Deficit) for the Year before Taxation		21,121	(41,211)
Taxation		(4)	-
Surplus/(Deficit) for the Year after Taxation		21,117	(41,211)
Adjustment for Non-Cash Items			
Depreciation	11	28,857	16,154
(Gain)/Loss on Investments	12	(7,282)	211
(Increase) in Debtors	13	(8,359)	(5,152)
Increase in Creditors	16	14,049	5,922
(Decrease)/Increase in Pension Provision	18	(8,008)	59,718
Deferred Capital Grants Released Income		(6,210)	(3,883)
Adjustment for Investing of Financing Activities			
Investment Income	5	(4,114)	(821)
Interest Payable	9	525	512
New Endowment Received	6	(128)	(105)
(Profit) on Disposal of Fixed Assets		(1,357)	-
Net Cash Inflow from Operating Activities		29,090	31,345
Cash Flows from Investing Activities			
Capital Grant Receipts		2,520	6,964
Disposal of Non-Current Asset Investments	12	728	269
Investment Income	5	4,114	821
Payments made to Acquire Fixed Assets	11	(18,233)	(47,145)
Fixed Asset Disposal Proceeds		1,650	-
New Non-Current Asset Investment	12	(851)	(1,370)
New Fixed Deposits		(20,040)	(19,488)
		(30,112)	(59,949)
Cash Flows from Financing Activities			
Interest Paid	9	(525)	(512)
New Endowments Received	6	128	105
New Unsecured Loans	17	-	20,850
Repayments of Amounts Borrowed	17	(313)	(338)
		(710)	20,105
(Decrease) in Cash and Cash Equivalents in the Year		(1,732)	(8,499)
Cash and Cash Equivalents at Beginning of the Year		29,382	37,881
Cash and Cash Equivalents at End of the Year		27,650	29,382

Notes to the Financial Statements

1. Tuition Fees and Education Contracts

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Full-time Student Fees	62,987	62,987	62,770	62,770
Overseas Student Fees	24,061	24,061	12,084	12,084
Part-time Fees	12,950	12,950	11,212	11,212
DOH Education Contract	20,714	20,714	18,859	18,859
Short Course Fees	1,252	1,252	768	768
	121,964	121,964	105,693	105,693

2. Funding Body Grants

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Recurrent Grant	84,704	84,704	80,819	80,819
Specific Grants				
– Covid Support Grants	-	-	5,517	5,517
Special Initiatives	8,579	8,579	12,715	12,715
Deferred Capital Grants Released in Year				
– Buildings	3,926	3,926	2,179	2,179
– Equipment	1,856	1,856	814	814
	99,065	99,065	102,044	102,044

3. Research Grants and Contracts

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Research Councils	13,802	13,802	12,797	12,797
UK Charities	1,708	1,708	1,585	1,585
EU Government	2,785	2,785	5,540	5,540
UK Central Government	12,397	12,397	7,267	7,267
Overseas (Non-EU)	876	876	643	643
Health and Hospital Authorities	217	217	43	43
Other Sources	3,657	3,657	3,500	3,500
	35,442	35,442	31,375	31,375

Included in research grants and contracts income is £243k (2022: £658k) in relation to deferred capital grant release.

4. Other Income

	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Residences, Catering and Conferences	2,425	2,425	2,056	2,056
Other Services Rendered	9,319	9,325	10,294	10,206
Other Income	7,977	8,973	6,805	6,805
Deferred Grant Release	184	184	232	232
	19,905	20,907	19,387	19,299

Notes to the Financial Statements (continued)

5. Investment Income	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Investment Income on Expendable Endowments	57	57	50	50
Investment Income on Permanent Endowments	414	414	371	371
Income from Short Term Investments	3,461	3,488	400	400
Net Receivable Interest on Pension Scheme	182	182	-	-
	4,114	4,141	821	821
6. Donation and Endowments	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
New Endowments	128	128	105	105
Donations	833	833	49	49
	961	961	154	154
7. Staff Costs	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Wages and Salaries	116,611	116,611	108,580	108,580
Social Security Costs	11,253	11,253	10,661	10,661
Other Pension Costs (Note 22)	23,211	23,211	21,465	21,465
Movement on USS Pension Provision (Note 18)	(12,878)	(12,878)	53,239	53,239
Movement on NILGOSC Pension Provision (Note 18)	2,139	2,139	5,441	5,441
	140,336	140,336	199,386	199,386
Emolument of the Vice-Chancellor	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Salary	263	263	253	253
Benefits	-	-	-	-
	263	263	253	253
Employers Pension Contributions	57	57	54	54
	320	320	307	307

	2023	2022
Ratio of Vice-Chancellor's Basic Salary to Median Basic Salary of Member of University Staff	6.15:1	5.78:1
Ratio of Vice-Chancellor's Total Remuneration to Median Total Remuneration of Member of University Staff	6.11:1	6.01:1

The Vice-Chancellor leads Ulster University to make a significant social, economic and cultural contribution helping our community to thrive and confidently supporting Northern Ireland on the global stage. In an increasingly competitive sector, university leadership reflects the scale, complexity and impact of higher education across research and teaching. The current Vice-Chancellor is employed on a fixed salary contract which is subjected to an annual uplift in line with the outcome of the national collective pay bargaining. The Vice-Chancellor's salary was determined by the University's committee responsible for remuneration and governance and was set in line with the benchmarked salaries of other Vice-Chancellors who lead similar sized and income earning Higher Education institutions in the sector in the UK.

Excluding the Vice-Chancellor, Remuneration of other Higher Paid Staff was in the Following Bands:-	Group 2023	University 2023	Group 2022	University 2022
	No.	No.	No.	No.
£100,000 - £104,999	12	12	7	7
£105,000 - £109,999	9	9	-	-
£110,000 - £114,999	1	1	2	2
£115,000 - £119,999	1	1	1	1
£120,000 - £124,999	1	1	1	1
£125,000 - £129,999	1	1	2	2
£130,000 - £134,999	3	3	2	2
£135,000 - £139,999	1	1	-	-
£140,000 - £144,999	2	2	-	-
£145,000 - £149,999	-	-	1	1
£150,000 - £154,999	-	-	-	-
£155,000 - £159,999	2	2	-	-
£160,000 - £164,999	-	-	1	1
£165,000 - £169,999	-	-	-	-
£170,000 - £174,999	1	1	-	-

Key Management Personnel	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Key Management Personnel Remuneration	2,501	2,501	2,242	2,242

Compensation for Loss of Office	Group 2023	University 2023	Group 2022	University 2022
Compensation Payable Recorded Within Staff Costs	1,130	1,130	368	368

During the year the University paid £1,130k for compensation for loss of office to 70 members of staff. These payments in 22/23 were mainly as a result of the relocation of the School of Health Sciences from the Jordanstown campus to the Derry~Londonderry campus, the closure of the Greater Belfast Development project and staff on fixed term contracts.

The Average Weekly Number of Persons (Including Senior Post Holders) Employed by the University During the Year, Expressed as Full-time Equivalents, was:-	Group 2023	University 2023	Group 2022	University 2022
	No.	No.	No.	No.
Academic	1,149	1,149	1,135	1,135
Technical	165	165	141	141
Administrative	633	633	611	611
Other Including Clerical and Manual	545	545	516	516
	2,492	2,492	2,403	2,403

Notes to the Financial Statements (continued)

8. Other Operating Expenses	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Residences and Conferences	3,204	3,204	1,977	1,977
Consumables and Laboratory equipment	3,206	3,206	3,283	3,283
Equipment not Capitalised	4,948	4,948	4,319	4,319
Books and Periodicals	4,182	4,182	4,584	4,584
Fellowships, Scholarships and Prizes	562	562	461	461
Rates	3,727	3,727	4,382	4,382
Heat, Light, Water and Power	7,666	7,666	8,096	8,096
Long Term Maintenance	8,994	8,994	9,308	9,308
Contracted Out Services	7,366	7,366	5,835	5,835
Grants to Ulster University Students' Union	1,942	1,942	1,872	1,872
External Auditors' Remuneration	87	81	58	58
External Auditors' Remuneration in Respect of Non-Audit Services	36	34	52	52
Internal Auditors' Remuneration	143	143	69	69
Internal Auditors' Remuneration in Respect of Non-Audit Services	191	191	6	-
Printing and Stationery	1,144	1,144	592	592
Travel, Subsistence and Hospitality	5,292	5,292	3,634	3,634
Miscellaneous Academic Support	1,716	1,716	1,455	1,455
Telephone and Postage	310	310	322	322
Research Sub-contracting	7,032	7,032	4,222	4,222
Legal and Professional Services	14,931	14,931	10,954	10,954
IT Services	5,813	5,813	5,758	5,758
Advertising and Publicity	1,787	1,787	958	958
Student Support	9,304	9,304	9,357	9,357
Other Expenses	3,017	3,016	1,572	2,680
	96,600	96,591	83,126	84,228

9. Interest and Other Finance Costs	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Bank Loans	128	128	145	145
Other Loans	397	397	367	367
Net Charge on Pension Schemes	2,913	2,913	1,038	1,038
Exchange Differences	(262)	(262)	258	258
	3,176	3,176	1,808	1,808

10. Analysis of 2023 Expenditure by Activity	Staff Costs	Depreciation	Other Operating Expenses	Interest and Other Finance Costs	Total
	£000	£000	£000	£000	£000
Academic Departments	86,752	1,752	11,304	-	99,808
Academic Services	23,442	3,987	20,470	-	47,899
Research Grants and Contracts	12,617	33	15,383	-	28,033
Residences, Catering and Conferences	1,467	581	4,198	-	6,246
Premises	4,169	20,872	23,868	525	49,434
Administration	20,040	1,632	18,594	(262)	40,004
Other Expenses	(8,151)	-	2,783	2,913	(2,455)
	140,336	28,857	96,600	3,176	268,969

£000

The depreciation charged has been funded by:

Release from Deferred Capital Grants	5,965
Release from Research Grants and Contracts	243
Transfer from Revaluation Reserve	4,415
General Income	18,234
	28,857

Notes to the Financial Statements (continued)

11. Tangible Assets – Group and University	Freehold Land and Buildings	Assets Under Construction	Equipment	Total
	£000	£000	£000	£000
Valuation or Cost				
At 1 August 2022				
Revaluation	173,696	-	-	173,696
Cost	283,668	248,938	68,827	601,433
Total	457,364	248,938	68,827	775,129
Additions at Cost	5,731	5,442	6,289	17,462
Transfer CIP	221,829	(234,488)	12,659	-
Disposals	(293)	-	(4,138)	(4,431)
At 31 July 2023				
Revaluation	173,696	-	-	173,696
Cost	510,935	19,892	83,637	614,464
Total	684,631	19,892	83,637	788,160
Accumulated Depreciation				
At 1 August 2022	150,777	-	55,785	206,562
Charge for Year	21,246	-	7,611	28,857
Disposals	-	-	(4,138)	(4,138)
At 31 July 2023	172,023	-	59,258	231,281
Net Book Value				
At 31 July 2023	512,608	19,892	24,379	556,879
At 31 July 2022	306,587	248,938	13,042	568,567

12. Fixed Asset Investments	Subsidiary Companies	Other Fixed Asset Investments	Subsidiary Investment in Spinouts	Endowment Fund Investments	Total
Group	£000	£000	£000	£000	£000
At 1 August 2022	-	-	8,728	15,363	24,091
Additions	-	-	252	599	851
Disposals	-	-	(200)	(528)	(728)
Fair Value Adjustments	-	2,305	5,376	(399)	7,282
At 31 July 2023	-	2,305	14,156	15,035	31,496
University					
At 1 August 2022	1,502	-	-	15,363	16,865
Additions	-	-	-	599	599
Disposals	-	-	-	(528)	(528)
Fair Value Adjustments	-	2,305	-	(399)	1,906
At 31 July 2023	1,502	2,305	-	15,035	18,842

During the year, the investment in Ulster Equity Limited Partnership was revalued and £2.3m was recognised as a fair value adjustment.

13. Debtors	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Amounts falling due within one year				
Trade Debtors	23,999	24,999	15,632	15,395
Prepayments and Accrued Income	11,605	11,605	11,613	11,613
	35,604	36,604	27,245	27,008
14. Investments and Short Term Deposits				
	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Investments and Short Term Deposits	102,264	102,264	82,224	82,224
	102,264	102,264	82,224	82,224

Under the terms of the loan agreement with the Strategic Investment Board (see **Note 17**) the University holds a Cash Reserve account. The investments balance in 2023 includes funds of £19.3m in the Cash Reserve account (2022: £9.6m). There are restrictions over the use of these funds that require prior consent from the Strategic Investment Board.

15. Cash at Bank and In Hand	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Cash at Bank and In Hand	27,650	27,331	29,382	29,221
	27,650	27,331	29,382	29,221

Notes to the Financial Statements (continued)

16. Creditors:	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Amounts Falling Due Within One Year				
Bank Loans	331	331	313	313
Trade Creditors	29,694	29,694	23,767	23,767
Amounts Owed by Group Undertakings	-	15	-	28
Taxation and Social Security	7,076	7,076	6,412	6,412
Accruals	28,165	28,157	21,478	21,472
Deferred Capital Grants	7,642	7,642	4,471	4,471
	72,908	72,915	56,441	56,463
17. Creditors:				
	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Amounts Falling Due After More Than One Year				
Bank Loans	1,839	1,839	2,170	2,170
Other Loans	158,600	158,600	158,600	158,600
Deferred Capital Grants	99,635	99,635	106,496	106,496
	260,074	260,074	267,266	267,266
Bank Loans				
Amounts Falling Due:				
Less Than One Year (Note 16)	331	331	313	313
Between One and Two Years	348	348	331	331
Between Two and Five Years	1,168	1,168	1,105	1,105
Greater Than Five Years	323	323	734	734
	2,170	2,170	2,483	2,483
Other Loans				
Amounts Falling Due:				
Less Than One Year (Note 16)	-	-	-	-
Between One and Two Years	6,344	6,344	-	-
Between Two and Five Years	19,032	19,032	19,050	19,050
Greater Than Five Years	133,224	133,224	139,550	139,550
	158,600	158,600	158,600	158,600

Included in the loans are the following:-

Lender	Amount £000	Repayable	Interest Rate
First Trust Bank Loan	2,170	2004-2029	5.475 %
Strategic Investment Board Loan	158,600	2025-2049	0.25 %

The First Trust bank loan is secured by a negative pledge on a portion of land on the Jordanstown campus.

The Strategic Investment Board loan is secured by a fixed charge on the property of the University's four campuses.

Net Debt Movement	Group 2023	University 2023	Group 2022	University 2022
	£000	£000	£000	£000
Balance at 1 August	161,083	161,083	140,571	140,571
New Loans	-	-	20,850	20,850
Capital repayments	(313)	(313)	(338)	(338)
Balance at 31 July	160,770	160,770	161,083	161,083

18. Provisions for Liabilities	Obligation to Fund Deficit on USS Pension (Note 22)	Defined Benefit Obligations (Note 22)	Total Provision
Group and University	£000	£000	£000
At 1 August 2022	88,007	(3,651)	84,356
(Credited)/Charged During the Year:			
Staff Costs	(12,878)	2,139	(10,739)
Interest Payable	2,913	(182)	2,731
Actuarial Gain	-	(17,187)	(17,187)
At 31 July 2023	78,042	(18,881)	59,161

USS Deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in **Note 22**.

Following the completion of the 2020 actuarial valuation, a new deficit recovery plan was agreed of which more detail is given in **Note 22**. This new plan requires deficit payments of 6.2% of salaries from 1 April 2023 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038.

The major assumptions used to calculate the obligation are:

	2023	2022
Discount Rate	5.52%	3.31%
Salary Growth	3.0%	2.5%

Notes to the Financial Statements (continued)

A sensitivity analysis on the assumptions used is disclosed in **Note 22**.

Since the year end, the preliminary results of the 2023 actuarial valuation have been produced and these show a significant improvement in the funding position with the scheme moving from a deficit of £14.1b to a surplus of £7.4b. As a result, a consultation is underway to assess the potential use of the surplus to reduce future contributions and improve benefits. The outcome of this is expected to be implemented by April 2024.

19. Endowment Reserves	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000
Group and University						
Balances at 1 August						
Capital	374	11,549	11,923	3,708	15,631	17,477
Accumulated Income and (Expenditure)	97	1,492	1,589	(1,857)	(268)	(1,339)
	471	13,041	13,512	1,851	15,363	16,138
New Endowments	-	3	3	125	128	105
Investment Income	14	400	414	57	471	421
Expenditure	-	(199)	(199)	(329)	(528)	(269)
	14	201	215	(272)	(57)	152
(Decrease)/Increase in Market Value of Investments	(12)	(339)	(351)	(48)	(399)	(1,032)
At 31 July	473	12,906	13,379	1,656	15,035	15,363
Represented By						
Capital	362	11,213	11,575	3,786	15,361	15,631
Accumulated Income and (Expenditure)	111	1,693	1,804	(2,130)	(326)	(268)
	473	12,906	13,379	1,656	15,035	15,363

Analysis by Type of Purpose:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000
Lectureships	-	4,315	4,315	243	4,558	4,427
Scholarships and Bursaries	-	709	709	453	1,162	1,413
Research Support	-	5,806	5,806	960	6,766	6,980
Prize Funds	-	2,076	2,076	-	2,076	2,072
General	473	-	473	-	473	471
	473	12,906	13,379	1,656	15,035	15,363

Analysis by Asset:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000
Current and Non Current Asset Investments	473	12,906	13,379	1,656	15,035	15,363

20. Capital Commitments

Group and University	2023	2022
	£000	£000
Commitments Contracted at 31 July	5,244	14,228
Authorised but not Contracted at 31 July	10,962	13,891
	16,206	28,119

Outstanding commitments include £15.3m which relates to the development of the Greater Belfast campus.

21. Contingent Liabilities

At the year end there were no legal proceedings that are expected to result in a settlement of a material amount by the University.

Following the completion of the new campus in Belfast in September 2022, the University is in the process of agreeing the Final Account with the main contractor, including the resolution of claims and counter claims between the parties. The University is confident in its position and that the possibility of settlement of material amounts, if any, beyond those assumed in preparing these financial statements, is remote.

Notes to the Financial Statements (continued)

22. Net Pension Liability

The University participates in three pension schemes. The schemes are the Universities Superannuation Scheme (USS), the Northern Ireland Local Government Officers Superannuation Committee Pension Fund (NILGOSC) and the Health and Social Care Service Pension Scheme (HSCPS). The schemes are defined benefit schemes, which are externally funded. The assets of each scheme are held in a separate trustee-administered fund. The University has a small number of staff in the new School of Medicine who are members of the Health and Social Care Service Pension Scheme, a defined benefit pension scheme for health and social care workers in Northern Ireland. Disclosures are not included for this pension scheme on grounds of materiality.

