

Prifysgol Wreccsam
Wrexham University

Annual Report and Financial Statements

For the year ended 31st July 2023

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Report of the Chair of the Board of Governors



A handwritten signature in black ink, appearing to read 'Leigh Griffin'.

Dr Leigh Griffin
Chair of the Board of Governors

Introduction

My first full academic year as Chair of Wrexham University's Board of Governors has cemented my feelings of pride and privilege in such a responsibility.

There is such positivity and friendliness across all of the University's activities, together with a strong desire to keep growing and keep improving for the benefit of our students, staff and the local community.

Wrexham is a special place, newly designated as a city and with a university worthy of the city and the rapid enhancement of international interest linked to our Hollywood connections. As a university, we truly extol the 'Welcome to Wrexham' phrase, offering opportunity, community and friendship to domestic and international students alike.

We are and will remain passionate about Wrexham University being a place which promotes and enables social inclusion and lifelong learning. We are rightly proud of our diversity and our record of helping students raise and realise their aspirations.

Whether they are 18 or 48, we promote and enable learning opportunities for local people and those from further afield and embrace the experiences we both offer and gain from such.

As a local 'anchor institution', we are committed to our work as civic partners of the Wrexham Gateway Partnership, our work on civic mission, our contribution to the North Wales Growth Deal, the Regional Skills Partnership and the Mersey Dee Alliance amongst many others.

We work closely and are keen to build ever stronger links with the Borough Council, local County Council, Coleg Cambria, Ty Pawb, Betsi Cadwalladr NHS Trust, local industry and so many others in pursuit of our shared committed ego make North-East Wales a great place to work, study, live and play.

With regard to our support to the local community, I was absolutely delighted to attend the launch of the Children's University, an exciting means of connecting with local children and giving them experience of the higher education ethos, awarding 'degrees' for their achievements. We also embrace our strong partnership with Theatr Clwyd, which draws in an increasing range of diverse talent.

Our cohesion as an ambitious, growing University's reflected in the great relationships between Governors, Executives and the Student's Union, who I single out for particular praise and thanks.

The Student Union's commitment to support those studying, particularly during a time when cost of living challenges hit hard for many continues to be exemplary, and I am not surprised that Wrexham Student's Union was ranked first across all Welsh Universities for its work in reflecting and representing the student voice.

Performance in 2022/23

Over the last year we have maintained a strong financial position in the face of growing pressures on the University sector, declaring a deficit only due to the delayed (and subsequently transacted) sale of land.

Our reserves continue to enable us to invest in Campus 2025 developments, and the formal opening of the Health Education and Innovation Quarter in 2022/23 was a major milestone in the development of Wrexham University. Attracting students across a wide range of health disciplines, including a sizable influx of international nursing students, we appreciate the trust placed in us by Health Education and Innovation Wales, and we're proud to see our nursing courses ranked as best in the UK in the most recent National Student Survey results.

This reflects the quality of the educational courses, the quality of teaching and the quality of the materials available, including simulation spaces and materials.

We were delighted in our overall results in the National Students Survey: - we secured our highest ratings to date on 'satisfaction with teaching', and 'assessment and feedback', being ranked first in Wales on both measures and well above the UK average.

Similarly, scores for 'academic support' were significantly high, and I am delighted to take the opportunity to thank all of our wonderful staff for their commitment, delivery and ability to connect so effectively with students. We were also ranked 6th out of 128 UK universities for our quality of teaching.

Whilst the media ranking tables for universities weight heavily the quantity and quality of university research, we are somewhat disadvantaged by not having yet secured Research Degree Awarding Powers (RDAPs). With a growing record of excellence in research, as evidenced by leading-edge research in fields such as Social Work and Policy, Criminal Justice, Engineering and Optics, we are seeking to tackle this through an application for RDAPs, leading to a rigorous and continuing assessment process.

Our enrolment numbers for students are continually increasing through a growth in international students. Looking ahead, we will continue to offer a blend of educational offerings to domestic and international students, conscious of the value this diversity brings to the local community and economy, as well as across the University environment and with international delivery partners.

Whilst we have performed well across many fronts, we are restless for continuing improvement and have taken the opportunity to review and, where necessary, reinforce our commitment to and evidence of quality standards.

This has led to the creation of a Board-level Academic Quality and Standards Committee – not a feature in every university, but a reflection of the additional attention we seek to quality and outcomes as we grow.

During the year, we were both (selfishly) disappointed and (rightly) proud to see out Deputy Vice-Chancellor, Claire Taylor, appointed as Vice-Chancellor and Chief Executive of Plymouth Marion University.

Their gain is our loss, and we wish Claire every success for the future. Professor Aulay MacKenzie took on the role of Acting Deputy Vice-Chancellor pending a substantive appointment.

We have also taken to opportunity to consult with local stakeholders over a proposal to rename and rebrand the University.

Delighted with the positivity received over the proposals, we have subsequently gained Privy Council approval to rename the University as Prifysgol Wreccsam/Wrexham University.

This bilingual title is now reflected in our branding and reflects the growing recognition of Wrexham as a place. I thank all involved in this process for their positive engagement and professional management.

Alongside this change, we have reinforced our commitment to the Welsh culture and language, extending our teaching and learning portfolios as we commit to this. We are proud of who and where we are and celebrate our Welsh heritage.

We are now beginning a process to review and reset our strategy across the rest of the decade. Whilst our values are clear we need to take stock of recent local and sectoral developments and the politico-economic context to review our direction of travel and ‘what we want to be known for’, to then set out a clear path for continuing strategic development.

In shaping our activities and addressing opportunities for improvement, we thank the work of our regulator at HEFCW and our partners at HEIW.

As a new body, the Commission for Tertiary Education and Research (CTER) picks up the baton of regulation from April 2024, with a remit across all of higher and further education, we look forward to forging a positive relationship of constructive engagement and challenge.

Membership of the Board

We continue to be well served by a Board of Governors, whose blend of expertise, experience and passion for Wrexham University is exceptional.

Over the past 12 months we have said goodbye to Judy Owen, Paul McGrady and Jim Barclay as Independent Governors, David Sprake as a Staff Governor and Lauren Hole as a Student Governor (President of the Student's Union). I thank them all for their service.

In their place I am delighted to have welcomed Jayne Owen, Fabrizio Trifiro and Will Naylor as Independent Governors, Sarah Dubberley as a Staff Governor and, with the election of Amy Anglesea to the role of President of the Student's Union, Maisie Head as the other Student Governor in her role as Vice-President.

Conclusion

It only remains for me to thank everyone connected with Wrexham University for their commitment and support over 2022/23. We are nothing without you. I particularly thank the Vice-Chancellor and Chief Executive, Maria Hinfelaar for her leadership of the University and personal support to me as Chair.

I also thank our Chancellor, Colin Jackson for his infectious passion and considerable commitment and presence. I would also be remiss in not thanking Ryan Reynolds and Rob McElhenney for their fabulous belief in Wrexham as a place and impact in putting Wrexham truly on the map. Thanks lads!



The Board of Governors



Dr Leigh Griffin

Independent Governor | Appointed April 2022

Chair of the Board

Ex-officio Member: Strategy & Finance Committee,
People & Culture Committee, Nominations & Governance
Committee, Remunerations Committee



Paul Barlow

Independent Governor | Appointed December 2018

Vice Chair of the Board

Vice Chair of Strategy & Finance Committee

Member: People & Culture Committee,
Remuneration Committee



Professor Sandra Jowett

Independent Governor | Appointed December 2018

Chair of People & Culture Committee

Chair of Remuneration Committee

Chair of Quality & Standards Scrutiny Panel



Judy Owen

Independent Governor | May 2016 – August 2023

Chair of Strategy & Finance Committee

Non-Executive Director Glyndwr Services Ltd



David Subacchi

Independent Governor | Appointed September 2016

Vice Chair of People & Culture Committee

Vice Chair of Audit & Risk Committee

The Board of Governors (cont'd)



Paul McGrady

Independent Governor | May 2016 – August 2023
Chair of Audit & Risk Committee



Jim Barclay

Independent Governor | March 2019 – May 2023
Non-Executive Director Glyndwr Services Ltd
Member: Strategy & Finance Committee



Claire Homard

Independent Governor | Appointed February 2020
Chair of Nominations & Governance Committee



Richard Thomas

Independent Governor | Appointed July 2021
Member: People & Culture Committee, Remuneration Committee, Quality & Standards Scrutiny Panel



Diane McCarthy

Independent Governor | Appointed July 2021
Vice Chair of Audit & Risk Committee
Vice Chair of Nominations & Governance Committee

The Board of Governors (cont'd)



Maureen Wain
Independent Governor | Appointed July 2021
Member: Strategy & Finance Committee,
Quality & Standards Scrutiny Panel



Professor Martin Chambers
Independent Governor | Appointed September 2021
Non-Executive Director, Glyndwr Innovations Ltd
Member: Strategy & Finance Committee



Richard Campbell
Independent Governor | Appointed September 2022
Member: Audit & Risk Committee



Liam Wynne
Independent Governor | Appointed September 2022
Non-Executive Director, North Wales Science Board



David Sprake
Elected Teaching Staff Governor | April 2019 – August 2023
Vice Chair of People & Culture Committee
Vice Chair of Audit & Risk Committee

The Board of Governors (cont'd)



Sally Lambah

Elected Teaching Staff Governor | Appointed September 2021



Dr Karen Heald

Academic Board Nominated Governor | Appointed December 2022



Amy Anglesea (nee Rowley)

Student Governor | September 2021



Lauren Hole

Student Governor | July 2021 – June 2023

Member: Nominations & Governance Committee, Quality & Standards Scrutiny Panel Observer: Strategy & Finance



Professor Maria Hinfelaar

Vice Chancellor and Chief Executive | Appointed July 2021

Ex-Officio Member: Strategy & Finance Committee, People & Culture Committee, Nominations & Governance Committee, Quality & Standards Scrutiny Panel

The Board of Governors (cont'd)



Maisie Head

Independent Governor | Appointed June 2023



Jayne Owen

Independent Governor | Appointed September 2023
Chair: Audit & Risk Committee



Will Naylor

Independent Governor | Appointed September 2023
Vice-Chair: People & Culture Committee,
Remuneration Committee



Fabrizio Trifiro

Independent Governor | Appointed September 2023
Member: Academic Quality & Standards Committee*



Sarah Dubberley

Elected Teaching Staff Governor | Appointed September 2023

*Academic Quality & Standards Committee is a new Committee established in 2023/24, replacing Quality & Standards Scrutiny Panel

Record of Attendance at Board Meetings

Members	Attendance No. attended v No. eligible to attend
Paul Barlow	5/5
Jim Barclay	3/4
Richard Campbell	5/5
Professor Martin Chambers	4/5
Dr Leigh Griffin (Chair)	5/5
Professor Maria Hinfelaar	5/5
Maisie Head	1/1
Dr Karen Heald	3/3
Lauren Hole	3/4
Claire Homard	3/5
Professor Sandra Jowett	4/5
Sally Lambah	4/5
Diane McCarthy	5/5
Paul McGrady	2/5
Judy Owen	5/5
Amy Anglesea (nee Rowley)	2/5
David Sprake	4/5
David Subacchi	5/5
Richard Thomas	4/5
Maureen Wain	4/5
Liam Wynne	4/5

Governor Independence

Under its constitution the Board must consist of a majority of independent members who are appointed in a clear and transparent way. The broad appointment process is outlined in the report of the Nominations and Governance Committee later in this document.