USS Pension Scheme

The University participates in the Universities Superannuation Scheme (USS). The scheme is a hybrid 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. Due to the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee benefits', the University 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 University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Deficit Recovery Liability

The total cost credited to the Comprehensive Income account is £12.9m (2022: charge £53.5m).

Deficit recovery contributions due within one year for the institution are £5.7m (2022: £5.9m).

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles.

uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles

CPI assumption	<ul style="list-style-type: none"> Term dependent rates in line with the difference between the fixed interest and index linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	<ul style="list-style-type: none"> CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: <ul style="list-style-type: none"> Pre-retirement: 2.75% pa Post retirement: 1.00% pa

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 Valuation
Mortality Base Table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future Improvements to Mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2023 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount Rate	5.52%	3.31 %
Pensionable Salary Growth	3.0%	2.5 %

Sensitivity Analysis

The sensitivity analysis outlines the potential impact on the provision under different scenarios:

Change in Assumptions at 31 July 2023	
0.5% p.a. decrease in discount rate	£2.8m increase
0.5% p.a. increase in salary inflation over duration	£2.9m increase
0.5% p.a. increase in salary inflation year 1 only	£0.4m increase
0.5% increase in staff changes over duration	£2.8m increase
0.5% increase in staff changes year 1 only	£0.4m increase
1% increase in deficit contributions	£12.4m increase

Notes to the Financial Statements (continued)

NILGOSC Pension Scheme

The University is able to identify its share of the underlying assets and liabilities of the NILGOSC scheme and accordingly present the following information required by FRS 102.

A valuation of the fund was carried out at 31 March 2019 and updated to 31 July 2023 by a qualified independent actuary.

Balance Sheet	At 31 July 2023	At 31 July 2022
	£000	£000
Present Value of Scheme Liabilities	(177,945)	(207,067)
Fair Value of Scheme Assets	196,826	210,718
Net Pension Asset	18,881	3,651

The FRS 102 valuation of the NILGOSC scheme as at 31 July 2023 resulted in an estimated net pension plan asset of £18.881m. FRS 102 requires that an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Since FRS 102 provides no further guidance in this respect, as allowed under FRS 102 the University Council have considered the relevant requirements of International Financial Reporting Standards, in particular IFRIC Interpretation 14 IAS 19—“The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (IFRIC 14).

The University Council have considered the ability of the University to recover a surplus through reduced contributions in the future. This has included obtaining an assessment from an independent actuary based on the requirements of IFRIC 14. This assessment estimates that using both a perpetuity approach (i.e. assuming the University would never exit the NILGOSC scheme) and using the remaining service life of the current member employees used in the latest triennial funding valuation, that the present value of the estimated future service cost in each period less the estimated minimum funding requirement contributions that would be required for future service in those periods would be negative. Consequently, no economic benefit is available as a reduction in future contributions.

IFRIC 14 requires that the right to recovery through a refund must be unconditional. While the NILGOSC “Admission and Exit Policy” and The Local Government Pension Scheme Regulations (Northern Ireland) 2014 require the calculation of an exit refund and provide NILGOSC with the ability to defer the timing of any resultant refund payment, neither of these conditions are considered as conditional events over the right of the University to a refund on exit from the NILGOSC scheme. The University Council have therefore concluded that the University does have an unconditional right to a refund of a surplus in the NILGOSC scheme.

Based on their assessment as set out above, University Council have concluded that it is appropriate to recognise the estimated net pension plan asset of £18.881m at 31 July 2023.

Movements in Present Value of Defined Benefit Obligation	At 31 July 2023	At 31 July 2022
	£000	£000
At Beginning of the Year	(207,067)	(276,731)
Current Service Cost	(5,271)	(8,287)
Member Contributions	(994)	(898)
Interest Cost	(7,132)	(4,653)
Benefits Paid	7,733	7,084
Actuarial Gains/(Losses)	34,786	76,418
At End of Year	(177,945)	(207,067)

Movement in Fair Value of Plan Assets	At 31 July 2023	At 31 July 2022
	£000	£000
At Beginning of the Year	210,718	231,918
Expected Return on Assets	7,314	3,915
Employer Contributions	3,132	2,846
Member Contributions	994	898
Benefits Paid	(7,733)	(7,084)
Actuarial (Losses)/Gain	(17,599)	(21,775)
At End of Year	196,826	210,718

Expense Recognised in the Income and Expenditure Accounts	At 31 July 2023	At 31 July 2022
	£000	£000
Current Service Cost	5,271	8,287
Interest on Defined Benefit Pension Plan Obligation	7,132	4,653
Expected Return on Defined Benefit Pension Plan Assets	(7,314)	(3,915)
Total	5,089	9,025

The (Income)/Expense is Recognised in the Following Line Items in the Income Statement:	At 31 July 2023	At 31 July 2022
	£000	£000
Staff Costs	5,271	8,287
Interest Payable	(182)	738
	5,089	9,025

Amounts Recognised in Other Comprehensive Income	At 31 July 2023	At 31 July 2022
	£000	£000
Asset (Losses) Arising During the Period	(17,599)	(21,775)
Liability Gains Arising During the Period	34,786	76,418
Total Amount Recognised in Other Comprehensive Income	17,187	54,643

Cumulative actuarial gains recognised as Other Comprehensive Income are £74.7m (2022: £57.53m).

Notes to the Financial Statements (continued)

The Fair Value of the Plan Assets were as follows:-	At 31 July 2023 Fair Value	At 31 July 2022 Fair Value
	£000	£000
Equities	84,439	81,127
Bonds	68,101	79,651
Property	20,470	25,918
Cash	12,203	14,750
Other	11,613	9,272
	196,826	210,718

Principal Actuarial Assumptions (Expressed as Weighted Averages) at the Year End were as follows:-	At 31 July 2023	At 31 July 2022
Discount Rate	5.1%	3.5%
CPI Inflation	2.6%	2.7%
Pension Increases	2.6%	2.7%
Pension Accounts Revaluation Rate	2.6%	2.7%
Salary Increases	4.1%	4.2%

Mortality		Males	Females
Current Pensioners	2023	21.7 years	24.5 years
	2022	21.8 years	25.0 years
Future Pensioners	2023	22.6 years	25.5 years
	2022	23.2 years	26.4 years

The University expects to contribute approximately £3.204m to NILGOSC pensions scheme in the next financial year.

The sensitivity analysis outlines the potential impact on the provision under different scenarios:

Change in Assumptions at 31 July 2023	
0.1% decrease in discount rate	£2.7m increase
0.1% increase in salaries	£0.2m increase
0.1% increase to pensions and rate of revaluation of pension accounts	£2.3m increase
1 year increase in post-retirement mortality	£4.5m increase

The Total Pension Cost for the University was:	Group 2023	Group 2022
	£000	£000
Charge to Staff Costs – USS	7,126	71,833
Charge to Staff Costs – NILGOSC	5,289	8,282
Charge to Staff Costs – HSCPS	57	30
Total Pension Cost (see Note 7)	12,472	80,145

23. Student Support Funds

	Group and University 2023	Group and University 2022
	£000	£000
Balance Carried Forward	292	645
Funding Council Grants	2,684	1,386
Interest	7	-
Disbursed to Students	(2,572)	(1,739)
Balance Underspent at 31 July 2023	411	292

Department for the Economy (“DfE”) Student Support grants are available solely for students. The University acts only as a paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account. The support funds are used to provide financial help to students whose access to higher education might be inhibited by financial considerations or who for whatever reasons, including physical or other disabilities, face financial difficulties in meeting their living costs.

24. Subsidiary Company Information

There are two companies which are wholly owned subsidiary companies of the University:

- Innovation Ulster Limited

This company has been fully consolidated in the Financial Statements.

The company is controlled by the University. The company is registered and operates in Northern Ireland and has a registered address of Ulster University, BD-004-09 York Street, Belfast, Northern Ireland BT15 1ED.

Innovation Ulster Limited is a company established to develop intellectual property rights by patenting and licensing, and to arrange consultancy activities.

- Studio Ulster Limited

Studio Ulster Limited was incorporated in March 2023. The company has a registered address of Murray House, Murray Street, Belfast, Northern Ireland, BT1 6DN.

Studio Ulster Limited is a company established to provide virtual production centric services in production and post-

production to stakeholders operating in the motion picture, video and television programme industry sectors.

The company is not trading and remains dormant as at 31 July 2023.

25. Joint Venture Information

The University has two joint ventures. Branch Campus (London & Birmingham) Limited is a joint venture between Ulster University and QAHE (Ulst) Limited for the principal purpose of providing services in support of the provision of degree courses to domestic and international students at campuses in London and Birmingham.

C-TRIC Limited (previously named ABC Research & Innovation Limited) is a company limited by guarantee with Ulster University, Derry City Council and the Western Trust as equal partners. The principal activity of the company is to develop an Academia Business Clinical Research Innovation facility.

The results of Branch Campus (London & Birmingham) Limited and C-TRIC Limited are not consolidated in the Group Financial Statements on the grounds of materiality.

Through Innovation Ulster Limited (IUL), a wholly owned subsidiary, the University has a joint venture with NI Composites O&M LLP (NICOM). NICOM was incorporated in 2011 to promote collaborative research in advanced composites. It is a joint venture between IUL and Queen’s Composites Limited, a wholly owned subsidiary of Queen’s University Belfast. The results of NICOM are not consolidated in the Group Financial Statements on the grounds of materiality.

Notes to the Financial Statements (continued)

26. Other Investments

Ulster Equity Limited Partnership

Ulster Equity Partnership is a limited partnership with Ulster University, Invest NI and TechStart NI for the principal purpose of carrying on the business of an investor and in particular to identify, research, negotiate, make or monitor the progress of and sell, realise, exchange or distribute equity or equity-related investments in connection with providing seed capital for the development of post – research post – proof of concept spin-out/in companies from Ulster University including from the technology sectors related to the Ulster University research base.

Through Ulster Equity Partnership the University has the following holdings:

7.49% of Axial Medical Printing Limited

6.92% of Haru Limited

14.92% of Humain Limited

3.96% of Locate Match Limited

6.71% of Neuroconcise Limited

2.82% of Neurovalens Limited

4.23% of CDS New Ventures Limited

Innovation Ulster Limited

Through Innovation Ulster Limited, a wholly owned subsidiary, the University has the following holdings:-

Included in fixed asset investments above, the Company holds investment of under 25% in:

2.64% of CDS New Ventures Limited

7.94% of Performa Sports Limited

2.40% of Datactics Limited

3.04% of Axial 3D Limited

6.20% of SISAF Limited

14.31% of Neuroconcise Limited

6.00% of Humain Limited

8.92% of Haru

7.50% of Modern Nature

20.0% of StimOxyGen Limited

20.0% of eXRT Intelligent Healthcare Limited

20.0% of Pneuma Healthcare Limited

18.0% of SonoTarg Limited

5.3% of Respiratory Analytics Limited

The Company has holdings of greater than 25% in the following companies:

Status	Active	Active	Active	Active	Active
Name	Actionsense Limited	Axis Composites Limited	Jenarron Therapeutics Limited	Solaform Limited	Efectis UK/Ireland Limited
Country of Incorporation	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland
Principal Activity	Secure digital water marking technology	Design and manufacture of 3D woven carbon fibre preforms	Putty like material applied and removed to wounds	Solar water heater	Fire testing
% Shares Held and Type	26.13%	28.02%	33.62%	45.63%	33.00%
Convertible Loan Stock	N/A	N/A	N/A	N/A	N/A
Turnover	N/A	N/A	N/A	N/A	N/A
Profit or Loss Before Tax	N/A	N/A	N/A	N/A	N/A
Net Assets/ (Liabilities)	(£151,448)	£2,597	£28,107	£44,978	£2,590,034
Financial Year End	31 May 2022	28 February 2022	30 September 2022	31 July 2022	31 December 2022

In the year ended 31 July 2019 the company invested €500,000 in Enbarr Limited, an investment fund managed by Imprimatur Capital. The value at 31 July 2023 is £856,000.

27. Related Party Transactions

Due to the nature of the University's operations and the composition of the University's 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 the Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. The University has taken advantage of the exemptions contained in section 33, FRS 102 'Related Party Transactions' not to disclose transactions with subsidiaries as all of the voting rights are controlled within the Group.

28. Ultimate Controlling Party

There is no one ultimate controlling party.

University of Ulster

Northern Ireland - Charity number 100166

Accounts

Financial Statements

FOR THE YEAR TO 31 JULY 2022

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Financial Review

Financial performance during the year shows a surplus of £13.4m (2021 surplus £54.3m). This includes a net charge of £5.1m (2021: credit £31.6m) due to pension funds activity in the USS and NILGOSC pension liabilities. The balance sheet has strengthened with total net assets increasing to £323m (2021 £310m) reflecting an increase in capital assets and cash surpluses generated during the year.

Scope of Financial Statements

The financial statements presented to the University's Council have been prepared on a consolidated basis and include the results of Ulster University and its subsidiary company Innovation Ulster Limited. This report should be read with the Annual Review 2022 which provides a detailed summary of activities undertaken by the University in delivering its corporate objectives.

Public Benefit

The University is an independent educational charity whose legal status is derived from a Royal Charter granted in 1984.

Ulster University's charitable purpose is the advancement of education. In setting and reviewing the University's objectives and activities, Council has given due regard to relevant guidance on the reporting of public benefit in particular, the Charity Commission's supplementary public benefit guidance on the advancement of education. We deliver our charitable purpose for the public benefit by implementing our corporate plan and delivering on those strategic aims and objectives approved by Council to shape our academic portfolio in response to the demands of students and employers, and to deliver research and innovation that achieves economic and social transformation.

The distinctiveness of the University within the Higher Education (HE) sector places it within a small group of HE Institutions (HEI's) that are research-engaged and business-focused with significant commercialisation of research and major knowledge transfer relationships.

Financial Performance

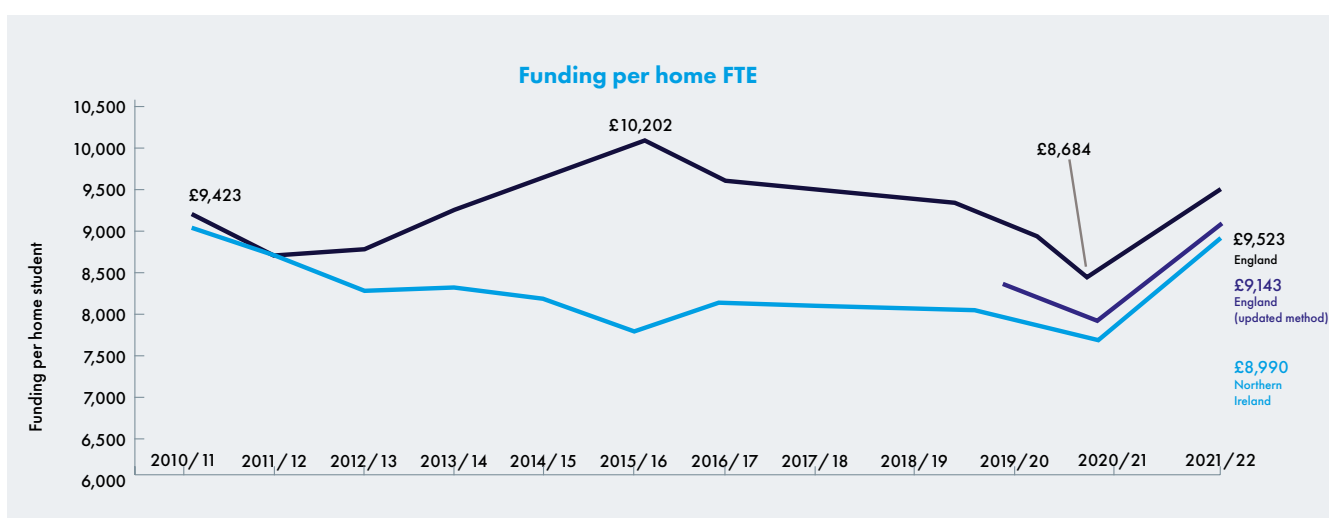
The University's underlying financial performance continues to remain strong as shown below.

	2022	2021
Staff costs excluding pension adjustment: income ratio %	54.23%	55.9%
Cash spend on fixed assets (£m)	£47m	£86m
Earnings before interest, depreciation and amortisation (EBITDA)	£31.5m	£37m
% Income from non-government sources	27%	26%

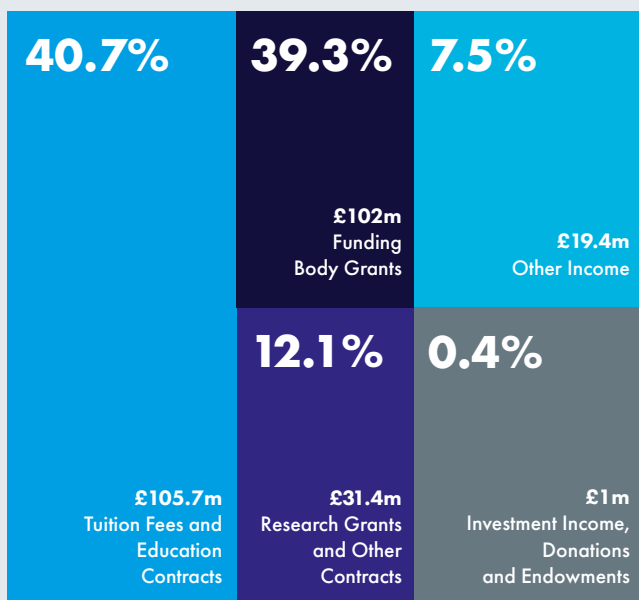
The University's consolidated comprehensive surplus for the year was £13.4m (2021: surplus £54.3m). This reflects the impact of pension adjustments attributable to Ulster relating to both USS and NILGOSC pension schemes with a charge to the Statement of Comprehensive Income of £5.1m (2021: credit £31.6m). The underlying financial performance excluding the pension adjustment is a surplus of £18.5m (2021: surplus £22.6m). Non-government income grew from £62.6m to £70.2m, an increase of 12.1%. This is set against an increase in Government income largely due to Covid Support funds.

Ulster is operating in an environment where we receive considerably less funding per student per year than comparable institutions in England.

Differential funding is shown in the table below:



Sources of Income 2021/22



Income

Total income in 2021/22 was £259.4m (2021: £239.2m). This represents an increase of 8.5 % from last year and is reflective of an increase in tuition fees, increased DFE funding for special initiatives, and an increase in income from trading activity as the pandemic restrictions eased during the year.

Funding Body Grants increased 10.2% due mainly to the receipt of DFE funding for special initiatives. This includes funding for the set up of the Graduate Medical School of £4.4m, funding for Cyber Security enhancements and relocation of Health Sciences to Magee. Growth of 7.1% in tuition fees is due mainly to an increase in student numbers from overseas and an increase in the Department of Health contract.

Research Income of £31.4m remained relatively constant year on year (2021: £31.7m) despite a challenging environment. The University continues to develop measures to ensure continuity after the Covid-19 pandemic, a reduction in funding by the UK Government and the impact of not yet being associated with the European Commission Horizon Europe framework programme. We anticipate growth in several areas due to international opportunities,

the UK Government Guarantee fund, the signing of City Deals and strategic awards being funded.

Other income of £19.3m has increased by £4.4m (29%). This increase is due to increased trading activity on campus as the pandemic eased during the year.

Expenditure

Total expenditure in 2021/22 was £300.4m (2021: £222.8m), with staff costs representing 58.2 % of the total expenditure (2021: 61%), after excluding pension adjustment.

Other operating expenses include expenditure on student accommodation, scholarships and bursaries, library services, utilities and premises maintenance costs and administration costs. Other operating expenses (excluding depreciation) for the year were £83.1m, which compares to the prior year cost of £64.2m. This increase is due to inflated energy costs, travel costs returning to pre covid levels and high maintenance costs relating to the relocation of the Health Sciences School from the Jordanstown campus to the Magee campus.

Impact of Pension Deficit

The Statement of Total Comprehensive Income (SOC1) for the year has a net charge of £5.1m from the University's pension liability movement (2021 credit £31.6m). The year on year SOC1 movement is due to large movements in the two pension scheme liabilities. A charge of £59.7m in the USS and NILGOSC pension schemes is off set by the NILGOSC pension actuarial gain of £54.6m.

The pension liability charge is a non-cash movement and is not a measure of the University's operational financial performance or surplus generated. It is simply the difference, year on year, of revisions of the estimated value of the scheme assets and liabilities of the University's defined benefit pension schemes.

Certain assumptions are used to value future liabilities of the pension schemes and the assets belong to the pension schemes. These estimates reflect changes to the actuary's assumptions as a result of another year's experience.

Impact of Covid 19

Covid 19 continued to present significant challenges for the University. With the variance in the Covid 19 restrictions during the year there was still a mixture of face-to-face teaching and online delivery of courses. However, there was increased activity on all campuses compared to 2021 and as a result trading activity increased significantly during the year, getting closer to pre-pandemic levels. There was additional expenditure during this year due to the DFE Covid 19 special initiatives funding to support a safer learning and research environment.

Estates Capital Plan

The Estates capital work for 2021/22 has continued to focus on enhancing the experience for students, staff and the wider community. This included the further development of areas of the campus masterplans for Coleraine and Magee to supplement the long-term masterplan vision for the campus.

In addition, this will also provide further short to medium term frameworks for the development at Coleraine and Magee in line with masterplans for the respective campuses. The masterplan work will inform the development of the new Estate Strategy which is now scheduled for completion in 2022/23.

The Estates Services team continues to work closely with academic colleagues and external stakeholders on the development of City Deals for both Belfast Region and Derry City & Strabane Region (and Inclusive Futures Fund for Derry Region). A key element of the Inclusive Futures Fund is the School of Medicine which opened in Semester 1 of 2021/22 following an extensive refurbishment of one of the listed buildings on the Magee campus. A space brief for a new build School is currently being developed.

While works programmes were impacted by Covid 19, resource challenges, and construction inflation, a number of capital works were delivered across all of the campuses.

On the Coleraine campus, the University has progressed remedial works to address the impact of a fire in a teaching laboratory in Block G4 of the campus and further works will be scheduled in over the coming year. In addition, the University is progressing the engagement

on the potential development of a Youth Zone and integrated Indoor Sports Dome. The proposed Harry Gregg Youth Zone development is based on the renowned Youth Zone model which was created by Onside Youth Zones (development charity based in England) and is founded on its award-winning youth facility model which has been successfully replicated across 25+ cities in the UK. The University also carried out essential long-term maintenance to building fabric.

On the Magee Campus, works have focused on preparation for the arrival of the School of Health Sciences and has included the construction of a new car park on the Duncreggan site and the completion of a new path linking the campus lower levels.

In addition, the refurbishment of Block MF to accommodate the School of Health Science undergraduate programmes has progressed to site. The programme of works is being progressed to enable commencement of academic activities from September 2022. The completed facilities will provide modern state of the art specialist teaching and learning spaces, student hubs, social spaces, offices and ancillary accommodation.

On the Belfast campus, the University completed the refurbishment work for the extension of the Screen Production facilities in Block BA, which will also accommodate the introduction of a new Screen Production course. The extended facility includes a cinema screening room, a virtual production studio with LED screen, green room, editing suite, support areas and ancillary accommodation.

The University has completed the Greater Belfast Development project with final handover in advance of the 2022/23 academic year.

Sustainability Strategic Approach

In 2021/22, the university signed the SDG Accord which is a public commitment to embed the Sustainable Development Goals (SDGs) into research, education, leadership, operations, administration, and engagement activities and established a Sustainability Steering Group (SSG) to deliver on this commitment.

The university's strategic approach to managing its climate and sustainability impacts, involves multiple strands of activity:

1. Providing vital research input
2. Accelerating and mainstreaming education for sustainable development, and
3. Estates and professional services prioritising net zero campuses

1. Providing vital research leadership

2021/22 was the first year that Ulster participated in the Time Higher Education (THE) Impact Rankings which capture a university's impact on society based on its demonstrable progress in delivering the United Nations' Sustainable Development Goals. Ulster was ranked in the 101 – 200 rank range with a score of 84.8% relative to 1,410 institutions from 106 countries, placing the University in the Top 15% of participating institutions globally. Ulster ranked in the Top 100 Worldwide for each of the following four SDGs:

- 36th in the world for SDG 17: Partnerships for the Goals
- 54th in the world for SDG 7: Affordable & Clean Energy
- 72nd in the world for SDG 3: Good Health & Wellbeing
- 92nd in the world for SDG 16: Peace, Justice & Strong Institutions

2. Accelerating and Mainstreaming Education for Sustainable Development

In 2021/22 and for the fourth consecutive year the University participated in the Students Organising for Sustainability (SOS) UK SDG Teach In. Ulster achieved second place in the Teach In for staff engagement, with 69 colleagues pledging to include the UN SDGs within their learning and teaching.

As a result of this commitment by staff, nearly 20% of our students were reached, with Ulster achieving fifth place for the proportion of students involved.

3. An integrated sustainability approach to estates and environment

Last year Estates Services commenced a net zero carbon modelling project as part of the next phase of developing a climate and sustainability strategy. The aim of the net zero modelling project is to model interventions across the University campuses, operations, and supply chain to establish a viable route to achieving net zero carbon. The project includes an initial high-level modelling of different decarbonisation scenarios and then more detailed modelling of a selected scenario. A Climate Action Position Statement will also be developed based on the decarbonisation approach agreed.

For academic year 2022/23 we aim to launch the following programmes related to climate change and sustainable development.

1. Strategic - Conduct a sustainability Materiality Assessment to identify and prioritise the most significant impacts Ulster University has on the economy, environment, and people which in turn indicate our contribution (negative or positive) to sustainable development.
2. Research – Develop a new Research Strategy to include a focus on the SDGs through Ulster's Research Strategies, collaborations, and support programmes and continue to link research outputs and individual researcher profiles to the SDGs on PURE, the university's web-based research information system.
3. Education – Participate in Students Organising for Sustainability Responsible Futures which is a whole-institution supported change programme and accreditation mark to embed sustainability across all aspects of student learning.
4. Environment - Develop a Climate Action Position statement based on the decarbonisation approach agreed and commence a Natural Capital Assessment project to provide a biodiversity and ecosystem services baseline for each Campus and Landholding.

Cashflow and Financing

Net cash decreased by £9.6m during the year. The movement in funds is summarised below:-

	2022 £m	2021 £m	Change £m
Investments & short term desposits	82.2	62.7	19.5
Cash at bank & in hand	29.4	37.9	(8.5)
Bank & other loans	(161.1)	(140.5)	(20.6)
Net cash	(49.5)	(39.9)	(9.6)

The net cash inflow from operating activities for the year was £31.3m (2021: £45.9m), interest paid totalled £0.5m (2021: £0.4m), and interest received totalled £0.4m (2021: £0.07m). Throughout the year the Group operated with a cash surplus and in line with its banking covenants. All treasury decisions were undertaken within the framework of the University's treasury policy. The underlying principle of this policy is that the University operates a low-risk approach in managing its investments and liquidity. All funds are placed with counter parties whose underlying credit rating is monitored against minimum criteria. Furthermore, an upper limit of investment in any one financial institution of £35m applies. The University's Treasury Management policy was approved by General Purposes and Finance Committee in April 2015.

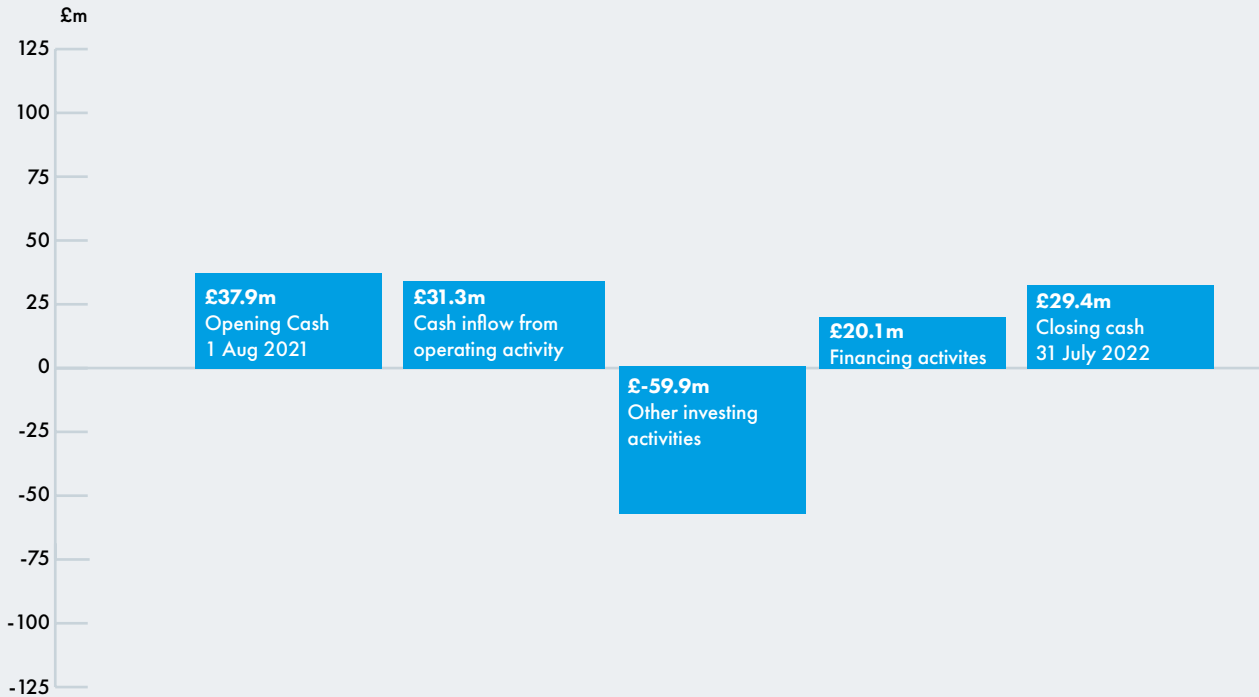
Endowment assets at the year-end were £15.4m, a decrease of £0.7m due to falling market values. The endowment funds are managed by Rathbones Investment Management.

During the year £47.1m cash was spent on acquiring fixed assets against which £7m of capital grants were received. Loans increased £20.8m to facilitate the build of the Greater Belfast Campus.

How We Allocate Our Resources 2021 / 22

£91.1m Academic Departments Staff costs: £80.7m Other: £10.4m	Total Staff Costs £199.4m Total Other £101.0m
£25.3m Research Grants and contracts Staff costs: £12.2m Other: £13.1m	Total £300.4m
£36.8m Premises Staff costs: £3.7m Other: £33.1m	
£35.3m Administrative and central services Staff costs: £18.6m Other: £16.7m	
£5.8m Residences, catering and conferences Staff costs: £1.4m Other: £4.4m	
£41.9m Academic services Staff costs: £21.4m Other: £20.5m	
£59.7m Pension Adjustment Staff costs: £58.7m Other: £1.0m	
£4.5m Other Spend Staff costs: £2.7m Other spend: £1.8m <small>*including income-generating operations</small>	

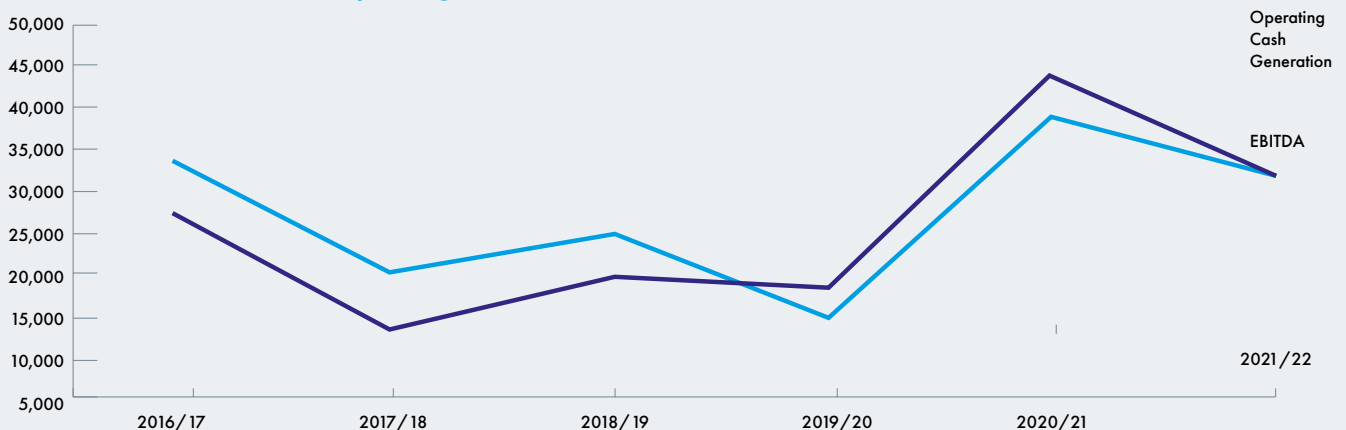
Cashflow Statement 2021 /22



EBIDTA

One of the key targets which is being monitored as part of the financial strategy is the accumulation of cash to support our corporate ambitions. Two figures are being monitored. Firstly, Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA). EBITDA is a measure of operating surplus excluding major accounting adjustments and finance charges. It provides a good indicator of financial capability to service debt and/or fund capital from internally generated cash. The second figure is net cash from operating activity. This figure takes into account movement in working capital requirements. The following table shows the movement of these two cash indicators over the last five years.

EBITDA to Cash Generated from Operating Activities 2016/17 to 2021 /22



From the above it can be seen that the University continues to operate in a financially sustainable manner and can support investment in its infrastructure with EBITDA at £31.5m.

Net Assets

Total net assets of £323.4m (2021: £310.1m) have increased by 4.3%. The net book value of fixed assets increased by £30.6m to £568.6m (2021: £538.0m) and an increase in investments and cash at bank of £11.0m. The increases in debtors and creditors have little overall impact (deficit of £1.2m) and there is an increase in bank and other loans of £20.6m and an increase in pension liability of £5.1m. This reflects the University's continued investment in the Greater Belfast Development as well as maintaining investment in other campuses and the recovery of the pension fund.

Endowments





In the year to 31 July 2022 the Endowment fund value fell to £15.4m, (31 July 2021: £16.1m) representing a decrease of 4.3 %.

The University holds the ethical policy of ensuring investments are made in a responsible manner. In support of this, the University in collaboration with the Students' Union, made the decision to divest from fossil fuel companies and instead invest our endowment fund into more sustainable alternatives. Fossil fuel divestment is the removal of investment assets including stocks, bonds, and investment funds from companies involved in extracting fossil fuels, to reduce climate change by tackling its ultimate causes. The University has fully divested from these investment assets.

Future Financial Health

Key performance indicators are set out below with an assessment on progress against the financial strategy target with **red** meaning immediate action required, **amber** more work required and **green** on track.

When taken together these measures reflect the strong governance and effective management of the University's resources in sustaining financial health in the short, medium and long term.

Financial Sustainability Indicators	2022 Actual	2021 Actual		Comments
Surplus as a % of income after deducting pension provision movement	7.1%	9.5%		This indicates the level of return necessary for investment in capital.
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	£31.5m	£37.3m		This is a measure of operating surplus excluding accounting adjustments and finance charges. It is a good indicator of financial capability to service debt and/or capital expenditure from internally generated cash. Financial Strategy target £18m
Liquidity ratio	136 days	165 days		This measures our ability to fund short term cash requirements. Financial Strategy set min level at 42 days.
Current assets to current liabilities	2.5:1	2.4:1		An indicator of financial strength to meet short term liabilities.

Financial Outlook

The financial result for 2021/22 is a testimony to the hard work across all areas of the University and these excellent results will provide cash for strategic and capital investment going forward. During the year the University drew down the remaining balance of the Finance Transaction Capital loan to fund the Greater Belfast Development.

The outlook for the 2022/23 financial year and beyond remains exciting, with the opening of the new campus in Belfast, the successful move of Life and Health Sciences to Magee further consolidating delivery of health provision at Magee and further refurbishment at Coleraine creating opportunities for the University to deliver for staff, students, local communities and Northern Ireland at large. However the wider economic climate presents challenges, with the University, like many others, having to grapple with increasing energy costs and high inflation rates. These will need to be closely monitored in this coming year as income is not anticipated to rise at the same inflation rate.

Over the last five years the University's cash flow from operating activities has averaged over £20m showing the University has a good track record of generating cash to invest in staff and the estate. However, whilst the 2022/23 year has begun well, there are significant risks which remain around the impact of the current economic and cost of living crisis with pressure on public finances.

David Clements
Honorary Treasurer





Risk Managing

When managing risk, the University adheres to its Risk Management Policy which aims to protect the institution and its stakeholders from unforeseen or unacceptable exposure to risks. This policy forms part of the University's internal control and corporate governance arrangements. It applies to strategic, portfolio, departmental, faculty and project risk management.

Risk Management

The University's approach to risk management provides assurance to the Senior Leadership Team, Audit and Risk Committee, Council and the Department for the Economy that those risks that threaten the achievement of the University's strategic objectives are being actively identified, monitored and mitigated against. This systemic risk management process ensures:

- Enhanced decision-making by forecasting important threats and opportunities;
- A more effective use and allocation of resources;
- A recognition of responsibility and accountability;
- A more targeted, risk-based internal audit plan;
- An enhanced communication and escalation of significant risks from within operational and tactical areas

Process

Our Senior Leadership team, (SLT), is, as a collective and individually, responsible for effective risk management in their areas of responsibility, in accordance with the risk management policy and procedures. Key roles of the SLT are to:

- Regularly review the institutional risk appetite statement and appetites assigned to the strategic priorities, for consideration and approval by the Audit and Risk Committee;
- Regularly review all significant strategic risks faced by the University for consideration by Audit and Risk Committee and keep these risks under scrutiny monthly;
- Undertake training and development activities associated with risk management;
- Ensure the adoption of risk management amongst their staff.