The review of Governance of Universities in Wales (Camm) in 2019, recommended a higher bar for governor independence should be set than existed at the time of the review, and those matters which may compromise governor independence be produced and made public, supplemented by information published at least annually by universities.

Guidance on Independence for Governors was developed for Welsh Universities drawing on governance good practice in the university and corporate sectors, with the expectation that it is adopted by all university governing bodies in Wales. The Board of Wrexham University has adopted the guidance as a set of principles to support good governance.

Independent governors are those appointed by the Board who are neither a registered student nor a member of staff of the University, nor a person from an elected local authority. Independent governors are key to engendering public trust in universities, and the Board's Nominations and Governance Committee considers the independence of potential governors during the recruitment process using the Guidance on Independence for reference and discussion, through a declaration of interest made by each governor and the signing of a trustee¹ declaration of eligibility.

Managing Conflicts of Interest

Once appointed the onus is on governors to be transparent and demonstrate their independence and declare any actual, perceived or potential conflicts of interest. As charity trustees governors are required by law to act only in the best interests of the charity. Both personal and professional connections, whilst bringing benefits to the work of the university, can give rise to conflicts of interest to which governors must respond effectively.

Following completion of a declaration of interests form when they first join the Board governors are required to review and revise their declaration as applicable, at least annually, and keep the Clerk to the Board informed of any changes to their circumstances during the academic year that have a bearing on their declaration of interests. A register of members' interests is published on the University's website. The Board also has in place a process for all governors to proactively declare any interests at the start of every board and committee meeting relating to any item that is being discussed.

Where any actual, perceived or potential conflicts of interest are identified during the course of the Board's business, the Chair of the Board or the relevant committee Chair will determine the course of action to be taken, and as a minimum the governor will not be permitted to participate in the discussion of the item of business. The level of participation of governor who has declared an interest in an item of business is recorded in the minutes of the meeting.

Vision and Strategy 2025

Wrexham University's mission under its Vision and Strategy to 2025 is: to inspire and enable through higher education, research and engagement; working together with our students, staff and partners.

Our values are to be:

Accessible

We are passionate advocates for lifelong learning and believe that background and circumstance should not be a barrier to engaging with higher education. We are dedicated to accessibility, fairness and inclusivity in how we teach, research and provide our services.

Supportive

We foster a supportive environment to encourage our staff and students to work together to achieve their learning, research and career goals. We care about our communities and proactively lead and support initiatives that enrich the local economy and the lives of local people.

Innovative

We do things differently. We recognise that our success is dependent upon the collective energy, intelligence and creativity of the university community. We actively encourage new perspectives and innovation in teaching, research and our engagement with communities and partners. We question the status quo and are brave enough to embrace new ways of doing things. This enables our culture, structure, policies and people to drive excellence and respond effectively to need.

Ambitious

We are unashamedly ambitious for our staff, students and our communities. We recognise that there are no limits to learning and knowledge and we challenge people to embrace their aspirations and succeed through education.

The University's **mission and values** find expression in the vision for our four strategy domains: teaching that inspires, research that transforms, engagement that enables and structure that sustains. Together, these strategy domains shape our vision to be the place of choice for our students, partners and staff.

We offer:

Teaching that inspires: enabling inspirational learning through excellent teaching, providing opportunities for our students to flourish as healthy, active and responsible global citizens.

Research that transforms: supporting innovation, learning and economic growth, through being internationally excellent in originality, significance and rigour.

Engagement that enables: enriching the region and beyond, supporting and developing individuals, communities, culture and the community.

Structure that sustains: providing services and operating infrastructure that supports all parts of the strategy; delivering excellence through people, places and resources.

There is a range of supporting strategies owned by specific departments across the university, derived from the overarching vision and strategy. These support strategies are reviewed and updated on a rolling basis.

Vice-Chancellor's Review of the Reporting Year



A handwritten signature of Professor Maria Hinfelaar in white ink, written in a cursive style.

Professor Maria Hinfelaar
Vice-Chancellor

Highlights from our delivery of Vision and Strategy 2025

During the reporting year, the University continued its delivery of the four strategic goals which are linked to the vision and values. Significant progress was made across all areas, with numerous examples where targets were exceeded and where staff and students demonstrated exemplary performance and commitment.

Teaching that inspires

The University continued to deliver its programmes in line with the 'Active Learning Framework', applicable to the full academic portfolio with a focus on employability, professional recognition and inclusive delivery.

Academic staff and professional services staff worked extremely hard to support our students and ensure they had a good experience. This was reflected in sector-leading NSS results: 'teaching on my course' and 'assessment and feedback', at 90% and 87% respective, were ranked first in Wales and above the UK-wide average; 'academic support' at 87% also significantly outperformed the sector. The Student Union was ranked first in Wales for 'student voice' for the first time in its history. WGU was ranked 3rd for 'overall satisfaction' out of 8 Welsh universities, and 6th out of 128 UK universities in the Complete Universities Guide for quality of teaching.

The enrolment mix at the university showed an increasingly diverse picture. Full-time domestic student numbers remained static, but there was steep growth in international student recruitment with three intakes per year, bringing the total enrolments to 1400 by year end. WGU Online and Transnational Education partnerships grew incrementally, building on the growth trajectory in previous years.

A rolling programme of 'learning lunches' was offered to staff, covering teaching and learning innovations. Action plans were delivered to address challenges around academic integrity,

informed by debates and insights at sector level. The Academic Development Team at the University, comprising academic and professional staff, was an important, self-sustaining platform where colleagues shared good practice across subject areas and services.

The university successfully commenced delivery of its 10-year contract for commissioned provision of Allied Health and Nursing in North Wales, adding over 1000 UK students over a full 3-year programme cycle.

In response to an external review, the University drew up an action plan to revise and streamline academic regulations and processes, including further investment in technology and systems. This would be

underpinned by staff training. The key rationale was to ensure a smooth student journey and protect the student experience across all delivery modes.

Research that transforms

The University research strategy provides a strategic framework to guide our planning and actions. Within it the Priority Aims are:

1. Achieve Research Degree Awarding Powers. This was progressed through the submission of documentation to the QAA and hosting the first tranche of QAA panel visits and observations.
2. Develop research capacity and capability of the university by developing its staff. This is underpinned by recruitment criteria for academic staff to be qualified to PhD level, and supporting staff to obtain professional doctorates and stay research active. There has been investment in a research information system which supports research bids and collates data.
3. Grow the post-graduate research community. This was supported through various early-stage career research events such as 'Open House'. The University signed the Researcher Development Concordat.
4. Increase the number of active industrial and academic research collaborations. The Research Office and Enterprise Office teams work closely together to secure and develop close to market research projects. Glyndwr Innovations Ltd, based at the Optic St Asaph Campus, completed its WEFO-funded Centre for Photonics Expertise project which was highly regarded by industry and government.
5. Grow outputs and income associated with research. Research income has shown significant recovery over the past number of years. QR funding associated with REF outputs in Engineering, Social Work and Social Policy and the Arts provided a baseline income through HEFCW, but competitively awarded Research Council Funding outstripped this by a considerable margin. AHRC and UKRI funding, for Arts and Engineering projects respectively, was won in partnership with other universities including Cambridge, Cardiff, Bristol and Southampton.
6. Increase the visibility, impact and value of our research. Supported by the Research Office, the public lecture series 'Glyndwr Talks' was offered. This covered important societal topics such as climate change, accountability within the youth justice service and rehabilitation programmes for cardiac patients.

Engagement that enables

The University continued its engagement with industry and the community.

Short, flexible online courses were provided for local businesses and individuals looking to reskill. Degree apprenticeships were offered to companies in the fields of Engineering and IT.

The Enterprise Office further developed its 'Ladder of Innovation' concept. Utilising Welsh Research Innovation Funding, Knowledge Transfer vouchers of up to £2,500 were offered to local business on the first rung of the ladder. Mini Knowledge Transfer Partnerships of 3-6 months duration offered local companies the services of a recent graduate plus access to academic expertise, as a managed framework relatively easy to access. At the highest level on the University 'Innovation Ladder', full KTPs and Welsh Government funded SMART projects were delivered in the fields of Virtual Reality and Unmanned Aerial Vehicle technologies.

Through our subsidiary North Wales Science, the science discovery centre Xplore! offered interactive experiences to attract young people to the world of science and technology.

As part of our Civic Engagement Strategy, we ran the North Wales Insight Partnership to develop well-being assessments for the Public Service Boards, driving a whole systems approach to working with communities. HEFCW funding was awarded for the ground-breaking pan-North Wales Children's University project, raising aspiration levels in harder to reach communities. Social Prescribing was another field where we progressed our work with regional partners, also building a research link with the University of South Wales to capture its impact.

Major partnerships in India, China and Africa continued to deliver. These helped the University to further build enrolments of in-market TNE students, and postgraduate international students coming to our UK campuses. Business, Computing and Engineering are the principal subject areas for international intakes, with Art & Design and Psychology also involved. Articulation pathways with EU partners in specialised Engineering fields such as Renewable Energy continued to attract viable student cohorts.

Educational partnerships offering franchised or validated provision in the UK included the North Wales FE colleges, Bloomsbury College in London and St Mary's Twickenham University.

Structure that sustains

Increased revenue was generated by growth areas, linked to the University's diversification strategy. The full financial results and accompanying notes are presented elsewhere in this report.

Supporting our transition to low carbon, progress was made on a heat study funded by the UK Department for Energy Security and Net Zero. £750K of HEFCW capital funding enabled the transformation of Science Labs on C Corridor. HEFCW funding also enabled enhanced student supports for instance with mental health and wellbeing. These interventions helped to create a sustainable and well-resourced learning environment.

Major capital projects got under way as part of our £80m Campus Masterplan. The first phase of the Health Education Innovation Quarter (HEIQ) was delivered, working with Spatial Environments as the contractor. This

included a suite of clinical simulation spaces, housed in the former Techniquest building which was refurbished following the relocation of the Science Discovery Centre Xplore! into Wrexham City Centre. Phase 2 of the HEIQ project commenced with decant and enabling works.

Wynne Construction were appointed to work on the briefing, design and costs for the new £12m Engineering Lab on the main campus and M&E works at Optic St Asaph funded by the North Wales Growth Deal. In a partnership with Cyber Wales, the university developed plans to create the Cyber Innovation Academy to be housed in an underutilised building on the main campus, offering dedicated facilities such as a Cyber Escape Room to Computing students and local organisations for training purposes.

The university carried out its independent biennial staff engagement survey. A 63% response rate was achieved, and there were reassuring outcomes in areas such as 'Leading and Inspiring People' and 'University Values', with the vast majority of staff indicating that they understood and supported the university's strategy and objectives and felt valued in their roles. However, when benchmarked against comparator institutions it emerged that staff felt insufficiently aware of work carried out in other departments and required improved technical support.

A range of new academic and professional services staff appointments were made to support growth areas, for instance in Allied Health and Nursing, the International Office and the Research Office.

Principal non-financial risks and mitigations

The University maintains a Corporate Risk Register with reference to the four strategy domains. In addition, a fifth category looks at external developments and their direct impact on the university. Overall, the Risk Heat Map for the University showed a higher number of areas presented as 'amber' or 'red' than in previous years, given the increased uncertainties and challenges in its operating environment and rapid pace of change internally. The risk register was maintained by the Vice-Chancellor's Board and periodically scrutinised by the Board of Governor Audit and Risk Committee.

For the first domain, Teaching that Inspires, risks in the areas of academic planning, portfolio diversification, programme design and programme delivery and oversight were identified. Specifically, strains on resources and the student experience caused by small cohorts on some programmes on the one hand and rapidly growing international student cohorts on a narrow range of programmes on the other hand needed to be managed.

Mitigations included continuous review of the portfolio and learning pathways, fully implementing the Active Learning Framework principles and embedding the Wrexham Graduate characteristics within the curriculum.

In response to an external review, the university developed plans for an overhaul of academic regulations to ensure these would stay fit for purpose in the context of a more complex and diverse enrolment mix and changing student needs. Shifts in UK undergraduate recruitment patterns caused by the aftermath of the COVID-19 pandemic and competitor behaviour

also continued to pose a major risk to the University, despite rising UCAS applications for healthcare programmes. In response, marketing and recruitment strategies were refreshed which included changing the name of the university from Glyndwr University to Wrexham University as a more effective title, following an extensive consultation process and Privy Council approval. The portfolio of flexible, online taught postgraduate programmes was expanded, alongside taught postgraduate opportunities on campus.

For the second domain, Research that Transforms, the key risks identified were failure to grow the research base and failure to achieve Research Degree Awarding Powers (RDAPs), thereby weakening the academic reputation of the University and constraining our capacity to offer PGR opportunities due to limitations imposed by the validating partner university.

In addition, there was uncertainty about the QR funding impact of the Research Excellence Framework (REF) review which concluded in 2022 and saw a decline in participating units of assessment from the University. These risks were mitigated by ensuring that the RDAPs submission provided clear evidence of meeting the criteria and keeping metrics up to date. Engagement with the QAA Review Panel prioritised timely responses to any requests for further evidence documents and facilitating meeting observations by panel members. HR policies and processes continued to encourage academic staff to be research active, and the University invested in additional bid-writing supports and a new Research Information System. These investments yielded positive results, including highly competitive UKRI and AHRC funding awards. Links between the Research Office and the Faculties, as well as

key professional services such as Marketing and Finance, were strengthened. A new internal allocation model of REF QR funding was agreed, so that more subject areas would be primed for submitting under REF2028. Research data storage issues were resolved.

For the third domain, Engagement that Enables, risks were monitored as regards academic partnerships and the university's enterprise profile. Specifically, failure to meet student recruitment and income targets or major failures by academic partners leading to negative reputational impact were identified as the key risks. In response to an external review, recommendations to develop more explicit risk definitions at the due diligence stage and to establish clearer separation between the Partnerships Office and the Quality Office were accepted. Mitigations included robust processes for partner oversight, with clear visibility to senior management and into Academic Board, led by the Academic Partnerships Committee chaired by a senior academic.

Managed expansion plans were in place, involving due diligence both at the acquisition and the programme validation stage and market analysis assuring the viability and suitability of specific international partnerships. The Board of Governors was regularly briefed on the development of UK and international academic partnerships, with a focus on how quality and standards are maintained. The University's auditors RSM were commissioned to review the governance framework for the quality and monitoring of partnership provision and it concluded that the Board of Governors can take substantial assurance that the controls in this area are suitably designed and are operating effectively. In addition, the University participated in sector level in-country QAA

reviews of Transnational Education and was recognised for good practice. The enterprise profile was underpinned by a proactive approach to securing funded knowledge transfer partnerships with businesses in the region. The risk of failing to meet targets for funded part-time provision in Wales remained challenging but was partially mitigated by revised course offerings and the development of degree apprenticeships which offered a substitute, often with the same regional employers who enrolled staff on part-time degrees in the past.

For the fourth domain, Structure that Sustains, a key risk was operational cost increases due to high inflation outstripping income growth, particularly in the context of static undergraduate tuition fee levels. This risk had exacerbated as compared with previous years given the steep inflation curve in the UK, and it was further compounded by a deteriorating position in the retention of undergraduate UK students post Covid.

There was also uncertainty regarding the performance of the University subsidiaries which could damage the performance of the Group, so this was carefully monitored. Even though the University's cash position was healthy and did not depend on borrowing from financial institutions in any respect, there was a risk that future borrowing requirements to fund the latter phases of Campus 2025 could be impacted negatively if there were doubts about the University's ability to consistently meet banking covenants. The key mitigation was diversification of tuition fee income, reducing the University's reliance on the UK undergraduate market through significant increases in international student enrolments, TNE and improved research income. However, investment in domestic recruitment was

also bolstered. On the pay side, costs were controlled through a centralised vacancy control framework which helped to identify savings but also aimed to ensure that there was appropriate organisational capacity to deliver a diversified portfolio. On non-pay, rising costs were mitigated somewhat by offsetting expenditure on digital infrastructure and estates maintenance against in-year HEFCW grants and reinvesting University reserves which yielded income from interest.

Insufficient investment in the physical and digital learning environment, thereby failing to meet student and staff expectations or being exposed to cybersecurity attacks, posed further risks. Mitigations under the University Campus 2025 strategy consisted of a clear alignment between capital development and the vision as well as practical requirements for teaching and learning, overseen by dedicated project boards. Judicious disposals of sites and reinvestment of capital receipts were at the heart of the Campus 2025 strategy, linked to the IT strategy at the University.

The final section in the University risk register considers its standing with a wide range of regulatory and statutory bodies, in the context of an evolving policy environment. In light of the evolving size and shape of the university due to its diversification strategy which in itself creates higher financial resilience levels, engagement with regulatory bodies might be affected as they see the University changing rapidly. There is a risk of poor data quality and therefore not spotting underperformance in specific areas of academic provision in a timely manner. There is an associated challenge of in-year data reporting due to the multiple intake points offered to diverse streams. Statutory agencies may strengthen reporting requirements which therefore raises

the bureaucratic burden and creates additional risks of failure. This is mitigated by providing transparency and ensuring compliance with such requirements, in a dialogue with the agencies involved and drawing on umbrella bodies representing the sector.

There is a significant compliance burden on the HE sector generally, placing significant resourcing demands on particular departments and their staff which could be perceived to draw them away from more primary services to staff, students and stakeholders.

However, a key objective for the University is to continuously improve practices and processes and to demonstrate accountability and transparency, thereby seeking added value from managing the compliance burden. Putting in place streamlined technical systems and processes, as well as staff training, are important enablers.

Overall, the vision and strategy of the university was delivered according to plan and risks were identified and managed appropriately, ensuring the long-term sustainability of the university so it could continue to play its part in the community.

Stakeholder engagement

This section looks at three distinct stakeholder groups, in line with the university Stakeholder Engagement Statement which was developed in response to the Camm Review and the Stakeholder Engagement Review carried out on behalf of the eight universities in Wales, supported by HEFCW as the regulator.

Based on agreed recommendations, the stakeholder groups are categorised into: students, staff and external stakeholders.

Students are the university's primary stakeholders. The Student Union (WGSU) is the representative body which operates independently under its own Constitution as approved by its Board of Trustees and by the

University Board of Governors. WGSU is given ex officio membership of the three overarching key decision-making bodies at the university: the Board of Governors, Academic Board and the Vice-Chancellor's Board. The student voice is also represented at Faculty and Programme Team level.

Each year the SU presents an Impact Report and the Vice-Chancellor responds to this at a subsequent Board of Governor meeting. For 2022/23 the SU embedded their Impact Report into a broader Annual Quality Report. The AQR provides an introduction to WGSU and the services provided, the staffing structure and the outline of agreements in place between WGSU and the University. This includes the relationship agreement, reviewed annually, which aims to provide a clear reference for both organisation and the principles under which they operate. The AQR also presented officer priorities for 2023/24, following the election of the new President and Vice-President during April/May.

The Impact Report notes under the heading "Together We Changed" a number of actions taken by the University in response to feedback:

- A new marking and moderation process has been implemented with additional resources allocated to improve marking turnaround.
- Electric Vehicle charging points available for students to use.
- Meal deals and salad bar introduced in the canteen.

- Free hot water available for students.
- Study rooms available to be booked out by students.
- Introduction of new Wi-Fi points across campus.
- New kitchen facilities introduced at Northop for students to use.

The SU uses Unitu as a technological platform to post feedback on any issues which can then be replied to by relevant staff at the University, ranging from academic programme teams to professional services. The quality of on-campus Wi-Fi was identified as a key area for development by students and this was echoed by staff feedback, so the University committed additional resources towards this issue.

During 2022/23 the SU saw a strong resurgence in clubs and societies, which was welcomed by the University. Activities were stepped up to include international students and partnership students more effectively, such as greater access to sports facilities, multicultural events and a strengthened student voice. The SU Advice Centre worked closely with Student Services and Student Administration functions, signposting students appropriately. The SU achieved outstanding results in the 2023 National Student Survey, recognised as top in Wales and above UK benchmarks for the first time in its history.

Each year the SU proposes a budget to the Board of Governor Strategy and Finance Committee. As part of the overall budgeting process for the University, the block grant to the SU for 2023/24 was agreed at £485K from £400K the previous year, representing a 21% increase. The rationale for this above-inflation increase was the expansion of the university's enrolments, the growing diversity in the student base and how the SU therefore needed to respond.

Staff at the university enable the realisation of its vision and strategy and again made phenomenal contributions this year. The university engages with staff through a range of mechanisms including focus groups, staff representative bodies, conferences and workshops. A variety of staff development opportunities are offered every year, at university-wide or local department level as well as externally.

These activities break down into three main strands: mandatory training such as in health and safety and EDI; research and academic development, supporting staff completing their PhDs or PGCerts in Learning & Teaching in Higher Education; sharing good practice such as through internal staff conferences and networking events. The University has a thriving voluntary Academic Development Team which brings together lead academics and professionals in areas such as digital learning, to support cross-institutional learning and teaching development which are linked to strategic priorities. Topics covered during the year included Artificial

Intelligence and its implications; Equality, Diversity and Inclusion good practice in teaching; hi-flex/hybrid learning approaches. The ADT network has been recognised as sector-leading by Advance HE under its Collaborative Award for Teaching Excellence scheme.

As part of a commitment undertaken by the Welsh University sector which is supported by Welsh Government through HEFCW, the University commenced a process towards achieving the Race Equality Charter (REC). A range of training and awareness-raising events were organised, underpinned by the work of an internal steering group and advisory group.

In addition, a rolling programme of health and wellbeing activities and supports was enabled by the HR team, such as online sessions during Mental Health Week and a modular course Mindfulness for Stress.

The People Strategy aligns to the overarching values of the University and revolves around the key words “Attract, Develop, Engage and Retain”. The quality of our staff engagement is monitored every two years through a survey and the results themselves are discussed through staff focus groups to determine the actions to address improvements that can be made.

Areas explored in the survey include how people feel they are led, inspired and empowered; how their performance is managed and rewarded; how well the university communicates and whether people are satisfied with working conditions.