In addition;

- All senior officers are required to undertake regular reviews and assessment of key risks within their areas of operation as part of routine management arrangements.
- The SLT are responsible, as project leaders, for the risk management of major institutional projects.
- The Chief Strategy and Finance Officer is responsible for ensuring that the University operates effective procedures relating to risk management and for undertaking formal reviews on behalf of Council of the risk management policy.
- Staff within Audit, Risk and Business Continuity provide on-going training to risk owners in order to facilitate the effective operation of risk management across the University.
- SLT undertakes periodical reviews of the Strategic Risk Register to ensure that it is operating within agreed risk tolerances and significant risks are being escalated and de-escalated on a timely basis.
- Audit, Risk and Business Continuity regularly produce reports for all risk owners highlighting any significant risks across the university that relate to their area of responsibility.

Risk registers

Risk registers exist at three different levels across the University: strategic; tactical (portfolio level); and operational (faculty and departmental). There are also a number of project risk registers, e.g. GBD, City Deals and Brexit.

Integration with Internal Audit

Our internal audit strategy is developed around the University's strategic risks which are listed below, as well as those risks facing the sector. The annual audit plan of reviews across key areas further supports our risk management processes.

Risk Descriptions:

The University cannot attract/access investment as needed to operate in a financially sustainable manner and sustain our multi-campus operation.

Cyber Security Preparedness: University could be adversely impacted in the event of a cyber attack.

Inability to develop and maintain a high quality, fit for purpose, digital infrastructure to support teaching and learning delivery.

Inability to proactively identify and promptly respond to emerging issues following the opening of the full expanded Belfast campus for academic year 22/23.

Failure to fully recognise and react positively to the welfare and wellbeing needs of our staff in the delivery of the University's objectives.

Failure to recruit, retain and progress adequate numbers of students to meet the academic plan.

Failure to have in place effective governance arrangements to support the University in complying with its legal, statutory and regulatory requirements.

Inability to maintain and protect information, digital and physical assets, and maintain business operations while meeting our legal and regulatory obligations.

Inability to identify and respond to our students' expectations and support health and wellbeing.

High quality university environment is not developed/maintained and utilised effectively to deliver a high-quality student and staff experience in respect of learning, research and campus life.

Corporate Governance Statement

The University is committed to promoting best practice in all aspects of corporate governance. The following statement aims to provide readers of the Financial Statements with an understanding of the governance arrangements applied by Council, the governing body of the University.

The University endeavours to structure its governance arrangements and 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) and in line with the Committee of University Chairs (CUC) Higher Education Code of Governance (September 2020) and its own Statement of Primary Responsibilities (see pages 24 to 25).

The University is an autonomous body, whose legal status derives from a Royal Charter granted in 1984. The University's objects, powers and framework of governance are set out in the Charter and supporting Statutes, the latest version of which was approved by the Privy Council in 2007. Council also seeks to comply with the Charity Commission's guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education.

Council meets formally at least five times each year. It is responsible for the ongoing strategic direction of the University, the stewardship of its revenue and property, and the general conduct of its affairs. Council works closely with the Vice-Chancellor and his Senior Leadership Team (SLT) to set the institutional strategy and purpose, and the SLT ensures that steps are taken to deliver the institutional goals, supported by elective systems of control and risk management.

Under its Delegated Authority Framework (updated May 2022), Council delegates some of its powers and responsibilities to its core Committees. The Framework provides clarity on those matters reserved to Council for collective decision to include, for example, approval of the University's Strategic Plan, and those which it delegates to its Committees and to the Vice-Chancellor. Each Committee is provided with a clear remit and written Terms of Reference stating the extent and limits of its responsibilities and authority. The key governance Committees are Senate; the Audit & Risk Committee; the Resources Committee; the People Committee (formerly the Governance, Nominations and Remuneration Committee) and the Belfast Campus Development Committee. Approval was also given, during the reporting period, for the establishment of a City Deals and Special Projects Committee in 2022-23.

Further detail on Council and its core Committees is set out across the page.

Council

The Council has a membership of sixteen (currently under review), the majority of whom (eleven) are appointed from outside the University. Council has two Pro-Chancellors, who act as Chair and Deputy Chair of Council. The Pro-Chancellors are supported in this role by the Honorary Treasurer, who is also appointed from among the external members of Council. Both the Vice-Chancellor and the Students' Union President are ex-officio members of Council and the membership also includes three elected members of University staff. With the exception of the Vice-Chancellor, whose emoluments are disclosed in Note 7, none of the members receive any payment, other than the reimbursement of reasonable expenses, for the work that they do in their capacity as members of Council.

The membership of Council, during the 2021-22 academic year, is provided below:

Ex Officio members:

Dr J Pyper	Pro-Chancellor & Chair of Council (from 1 July 2019)
Dr E Way	Second Pro-Chancellor (from 20 June 2020)
Mr D Clements	Honorary Treasurer (from 01 August 2016)
Professor P Bartholomew	Vice-Chancellor (from 17 August 2020)
Mr O McCloskey	President of the Students' Union (from 01 July 2021 - 30 May 2022)

External members:

Mr P Lobban	appointed 01 October 2016
Dr P McNaney	appointed 01 October 2016
Dr J Stuart	appointed 01 October 2016
Mr P Sheridan	appointed 09 November 2018
Mrs M Lindsay	appointed 09 November 2018
Mr R Sloan	appointed 15 February 2019
Mr A Moore	appointed 09 December 2020
Ms J Taggart	appointed 01 January 2021

Elected Staff Members:

Ms G Horgan	appointed 15 February 2019
Mr E Friel	appointed 01 October 2020
Professor A Gallagher	appointed 01 October 2020

The Senate

The Senate, chaired by the Vice-Chancellor, is the academic authority of the University. It is composed mainly of academic staff but provision is also made for membership of non-academic staff and students. Its role is to direct and regulate the teaching and research work of the University.

The Audit & Risk Committee

The Audit & Risk Committee, chaired by Pro-Chancellor Dr Elaine Way, met five times during the year, with the University's Internal and External Auditors in attendance at all meetings. The Committee considered detailed reports together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation timescales. While Senior Management attend meetings of Audit & Risk Committee as necessary, they are not members of the Committee, and the Committee meets both the External and Internal Auditors in private session at least once each year.

The Resources Committee

The Resources Committee, chaired by the Honorary Treasurer David Clements, met four times during the academic year. The Committee recommends to the Council the University's annual revenue and capital budgets for the University group and monitors performance in relation to the approved budget. The Committee also has, inter alia, oversight of matters pertaining to the estate, information technology and people and culture strategies, together with the annual budget for the Students' Union.

The People Committee

The People Committee, chaired by Dr Jenny Pyper, Chair of Council, met four times during the academic year. The Committee brings together the responsibilities of remuneration, nominations and governance. In this context, it reviews annually the salaries of the senior staff of the University including that of the Vice-Chancellor. The review takes account of any external earnings, including consultancy, by senior staff as well as the salary norms within the higher education sector for a wide variety of senior posts. The Committee is also responsible for recommending the appointment and re-appointment of members to the Council and ensures that Council keeps up to date with best practice governance initiatives both within the sector and at board level generally.

The Belfast Campus Development Committee

The Belfast Campus Development Committee, chaired by Dr Peter McNaney, met seven times during the academic year. The Committee is responsible to the Council for oversight of all aspects of the Belfast Campus building development and the relocation of staff and students to the new Campus.

The Vice-Chancellor

The Vice-Chancellor, as principal academic and administrative officer of the University, has responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal Financial Memorandum between the University and the Department for the Economy (DfE), the Vice-Chancellor is the designated Chief Accounting Officer of the University and, in that capacity, can be summoned to appear before the Public Accounts Committee of the Northern Ireland Assembly.

As de facto Chief Executive of the University, the Vice-Chancellor exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments and the shaping of the institutional ethos. The Deputy Vice-Chancellor, Pro-Vice-Chancellors, Executive Deans of Faculties, Professional Service Directors and the University Secretary all contribute in various ways to these aspects of the work, but the ultimate responsibility for what is done rests with the Vice-Chancellor. The executive structure of the University is represented by the Senior Leadership Team (SLT), which comprises of the Vice-Chancellor (Chair), the Deputy Vice-Chancellor, the Pro-Vice-Chancellors, the Chief People Officer, the Chief Strategy and Finance Officer and the Executive Deans.

The University maintains a Register of Interests of Members of the Council and Senior Officers, which may be consulted by arrangement with the University Secretary. The Register of Members of the Council is available online on the University's governance webpages.

The Office of the University Secretary provides the secretariat to the Council. Any enquiries about the constitution and governance of the University should be addressed to the University Secretary.



Statement of Internal Control

As the governing body of Ulster University, we, the Council, have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible in accordance with the responsibilities assigned to the governing body in the Charter and Statutes and the Financial Memorandum with the Department for the Economy (DfE).

The Council is of the view that there is an ongoing process for identifying the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. Those procedures have been in place for the year ended 31 July 2022.

The following actions have been taken in relation to the risk management policy and for reviewing the effectiveness of the systems of internal control:

- The Council met six times in the year to consider the strategic direction and plans of the University and to monitor performance against those plans;
- There is clear definition of the responsibilities of, and authority delegated to, committees of the Council and the Executive;
- The University's current strategic plan sets the framework of strategic aims and objectives against which risks are assessed and performance is monitored and reported;
- A Strategic Risk Register, which incorporates the key risks at institutional level, is maintained;
- The Senior Leadership Team formally reviews and assesses high risks bi-monthly;
- All faculties and departments, as part of their planning, maintain and review their risk registers.
- The Audit and Risk Committee receives reports from the independent Internal Auditors on the adequacy and effectiveness of the University's systems of internal control with recommendations, as appropriate, for improvement.

In addition to these, other actions were taken in-year to enhance internal control:

The work of the Internal Audit service has been informed by an analysis of the operational, business and financial risks to which the University is exposed and upon which Internal Audit activity for 2021/22 was based. The Internal Audit service operates to agreed standards and submits regular reports, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the system of internal controls, together with recommendations for improvement.

Our reviews of the effectiveness of the system of internal control are informed by the work of the Internal Auditors and the SLT within the institution who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their year end management letter and other reports. The Audit and Risk Committee monitors the effectiveness of the systems of internal control on Council's behalf. Any system of internal control can, however, only provide reasonable, but not absolute assurance against material loss or misstatement.

In accordance with the Statutes, the Council, as a governing body, is responsible for the administration and management of the affairs of the University including ensuring an effective system of internal control and is required to present audited Financial Statements for each financial year.



Statement of the Council's Responsibilities

The Council is responsible for ensuring the maintenance of proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that Financial Statements are prepared in accordance with the Statutes, the Statement of Recommended Practice on Accounting in Higher Education Institutions and other relevant accounting standards.

In addition, within the terms and conditions of a Financial Memorandum agreed between the Department for the Economy and the Council of the University, the Council, through its designated office holder, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the Financial Statements to be prepared, the Council has ensured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Financial Statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. The Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future; for this reason the going concern basis continues to be adopted in the preparation of the Financial Statements.

The Council has taken reasonable steps to:

- ensure that funds from DfE are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Department and any other conditions which the Department may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and prevent and detect fraud;
- secure the economical, efficient and effective management of the University's resources and expenditure.

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:

- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, and cash flow budgets;
- regular 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 by the Resources Committee on behalf of the Council;
- a Financial Procedures Manual, detailing financial controls and procedures;
- a professional Internal Audit team whose annual programme is approved by the Audit Committee.

The Audit and Risk Committee, on behalf of Council, has reviewed the effectiveness of the University's system of internal financial control. Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.



Ulster University Council's Statement of Primary Responsibilities

The Council is the governing body of the University and its members are the trustees in relation to the University's status as an exempt charity. The Council is responsible for overseeing the University's activities, determining its future direction, and fostering an environment in which institutional objectives are achieved.

This Statement is based on the model statement contained in the Higher Education Code of Governance, published by the Committee of University Chairs in September 2020, adapted to reflect the powers and responsibilities that the Council derives from its approved Charter and Statutes.

Consistent with the University's constitution, the primary responsibilities of the University Council are as follows:

- 1.** To provide oversight and accountability for the University's arrangements for governance and risk management.
- 2.** To set and agree the mission, strategic vision and values of the University with the Executive, in accordance with its primary objectives of learning, teaching and research.
- 3.** To approve and keep under review the University's long-term academic and strategic plans, including key performance indicators, ensuring that these meet the interests of stakeholders, especially staff, students, alumni and other beneficiaries.
- 4.** To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the strategy, plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
- 5.** To delegate authority to the Vice-Chancellor, as Head of the Institution, for the academic, corporate, financial, estate and human resource management of the University.
- 6.** Through an effective Scheme of Delegated Authority, regularly reviewed by Council, to establish and keep under review the policies, procedures and limits within such management functions as shall be undertaken by, and under the authority of, the Vice-Chancellor.
- 7.** To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, risk assessment, value for money arrangements and robust procedures for handling internal grievances and managing conflicts of interest.
- 8.** To establish processes to monitor and evaluate the performance and effectiveness of Council itself.
- 9.** To conduct its business in accordance with best practice in Higher Education corporate governance, the University's agreed values, and with the principles of public life drawn up by the Committee on Standards in Public Life.
- 10.** To safeguard the good name and values of the University.
- 11.** To appoint the Vice-Chancellor as Chief Academic and Administrative Officer of the University, and as its Accounting Officer, and to put in place suitable arrangements for monitoring their performance.
- 12.** To appoint a Secretary to Council and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
- 13.** To be the employing authority for all staff in the University and to be accountable for ensuring that an appropriate people and culture strategy is established.

- 14.** To seek assurance that the University is meeting the conditions of funding as set by regulatory and funding bodies and other major University funders, and that the use of funds is in line with the principles of regularity, propriety and value for money.
- 15.** To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall accountability for the University's assets, property and estate.
- 16.** To be the University's legal authority and, as such, to ensure systems are in place for meeting all its legal obligations, including those arising from contracts and other legal commitments made in the University's name. This includes accountability for health, safety, wellbeing and security and for equality, diversity and inclusion.
- 17.** In consultation with Senate, to receive assurance that adequate provision has been made for the general welfare of students.
- 18.** To ensure that the procedures in place for managing students, including disciplinary procedures, are fair and equitable.
- 19.** To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.
- 20.** To determine regulations for the custody and use of the common seal of the University.
- 21.** To approve, for consideration by Privy Council, changes to the Charter and Statutes and to ensure that the institution's constitution is always followed, and that appropriate advice is available to enable this to happen.
- 22.** To promote a positive culture which supports inclusivity and diversity across the institution, including within Council's own composition.
- 23.** In partnership with Senate, to maintain and protect the principles of academic freedom and freedom of speech legislation.
- 24.** To ensure that all students and staff have appropriate opportunities to engage with the governance and management of the institution by operating in an open, honest and accountable manner.
- 25.** To ensure the University is appropriately accessible and relevant to its local communities and is open to engagement with local communities in identifying its role in delivering public/community benefit and economic civic duties.

Independent Auditor's Report to the Council of Ulster University

Opinion

We have audited the financial statements of Ulster University ('the University') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Group and University Statement of Comprehensive Income, the Group and University Statement of Changes in Reserves, the Group and University Balance Sheets, and the Group Cash Flow Statement and the related notes 1 to 28, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Group's and of the University's state of affairs as at 31 July 2022, and of the Group's and University's income and expenditure, gains and losses and changes in reserves and of the Group's cash flows for the year then ended;
- have been properly prepared in accordance with FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice);
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, the Financial Memorandum (Part 2) between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the group and parent institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the University Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent institution's ability to continue as a going concern for a period to 31 July 2024.

Our responsibilities and the responsibilities of the University Council with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The University Council is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Financial Memorandum (Part 1) between the Department for Employment and Learning (now Department of the Economy) and the University of Ulster ("Financial Memorandum")

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- funds from whatever source administered by Ulster University have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Department for the Economy have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them; and
- the requirements of the Department for the Economy's Accounts Direction to the Northern Ireland Higher Education Institutions for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

Under the Funding Council's Financial Memorandum, the University is required to include a Statement of Internal Control within the annual financial statements. We are not required to audit this statement, or to form an opinion on the effectiveness of risk management and control procedures but have a duty to report by exception whether this statement is inconsistent with our knowledge of the University.

Responsibilities of the Council

As explained more fully in the Statement of the University Council's Responsibilities (set out on page 22), the University Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the group's and the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Council either intends to liquidate the group or the University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures

are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the institution and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the University and determined that the most significant are FRS 102, the Statement of Recommended Practice for Further and Higher Education and the Financial Memorandum between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.
- We understood how Ulster University is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through reading the University Council minutes and papers provided to the Audit and Risk Committee.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved: inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the University's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the University's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and identified the recognition of tuition fee, research grants and other income as fraud risks.

Our testing included agreeing a sample of these income streams to supporting agreements or letters, remittances and the receipt of payment in bank statements, and the testing of certain revenue journals to assess recognition in the current year. In addition, for a sample of deferred income items, we reviewed the related supporting documentation to assess performance related conditions, whether the required conditions had been met and that income had therefore been recognised in the correct financial year. We also tested a sample of income items before and after the year end to confirm that they had been recorded in the correct financial year.

In addition to the above, our procedures to respond to the identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Reading minutes of meetings of those charged with governance and the Council;
- In addressing the risk of management override of controls we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately. We reviewed significant accounting estimates for management bias and noted that we did not identify any significant unusual transactions in the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:
<https://www.frc.org.uk/auditorsresponsibilities>.
This description forms part of our auditor's report.

Use of our report

This report is made solely to the Council of the Ulster University, as a body, in accordance with the Charters and Statutes of the University. 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 Ulster University and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Christie (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast

Statement of Principal Accounting Policies

1. Basis of Preparation

Ulster University ("the University") is an independent educational charity, registered with the Charity Commission for Northern Ireland, whose legal status derives from a Royal Charter granted in 1984. The address of the University's registered office is Cromore Road, Coleraine, BT52 1SA.

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice "Accounting for Further and Higher Education 2019" and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"). The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain land and buildings. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The financial statements are presented in Sterling (£) with all values rounded to the nearest £1,000 except when otherwise indicated.

Going Concern

The University and Group's financial statements have been prepared on a going concern basis. Covid-19 has continued to have some implications across the University's range of activities. The University provided a blended approach to teaching in 2021/22 due to the continued variation in the Covid 19 health restrictions.

The University has prepared a 5 year strategic plan and financial forecasts and the current development of the Greater Belfast Campus is a key part of that plan. The University has entered into a long-term loan agreement with the Strategic Investment Board to assist the funding of the Greater Belfast Development and the renegotiated loan of £158.6m that was approved in 2021 was fully drawn down as at 31 July 2022. The new Belfast campus opened to staff and students in September 2022.

The University has prepared detailed monthly cashflow forecasts to 31 July 2024, based on conservative estimates of student numbers and in line with its Strategic Plan, which show the University operating within the terms of its funding facilities and sufficient cash resources throughout this period. The cashflow demonstrates the University will continue to maintain cash reserves over the period to 31 July 2024 and meet all its obligations.

On this basis, Council has a reasonable expectation that the University and its subsidiary undertaking have adequate resources to continue in operational existence for the next twelve months. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

2. Consolidation

The consolidated Financial Statements include the University and its subsidiary undertaking. The results of the subsidiary company are included in the consolidated Statement of Comprehensive Income from the date of acquisition or up to the date of disposal. Intra-Group sales and profits are eliminated fully on consolidation.

The Ulster University's Students' Union is constituted as an independent body and therefore in accordance with FRS 102, its financial statements are not consolidated with the Financial Statements of the University because the University does not control those activities.

The joint venture results of Branch Campus (London & Birmingham) Limited, Ulster Equity Partnership, ABC Research & Innovation Limited and NICOM LLP and the investment in NIACE Limited are not consolidated in the Financial Statements on the grounds of materiality.

3. Recognition of Income

Income from the sale of goods and services is credited to the Statement of Comprehensive Income in line with the provision of the associated goods and services.

Academic Fee income is stated gross of any expenditure and credited to the Statement of Comprehensive Income over the period of students' study. Where the amount of tuition fee is reduced, income receivable is shown net of the discount. Bursaries and Scholarships are accounted for gross of expenditure and are not deducted from income.

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

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

Grant Funding – Revenue Grants

Revenue grants 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 in line with such conditions being met.

Grant Funding – Capital Grants

Where tangible fixed assets are acquired with the aid of Government capital grants, these grants are recognised as deferred income within creditors and released to income over the expected useful economic life of the asset. All other capital grants are recognised in income when the University is entitled to the funds subject to any performance conditions being met.

Other Income

Income from specific endowments and donations, research grants and contracts and other services rendered is included to the extent of the expenditure incurred during the year, together with any related contributions towards overhead costs. All income from short-term deposits and general endowment asset investments is credited to the Statement of Comprehensive Income on a receivable basis. All income from other sources is credited to the Statement of Comprehensive Income on an accruals basis.



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 reserves until such time it is utilised in line with the 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/depreciation of endowments are recorded in income in the year in which they arise.

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

1. Restricted donations – the donor has specified that the donations must be used for a specific 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 for the use of the funds and the University can convert the endowed capital into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

4. Pension Schemes

The two principal pension schemes for the University's staff are the University's Superannuation Scheme (USS) and the Northern Ireland Local Government Officers Superannuation Committee.

Pension Fund (NILGOSC). The funds are valued every three years by actuaries using the aggregate method, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The USS scheme is a defined benefit scheme but it is not possible to identify the University's share of underlying assets and liabilities in the USS scheme. As such, contributions made to the scheme are treated as if it were a defined contribution scheme and charged to the Statement of Comprehensive Income. A liability is recorded within the provisions for any contractual commitment to fund past deficits within the USS scheme.

The NILGOSC scheme is a multi-employer scheme and the underlying assets and liabilities are disclosed in the Balance Sheet. The difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as a liability on the balance sheet. The amount charged to the Statement of Comprehensive Income is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.

The expected return on the pension scheme's assets during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are shown as financing costs in the Statement of Comprehensive Income.

Any difference between the expected return on assets and that actually achieved and any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the Statement of Comprehensive Income.

5. Employment Benefits

Any unused employment benefits for staff with contractual benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement.

6. Foreign Currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of Statement of Comprehensive Income for the financial year.

7. Freehold Land and Buildings

The University has adopted the transitional arrangements on conversion to FRS 102 and has revalued land and buildings as at 31 July 2014 on three campuses, namely Coleraine, Magee and Belfast. Land and buildings that have been revalued to fair value prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation.

Pending the transfer of the Jordanstown campus to Belfast, the value of the land and buildings at Jordanstown is reviewed annually. The useful economic life of the buildings is revised to reflect the transfer of the campus to Belfast.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Land is held freehold and is not depreciated as it is considered to have an indefinite useful life. Buildings are depreciated on a straight line basis over their expected useful lives, up to a maximum of 60 years.

8. Assets Under Construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July. They are not depreciated until they are brought into use.

9. Equipment

Equipment, including software and related software development costs, costing less than £25,000 per individual item or group of related items, is written off in the year of acquisition.

All other equipment including software and related development costs are capitalised. Capitalised equipment (other than research grant equipment) is stated at cost and depreciated on a straight line basis over its expected useful life, assumed to be four years. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use.

Where equipment is acquired with the aid of a specific research grant it is capitalised and depreciated over the shorter of its estimated useful life or the remaining life of the research grant, with the related grant being credited to a deferred capital grant account and released to the Statement of Comprehensive Income over the remaining life of the related grant.

Research equipment depreciation is charged in the year of acquisition. Depreciation is not charged in the year of acquisition of non-research equipment.

10. Fixed Asset Investments

(a) The University's Endowment Fund is included in the Balance Sheet at market value and is administered by an external fund manager. Investments in subsidiary companies are shown at the lower of cost and net realisable value. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Any changes in fair value are taken directly to the Statement of Comprehensive Income.

(b) Fixed Asset Investments through Innovation Ulster Limited

From the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines (Dec 2018 edition) the company values its fixed asset investments (which comprise trade investments) as follows:

- Price of Most Recent Investment (PMRI); or
- Multiple of earnings or revenues; or
- Net Asset Basis

If valuers consider that the passage of time since the date of the last investment diminishes the appropriateness of that methodology, then a modified version of that valuation may be used which refers to industry benchmark valuations or a company based milestone analysis, i.e. performance against technical or financial targets of milestones.

It is expected that the company will use the PMRI basis where the investment has been made within 12 months, otherwise the Net Assets basis will be used.

Any changes in fair value are taken directly to the Statement of Comprehensive Income.

11. Current Asset Investments

Current asset investments are included at the lower of cost and net realisable value.

12. Stocks

Stocks, which are generally consumable in nature, are expensed to the Statement of Comprehensive Income in the year of purchase.

13. Cash and Cash Equivalents

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

Cash equivalents comprise of short term assets readily disposable but not within 24 hours without penalty. They include short term deposits and other instruments held as part of the University's treasury management activities. They exclude any such assets held as Endowment Asset Investments.

14. Provision for Bad Debts

Bad debts are written off when recognised as irrecoverable. Debts which are considered doubtful are provided for in the accounts.

15. Leases

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

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.

The cost of operating leases is charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

16. Provisions

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

17. Maintenance of Premises

The University has a 5 year planned maintenance programme which is reviewed on an annual basis. Actual expenditure on maintenance is charged to the Statement of Comprehensive Income in the period it is incurred.

18. Taxation Status

The University is considered to pass the tests set out in Paragraph 1 Schedule 6 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 287 CTA 2009 and sections 471, 478, 488 CTA 2010 (formerly S505 of ICTA 1988) or section 256 of the taxation of Chargeable gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The University is registered as a charity with HM Revenue and Customs and with the Northern Ireland Charity Commission. The University receives no similar exemption in respect of Value Added Tax. Innovation Ulster Limited, a subsidiary of the University has no charitable status and can therefore be liable to Corporation Tax on chargeable profits.

19. Reserves

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

The University holds a revaluation reserve resulting from revaluation of fixed assets on conversion to FRS 102 as at 31 July 2014.

20. Subsidiary Accounting Policies

The subsidiary of the University adopts the same accounting policies of the University.

21. Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Carrying value of investments

The Group has investments, as disclosed in note 12, valued using the menu of valuation methodologies cited by the International Private Equity and Venture Capital Valuation Guidelines. These methodologies require the use of judgement, including assessing the most appropriate methodologies to be used, whether changes in methodologies are required due to the passage of time since the date of the last investment and in certain methodologies the assumptions to be used. Due to the complexity of these methodologies, and the underlying assumptions used, such as estimates are subject to significant uncertainty. Any diminution in value is recognised in profit or loss.

NILGOSC Pension benefits

The cost of the NILGOSC defined benefit pension plans is determined using actuarial valuations, as disclosed in note 22. 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. In determining the appropriate discount rate, management considers the yield of high quality bonds of the same term and currency as the future cashflows.



USS pension scheme

As the institution is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. 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 22.

Carrying value of Jordanstown campus land and buildings

The Jordanstown campus activity fully transferred to the new Belfast campus in September 2022. The carrying value of the Jordanstown campus estate included in fixed assets (see note 11) has been written down to its estimated recoverable amount based on an independent valuation completed in April 2020 by Lambert Smith Hampton, with the fair value of the estate based on market value in accordance with the Royal Institution of Chartered Surveyors Valuation Guidance Standards Red Book Global. The members of the Council have assessed that this fair value continues to be appropriate as at 31 July 2022. However, such valuations are inherently judgemental with the value attributed sensitive to changes arising from market factors and how the value of the estate is ultimately realised.

Statement of Comprehensive Income

Group and University Statement of Comprehensive Income for the Year Ended 31 July 2022

	Note	Group 2022	University 2022	Group 2021	University 2021
		£000	£000	£000	£000
Income					
Tuition Fees and Education Contracts	1	105,693	105,693	98,680	98,680
Funding Body Grants	2	102,044	102,044	92,623	92,623
Research Grants and Contracts	3	31,375	31,375	31,736	31,736
Other Income	4	19,387	19,299	14,864	14,833
Investment Income	5	821	821	458	458
Donations and Endowments	6	154	154	854	854
Total Income		259,474	259,386	239,215	239,184
Expenditure					
Staff Costs	7	140,706	140,706	133,720	133,720
Movement in USS Pension Provision	7	53,239	53,239	(2,061)	(2,061)
Movement in NILGOSC Pension Provision	7	5,441	5,441	5,147	5,147
		199,386	199,386	136,806	136,806
Other Operating Expenses	8	83,126	84,228	64,244	64,240
Depreciation	11	16,154	16,154	15,927	15,927
Interest and Other Finance Costs	9	1,808	1,808	5,830	5,830
Total Expenditure		300,474	301,576	222,807	222,803
(Deficit)/Surplus before other gains and losses		(41,000)	(42,190)	16,408	16,381
(Deficit)/Gain on investments	12	(211)	(1,032)	1,819	2,327
(Deficit)/Surplus before taxation		(41,211)	(43,222)	18,227	18,708
Taxation		-	-	-	-
(Deficit)/Surplus after taxation		(41,211)	(43,222)	18,227	18,708
Actuarial Gain in Respect of Pension Schemes	22	54,643	54,643	36,040	36,040
Total Comprehensive Income for the Year		13,432	11,421	54,267	54,748
Represented by:					
Endowment comprehensive (deficit)/gain for the year		(775)	(775)	2,270	2,270
Unrestricted comprehensive income for the year		19,744	17,733	57,604	58,085
Revaluation reserve comprehensive (deficit) for the year		(5,537)	(5,537)	(5,607)	(5,607)
Total		13,432	11,421	54,267	54,748

Statement of Changes in Reserves

Group and University Statement of Changes in Reserves Year Ended 31 July 2022

Group	Income and Expenditure Reserve			Total
	Endowment	Unrestricted	Revaluation Reserve	
	£000	£000	£000	
Balance at 1 August 2020	13,868	134,323	107,556	255,747
Surplus from the Statement of Comprehensive Income	2,270	15,957	-	18,227
Other comprehensive income	-	36,040	-	36,040
Transfers between revaluation and income and expenditure reserve	-	5,607	(5,607)	-
Total Comprehensive Income/(Deficit) for the year	2,270	57,604	(5,607)	54,267
Reclassification between revaluation and income and expenditure reserve	-	2,042	(2,042)	-
Balance at 1 August 2021	16,138	193,969	99,907	310,014
(Deficit) from the Statement of Comprehensive Income	(775)	(40,436)	-	(41,211)
Other comprehensive income	-	54,643	-	54,643
Transfers between revaluation and income and expenditure reserve	-	5,537	(5,537)	-
Total Comprehensive Income/(Deficit) for the Year	(775)	19,744	(5,537)	13,432
Balance at 31 July 2022	15,363	213,713	94,370	323,446

Statement of Changes in Reserves (continued)

Group and University Statement of Changes in Reserves Year Ended 31 July 2022

University	Income and Expenditure Reserve			Total
	Endowment	Unrestricted	Revaluation Reserve	
	£000	£000	£000	
Balance at 1 August 2020	13,868	128,207	107,556	249,631
Surplus from the Statement of Comprehensive income	2,270	16,438	-	18,708
Other comprehensive income	-	36,040	-	36,040
Transfers between revaluation and income and expenditure reserve	-	5,607	(5,607)	-
Total Comprehensive Income/(Deficit) for the Year	2,270	58,085	(5,607)	54,748
Reclassification between revaluation and income and expenditure reserve	-	2,042	(2,042)	-
Balance at 1 August 2021	16,138	188,334	99,907	304,379
(Deficit) from the Statement of Comprehensive income	(775)	(42,447)	-	(43,222)
Other comprehensive income	-	54,643	-	54,643
Transfers between revaluation and income and expenditure reserve	-	5,537	(5,537)	-
Total Comprehensive Income/(Deficit) for the Year	(775)	17,733	(5,537)	11,421
Balance at 31 July 2022	15,363	206,067	94,370	315,800

Balance Sheets

Balance Sheets as at 31 July 2022

	Note	Group 2022	University 2022	Group 2021	University 2021
		£000	£000	£000	£000
Fixed Assets					
Tangible assets	11	568,567	568,567	538,036	538,036
Investments	12	24,091	16,865	23,201	17,640
Total Fixed Assets		592,658	585,432	561,237	555,676
Current Assets					
Debtors	13	27,245	27,008	22,093	22,093
Investments & short term deposits	14	82,224	82,224	62,736	62,736
Cash at bank and in hand	15	29,382	29,221	37,881	37,814
Total Current Assets		138,851	138,453	122,710	122,643
Creditors: Amounts falling due within one year	16	(56,441)	(56,463)	(50,093)	(50,100)
Net Current Assets		82,410	81,990	72,617	72,543
Total Assets less Current Liabilities		675,068	667,422	633,854	628,219
Creditors: Amounts falling due after more than one year	17	(267,266)	(267,266)	(244,559)	(244,559)
Pension Liability		(88,007)	(88,007)	(79,281)	(79,281)
Pension Asset		3,651	3,651	-	-
Provision for Liabilities	18	(84,356)	(84,356)	(79,281)	(79,281)
Net Assets including Pension Liability		323,446	315,800	310,014	304,379
Reserves					
Restricted Reserves					
Endowment Reserve	19	15,363	15,363	16,138	16,138
Unrestricted Reserves					
Income & Expenditure Account - unrestricted		213,713	206,067	193,969	188,334
Revaluation Reserve		94,370	94,370	99,907	99,907
Total Reserves		323,446	315,800	310,014	304,379

The Financial Statements on pages 30 to 61 were approved by the Council on 28th November 2022 and signed on its behalf by:

Mr David Clements
Honorary Treasurer

Ms Elaine Hartin
Chief Strategy and Finance Officer

Professor P Bartholomew
Vice Chancellor and Chief Accounting Officer

Group Cash Flow

Group Cash Flow Year Ended 31 July 2022

	Note	Year ended 31 July 2022	Year ended 31 July 2021
		£000	£000
Cash Flow from Operating Activities			
(Deficit)/Surplus for the year before taxation		(41,211)	18,227
Taxation		-	-
(Deficit)/Surplus for the year after taxation		(41,211)	18,227
Adjustments for Non-Cash Items			
Depreciation	11	16,154	15,927
Loss/(gain) on investments	12	211	(1,819)
(Increase) in debtors	13	(5,152)	(3,473)
Increase in creditors	16	5,922	12,710
Increase in pension provision	18	59,718	4,378
Deferred capital grants released income		(3,883)	(3,303)
Amortisation of interest paid on extinguished loan	9	-	3,464
Adjustment for Investing of Financing Activities			
Investment income	5	(821)	(458)
Interest payable	9	512	412
New endowment received	6	(105)	(129)
Net Cash Inflow from Operating Activities		31,345	45,936
Cash Flows from Investing Activities			
Capital grant receipts		6,964	27,875
Disposal of non-current asset investments	12	269	187
Investment Income	5	821	458
Payments made to acquire fixed assets	11	(47,145)	(85,549)
New non-current asset investment	12	(1,370)	(144)
New deposits		(19,488)	(62,736)
		(59,949)	(119,909)
Cash Flows from Financing Activities			
Interest paid	9	(512)	(412)
New endowments received	6	105	129
New unsecured loans	17	20,850	137,750
Repayments of amounts borrowed	17	(338)	(63,323)
		20,105	74,144
(Decrease)/Increase in Cash and Cash Equivalents in the Year		(8,499)	171
Cash and cash equivalents at beginning of the year		37,881	37,710
Cash and cash equivalents at end of the year		29,382	37,881

Notes to the Financial Statements

1. Tuition Fees and Education Contracts	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Full-time Student Fees	62,770	62,770	62,053	62,053
Overseas Student Fees	12,084	12,084	7,781	7,781
Part-time Fees	11,212	11,212	10,850	10,850
DOH Education Contract	18,859	18,859	17,279	17,279
Short Course Fees	768	768	717	717
	105,693	105,693	98,680	98,680
2. Funding Body Grants	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Recurrent Grant	80,819	80,819	78,436	78,436
Specific Grants				
Covid Support grants	5,517	5,517	6,897	6,897
Special Initiatives	12,715	12,715	4,949	4,949
Deferred Capital Grants Released in Year				
Buildings	2,179	2,179	2,196	2,196
Equipment	814	814	145	145
	102,044	102,044	92,623	92,623
3. Research Grants and Contracts	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Research Councils	12,797	12,797	12,321	12,321
UK Charities	1,585	1,585	1,502	1,502
EU Government	5,540	5,540	5,982	5,982
UK Central Government	7,267	7,267	7,270	7,270
Overseas (Non-EU)	643	643	737	737
Health and Hospital Authorities	43	43	85	85
Other Sources	3,500	3,500	3,839	3,839
	31,375	31,375	31,736	31,736
Included in Research Grants and Contracts Income is £658k (2021: £729k) in relation to deferred capital grant release				
4. Other Income	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Residences, Catering and Conferences	2,056	2,056	1,337	1,337
Other Services Rendered	10,294	10,206	7,982	7,950
Other Income	6,805	6,805	5,313	5,314
Deferred Grant Release	232	232	232	232
	19,387	19,299	14,864	14,833

Notes to the Financial Statements (continued)

5. Investment Income	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Investment Income on Expendable Endowments	50	50	48	48
Investment Income on Permanent Endowments	371	371	338	338
Income from Short Term Investments	400	400	72	72
	821	821	458	458
6. Donation and Endowments	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
New Endowments	105	105	129	129
Donations	49	49	725	725
	154	154	854	854
7. Staff Costs	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Wages and Salaries	108,580	108,580	103,392	103,392
Social Security Costs	10,661	10,661	9,831	9,831
Other Pension Costs (Note 22)	21,465	21,465	20,497	20,497
Movement on USS Pension Provision (Note 18)	53,239	53,239	(2,061)	(2,061)
Movement on NILGOSC Pension Provision (Note 18)	5,441	5,441	5,147	5,147
	199,386	199,386	136,806	136,806
Emolument of the Vice-Chancellor	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Salary	253	253	248	248
Benefits	-	-	-	-
	253	253	248	248
Employers Pension Contributions	54	54	52	52
	307	307	300	300

	2022	2021
Ratio of Vice Chancellor's basic salary to median basic salary of member of University staff	5.78:1	5.99:1
Ratio of Vice Chancellor's total remuneration to median total remuneration of member of University staff	6.01:1	6.15:1

The Vice-Chancellor leads Ulster University to make a significant social, economic and cultural contribution helping our community to thrive and confidently supporting Northern Ireland on the global stage. In an increasingly competitive sector, university leadership reflects the scale, complexity and impact of higher education across research and teaching. The current Vice-Chancellor is employed on a fixed salary contract which is subjected to an annual uplift in line with the outcome of the national collective pay bargaining. The Vice-Chancellor's salary was determined by the University's committee responsible for remuneration and governance and was set in line with the benchmarked salaries of other Vice-Chancellors who lead similar sized and income earning Higher Education institutions in the sector in the UK.