Survey data are captured and benchmarked by an independent external organisation. At the last iteration during 2022/23, the university performed at or above benchmark on many of the categories, with the highest scores in the area of University values (5-15% above sector average) and how the University builds capability such as through career opportunities and training (6-12% above benchmark).

In the area of working conditions, technical equipment and social facilities for staff on campus required improvement when compared with benchmark (-17 to -28% below). However, overall satisfaction with the University as a workplace remained well above benchmark at +18%.

External partners are essential to ensuring the relevancy and realising the value of the university in driving the economic, social and cultural successes of the university. The university has a strong civic mission, doing transformative cross-cutting work with local authorities, health bodies and other educators in the region.

This positions the university as one of the ‘Leaders of Place’ in our community, expanding our partnerships, underpinning social benefit and providing active citizenship opportunities to students and staff which have real impact. During the year under review, the university ran public workshops with prominent speakers on civic engagement topics such as how to effectively share insights on public health data.

As a key member of the Wrexham Gateway Partnership, the university continued to play a pivotal role in shaping plans for the redevelopment of the Mold Road area where the main campus is located, adjacent to the football ground which is the home of Wrexham FC and a transport hub, building on Welsh Government commitment for significant investment into regeneration of the area and exploring further ways to unlock funding opportunities such as replacement projects under the North Wales Growth Deal.

Other regional platforms and networks which the University both contributed to and benefited from included: the Regional Skills Partnership; the Wrexham Civic Leaders Group; the Mersey Dee Alliance; Ty Pawb; Wrexham Business Professionals and the Chambers of Commerce.

Networking with UK, Welsh and local government took place at multiple levels, involving dialogue with Members of Parliament, Members of the Welsh Senedd and senior civil servants. Topics included the capital development plans of the university, student welfare and changes to the academic portfolio.

The university continued work on the procurement phase for the Enterprise Engineering and Optics Centre utilising North Wales Growth Deal funds, which would become an important asset both for the university and for the local industry base.

External stakeholder interactions at academic programme and professional services levels took place throughout the year, focusing on skills needs, curriculum development, research opportunities and graduate employability. The scope for such engagement included employers within the private, public and third sectors, community platforms and professional bodies.

Sector trends

There were a range of trends and concerns affecting the sector which featured regularly in debate internally and with sector bodies. HE policies across the UK were becoming increasingly divergent, even though the sector itself needed cohesion in order to communicate clear and consistent messages to the wider community and to international students about what it was able to offer.

Fundamentally different approaches to quality assurance and enhancement were adopted, with the disappearance of cyclical institutional reviews in England whilst these were to be retained in Scotland and Wales.

Such review cycles are considered essential in peer countries, so there were concerns about the reputational impact of this departure from established practice on the UK sector as a whole even though these changes did not apply in the devolved nations.

In some parts of the UK, there was negative rhetoric about the value delivered by universities but this was not manifest in Wales, where relationships between HE and the political leadership tend to be more constructive and the media are more appreciative of the contributions made by higher education and research to the wider economy and community.

Political announcements were made that tuition fee levels would be frozen in England until 2026/27, which was deemed likely to be mirrored in Wales.

The impact of other policy changes in England were not yet clear, but it was anticipated that some of these might have a negative effect on widening participation in higher education. For instance, reduced funding of foundation year programmes would have a disproportionate impact on students with less traditional profiles looking to enter HE.

Due to its proximity to the English border and how that is typically reflected in its student demographic, the university carefully monitored these developments.

The Welsh student and staff mobility programme Taith provided new opportunities unique to Wales, with the University successfully bidding for funding.



However, the key concern which rapidly grew in importance over 2022/23 was the impact of rapidly rising inflation and unsustainable cost of living pressures, felt keenly by students, staff and the organisation alike. Prospects for graduates remained bright, with very healthy employment ratios being reported.

Along with the rest of the sector, the university observed greater demand for student support services, in terms of financial hardship as well as in the area of mental health and well-being.

At the institutional level across many universities, there was an increasing reliance on tuition fee income from international students and this was forecast to grow, given the declining value of domestic fee income. Universities UK commissioned a study to analyse the potential future impact of financial sustainability pressures.

Legislation was commenced in the Senedd for the creation of a new Commission for Tertiary Education and Research (Wales), due to be operational by April 2024. This is set to transform the regulatory landscape by bringing all post-compulsory education together.

As a member of the sector body Universities Wales, the university participated in discussions with Welsh Government about how there would be an orderly transition towards the establishment of the new regulator.

Other prominent topics at sector level were how to overcome the challenge of moving to net zero, implementation of the governance effectiveness recommendations made in the Camm Review and responding to funding calls requiring institutional collaboration, such as through the Welsh Innovation Network and the Learning and Teaching Network. These discussions were fruitful, yielding helpful in-year funding streams for initiatives which would benefit students and other stakeholders.

The report of the financial year **2022/23** operational and financial review

A difficult initial position managed to an acceptable outcome

The 2022/23 financial year saw the University facing the difficult challenge of having to manage a reduced student intake in relation to the initial estimated and planned for postgraduate and undergraduate full time and part time student numbers.

The HE sector post-pandemic was still in a state of flux with FT UK students having a wider choice of institutions due to the A-Level grade inflation having been prevalent across the UK. This was alongside a planned reduction in the WGU Online offer which meant that income levels at the end of the first quarter were forecast to be more than £3m below targets.

The early recognition of this income shortfall led to mitigation actions being activated across the University in order to minimise the impact on the SOCIE (Statement of Comprehensive Income and Expenditure). When allied with the planned disposal of a surplus asset, this was set to leave the University with a net surplus position by the year-end.

All of the Group subsidiaries continued to operate with the two outward facing subsidiaries (North Wales Science and Glyndwr Innovations trading in difficult conditions having to manage the fall-out from the pandemic and significant cost inflation while dealing with supply chain issues and shifting consumer patterns of behaviour, expectations and requirements.

This culminated in disrupted operating conditions.

Despite this, two of the three subsidiaries managed to generate a surplus with the other remaining in deficit, but with the full support of the University as its parent entity.

Throughout the year, the University continued to provide the Higher Education offer to its students through a combination of remote and on-site learning. All of which were under the conditions required within the University developed Active Learning Framework (ALF).

The financial year at Wrexham University had been characterised by continued solid cost control and income management to ensure an acceptable level of financial performance by the year-end.

However, due to a quirk in the cost recognition of international engagement costs, a significant cost fell on the University within June associated with a higher than anticipated enrolment of international students. Whilst the costs distorted the outturn position, the vast majority of the associated increased income from this cohort falls to the 23/24 year.

Despite the deficit position, the University Group still managed to grow its total income to £50.9m, an increase on the previous year (£47.2m).

This increase was mainly due to enhanced tuition fee streams supplemented by some one-off income received in the form of additional government grants.

The Executive continued to closely monitor all income streams and cost bases and put in place a series of management actions to reduce costs and access available and appropriate funding streams to manage the Group finances within acceptable limits. The shortfall in initial income was partially mitigated but has still led to a final operational deficit of £1.380m.

The usual round of pensions accounting once again introduces adjustments to the Operating Deficit, with this year the impact of the LGPS Current Service costs introducing a notional charge (non-cash) in respect of current service liabilities of £479k, a significant decrease on the previous year's charge. In addition, the Pensions Interest notional charge stood at £360k.

The continued progress with the planned asset disposals as part of the funding strategy for Campus 2025 saw no asset sales realised in year with the planned in year disposal of Dean Road being delayed until October 2023. This has meant that the planned cash receipt and consequent profit on disposal cash have moved into the 23/24 year. This being partly responsible for the deficit showing on the SOCIE.

Given the rise in interest rates experienced across the year the University remains in the fortunate position of having previously repaid its outstanding long-term loan and has no other borrowing on the balance sheet and therefore had no exposure to cost increases that rising interest rates bring.

Conversely it was able to benefit from the short-term investment of surplus capital receipts funds to provide some £382k of interest earned within the year.

The continued lack of any indexation within the tuition fee has meant that all cost increases be absorbed through either growth in student numbers, growth in other income generating areas, or cost controls/reductions.

The University has continued to adopt this strategy and 2022/23 saw continued growth in the Trans-National Education and WGU Online programmes, along with further increases in the number of International Students (and associated income). International Fee income for the year was some £15.3m.

The tuition fee income growth and diversification initiatives will continue to expand in 2023/24 alongside the increased development of our International Student programme. The main addition for the 22/23 year being the first year of operation of the newly won ten-year contract from HEIW for the nursing and allied health programmes which generated £2.9m of income.

A Sustainable Institution

The financial strategy for WU promotes the diversification of income streams from a breadth of educational offerings. The shape and scale of the curriculum is informed not only by academic issues of quality, pedagogy and desirability, but also from the financial perspective of ensuring sufficient demand to generate tuition fee income contributions to meeting the overall requirements of a sustainable institution. This includes sufficient surplus to allow for the investment of funds in learning and teaching resources and infrastructure.

Adhering to the financial strategy and in particular cash generation and other KPI's are reported on regularly to both management and governors, through the business information monthly reporting pack.

Amongst the key risks routinely monitored are the financial KPI's (see below) that focus on cash and sustainability.

The capital investment plans and priorities are delivered through the Universities Campus 2025 plan and work remains ongoing for both the refurbishment and new build creation of facilities through both the application of external grants and utilisation of internal cash reserves to deliver capital improvement schemes from within the high-level plan.

The University operates in a complex environment and as such there are non-core activities and non-cash items that influence the surplus/deficit recorded in the statement of comprehensive income. As is presented in the table below the nature of these items are consistent with the prior year, however the value of the items fluctuate across the years and therefore impact the underlying surplus of the University.

The impact of these is summarised in the table below

	Year ended 31st July 2023 (£000)
Total Comprehensive Income for the Year	9,899
Deduct Actuarial gain in respect of pension schemes	(12,151)
Deduct Gain on disposal of fixed assets	(17)
Add back Taxation	50
Net Deficit including Pensions adjustments	(2,219)
Ass back LGPS Current Service Cost Adjustment	479
Add back LGPS Pensions Interest	360
Net Operating Deficit	(1,380)

It is the net operating deficit that represents the true measure of the 'controllable' financial aspects of operating activity within the University and the Group.

Historical income & expenditure profile

	2023	2022	2021	2020
	£000's	£000's	£000's	£000's
Total academic income	43,396	41,480	42,001	31,764
Total non-academic income	7,503	5,726	5,051	5,216
Total gross income	50,899	47,206	47,052	36,980
Total Pay costs excluding additional LGPS staff pension costs	(27,431)	(25,180)	(22,478)	(22,452)
Total Non pay costs	(24,848)	(21,308)	(20,625)	(12,654)
Total expenditure excluding additional LGPS staff pension costs	(52,279)	(46,488)	(43,103)	(35,106)
Operating surplus/ (deficit) excluding additional LGPS staff pension costs and asset impairment	(1,380)	718	3,949	1,874
LGPS Pension Costs excluding employer contributions	(839)	(2,481)	(2,120)	(1,519)
Impairment of assets	0	0	(98)	0
Profit/(loss) on disposal of fixed asset	17	5,999	(3)	424
Profit/(loss) on disposal of long term debtor	0	642	0	0
Tax	(50)	(40)	(20)	(66)
Net surplus / (deficit)	(2,252)	4,838	1,708	713

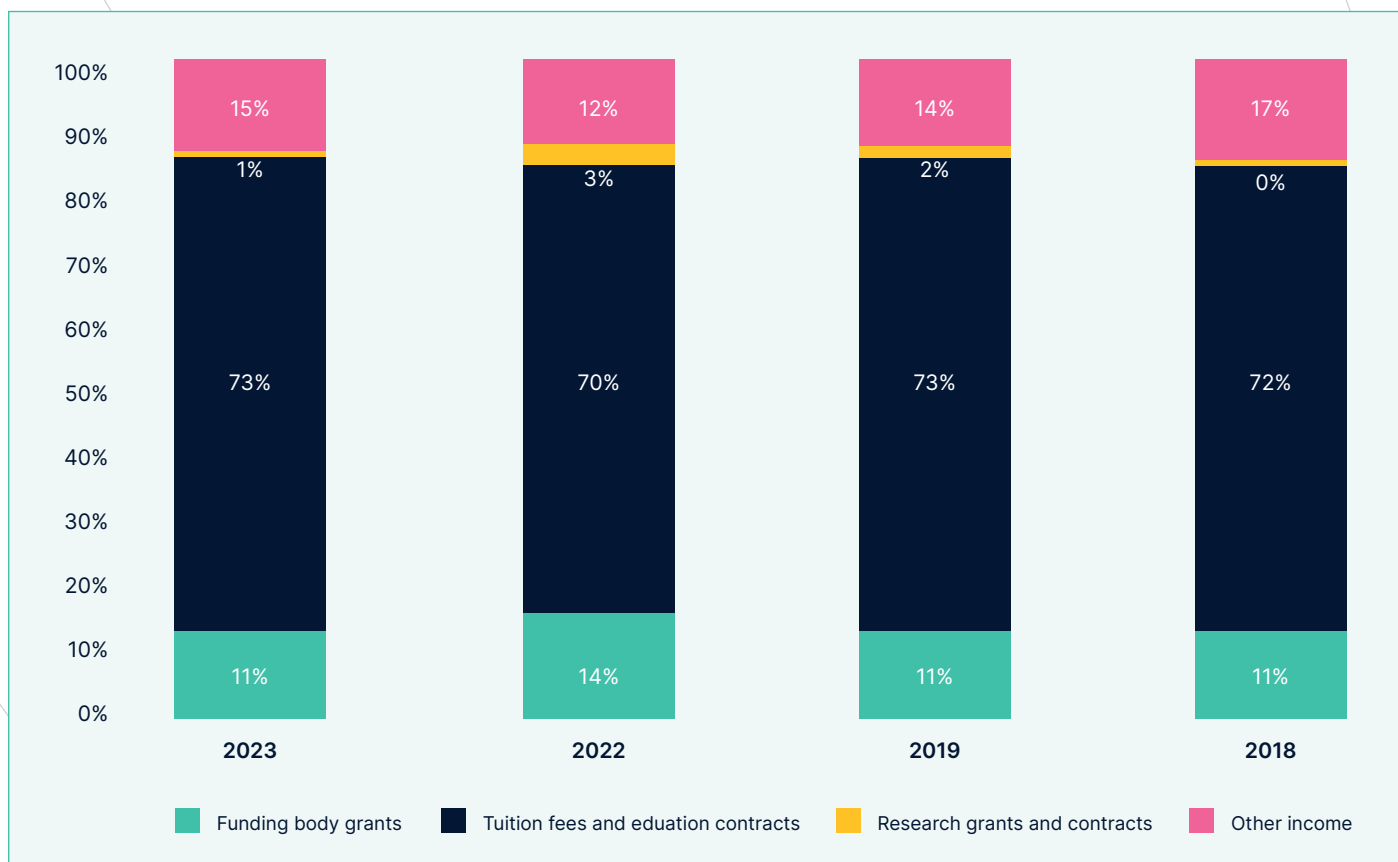
Financial key performance indicators

	2023	2022	2021	2020
Total Income	50,899	47,206	47,052	36,980
Net surplus / (deficit) as a % of total income	(4.4%)	10.2%	3.6%	1.9%
Cash balance (£000's)	26,971	17,992	5,933	4,591
Staff costs including additional LGPS staff pension costs as a % of gross income	55.5%	58.6%	52.3%	64.8%

Income levels

	2023	2022	2021	2020
Tuition fees and education contracts	37,129	33,112	26,921	25,911
Funding body grants	5,567	6,825	4,164	3,817
Research grants and contracts	700	1,543	679	143
Other income	7,011	5,599	5,085	5,983
Investment income	382	126	131	111
Donations and endowments	110	1	-	-
50,899	47,206	36,980	35,965	

Analysis of Group Turnover



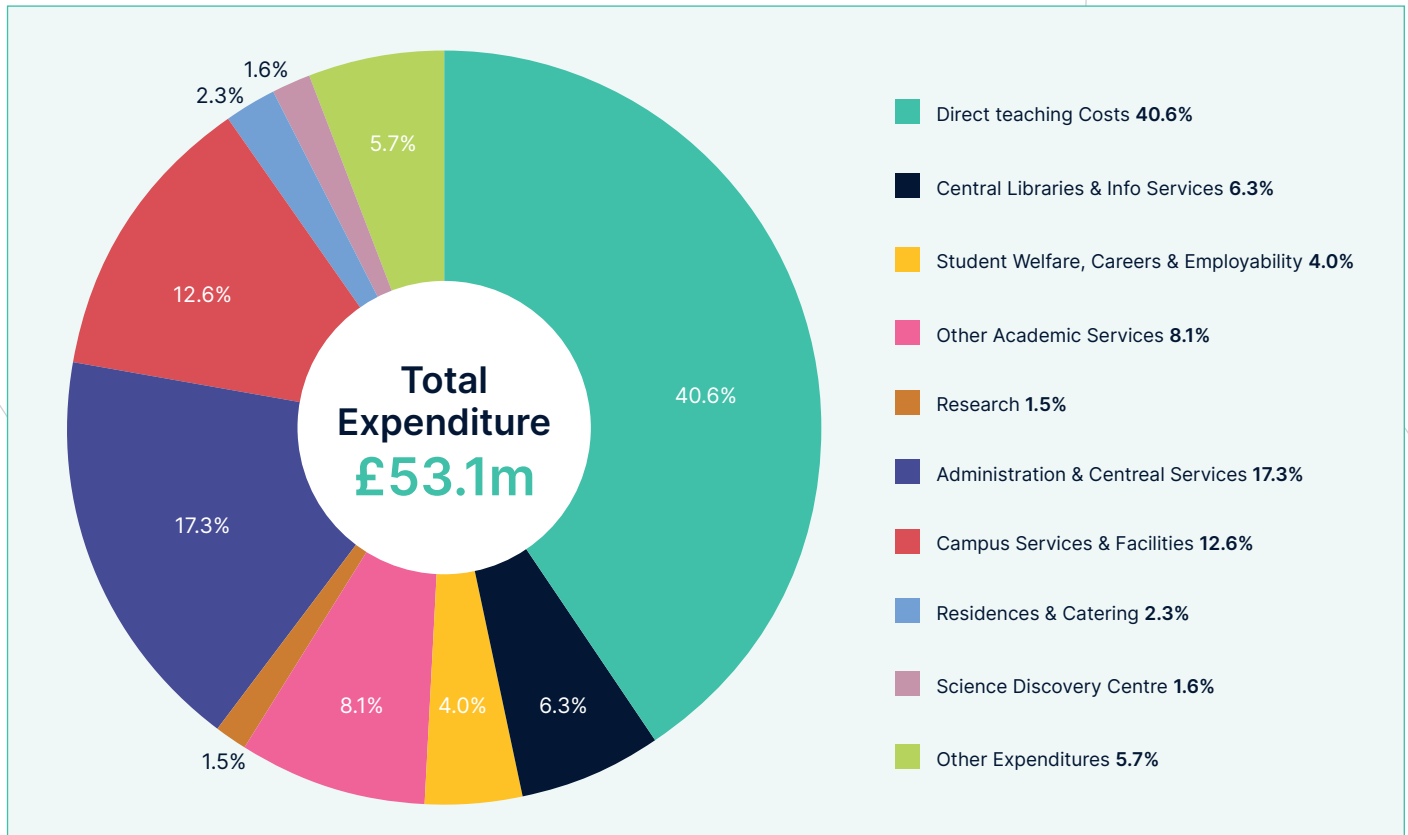
Total group income increased slightly to £50.9m. There was a continued increase in Tuition Fee income up from £33.1m in 21/22 to £37.1m in 2022/23.

There was a reduction in Funding body grants channelled through the Higher Education Funding Council Wales. This largely related to the previous year including one- off targeted grants from Welsh Government put in place to help students and institutions manage the pandemic recovery.

The University's main source of revenue continues to be derived from tuition fees and education contracts providing 73% of Total Income, which is an increase from the position in 2021/22 (70%), caused by the growth in International Student Fees.

Research Grant and Contracts income saw a significant reduction falling from £1.543m in 2021/22 to £0.700m in 2022/23; a decrease of 54% which can largely be attributed to the former WEFO funded CPE project finishing. (A number of significant grants were secured in the latter stages of 2022/23 and the income will be recorded from 2023/24 onwards once activities commence).