Excluding the Vice Chancellor, remuneration of other Higher Paid Staff was in the following bands:-	Group 2022	University 2022	Group 2021	University 2021
	No.	No.	No.	No.
£100,000 - £104,999	7	7	10	10
£105,000 - £109,999	-	-	-	-
£110,000 - £114,999	2	2	1	1
£115,000 - £119,999	1	1	2	2
£120,000 - £124,999	1	1	3	3
£125,000 - £129,999	3	3	2	2
£130,000 - £134,999	2	2	2	2
£145,000 - £149,999	1	1	-	-
£150,000 - £154,999	-	-	-	-
£155,000 - £159,999	-	-	1	1
£160,000 - £164,000	1	1	1	1
£225,000 - £249,999	-	-	1	1
Key Management Personnel	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Key management personnel remuneration	2,242	2,242	2,432	2,432
Compensation for loss of office	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Compensation payable recorded within staff costs	368	368	664	664

During the year the University paid £368k for compensation for loss of office to 39 members of staff. The ending of a fixed term contract falls within the legal definition of "termination of employment by way of redundancy" and therefore the provisions of the University's redundancy policy including the provisions relating to redundancy compensation apply when a fixed term contract ends.

The average weekly number of persons (including senior postholders) employed by the University during the year, expressed as full-time equivalents, was:-	Group 2022	University 2022	Group 2021	University 2021
	No.	No.	No.	No.
Academic	1,135	1,135	1,146	1,146
Technical	141	141	134	134
Administrative	611	611	583	583
Other including Clerical and Manual	516	516	536	536
	2,403	2,403	2,399	2,399

Notes to the Financial Statements (continued)

Notes to the Financial Statements

8. Other Operating Expenses	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Residences and conferences	1,977	1,977	564	564
Consumables and laboratory equipment	3,283	3,283	3,882	3,882
Equipment not capitalised	4,319	4,319	5,346	5,346
Books and periodicals	4,584	4,584	3,941	3,941
Fellowships, scholarships and prizes	461	461	362	362
Rates	4,382	4,382	3,643	3,643
Heat, light, water and power	8,096	8,096	3,439	3,439
Long term maintenance	9,308	9,308	5,581	5,581
Contracted out services	5,835	5,835	4,804	4,804
Grants to Ulster University Students' Union	1,872	1,872	2,009	2,009
External Auditors' remuneration	58	58	68	62
External Auditors' remuneration in respect of non-audit services	52	52	50	48
Internal Auditors' remuneration	69	69	65	65
Internal Auditors' remuneration in respect of non-audit services	6	-	6	6
Printing and stationery	592	592	344	344
Travel, subsistence and hospitality	3,634	3,634	732	732
Miscellaneous academic support	1,455	1,455	1,075	1,075
Telephone and postage	322	322	298	298
Research sub-contracting	4,222	4,222	3,687	3,687
Legal and professional services	10,954	10,954	9,344	9,348
IT Services	5,758	5,758	3,822	3,822
Advertising and publicity	958	958	953	953
Student Support	9,357	9,357	9,398	9,398
Other expenses	1,572	2,680	831	831
	83,126	84,228	64,244	64,240

9. Interest and Other Finance Costs	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Bank loans – current	512	512	407	407
Bank loans – extinguished	-	-	3,464	3,464
Finance lease interest	-	-	5	5
Net charge on pension schemes	1,038	1,038	1,292	1,292
Exchange differences	258	258	662	662
	1,808	1,808	5,830	5,830

10. Analysis of 2022 Expenditure by Activity	Staff Costs	Depreciation	Other Operating Expenses	Interest and Other Finance Costs	Total
	£000	£000	£000	£000	£000
Academic Departments	80,786	1,065	9,294	-	91,145
Academic Services	21,356	2,440	18,071	-	41,867
Research Grants & Contracts	12,170	499	12,652	-	25,321
Residences, Catering & Conferences	1,419	645	3,729	-	5,793
Premises	3,689	10,193	22,425	512	36,819
Administration	18,639	1,312	15,114	258	35,323
Other Expenses	61,327	-	1,841	1,038	64,206
	199,386	16,154	83,126	1,808	300,474

£000

**The depreciation charged has
been funded by:**

Release from Deferred Capital Grants	3,225
Release from Research Grants and Contracts	658
Transfer from Revaluation Reserve	5,537
General Income	6,734
	16,154

Notes to the Financial Statements (continued)

11. Tangible Assets - Group and University	Freehold Land and Buildings	Assets Under Construction	Equipment	Total
	£000	£000	£000	£000
Valuation or cost				
At 1 August 2021				
Revaluation	173,696	-	-	173,696
Cost	235,385	257,978	64,459	557,822
Total	409,081	257,978	64,459	731,518
Additions at Cost	-	39,243	7,442	46,685
Transfer CIP	48,283	(48,283)	-	-
Disposals	-	-	(3,074)	(3,074)
At 31 July 2022				
Revaluation	173,696	-	-	173,696
Cost	283,668	248,938	68,827	601,433
Total	457,364	248,938	68,827	775,129
Accumulated Depreciation				
At 1 August 2021	138,663	-	54,819	193,482
Charge for year	12,114	-	4,040	16,154
Disposals	-	-	(3,074)	(3,074)
At 31 July 2022	150,777	-	55,785	206,562
Net Book Value				
At 31 July 2022	306,587	248,938	13,042	568,567
At 31 July 2021	270,418	257,978	9,640	538,036

Pending the transfer of the Jordanstown campus to Belfast, the value of the land and buildings at Jordanstown is reviewed annually. The useful economic life of the buildings is revised to reflect the transfer of the campus to Belfast.

12. Fixed Asset Investments	Subsidiary Company	Subsidiary Investment in Spinouts	Endowment Fund Investments	Total
Group	£000	£000	£000	£000
At 1 August 2021	-	7,063	16,138	23,201
Additions	-	844	526	1,370
Disposals	-	-	(269)	(269)
Revaluation	-	821	(1,032)	(211)
At 31 July 2022	-	8,728	15,363	24,091
University				
At 1 August 2020	1,502	-	16,138	17,640
Additions	-	-	526	526
Disposals	-	-	(269)	(269)
Revaluation	-	-	(1,032)	(1,032)
At 31 July 2022	1,502	-	15,363	16,865

The members of the Council believe that the carrying value of the investments is supported by their underlying net assets.

13. Debtors	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Amounts falling due within one year				
Trade debtors	15,632	15,395	13,415	13,415
Prepayments and accrued income	11,613	11,613	8,678	8,678
	27,245	27,008	22,093	22,093

14. Investments and Short Term Deposits	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Investments and Short Term Deposits	82,224	82,224	62,736	62,736
	82,224	82,224	62,736	62,736

Under the terms of the loan agreement with the Strategic Investment Board (see note 17) the University holds a Cash Reserve account. The investments balance in 2022 includes funds of £9.6m in the Cash Reserve account. There are restrictions over the use of these funds that require prior consent from the Strategic Investment Board.

15. Cash at Bank and in Hand	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Cash at bank and in hand	29,382	29,221	37,881	37,814
	29,382	29,221	37,881	37,814

The cash balance in 2021 included an amount of £15.6m that was held in an Escrow account between the Strategic Investment Board and Ulster University. The cash funds were not wholly available to Ulster University and permission was required by the Strategic Investment Board to withdraw funds.

Notes to the Financial Statements (continued)

16. Creditors: Amounts Falling Due Within One Year	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Amounts falling due within one year				
Bank Loans	313	313	296	296
Trade Creditors	23,767	23,767	20,694	20,694
Amounts owed by Group undertakings	-	28	-	14
Taxation and Social Security	6,412	6,412	6,084	6,084
Accruals	21,478	21,472	19,417	19,410
Deferred Capital Grants	4,471	4,471	3,560	3,560
Finance Lease Creditor	-	-	42	42
	56,441	56,463	50,093	50,100
17. Creditors: Amounts Falling Due after more than One Year				
	Group 2022	University 2022	Group 2021	University 2021
	£000	£000	£000	£000
Amounts falling due after more than one year				
Bank Loans	2,170	2,170	2,483	2,483
Other Loans	158,600	158,600	137,750	137,750
Deferred Capital Grants	106,496	106,496	104,326	104,326
	267,266	267,266	244,559	244,559
Bank Loans				
Amounts falling due:				
Less than one year (Note 16)	313	313	296	296
Between one and two years	331	331	313	313
Between two and five years	1,105	1,105	1,047	1,047
Greater than five years	734	734	1,123	1,123
	2,483	2,483	2,779	2,779
Other Loans				
Amounts falling due:				
Less than one year (Note 16)	-	-	-	-
Between one and two years	-	-	-	-
Between two and five years	19,050	19,050	12,700	12,700
Greater than five years	139,550	139,550	125,050	125,050
	158,600	158,600	137,750	137,750
Finance Lease Creditor				
Amounts falling due:				
Less than one year (Note 16)	-	-	42	42
Between one and two years	-	-	-	-
Between two and five years	-	-	-	-
	-	-	42	42

Included in the loans are the following:-

Lender	Amount £000	Repayable	Interest Rate
First Trust Bank loan	2,483	2004-2029	5.475 %
Strategic Investment Board loan	158,600	2021-2049	0.25 %

The First Trust bank loan is secured by a negative pledge on a portion of land on the Jordanstown campus.

The Strategic Investment Board loan is secured by a fixed charge on the property of the University's four campuses.

Net Debt Movement	Group 2022 £000	University 2022 £000	Group 2021 £000	University 2021 £000
Balance at 1 August	140,571	140,571	66,143	66,143
New Loans	20,850	20,850	137,750	137,750
Loans extinguished	-	-	(57,750)	(57,750)
Capital repayments	(338)	(338)	(5,572)	(5,572)
Balance at 31 July	161,083	161,083	140,571	140,571

18. Provisions and Liabilities	Obligation to Fund deficit on USS Pension £000	Defined Benefit Obligations (Note 22) £000	Total Provision £000
Group and University	£000	£000	£000
At 1 August 2021	34,468	44,813	79,281
(Credited)/Charged during year:			
Staff Costs	53,239	5,441	58,680
Interest Payable	300	738	1,038
Actuarial gain	-	(54,643)	(54,643)
At 31 July 2022	88,007	(3,651)	84,356

USS Deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in note 22.

Following the completion of the 2020 actuarial valuation, a new deficit recovery plan was agreed of which more detail is given in note 22. This new plan requires deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038.

The major assumptions used to calculate the obligation are:

	2022	2021
Discount rate	3.31%	0.87%
Salary Growth	2.5%	1.5%

Notes to the Financial Statements (continued)

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 following sensitivity analysis outlines the potential impact on the revised provision under different scenarios.

	Approximate impact
0.5% pa decrease in discount rate	£3,613k increase
0.5% pa increase in salary inflation over duration	£3,619k increase
0.5% pa increase in salary inflation year 1 only	£424k increase
0.5% increase in staff changes over duration	£3,687k increase
0.5% increase in staff changes year 1 only	£419k increase
1% increase in deficit contributions	£1,542k increase

19. Endowment Reserves	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2022 Total	2021 Total
	£000	£000	£000	£000	£000	£000
Group and University						
Balances at 1 August						
Capital	403	12,527	12,930	4,547	17,477	15,020
Accumulated Income/(Expenditure)	86	1,206	1,292	(2,631)	(1,339)	(1,152)
	489	13,733	14,222	1,916	16,138	13,868
Reclassification						
Capital	2	(102)	(100)	(818)	(918)	-
Accumulated Income/(Expenditure)	(2)	102	100	818	918	-
	-	-	-	-	-	-
New Endowments	-	3	3	102	105	129
Investment Income	13	358	371	50	421	386
Expenditure	-	(175)	(175)	(94)	(269)	(573)
	13	183	196	(44)	152	(187)
(Decrease)/Increase in market value of investments	(31)	(878)	(909)	(123)	(1,032)	2,328
At 31 July	471	13,041	13,512	1,851	15,363	16,138
Represented by						
Capital	374	11,549	11,923	3,708	15,631	17,477
Accumulated Income/(Expenditure)	97	1,492	1,589	(1,857)	(268)	(1,339)
	471	13,041	13,512	1,851	15,363	16,138

Analysis by Type of Purpose:

	Unrestricted Permanent	Restricted Permanent	Total Permanent	Restricted Expendable	2022 Total	2021 Total
	£000	£000	£000	£000	£000	£000
Lectureships	-	4,415	4,415	12	4,427	4,726
Scholarships & bursaries	-	714	714	699	1,413	1,472
Research support	-	5,840	5,840	1,140	6,980	7,255
Prize funds	-	2,072	2,072	-	2,072	2,195
General	471	-	471	-	471	490
	471	13,041	13,512	1,851	15,363	16,138

Analysis by Asset:

					2022 Total £000	2021 Total £000
Current and non current asset investments	471	13,041	13,512	1,851	15,363	16,138

20. Capital Commitments

Group and University

	2022	2021
	£000	£000
Commitments contracted at 31 July	14,228	48,731
Authorised but not contracted at 31 July	13,891	14,479
	28,119	63,210

Outstanding commitments include £20.7million which relates to the development of the Greater Belfast Campus.

21. Contingent Liabilities

The University Council has reviewed legal proceedings outstanding at the year end and does not consider that there are any material cases where there is the possibility of a liability falling due to the University. Therefore, in accordance with Section 21 of FRS 102 'Provisions and Contingencies', no disclosure is required in the Financial Statements.

22. Net Pension Liability

The University participates in three pension schemes. The schemes are the Universities Superannuation Scheme (USS), the Northern Ireland Local Government Officers Superannuation Committee Pension Fund (NILGOSC) and the Health & Social Care Service Pension Scheme (HSCPS). The schemes are defined benefit schemes, which are externally funded. The assets of each scheme are held in a separate trustee-administered fund. The University has a small number of staff in the new School of Medicine who are members of the Health & Social Care Service Pension Scheme, a defined benefit pension scheme for health and social care workers in Northern Ireland. Disclosures are not included for this pension scheme on grounds of materiality.

Notes to the Financial Statements (continued)

USS Pension Scheme

The University participates in the Universities Superannuation Scheme (USS). The scheme is a hybrid 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. Due to the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee benefits', the University 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 University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Deficit Recovery Liability

The total cost charged to the Comprehensive Income account is £53.5m (2021: credit £1.8m).

Deficit recovery contributions due within one year for the institution are £5.9m (2021: £4.6m).

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles

(uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption	<ul style="list-style-type: none"> Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	<ul style="list-style-type: none"> CPI assumption plus 0.05%
Discount rate (forward rates)	<ul style="list-style-type: none"> Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

2020 Valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2022 Valuation	2021 Valuation
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

Key assumptions used are:

	2022	2021
Discount rate	3.31 %	0.87 %
Pensionable salary growth	2.5 %	1.5 %

Notes to the Financial Statements (continued)

NILGOSC Pension Scheme

The University is able to identify its share of the underlying assets and liabilities of the NILGOSC scheme and accordingly present the following information required by FRS 102.

A valuation of the fund was carried out at 31 March 2019 and updated to 31 July 2022 by a qualified independent actuary.

Balance Sheet	At 31 July 2022	At 31 July 2021
	£000	£000
Present value of scheme liabilities	(207,067)	(276,731)
Fair value of scheme assets	210,718	231,918
Net pension liability	3,651	(44,813)
Movements in present value of defined benefit obligation	At 31 July 2022	At 31 July 2021
	£000	£000
At beginning of the year	(276,731)	(275,065)
Current service cost	(8,287)	(7,846)
Member contributions	(898)	(850)
Interest cost	(4,653)	(3,809)
Benefits paid	7,084	6,991
Past service cost	-	(26)
Actuarial gains/(losses)	76,418	3,874
At end of year	(207,067)	(276,731)

Movement in fair value of plan assets	At 31 July 2022	At 31 July 2021
	£000	£000
At beginning of the year	231,918	200,386
Expected return on assets	3,915	2,782
Employer contributions	2,846	2,725
Member contributions	898	850
Benefits paid	(7,084)	(6,991)
Actuarial gain/(losses)	(21,775)	32,166
At end of year	210,718	231,918

Expense recognised in the income and expenditure accounts	At 31 July 2022	At 31 July 2021
	£000	£000
Current service cost	8,287	7,846
Interest on defined benefit pension plan obligation	4,653	3,809
Expected return on defined benefit pension plan assets	(3,915)	(2,782)
Past service cost	-	26
Total	9,025	8,899

The expense is recognised in the following line items in the income statement:

	At 31 July 2022	At 31 July 2021
	£000	£000
Staff costs	8,287	7,872
Interest payable	738	1,027
	9,025	8,899

Amounts recognised in Other Comprehensive Income	At 31 July 2022	At 31 July 2021
	£000	£000
Asset gains/(losses) arising during the period	(21,775)	32,166
Liability gains/(losses) arising during the period	76,418	3,874
Total Amount recognised in Other Comprehensive Income	54,643	36,040

Notes to the Financial Statements (continued)

Cumulative actuarial gains recognised as Other Comprehensive Income are £57.530m (2021: £2.887m).

The fair value of the plan assets were as follows:-	At 31 July 2022 Fair Value	At 31 July 2021 Fair Value
	£000	£000
Equities	81,127	100,189
Bonds	79,651	92,767
Property	25,918	20,641
Cash	14,750	11,132
Other	9,272	7,189
	210,718	231,918

Principal actuarial assumptions (expressed as weighted averages) at the year end were as follows:-	At 31 July 2022	At 31 July 2021
Discount rate	3.5%	1.7%
CPI inflation	2.7%	2.6%
Pension increases	2.7%	2.6%
Pension accounts revaluation rate	2.7%	2.6%
Salary increases	4.2%	4.1%

Mortality		Males	Females
Current pensioners	2022	21.8 years	25.0 years
	2021	21.9 years	25.1 years
Future pensioners	2022	23.2 years	26.4 years
	2021	23.3 years	26.5 years

The University expects to contribute approximately £2.965m to NILGOSC pensions scheme in the next financial year.

The total pension cost for the University was:	Group 2022	Group 2021
	£000	£000
Charge/(Credit) to staff costs - USS	71,833	15,736
Charge to staff cost - NILGOSC	8,282	7,844
Charge to staff costs - HSCPS	30	3
Total pension cost (see Note 7)	80,145	23,583

23. Student Support Funds

	Group 2022	Group 2021
	£000	£000
Balance carried forward	645	361
Funding Council Grants	1,386	2,192
Disbursed to Students	(1739)	(1,908)
Balance Underspent at 31 July 2022	292	645

Department for the Economy (“DfE”) Student Support grants are available solely for students. The University acts only as a paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account.

24. Subsidiary Company Information

There is one company which is a wholly owned subsidiary company of the University:

- Innovation Ulster Limited

This company has been fully consolidated in the Financial Statements.

The company is controlled by the University.

The company is registered and operates in Northern Ireland and has a registered address of Ulster University, TEIC Building, Jordanstown Campus, Newtownabbey, County Antrim, N Ireland, BT37 OQB.

Innovation Ulster Limited is a company established to develop intellectual property rights by patenting and licensing, and to arrange consultancy activities.

25. Joint Venture Information

The University has three joint ventures. Branch Campus (London and Birmingham) Limited is a joint venture between Ulster University and QAHE (Ulst) Limited for the principal purpose of providing services in support of the provision of degree courses to domestic and international students at campuses in London and Birmingham.

Ulster Equity Partnership is a limited partnership with Ulster University, Invest NI and TechStart NI for the principal purpose of carrying on the business of an investor and in particular to identify, research, negotiate, make or monitor the progress of and sell, realise, exchange or distribute equity or equity-related investments in connection with providing seed capital for the development of post – research post – proof of concept spin-out/in companies from Ulster University including from the technology sectors related to the Ulster University research base.

C-TRIC Limited (previously named ABC Research & Innovation Limited) is a company limited by guarantee with Ulster University, Derry City Council and the Western Trust as equal partners. The principal activity of the company is to develop an Academia Business Clinical Research Innovation facility.

The results of Branch Campus (London & Birmingham) Limited, Ulster Equity Partnership and ABC Research and Innovation Limited are not consolidated in the Group Financial Statements on the grounds of materiality.

Through Innovation Ulster Limited (IUL), a wholly owned subsidiary, the University has a joint venture with NICOM LLP. NICOM LLP was incorporated in 2011 to promote collaborative research in advanced composites. It is a joint venture between IUL and Queens Composites Limited, a wholly owned subsidiary of Queen’s University Belfast. The results of NICOM LLP are not consolidated in the Group Financial Statements on the grounds of materiality.

Notes to the Financial Statements (continued)

26. Other Investments

Through Innovation Ulster Limited, a wholly owned subsidiary, the University has the following holdings:-

Included in fixed asset investments above, the Company holds investment of under 25% in:

2.64% of CDS New Ventures Limited	6.00% of Humain Limited
4.44% of Crescent Capital II LLP	8.92% of Haru
7.94% of Performa Sports Limited	7.50% of Modern Nature
2.39% of Datactics Limited	20% of StimOxyGen Limited
17.98% of Get Invited Limited	20% of eXRT Intelligent Healthcare Limited
3.46% of Axial 3D Limited	20% of Pneuma Healthcare Limited
6.95% of SISAF Limited	14.62% of SonoTarg Limited
14.31% of Neuroconcise Limited	5.3% of Respiratory Analytics Limited

The Company has holdings of greater than 25% in the following companies:

Status	Active	Active	Active	Active	Active	Active
Name	Actionsense Limited	Axis Composites Limited	Jenarron Therapeutics Limited	Solaform Limited	Efectis UK/Ireland Limited	Metal Forming Innovation Limited
Country of Incorporation	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland	Northern Ireland
Principal Activity	Secure digital water marking technology	Design and manufacture of 3D woven carbon fibre preforms	Putty like material applied and removed to wounds	Solar Water heater	Fire Testing	Advanced metal design
% Shares Held and type	26.13%	28.02%	33.62%	45.63%	33.00%	50.00%
Convertible Loan Stock	N/A	N/A	N/A	N/A	N/A	N/A
Turnover	N/A	N/A	N/A	N/A	N/A	N/A
Profit or Loss Before Tax	N/A	N/A	N/A	N/A	N/A	N/A
Net Assets/ (Liabilities)	(£142,537)	£8,176	£47,224	£43,056	£1,332,104	£183,487
Financial Year End	31 May 2021	28 February 2021	30 September 2021	31 July 2022	31 December 2021	31 December 2021

In the year ended 31 July 2019 the company invested €500,000 in Enbarr Limited, an investment fund managed by Imprimator Capital. The value at 31 July 2022 is £418,866.

27. Related Party Transactions

Due to the nature of the University's operations and the composition of the University's 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 the Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. The University has taken advantage of the exemptions contained in section 33, FRS 102 'Related Party Transactions' not to disclose transactions with subsidiaries as all of the voting rights are controlled within the Group.

28. Ultimate Controlling Party

There is no one ultimate controlling party.

University of Ulster

Northern Ireland - Charity number 100166

Annual report



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FOREWORDS



VICE-CHANCELLOR

I am pleased to introduce our Annual Review for 2021/22, during which our sector began to emerge from the constraints of the pandemic that had so altered University life for students and staff alike.

With NI Executive direction enabling us to resume face to face teaching from September 2021, we gradually began to welcome back our University community, with comprehensive protective measures in place. By the spring of 2022 - more than two years after the beginning of the pandemic - the time had come to return more fully to the vibrant and inspiring campus environment so central to the identity and purpose of Ulster University. This transition enabled our people to once again come together at the heart of our unique campuses.

Throughout this unprecedented time, our researchers from diverse disciplines applied their considerable expertise to the pandemic. The years of the pandemic served to highlight just what a force for good academic research can be in our society. This real-world research impact came to the fore once again in May when the Research Excellence Framework (REF) assessment independently judged Ulster University as being in the top 10% of UK Universities for 4* or 3* research impact, delivering a positive and long-term impact on societies and economies globally. A performance that reflected seven years of research and partnership in our research community, this well-deserved outcome demonstrated just how powerfully we put our research to work on behalf of society and the economy.

Through rigorous enquiry, sharing findings, formulating recommendations and developing solutions, Ulster University is central to Northern Ireland's research and development ecosystem; informing our teaching and transforming thinking while addressing the challenges of our time. From heart disease to mental health, from renewable energy and emerging technologies to clean water, access to justice and societal issues such as violence and conflict – in these areas and many more, Ulster University is driving life-enhancing outcomes for individuals, communities and economies.

It is always rewarding to see our research leadership mirrored in the achievements of our students. Being joint first in the UK for world-leading research impact in Music, Drama, Dance, Performing Arts and Screen Studies, you can learn more in this annual review about the inspirational journey of a talented cinematic arts student, pursuing career dreams in our collaborative creative hub.

Our sustained commitment to frontline healthcare reached two significant milestones this year in our journey to transform the Derry-Londonderry campus into a hub for Health and Innovation. We welcomed the first 70 students to the new School of Medicine, drawn from backgrounds as diverse as investment banking and politics. Offering a Bachelor of Medicine and Bachelor of Surgery (MBBS) medical degree programme unique in Northern Ireland, our medical school represents a determined collective effort from partners across government, academia, medicine and beyond.

In the culmination of many years of work and close collaboration with the Northern Ireland Ambulance Service, we also welcomed students to the first paramedic sciences degree programme in Northern Ireland. Much like our first medical students, they joined us from a wide range of backgrounds and will go on to deliver an invaluable service in our communities.

Reaching the shortlist for the most prestigious accolade in The Times and The Sunday Times Good University Guide - 'University of the Year' - was all the more rewarding, as the category is not available for entry but based on assessment of performance. Reflecting the dedication of our staff, Ulster was applauded for delivering one of strongest performances of any university in the year's pandemic-affected National Student Survey, with rankings for teaching quality and student experience boosted into the UK top 30. We also achieved our best ever performance in these rankings, rising 7 places to 44th and entering the top 50, out of 135 UK institutions.

Our Students' Union also continued to work tirelessly to provide the best student experience possible and its efforts were recognised when the team won the Students' Union Team of the Year in the Student Achievement Awards Ireland. It's a commitment we share to place students at the centre of everything we do.

Behind these many accomplishments are the people of our University community – resilient, inventive, talented and progressive. 2021/22 was a year of remarkable performance following such extraordinary times. Individual, team and institutional success arises from our firm belief in doing the right thing, delivering on our commitment to our students, our staff and our community, and forging the rich and dynamic partnerships that contribute so much both around our region and around the world.

PROFESSOR PAUL BARTHOLOMEW
VICE-CHANCELLOR

FOREWORDS



CHAIR OF COUNCIL

Within this 2021/22 Annual Review, we have been able to reflect on another memorable year of huge transformation and growth for Ulster University.

During this period, we continued to deal with the ongoing challenges of COVID-19 and with guidance from our Vice Chancellor, Professor Paul Bartholomew, whose strong, clear and progressive leadership has been a source of reassurance for staff and students alike, we have emerged from an extraordinary year for all of society.

This year saw the appointment of our new Chancellor, distinguished Ulster University graduate and globally renowned artist Dr Colin Davidson. We are incredibly fortunate to have someone of such character and commitment to help us guide and inspire the next generation. He has added value and credibility to the mission of the University.

Indeed 2021/22 has been strongly influenced by a range of inspiring people, staff and students, from across the University. The talent, commitment and dedication of our staff has continued to raise the profile of the University, and deliver a rewarding and motivating learning experience for our students.

Both within the University and externally, we have led the way in many fields, and our colleagues continue to be a driving force for innovation and excellence in learning and teaching as well as excellence in research.

In this review, you will be able to read more about these achievements which demonstrate our leadership in both education and research, such as appointments to the Leadership and Management Advance HE Strategic Advisory Group, to Strategy Expert Advisory Panels, involvement in the Comparative and Interdisciplinary Education Research Network, as well as recognition for colleagues in the New Year's Honours List for 2022 for contributions to higher education and the economy in Northern Ireland.

We are proud of our students, and they are at the heart of everything we do. We have an outstanding reputation for enhancing students' knowledge and professional skills, and improving employability, and we have showcased some examples of the many student success stories throughout the year, to highlight the impact they are making during their time at university with us.

We are developing our campuses to ensure that they continue to have the learning spaces, facilities and resources that our students and colleagues need. In preparation for opening its doors to students in September 2022, the new Belfast city centre campus aims to be a welcoming and innovative environment. As a community partner, the new campus will make a lasting impact on the communities of neighbouring North Belfast, and it will offer an accessible pathway into higher education through our contribution to widening access and participation across Northern Ireland. It will also be a catalyst for wider regeneration activity in and around the campus location.

As well as delivering excellent teaching and student experiences, we reflect in this review on our activity locally, nationally and on the world stage. We are building a globally engaged and impactful university by creating and strengthening our focus on building partnerships.

Our advances in innovation include partnering with NUI Galway to lead on the €4 million Atlantic Innovation Corridor project to advance sustainable regional development and establish the region as an internationally recognised centre of excellence for impactful research. We have also partnered with 15 other research institutions from Northern Ireland, Republic of Ireland and the United States through the US-Ireland Research Programme.

Over £250,000 for international student mobility was secured in 2021/22 through the Turing Scheme, offering an exciting range of global opportunities for students to study and work abroad. Ulster University also took the opportunity to partner with other organisations to promote Northern Ireland as a top study destination to the US market.

Reflecting on this past year I feel immense pride in the talent and commitment of the staff and students at Ulster University, who have shown great resilience in the face of ongoing challenges and determination to seize new opportunities. I am grateful to my University Council colleagues for their continued support and dedication to good governance across all areas of the University.

On behalf of Council, I would like to place on record our thanks to the whole University community for contributing so positively to what has been a challenging yet rewarding year, and in ensuring our safe return to campus life.

DR JENNY PYPER
PRO-CHANCELLOR AND CHAIR OF COUNCIL

STUDENT EXPERIENCE

Our student experience stands out. We support students throughout their journey, from before the application stage, to graduation and beyond.

2ND
IN UK
FOR POSTGRADUATE
RESEARCHER
SATISFACTION
POSTGRADUATE RESEARCH
EXPERIENCE SURVEY (2021)

Top Awards for Inspirational Cinematic Arts Student

Aodhán Roberts was awarded two prestigious awards for his inspirational journey in overcoming tragedy and personal barriers in his life and the work he has done within the community. The support he received through the Diana Legacy Award and a Royal Television Society Bursary Scholarship helped him pursue his passion as a Cinematic Arts student at the Derry~Londonderry campus.



Ulster University Provides Free Period Products on All Campuses

In response to the Period Poverty campaign and legislation passed by the Northern Ireland Assembly, which made period products freely available to all in schools, colleges and public buildings; Ulster University now provides free period products in 22 toilet facilities across the University's three campuses.

Ulster University Commits to the White Ribbon Pledge to Support the End of Violence Against Women

On 25 November 2021, Ulster University Wo/Men's Network supported White Ribbon Day and the Women's Aid Federation Northern Ireland by signing the White Ribbon Pledge to share the message that men's violence against women and girls must end.



Belfast School of Art Graduates starred in BBC One Fashion Challenge Series

Four Ulster University textile art graduates went head-to-head in the series "A Stitch Through Time", showcasing their creativity, design and technical skills in the fashion and Ulster textiles history-themed competition. Thomas Irwin, who specialises in sustainable fashion for men, best represented the heritage and influence of the Ulster-Scots pioneers that helped shape the global textiles industry and won the final.



Student Shakira Wins Translink Sustainable Livery Design Competition

Ulster University student, Shakira Kidd from Newtownards, won Translink's student livery design competition which saw Ulster art students challenged to design new bus livery. Shakira entered the design competition as part of a final assignment for her Foundation in Art & Design course and has since enrolled in the BDes Hons Graphic Design and Illustration programme. As part of the prize Shakira was awarded a week's industry placement with a leading design team and a year's free travel pass.

UUSU Wins 'Students' Union Team of the Year' Award



Ulster University came out on top as Students' Union Team of the Year in the Student Achievement Awards Ireland. The Students' Union work tirelessly to provide Ulster University students with the best student experience possible; it strives to improve the lives of students by being an inclusive and supportive community where students can fulfil their potential and ensure their voice is heard.

PIONEERING RESEARCH AND IMPACT

Every day our cutting-edge research and innovation are making a difference to thousands of people and their communities.

Economy Minister Launched Expanded, World-Class Biomedical Sciences Facility on The Coleraine Campus

Ulster University's Biomedical Sciences Research Institute added a new state-of-the-art laboratory within its Mass Spectrometry Centre. Funded by £700,000 from the Department for Economy's Higher Education Research Capital investment fund, the lab is a further boost to the world-class research in the Coleraine campus, creating the first multimodal biomolecular imaging platform on the island of Ireland and enabling increased collaboration with industry.



Research Project to Harness Northern Ireland's Geothermal Resources to Underpin Greener Energy Use

Professor Neil Hewitt, Head of the School of Architecture and Built Environment, was named the Principal Investigator in a new research partnership that will consider all new renewable energy sources like wind and solar while exploring opportunities and barriers to harnessing Northern Ireland's geothermal energy resources.

Professor Victoria Simms Formed Part of a Research Group Leading the Way In Transforming Understanding of Early Years Children's Mathematics Learning

Ulster University has been awarded £8.23m, from the Economic and Social Research Council to embark on a new project which will enhance the teaching of maths in early years education. Professor Victoria Simms, School of Psychology, forms a vital part of this inter-university research team to establish a new Centre for Early Mathematics Learning.

Convocation Postgraduate Students of the Year 2021

Hamid Bakshi, PhD Researcher in the School of Pharmacy and Pharmaceutical Sciences, won the 2021 Doctoral Convocation PG award for his research on developing a 3D printed colon cancer model and evaluation to deliver phytochemical/natural products to various cancers. Rebecca Hume won the Non-Doctoral Convocation Postgraduate Award for designing and developing the UK's first digital non-verbal 999 reporting tool, TapSOS Ltd.



EXCELLENCE IN EDUCATION

We place our students and their experience, passions, and ambitions at the heart of everything we do.

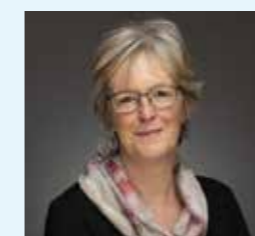


▲ Ulster University welcomes students to the first Paramedic Sciences degree programme in Northern Ireland

▼ Academy, Ulster University Business School



▼ School of Medicine welcomes the first 70 students through the newly refurbished building



◀ Dr Sarah Floyd, one of 14 members of the Advance HE Expert Advisory Group

Ulster University Shortlisted For 'University of The Year' And Achieved Best Ever Performance in Leading Industry League Table

Ulster University was shortlisted in a small pool of five (out of 135) UK Universities for the most prestigious accolade in The Times and The Sunday Times Good University Guide: 'University of the Year.' It also rose seven places to 44th, entering the top 50 out of 135 UK institutions. This shortlisting is excellent recognition for the University and one which truly reflects the hard work of our staff and the support of our student community across all campuses in what was a non-typical year for the sector.

Ulster University Welcomed Students to the First Paramedic Sciences Degree Programme in Northern Ireland

Ulster University marked a historic first for Northern Ireland, welcoming 40 students to the region's first-ever BSc Hons Paramedic Sciences programme on the Derry-Londonderry campus. Previously, students in Northern Ireland had to travel outside of Northern Ireland to complete a BSc Hons programme in Paramedic Science. This programme will ensure Northern Ireland continues to have a sustainable supply of world class paramedics.

Ulster University Business School Launched Academy: The Centre for Food, Drink and Culture

Located on Ulster University's new Belfast city-centre campus, Academy incorporates a state-of-the-art restaurant, culinary school, beverage school and conference and meeting facilities, providing an educational hub to strengthen hospitality and culinary arts management further.

Ulster University opens new School of Medicine

Ulster University made history by opening the doors of a newly refurbished building to welcome the very first 70 students to the new School of Medicine. The first cohort was made up of students with a wide range of related and non-scientific/healthcare backgrounds from politics to investment banking, radiography, management consultancy, optometry, forensic science, nursing and even a previous lecturer in Irish at Magee. The vision for the School of Medicine is to be nationally and internationally recognised for excellence to competitively recruit and retain high quality staff and students; produce doctors able to deliver whole-person care with skill, teamwork, and compassion for the benefit of people across Northern Ireland and beyond.