Group Expenditure



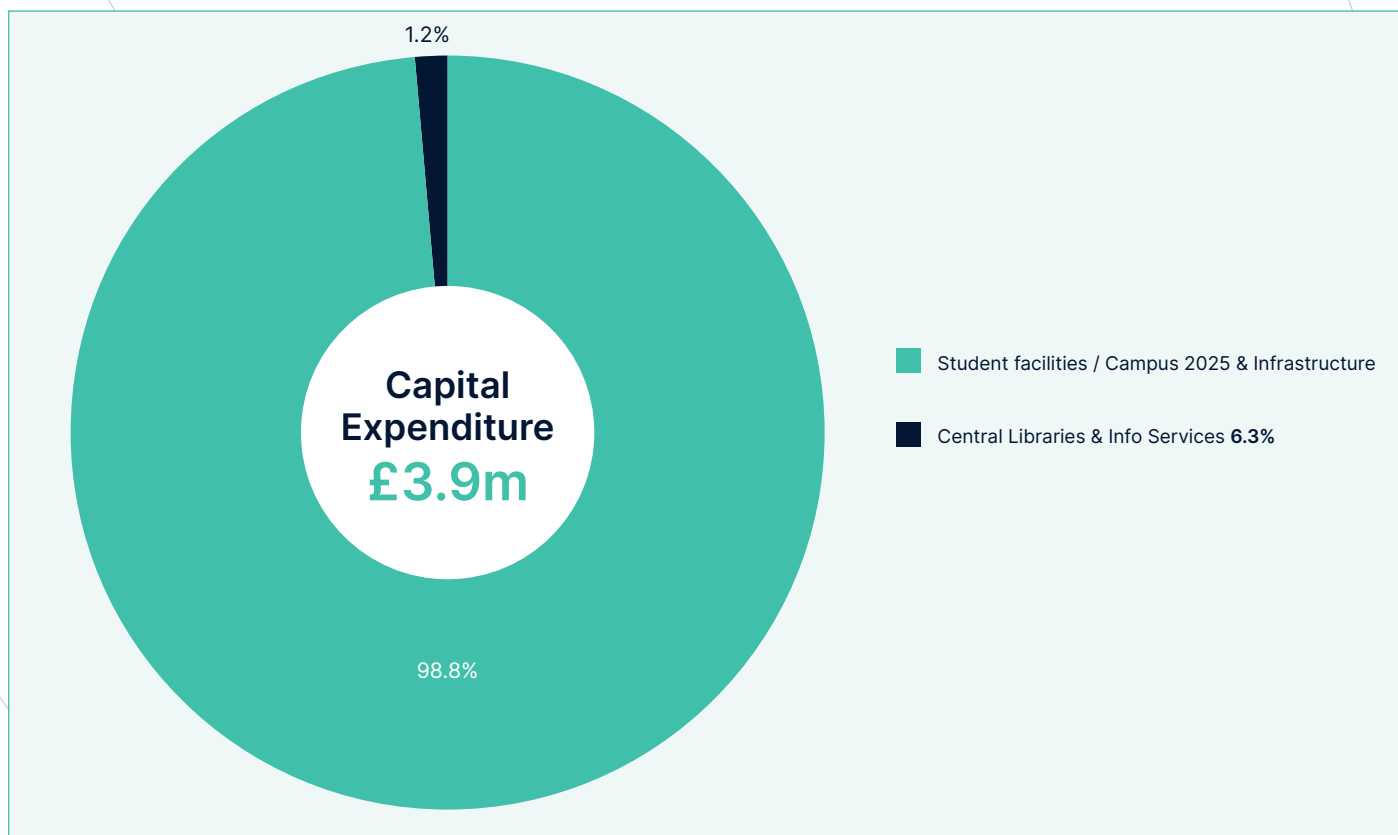
Total Group expenditure for 22/23 stands at £53.1m compared to £48.9m in 21/22.

The Group's main spending category is teaching and research, but it also spends money on a range of other areas that benefits and supports students and enhances the student experience.

Wrexham Glyndwr Students' Union: The University contributed £400,000 as a block grant during the year to help support the running of the Students' Union.

One off additional costs for 2022/23: The University aims to only spend at levels which are within the income it has generated during the year and there were no abnormal one-off items to report in 2022/23.

Capital Investment



The University has continued with its ambitious Campus 2025 plans and during the year HEFCW Capital grant was used to fund campus improvements, in line with the agreed Campus 2025 strategy. This saw the further development of Phase 2A of the Health Education Innovation Quarter (HEIQ) internal improvements to teaching and learning spaces including the refurbishment of the Crispin Lane 'K' block to supplement the recently introduced Healthcare Simulation Centre to increase the provision for learning and teaching space aimed at creating first class facilities for the nursing and allied health students, who commenced their studies at the start of the 22/23 year and for the new cohort starting in September '23.

The sale of the Dean Road site was due to complete within the financial year, but delays from the purchaser saw this sale slip into 23/24. The sale was completed on 6th October 2023 resulting in an initial inward cash flow of £4.949m in cash received (following deductions for fees and other considerations). A further £0.5m will be received in February 2024. The impact of this will create an in-year profit on disposal of an asset in excess of £4m.

The Board will continue to apply capital receipts, alongside grants and internal resources for reinvestment to deliver the Campus 2025 programme.

Cash Flow and Financing

The year-end saw cash balances of £27m which was ahead of the original budget target. This variance was caused by the deficit achieved, more than offset by the enhanced cohort of International students joining in June creating a significant level of prepayments in the bank by year end. This figure includes cash reserves accumulated from previous years surpluses alongside capital receipts from asset disposals plus the usual net prepayments from ongoing activity.

The University has prepared detailed monthly cash flow forecasts for the 12 months ended 31 July 2024 and is of the opinion that it will have sufficient cash resources and liquidity during this period to properly manage its affairs and planned operations. These forecasts indicate a positive cash flow in the year.

To complete the Campus 2025 programme further borrowing may be required in the future, but potentially not until 2024/25.

Statement of Financial Position (Balance Sheet)

The Statement of Financial Position appears to be strengthened with Total Net Assets now standing at some £60.6m (£51m in 21/22); however, much of this is caused by the improved LGPS pension provision now reported at nil on the balance sheet (was £11,312k deficit).

The provision had been £40,898k in 2020, but had previously been £31,225k in 2019, £20,159k in 2018, £26,130k in 2017, £32,226k in 2016 and £22,559k in 2015. Such fluctuations are totally beyond the University's control and therefore are of limited use when considering the overall financial position. Further information on the pension position is provided below.

Fixed Assets have increased following the capitalisation of a number of key projects during the year at the Plas Coch, Regent Street and St Asaph campuses. The University is also reporting intangible assets of £252k for the first time, primarily comprised of the new payroll/HR system (iTrent) and Research Information Management System (CRIS).

Pensions

The Group participates in three pension schemes, the Teachers Pensions Scheme (TPS), the Local Government Pension Scheme, Clwyd Pension Fund (LGPS) and the Universities Superannuation Scheme (USS). It has not been possible to identify the institution's share of the underlying assets and liabilities in relation to the TPS and USS scheme; as such they are accounted for as if they were defined contribution schemes.

However, under SORP 2019 a liability of £129k is held (2019 - £122k), following the finalisation of the 2019 valuation, to take account of the deficit within the USS scheme which is currently being repaid with additional agreed contributions.

Movements within the LGPS are dramatic with additional notional charges of some £479k in relation to estimated Current Service Costs being applied to the SOCIE whilst at the same time significant Actuarial Gain being recognised within the Total Comprehensive Income for the year.

The University finds itself in the fortunate position this financial year, whereby the fair value of plan assets under the LGPS are greater than the present value of benefit obligations.

In layman's terms, the scheme is in surplus, as opposed to prior years where a pension deficit has historically been accounted for.

This has resulted in reduced contributions across the 3 year period commencing from 1 Aug 2023 and the pension deficit previously reported now stands at nil on the balance sheet.

Financial Outlook

During 2022/2023 the University charged FT home and EU undergraduate students an annual tuition fee of £9,000, as compared to the fee of £9,250 being charged in English institutions.

The Welsh Government had provided additional funding to the Funding Council for 2018/19 to compensate for the continued capping of the fee and this had been deployed to institutions in the form of a fee mitigation grant.

Currently the cap on the £9,000 fee remains; however, the fee mitigation grant had been removed for 2019/20 and was not reinstated for 2020/21, 2021/22 or 2022/23.

A Review of Post-18 Education and Funding in England (Augar) had been commissioned by the UK Government and reported in 2019.

It is possible that this review of the English system will influence future funding decisions in Wales. At present the methodology for the future funding of institutions in both Wales and England is uncertain.

The ongoing implementation of the University's Finance Strategy will see the University continue with sustained financial health and remain on track in delivering its important mission.

The key financial objectives of the strategy are to:

1. To ensure the long-term Financial Sustainability of the University.
2. Maintaining Solvency.
3. To promote Efficiency and Value for Money.
4. Ensuring high standards of financial Probity and Accountability.
5. Increasing the value and diversity of Income from public, private and business sources.
6. Ensuring that the Financial Risks associated with ongoing activities and new opportunities are communicated and managed appropriately.
7. Maintaining a clear and robust approach toward Financial Planning, decision making and the Allocation of Resource.
8. To provide secure, effective and efficient Payment Methods across a variety of customers

The financial statements for 2022/23 show that the University deployed 54% of its income on direct staff costs (excluding pensions), which is a slight decrease from the previous year. This is consistent with sector norms and the Financial Strategy targets. The impact of pension charges, both cash and particularly, non-cash which has a distorting affect, does raise the KPI metric of staff costs (55.5%) as a percentage of turnover.

However, by continuing to ensure that turnover grows and that costs are effectively controlled, provides a solid base financial foundation for the university, enabling it to plan for increased accounting and cash surpluses to provide the funding for the ambitious programme of development set out in the Campus 2025 strategy.

In order to generate development funding and as a counter to the uncertainty arising from the current fee arrangements, the University has been delivering on its ambitious plans to grow and diversify its income base through the development of new academic programmes and investment in research and innovation activity, both to be provided through new and rejuvenated estate and infrastructure alongside a rejuvenated academic programme.

As part of the growth in International students, the International Team have been targeting different countries to spread the risk of legislative change, this has resulted in a diversification of countries from which the students originate.

2023/24 sees the second cohort of students studying the HEIW allied health suite of programmes. Leading to 24/25 being the year at which we will have students studying at all 3 levels representing the full cohort of HEIW commissioned places.

As noted earlier in this paper, the sale of the Dean Road site has finalised completing the disposals strategy element of Campus 2025 and providing significant funds for reinvestment into the Plas Coch campus.

Principal risks and uncertainties

The underlying principal risks and uncertainties faced by the University which remain consistent with previous years are as follows and are managed appropriately (please refer to the Risk Management and Internal Control section for further information):

- Home student recruitment and retention given uncertain political and economic environments and demographic trends;

- Overseas PG and UG has been a growing source of income over recent years, but the UK government's constantly changing view on international student numbers provides an area of uncertainty over this important income stream;
- Managing in year cash-flows, particularly in light of the impact of the timing of tuition fee payments upon cash balances held within the Group at any one point in time, notwithstanding that cash balances remain substantial at the year-end (£27m);
- Managing performance across the Group's complex and diverse entities and locations and harmonising activity where appropriate to deliver strategic gains;
- The financial performance of the GIL subsidiary and the speed with which it can return to profit remains a cause for concern; and
- Future borrowing required to deliver the building projects for the future development of the University under the Campus 2025 programme.

Commitment to Environmental Sustainability

Wrexham University is committed to understanding and managing its impact on the environment and is committed to demonstrating best practise in environmental and sustainable excellence through the delivery of its Environmental Sustainability Strategy 2021- 2025.

This Strategy has helped strengthen and drive forward a range of activities and interventions by creating a stronger culture and ethos through staff, student & community engagement.

The priority areas that Wrexham University has been focused on include : -

1. Education for Sustainable development- underpinning all of the university's strategic themes and is fundamental to delivering cultural change, across the University community subsequent improvements in environmental performance.
2. Partnerships and Engagement- creating opportunities where individuals and communities can develop and share their knowledge, skills and experiences to engage with and influence sustainable development, so ensuring a legacy for future generations.
3. Environmental Impact of Campus 2025 - reducing the environmental impact of our operational activities and to make a positive contribution to the natural environment through the management of our estate and resources.

In 22/23, Wrexham University, has also been working towards its Pathway to Carbon Neutral: a strategic framework document with key priority areas for action and milestones needed for the Institution to reach carbon neutral by 2030.



David Elcock
Executive Director of Finance

During 22/23, Wrexham University achieved a number of key outcomes : -

- Improved its position by 6 places to reach 36th position in the People and Planet Green League (Classed as 2:1 achievement). The University performed particularly well in Staff & Student Engagement (100%) and Staff and HR (100%) sections.
- Became the first Welsh University to implement a fossil free careers service policy and was only one in 4 Universities in the UK to achieve 100% in this category in the People and Planet Green League.
- 100% of waste was diverted from landfill.
- An annual decrease of 8.6% in carbon emissions, which equates to a 53% reduction from the 2009/10 baseline.
- Investment in the installation of an upgraded lighting scheme in the Edward Llwyd Centre in order to reduced energy consumption through the use of modern LED lighting.
- A new partnership working alongside the University of York's Stockholm Environment Institute (SEI) on the four-year EPSRC Digital Economy Programme to establish the Ecological Citizens NetworkPlus.



Paul Barlow
Chair of Strategy and Finance Committee
(from September 2023)

Charity Information

Wrexham University is a registered charity under the terms of the Charities Act 2011 (charity registration number 1142048).

Registered Office

Mold Road
Wrexham
LL11 2AW

Bankers

Barclays Bank PLC
Liverpool Lord Street
Leicester
LE87 2BB

DfCC Bank PLC
No. 73/5 Galle Road
Colombo
Sri Lanka

External Auditor

KPMG LLP
1 Sovereign Square
Leeds
LS1 4DA

Internal Auditor

RSM LLP Festival Way
Festival Park
Stoke-on-Trent
ST1 5BB

Public Benefit Statement

Introduction

Wrexham University is a Registered Charity (number 1142048) in accordance with the terms of the Charities Act 2011. The registered address of the charity is Mold Road, Wrexham LL11 2AW.

The members of the Board of Governors are the trustees of the charity and as such have due regard to the Charity Commissions guidance on public benefit.

The University is a Higher Education Corporation and under section 124 of the Education Reform Act 1988 it has the power to:

- provide higher education;
- provide further education; and
- carry out research and to publish the results

The University has a specific role in society which involves a deep engagement with its region and community. The University's role is clearly articulated not only in its vision and strategy and mission, but more particularly in all its actions.

We seek to provide and advance higher education in North East Wales, Wales, the UK and overseas, through individuals' participation in research-informed, industry-led and vocationally relevant programmes of study, which lead to the award of degrees or other appropriate qualifications; and applied research. Through its core activities the University seeks to develop career-ready professionals who support and meet the needs of the regional, national and international economy.



Widening access and participation in Higher Education

Widening access and participation is an integral part of the character of the University as a leading university for social inclusion and mobility. We bring innovative higher education opportunities to students with diverse backgrounds and our graduates achieve good outcomes which also benefit their employers, their families and the wider community.

The University is again number one in England and Wales for social inclusion². This ranking includes other notable positions such as 1st in England and Wales for the proportion of disabled students (19.1%), 4th in England and Wales for state school admissions (98.4%), and 7th in England and Wales for First generation students (59.3%). Wrexham University also attracts 53.7% of its UK domiciled student population from the North Wales region³ (Source: HESA Student (FPE) 21/22 data).

The University's Fee and Access Plan demonstrates our continued commitment to ensure equality of opportunity and the promotion of higher education. The objectives of the plan include provision of academic and welfare support for under-represented groups and a commitment to improve their experience of higher education, to develop and promote an inclusive academic and student community and expand Welsh medium provision.

The University also commits to providing an excellent student experience; to assure graduate employability; and to strengthen community engagement. Performance against these objectives is monitored closely.

Full time and part-time undergraduate and postgraduate students are able to apply for tuition fee loans and for loans and grants to help with living costs through Student Finance. Additional support can also be accessed by students with learning difficulties and disabilities, and students with children or adult dependents. Bursaries are available for medical and social work students through the NHS and Social Care Wales respectively.

We have in place a range of schemes including bursaries, scholarships, and grants to help students into higher education including a discretionary fund to help those needing financial assistance to continue their studies.

The University is committed to helping young people in and leaving care and provides a care leavers bursary of up to £1000.00 per year and support packages which can include guaranteed on campus accommodation at a discounted rate for their first year. In 2022/23 the University was able to support 25 Care Leavers with a total amount of £14,500.00.

Our commitment to the Stand Alone Pledge in support of Estranged Students who are young people studying without the support and approval of a family network remains in place and we support estranged students with a bursary of up to £1000.00 per year. 9 students were assisted with this bursary in 2022/23 with a total amount of £7,500.00.

This support for estranged students is communicated by our dedicated Funding and Money Advice Team and through our outreach work with schools and colleges; and our work with local hostels and homeless charities helps reach those without home support.

² Source: The Times and Sunday Times Good University Guide 2024

³ Source: HESA Student (FPE) 21/22 data

We maintain a student hardship fund to support students in a variety of ways. During 2022/23 the University's hardship fund supported a total of 42 students. A large number of the students supported were those who demonstrate that they were in financial poverty due to the increase of cost of living. Financial support was mainly provided towards food vouchers, travel, childcare costs and living expenses. The Fund also supported 6 students with a grant to address digital poverty.

The Thomas Howells Education Fund continued to provide a grant of £30,000 in 2022/23. The Funding & Money Advice Team reached out to all eligible students in November to apply to the fund. 102 eligible students received a one-off grant payment that contribute towards their travel, books, and equipment costs.

Research

Wrexham University is committed to producing research that transforms, with an applied focus that informs both our teaching and supports the actions of both regional and global concerns. Our Vision and Strategy outline our values of being accessible, supportive, innovative, and ambitious, with our Civic Mission encouraging close links with the local community to contribute positively to the economic, social, and cultural development of North Wales and beyond.

In 2022/2023 research funding was utilised from sources such as UK Research Councils, Government Departments, and UK Charities. Our research themes align with the Wellbeing of Future Generations Act (2015). Across the University researchers embed their work within the themes of sustainable communities and health & wellbeing.

Over the last 12 months funded research from the Cyfiawnder Research Institute, has included; Understanding perceptions of, and demand for, residential rehabilitation among individuals with drug use issues; Insight into the beliefs, attitudes and behaviour around cannabis use in Wales and the Evaluation of the World Health Organization Evidence into Action Alcohol Project. Researchers at the University also received funding from Public Health Wales to Review and evaluate the national care models for providing care for children and young people with learning disabilities. Collaborative research projects across Welsh HEIs funded by the Welsh Government include The Youth Work Review, Talk Pedagogy project and the roll the Children's University across North Wales.

In 2023 Wrexham University School of Art secured a four-year EPSRC grant with The Royal College of Art to establish the Ecological Citizens Network Plus to promote sustainable change through the digital economy. Another project led by the University of Cambridge and funded by the AHRC will create a Community Open Map Platform for future generations to chart the green transition on Anglesey.

Our place in the community

The University's Vision and Strategy domain of engagement articulates our aim to enrich the region and beyond, supporting and developing individuals, communities, culture and the economy with a priority action to co-create innovative approaches to addressing social equality in partnership with communities and leaders. Our work in the communities we serve continues to grow and evolve through our Civic Mission Partnership Strategy. We believe in ensuring that we add the best possible value in the places we work.

Our Civic Mission was created and developed working with many partners across North Wales and has been truly co-created around the challenges that matter most in our society, and is focused on working in partnership to end social inequality in North Wales by 2030. Crucially, our approach is about being flexible and agile so that we can be useful in responding to the challenges facing our communities and partners, such as the Covid pandemic, the cost of living crisis and the climate emergency.

Examples of the activities we have been involved in, led and enabled across the region through our Civic Mission Partnership Strategy includes:

- Building on the success of the Wrexham and Flintshire Children's University pilot in 2021/22, we secured over £800,000 to roll the project out across North Wales. Delivered in partnership with Bangor University and a wide range of regional and local partners, over 50 schools across the region have signed up to take part in the North Wales Children's University to enable children and young people in year's 4-9 to do 30 hours of additional learning to complete their Passports to Learning and graduate in full cap and gown graduation ceremonies in early 2024. This project is a real vehicle for change in driving up aspiration, widening opportunities for learning and encouraging a love of learning for children and young people.
- Growing and developing the North Wales Public Service Lab to build and maintain North Wales' community of systems leaders and develop the skills and knowledge needed across the region to enable public services to respond to the big challenges

facing the region. This included launching C4C (community for community), as a network to bring together this growing community of systems leaders and changemakers to learn and lead together. The first C4C event took place in May 2023 in collaboration with the Office for the Future Generations Commissioner bringing together over 80 practitioners to hear from a wide range of leaders about their leadership challenges and explore how the community can work together for collective action.

- Continuing to develop the North Wales Insight Partnership, a collaboration with partners in public services including local authorities, Betsi Cadwaladr Health Board, Public Health Wales, North Wales Fire and Rescue, Natural Resources Wales and the Co-Production Network to drive a whole systems approach to working with communities across the region, and share learning, best practice and innovation. A number of projects are being developed through this collaboration including Community Narratives, an innovative project between the University, the North Wales Public Service Boards and six communities across the region. It aims to work with communities using creative methodologies to support them telling their story of their place – the project will enable partners to collectively learn from this approach and be able to apply this learning with other communities and become part of our research and engagement toolbox in the future.
- Developing our approach to becoming a Trauma and adverse childhood experience (TrACE) informed university, which has included establishing a network of student

TrACE champion, engaging in research, monitoring and evaluation including launching a literature review exploring key language and terminology of 'trauma informed' in collaboration with ACE Hub Wales and producing a longitudinal narrative on the journey to becoming a trauma informed university to be shared with the higher education sector. We also launched a new TrACE Community of Practice for North Wales as part of our commitment to share learning and good practice and create trauma informed communities.

- Working with Betsi Cadwaladr University Health Board to develop a Leadership, Learning and Storytelling project designed to increase children and young people's self-esteem, confidence, self efficacy and resilience. Based on tested leadership and storytelling methodologies, children's rights are central to the project, which comprises of three core elements: storytelling sessions with identified children and young people, storytelling and leadership training for practitioners working with these children and young people, the creation of a learning community, sharing learning, insights, good practice and prompting transformative action.
- Ensuring that research, impact and evaluation underpins our civic mission and runs through everything we do. Key developments over the last year include producing a Civic Mission Research Strategy, ensuring evidence, data and insight informs all of our work through the North Wales Insight Partnership, and undertaking research projects to evaluate the Wrexham and Flintshire Children's University pilot and our TrACE work.

- Co-hosting or taking part in a wide range of events to engage more partners in our civic mission work including:
 - The Future Generations Changemaker 100 where Nina Ruddle, Head of Public Policy Engagement was recognised as one of the top 100 changemakers across Wales for the University's civic mission work.
 - Nina has also been appointed on the Advisory Panel for UKRI/ERSC/AHRC & Innovate UK on the Local Policy Innovation Partnerships (LPIP) Hub led by The University of Birmingham and advises on support and scope with key policy and academic leaders across the UK, as well as being appointed by the Minister for Social Justice and Chief Whip Jane Hutt MS as a member of the National stakeholder forum to advise Welsh Government on the implementation of the Well being of Future Generations Act (Wales) 2015.
 - The work of the civic mission across North Wales has been captured as a global case study by the Organisations of Economic Co Operation and Development (OECD) as one of seven global case studies.
 - Nina has also been asked to speak at many national and regional events about the civic mission work including Advance HE global conference, Well being economy alliance panel discussions, Wales Arts and Health Network, Universities Wales hosting on German delegates, hosted Minister for Finance in May and hosted a roundtable discussions with Education Minister at the Labour Party Conference in March 2023 and lead presentations to all Welsh Government policy leads about our innovative civic mission work.

Developing the capabilities of our staff

The University is committed to attracting, developing, engaging and retaining the best staff.

Through implementation of our People Strategy 2020- 2024 we endeavour to provide staff with relevant opportunities to continuously develop their personal and professional skills to enable them to make a positive contribution to the University's vision and strategic objectives.

Academic staff contribute to both teaching and research/scholarly activity to develop their professional practice. Staff also collaborate with academics in other universities within the UK and internationally.

Other examples of provision of public benefit

During 2022/23 we were able to increase the range of initiatives delivered for the wider public benefit outside of those activities undertaken through our Civic Mission work, as we started to return to pre- pandemic levels of activity. Below are some examples of specific initiatives that took place during 2022/23.

- Student-led art workshops for children and young people, which culminated in successful exhibitions open to the community.
- Free short courses delivered for members of the public, staff and students, including on social prescribing, physiotherapy, psychology and counselling, and business development
- Promotion of the Welsh language and culture including the delivery of our Welsh Language Academic Strategy and a presence at the National Eisteddfod

The University is governed by a non-remunerated Board of Governors/Trustees in common with other charitable higher education institutions in the UK. Most governors are independent of the University, and there are staff and student governors.

Corporate Governance

Wrexham University is committed to high standards of corporate governance. This summary describes how the relevant principles of good governance are applied demonstrating its compliance with best practice within the higher education sector.

The University has a duty to conduct affairs in a responsible and transparent way, and to take into account the requirements of funding bodies, the standards in public life enunciated by the Nolan Committee, the Combined Code, the UK Corporate Governance Code as it applies to Higher Education, and the Committee of University Chairs' Higher Education Code of Governance (2020). The Board of Governors carries overall responsibility for the University's and Group's systems ensuring there is a sound system of risk management, internal control and governance and for reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

A statement of primary responsibilities has been adopted by the Board in line with the provisions of the CUC Higher Education Code of Governance (2020). It is published on the University's website and is reviewed at least every two years. The statement sets out the Board's responsibilities as the principal financial, business and legal authority of the University, and the employing authority for all of the staff. The Board is also responsible for the University's educational character, vision and strategy, reputation, academic and business planning, monitoring of institutional performance, effective academic governance, financial sustainability, health and safety, equality, diversity and inclusion, the University's assets, property and estate and student welfare and ensuring that its work in these areas meets the interests of the University's stakeholders. All the Board's meetings were held in-person on campus during the 2022/23 academic year, with a small number of hybrid meetings to facilitate governor attendance where required.

University Corporate Governance Structure

The Board meets at least five times per year with much of its detailed work being handled initially by its standing committees. These committees are formally constituted with terms of reference, which are reviewed annually, and are made up of mainly independent members who are appointed in accordance with the University's Instrument and Articles of Government. Each committee is chaired by an independent governor. All committees review and reflect on their work and provide an annual report to the Board of Governors.

The Board engages in an annual strategy day with members of the Vice-Chancellor's Board to reflect on the performance and strategic direction of the University and other matters of significance. The Board also engages in an annual development day at which a session is held for governors to meet without the Vice-Chancellor and Executive Officers present. The Board's committee structure consists of five committees. Reports on the remit and membership of each, as well as a summary of the business conducted during 2022/23 academic year are provided below. Similar reports for Academic Board and the Vice Chancellor's Executive Board are also provided.

Audit & Risk Committee

The Audit & Risk Committee is established by the Board of Governors to advise them and provide oversight of the effectiveness of the University's risk management, control and governance arrangements, the arrangements to promote economy, efficiency and effectiveness, and internal audit and external audit arrangements.

The Board approved a change in title from Audit Committee to take effect from 2022/23 and better reflect its breadth of work.

The Committee meets four times a year and comprises up to three external co-opted members from the public and private sector, who are not members of the Board of Governors, who provide externality to the Committee's deliberations.

At the start of every meeting, the members meet privately with the University's internal and external auditors. There are no members of the Audit Committee who are also members of the Strategy and Finance Committee.

Membership and Attendance 2022/23

Members	Attendance No. attended v No. eligible to attend
Paul McGrady (Chair)	4/4
Richard Campbell	4/4
Mike Harvey (co-opted member)	4/4
Trevor Henderson (co-opted member)	4/4
Diane McCarthy	2/4
Jayne Owen (co-opted member)	2/3
David Subacchi	4/4

Summary of business 2022/23

Annually, in addition to the responsibilities laid out within its terms of reference, the Committee sets itself a workplan for the year ahead.

During 2022/23 the Committee focussed on four key areas and reported to the full Board at its July 2023 meeting on how it had addressed these areas.

These areas of focus were to:

- a. Monitor risks relating to compliance with the decarbonisation legislation
- b. Follow up on cyber security risk arising from the 2021/22 internal audit
- c. Retain a focus on the risks around non-delivery of the HEFCW part-time credit allocation
- d. Continue with invitations to attend the Committee and discuss their risk areas with a focus on the core academic business of the University

In other work the Committee:

- approved the internal audit plan for the year and received reports of nine audits which included: data quality – project framework of SITS implementation; framework for the strategy for decarbonisation; GDPR framework review; partnerships – governance framework for the quality and monitoring of provision; framework for the delivery of part-time credits; framework for the management of capital projects; and a follow up of previous recommendations. The Committee monitored the implementation of all management actions arising out of the internal audit reports.

- scrutinised the 2021/22 draft financial statements with particular focus on the external auditor opinion, the statement of members' responsibilities, statement of internal control and the corporate governance statement. The Committee approved the audit plan and audit fees for the audit of the financial statements to 31st July 2023;
- considered a range of other assurance reports including on progress on implementation of an action plan on the Code of Practice for Ethical Employment in Supply Chains, information governance, compliance with fee and access plan fee levels and general requirements, modern slavery, annual procurement efficiencies, value for money, whistleblowing, serious incident reporting; and compliance with the HEFCW Financial Management Code and Audit Code of Practice.
- The Committee reviewed the performance of the internal and external auditors, as well as its own effectiveness, reviewing practice against the CUC HE Audit Committee Code of Practice (2020)

Strategy & Finance Committee

The Strategy and Finance Committee is responsible for monitoring strategic matters, for advising the Board of Governors on the University's strategic direction, for maintaining an overview of the University's financial affairs and the development of the Estate on behalf of the Board of Governors; and to give initial consideration to and advise on any other Board business of particular importance or complexity not within the remit of other committees of the Board.

The Committee meets five times per year. No member of the Strategy and Finance Committee is also a member of Audit Committee.

Membership and Attendance 2022/23

Members	Attendance No. attended v No. eligible to attend
Judy Owen (Chair)	5/5
Paul Barlow	4/5
Jim Barclay	4/4
Professor Martin Chambers	4/5
Professor Maria Hinfelaar	5/5
Dr Leigh Griffin	4/5
Maureen Wain	5/5
Lauren Hole (Observer)	3/5

Summary of business 2022/23

Annually, in addition to the responsibilities laid out within its terms of reference, the Committee sets itself a workplan for the year ahead. During 2022/23 the Committee focussed on four key areas and reported to the full Board at its July 2023 meeting on how it had addressed these areas.

The Committee:

- continued to closely monitor the management of income and expenditure levels to gain assurance on the continued sustainability of the University, including the performance and future direction of the subsidiary companies;
- continued to closely monitor and scrutinise student recruitment and retention in respect of the impact on the financial position of the University and the affordability of the University's forward strategic plans and ambitions;
- continued to scrutinise proposals and business cases associated with the Campus 2025 Strategy for recommendation to the full Board;
- monitored the external environment and implications for changes to the University's forward strategic plans.

In other work the Committee:

- scrutinised and advised the Board on the 2021/22 audited financial statements of the Students' Union; the University's 2021/22 audited financial statements, the Financial Strategy and budget proposals and forecasts for 2023/24;
- scrutinised, advised and updated the Board on the sale of unused land at Dean Road;
- approved fees for part-time, full-time and international students for 2023/24
- reviewed reports of all contracts awarded over £25k, the debt position, the evidence to support the Board's signing of the Annual Assurance Sustainability Report, and the HEFCW Terms and Conditions of Funding and funding allocations for 2022/23.

The performance of the university subsidiary companies was also monitored closely, through scrutiny of their Financial Management reports.

People & Culture Committee

People and Culture Committee is authorised by the Board of Governors in all things to recognise that the staff, both academic and professional are the key resource of the University and to endeavour to ensure that in all respects, the work environment and Human Resources policies and practices of the University are conducive to the effective performance and realisation of the full potential of all staff.

The Board approved the change in title from Human Resources Committee to take effect from 2022/23, arising from the Board's effectiveness review in 2021/22.

The Committee meets four times per year.

Membership and Attendance 2022/23

Members	Attendance No. attended v No. eligible to attend
Professor Sandra Jowett (Chair)	4/4
Paul Barlow	2/4
Dr Leigh Griffin	2/4
Professor Maria Hinfelaar	4/4
Will Naylor (Co-opted member)	4/4
David Subacchi	4/4
Richard Thomas	3/4

Summary of business 2022/23

Annually, in addition to the responsibilities laid out within its terms of reference, the Committee sets itself a workplan for the year ahead. During 2022/23 the Committee focussed on three key areas and reported to the full Board at its July 2023 meeting on how it had addressed these areas.

The Committee:

- undertook a major review of how it discharges its terms of reference, assessing how it meets its responsibilities under the key themes identified within the terms of reference. These related to; (i) culture and values, (ii) employment, (iii) workplace safety, health, wellbeing and environment, (iv) Equality, Diversity and Inclusion, (v) Welsh language.
- monitored progress on EDI developments, in particular in relation to Race, through the receipt of regular reports from the Equality and Diversity Action Group. The Committee welcomed the University's rise to 41st place in the Stonewall Workplace Equality Index, and also received reports on work towards submission for the Race Equality Charter.
- oversaw the implementation of elements of the EDI action plan delegated to the Committee, and advised the Board accordingly on increasing the Board's focus on EDI matters more widely.

In other work, the Committee:

- monitored work around culture and values, including receipt of reports on staff engagement survey, the Above and Beyond staff awards, staff development activities, and progress in the delivery of the People and Culture Strategy 2021-2024
- considered Health, Safety and Environment reports against agreed KPIs as a standing agenda item, and approved the University's Health and Safety Policy Statement, the Energy and Sustainability Policy Statement, and revised Safety, Health and Environment KPIs.

- approved the Prevent duty annual accountability statement having considered evidence to support the statement, resulting in confirmation that the University had demonstrated sufficient evidence that it has due regard to the prevent duty;
- approved a range of policies and procedures following their three-yearly reviews including the Management of Sickness Absence, Safeguarding Children and Protection of Vulnerable Adults, Management of Stress and Promoting Wellbeing in the Workplace, Flexible Working, Capability, Parental/Maternity/Paternity/Adoption Leave, Retirement, Probation, Dignity at Work, Disclosure and Barring Service, and Grievance;
- received reports on employment matters including annual sickness absence, staff disciplinary, grievance and dignity at work cases, UCEA pay negotiations, makeup of the staff body against HESA benchmarks;
- reviewed guidance issued by the CUC on tackling harassment and sexual misconduct against university practice and policies;