Dr Sarah Floyd Appointed to Advance HE Expert Advisory Group

Dr Sarah Floyd, Reader in Higher Education Practice, is announced as Fellowship and Accreditation Expert Advisory Group member. Through this membership, she will continue her commitment to creating inclusive professional learning and recognition opportunities that value and support a diversity of educators.

INSPIRING PEOPLE

Our people are inspirational. Ulster's teaching develops skills, raises ambitions and prepares future leaders.



Ulster Alumnae Twins Make a Bid for Gold

Ulster University alumnae sisters Judith and Chloe McCombe are visually impaired athletes who got involved in rowing during their 2nd year studying geography on the Coleraine campus. After graduation, they were selected for the Irish para-rowing team and have represented Ireland at several international events including the 2022 Commonwealth Games.

Professor Karise Hutchison Appointed to Advance HE Strategic Advisory Group

Professor Hutchison was appointed to the Strategic Advisory Group of Advance HE with the role of advising on leadership and management matters to shape Advance HE's work; the group identifies strategic teaching and learning issues, develop confident and capable leaders, and equip them to respond to current and future sector challenges and opportunities.



◀ Professor Karise Hutchison, Ulster University Business School (UUBS), appointed to Advance HE Strategic Advisory Group



◀ Dr Adrian Boyd, awarded prestigious Industrial Fellowship by the Royal Academy of Engineering

Dr Adrian Boyd Awarded Prestigious Industrial Fellowship by The Royal Academy of Engineering

Dr Adrian Boyd, Senior Lecturer in Biomaterials at Ulster University, was awarded an Industrial Fellowship by the Royal Academy of Engineering for research into innovative 3D printed medical devices. 3D printing enables complex and customised medical devices to be manufactured quickly and easily and is expected to revolutionise the medical device industry.

Professor Jackie McCoy and Gareth Hetherington Receive MBE Awards

Professor Jackie McCoy was recognised for her services to Higher Education, Business and the Arts, and Gareth Hetherington for his services to Further Education and the Economy in the New Year's Honours List for (MBE Member of the Order of the British Empire awards).

Professor Jackie McCoy and Gareth Hetherington receive MBE awards ▶



Ulster University Recognises Key NI Figures in Honorary Graduates for 2022

Key figures from across health, sport, business, property and local government in Northern Ireland were recognised by Ulster University as honorary graduates for 2022.

◀ Left to right; Agnes Lunny, Jim Roddy, Dr Patricia Donnelly OBE, Dr Jenny Pyper, Jackie Henry, John Shiels, Dr Karen Weekes, and Patrick McKillen were all recognised for demonstrating hard work, determination, integrity, leadership and public service.



GLOBAL VISION

At Ulster University, we have a global vision. We are building a globally engaged and relevant university that embraces a multicultural community of learners, promoting a strong, internationally relevant curriculum.

Universities North and South Partner on Atlantic Innovation Corridor

NUI Galway and Ulster University were announced as the lead partners on a strategic regional development research project under the Government's North-South Research Programme. This collaborative scheme will create a research team organised in hubs north and south and advance sustainable regional development.



€9 Million Joint Investment Announced For US-Ireland Research Programme

A joint investment of €9 million was announced through a tripartite research and development partnership between the United States of America (USA), the Republic of Ireland (RoI) and Northern Ireland (NI), spanning 16 research institutions, including Ulster University. The funding will support a wide range of research, including energy and sustainability, telecommunications, and quantum networks.

First UU ISRC Autumn School Supported by Local Industry and Global Academia

Academic and industry researchers gathered at the Intelligent Systems Research Centre (ISRC) at Ulster University's Derry-Londonderry campus for the first-ever 'ISRC-CN3 Autumn School'. 140 people from 18 countries and 21 academic institutions participated in a week-long virtual school featuring local and international speakers.



Over £250,000 for International Student Mobility Secured in 2021/22 Through Turing Scheme

Ulster University offered students an exciting range of global opportunities through the Turing Scheme, the successor scheme to Erasmus. This funding supports more than 100 Ulster students to study and work abroad, 50% of whom are from disadvantaged backgrounds and benefit from both the University and the Turing Scheme's commitment to inclusive international experiences for all.

SUSTAINABLE DEVELOPMENT GOALS



Ulster University Launched Its New Sustainability Website

A new sustainability website was launched to support Ulster University's sustainability transition. The new website supports a culture of sustainable thinking and action across our institution and delivers an opportunity for staff, students and other stakeholders to work towards a common global goal based on the values of Ulster University and the 17 UN Sustainable Development Goals.

OUR VALUES

Our Values set the tone for our University, where we are and where we want to get to.

UU VALUES AT THE CORE OF THIS NEW CHAPTER

At Ulster University we are embarking on organisational change that will affect individuals and teams across each of our campuses, both now and in the years to come.

Our core values of Integrity, Inclusion, Collaboration and Enhancing Potential will help to underpin the work of those who have a role in supporting the University's transformation and help to keep the needs of colleagues at the very heart of our thinking, planning and delivery.

Achieving Excellence Together

The co-created nature of our Ulster University Values provides an indication of the culture within our community. They give us direction on how we can Achieve Excellence Together, to enhance our employee and student experience, now and in the future.

We continue to work together to help facilitate and embed values driven activities and further colleague engagement at Ulster University.

Integrity

At Ulster University, we are open and honest, allowing us to develop professional and positive trusting relationships. We strive to make sound judgements, recognise each other's contribution and understand the impact our actions can have on colleagues and students.



▲ Ulster University's values

Collaboration

Working together, we can continually build trust between individuals and teams and commit to actively listening and communicating with each other. As a University we support cross-team working and creating a transparent environment that promotes connectedness and partnerships internally and externally.

Enhancing Potential

This year we have worked to enhance potential and are pioneering in our teaching, research and professional practice. We nurture our strengths and ambitions, empowering each person to become their 'best self', and as a University we have recognised and rewarded excellence.

Inclusion

We are an inclusive University community which celebrates individual differences and encourages inter-cultural respect always. We treat each other fairly, behaving with respect and dignity in our language and actions.

FINANCIAL REVIEW

Financial performance during the year shows a surplus of £13.4m (2021 surplus £54.3m). This includes a net charge of £5.1m (2021: credit £31.6m) due to pension funds activity in the USS and NILGOSC pension liabilities. The balance sheet has strengthened with total net assets increasing to £323m (2021 £310m) reflecting an increase in capital assets and cash surpluses generated during the year.

The financial result for 2021/22 is a testimony to the hard work across all areas of the University and these excellent results will provide cash for strategic and capital investment going forward.

The outlook for the 2022/23 financial year and beyond remains exciting, with the opening of the new campus in Belfast, the successful move of Life and Health Sciences to Magee further consolidating delivery of health provision at Magee and further refurbishment at Coleraine creating opportunities for the University to deliver for staff, students, local communities and Northern Ireland at large. However, the wider economic climate presents challenges, with the University, like many others, having to grapple with increasing energy costs and high inflation rates. These will need to be closely monitored in this coming year as income is not anticipated to rise at the same inflation rate.

FINANCIAL STATEMENTS

The financial statements comprise the financial results of the University consolidated with the results of its subsidiary company. The University is an independent educational charity whose legal status is derived from a Royal Charter granted in 1984. The distinctiveness of the University within the higher education sector places it within a small group of institutions that are research engaged and business focussed with significant commercialisation of research, major knowledge transfer relationships. It has a focus on contributing to economic, social and cultural development in Northern Ireland and its global standing.

FINANCIAL HEALTH

Key performance indicators are set out below with an assessment on progress against the financial strategy target with **red** meaning action required, **amber** more work required and **green** on track. When taken together these measures reflect the strong governance and effective management of the University's resources in sustaining financial health in the short, medium and long term.

Financial Sustainability Indicators	2022 Actual	2021 Actual	Status	Comments
Surplus as a % of income after deducting pension provision movement	7.1%	9.5%	●	This indicates the level of return necessary for investment in capital.
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	£31.5m	£37.3m	●	This is a measure of operating surplus excluding accounting adjustments and finance charges. It is a good indicator of financial capability to service debt and/or capital expenditure from internally generated cash.
Liquidity ratio	136 days	165 days	●	This measures our ability to fund short term cash requirements.
Current assets to current liabilities	2.5:1	2.4:1	●	An indicator of financial strength to meet short term liabilities

Summary of Financial Position

Key Performance Indicators from the financial statements

Year Ended 31 July	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m
Total income	259.5	239.2	214.6	218.3	210.0
Surplus/(Deficit) before Gains and Losses	(41.0)	16.4	18.0	(32.2)	10.7
EBITDA	31.5	37.3	14.4	24.9	20.9
Net assets	323.4	310.0	255.7	262.3	308.7

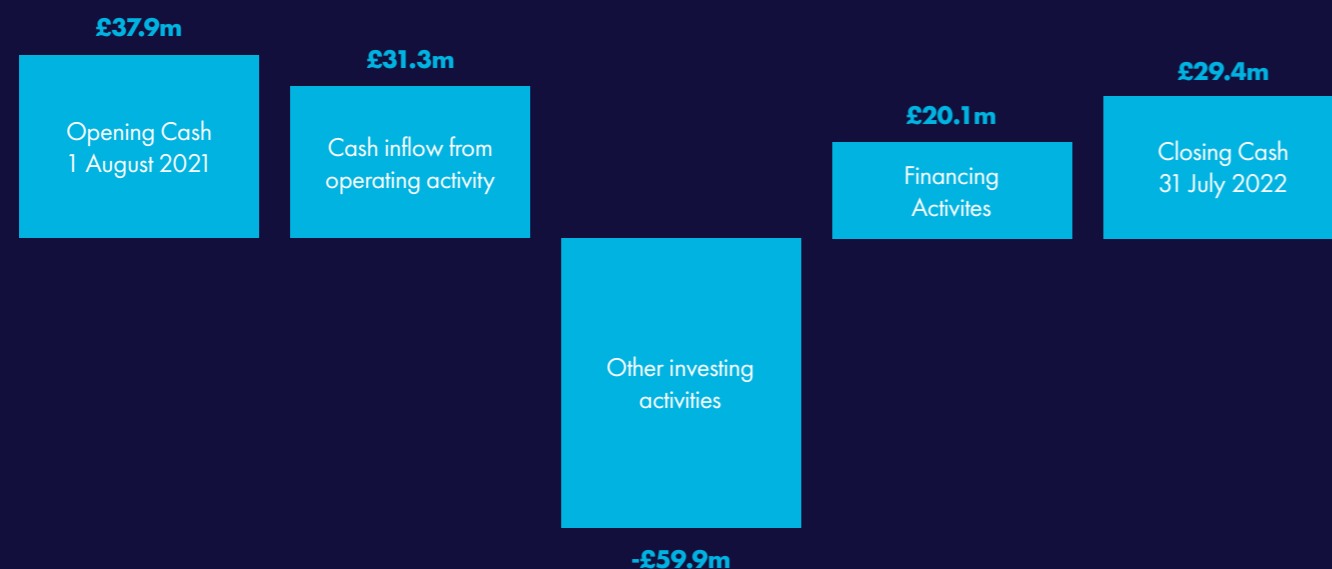
Treasury, Borrowings and Investments

Net cash decreased by £9.6m during the year. The movement in funds is summarised below:-

	2022 £m	2021 £m	Change £m
Investments and short term deposits	82.2	62.7	19.5
Cash at bank and in hand	29.4	37.9	(8.5)
Bank and other loans	(161.1)	(140.5)	(20.6)
Net cash	(49.5)	(39.9)	(9.6)

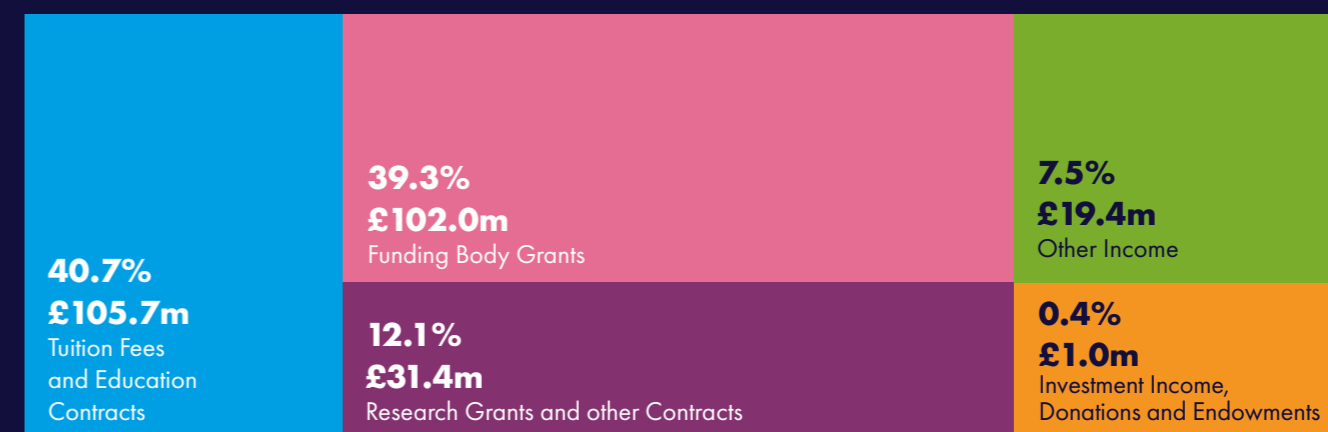
During the year £47.1m cash was spent on acquiring fixed assets against which £7.0m of capital grants were received.

Cashflow Statement 2021-22



These tables provide further information on the University's financial statements.

Sources of Income 2021-22



How we Allocated Our Resources 2021-22



GOVERNANCE 2021-22

Council and the Committees of Council

COUNCIL COMPOSITION

Ex-Officio Members

Pro-Chancellors

Dr J Pyper
Dr E Way

Vice-Chancellor

Professor P Bartholomew

Honorary Treasurer

Mr D Clements

President of the Students' Union

Mr O McCloskey

Appointed Members

*Eight persons not being members
of staff or students of the University*

Mrs M Lindsay
Mr P Lobban
Mr A Moore
Dr P M^cNaney
Mr P Sheridan
Mr R Sloan
Dr J Stuart
Ms J Taggart

Elected Members

Two members of Academic Staff

Professor A Gallagher
Ms G Horgan

One member of Academic-Related Staff

Mr E Friel

COUNCIL COMMITTEE

Audit and Risk Committee

Committee Composition Ex-Officio Members

Dr E Way

Appointed Members

Mr P Sheridan
Mr R Sloan

Elected Member

Mr E Friel

COUNCIL COMMITTEE

People Committee

Committee Composition Ex-Officio Members

Dr J Pyper (Chair)
Professor P Bartholomew (Vice-Chancellor)
Mr D Clements
Dr E Way

Appointed Member

Dr J Stuart

External Independent Members

Mr D Bingham
Mr A Hunter
Ms G M^cAuley

COUNCIL COMMITTEE

Resources Committee

Committee Composition Ex-Officio Members

Mr D Clements (Chair)
Professor P Bartholomew
(Vice-Chancellor)
Dr J Pyper
Mr O M^cCloskey

Appointed Members

Mrs M Lindsay
Mr P Lobban
Dr P M^cNaney

Elected Members

Ms G Horgan
Professor A Gallagher

COUNCIL COMMITTEE

Belfast Campus Development Committee

Committee Composition

Dr P M^cNaney (Chair)
Mr D Clements (Deputy Chair)
Professor P Bartholomew
(Vice-Chancellor)
Mr P Lobban
Mr A Moore
Professor P Gray

Co-opted Independent Members

Mr D Gregory
Mr J Cole

COUNCIL COMMITTEE

City Deals and Special Projects Committee

Committee Composition

Mr P Sheridan (Chair)
Mr E Friel
Mr R Sloan
Dr J Stuart

Statement of Primary Responsibilities

The Council has adopted a statement of primary responsibilities which is available for download at:

<https://ulster.ac.uk/statementofprimaryresponsibilities>



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ulster.ac.uk



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University of Ulster

Northern Ireland - Charity number 100166

Annual return

Independent Auditor's Report to the Council of Ulster University

Opinion

We have audited the financial statements of Ulster University ('the University') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Group and University Statement of Comprehensive Income, the Group and University Statement of Changes in Reserves, the Group and University Balance Sheets, and the Group Cash Flow Statement and the related notes 1 to 28, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Group's and of the University's state of affairs as at 31 July 2022, and of the Group's and University's income and expenditure, gains and losses and changes in reserves and of the Group's cash flows for the year then ended;
- have been properly prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice);
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, the Financial Memorandum (Part 2) between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the group and parent institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the University Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent institution's ability to continue as a going concern for a period to 31 July 2024.

Our responsibilities and the responsibilities of the University Council with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The University Council is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Financial Memorandum (Part 1) between the Department for Employment and Learning (now Department of the Economy) and the University of Ulster ("Financial Memorandum")

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- funds from whatever source administered by Ulster University have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Department for the Economy have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them; and
- the requirements of the Department for the Economy's Accounts Direction to the Northern Ireland Higher Education Institutions for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

Under the Funding Council's Financial Memorandum, the University is required to include a Statement of Internal Control within the annual financial statements. We are not required to audit this statement, or to form an opinion on the effectiveness of risk management and control procedures but have a duty to report by exception whether this statement is inconsistent with our knowledge of the University.

Responsibilities of the Council

As explained more fully in the Statement of the University Council's Responsibilities (set out on page 22), the University Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the group's and the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Council either intends to liquidate the group or the University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures

are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the institution and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the University and determined that the most significant are FRS 102, the Statement of Recommended Practice for Further and Higher Education and the Financial Memorandum between the Department for Employment and Learning (now the Department for the Economy) and the University of Ulster and the Accounts Direction to Higher Education Institution requirements.
- We understood how Ulster University is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through reading the University Council minutes and papers provided to the Audit and Risk Committee.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved: inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the University's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the University's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and identified the recognition of tuition fee, research grants and other income as fraud risks.

Our testing included agreeing a sample of these income streams to supporting agreements or letters, remittances and the receipt of payment in bank statements, and the testing of certain revenue journals to assess recognition in the current year. In addition, for a sample of deferred income items, we reviewed the related supporting documentation to assess performance related conditions, whether the required conditions had been met and that income had therefore been recognised in the correct financial year. We also tested a sample of income items before and after the year end to confirm that they had been recorded in the correct financial year.

In addition to the above, our procedures to respond to the identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Reading minutes of meetings of those charged with governance and the Council;
- In addressing the risk of management override of controls we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately. We reviewed significant accounting estimates for management bias and noted that we did not identify any significant unusual transactions in the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Council of the Ulster University, as a body, in accordance with the Charters and Statutes of the University. 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 Ulster University and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Christie (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast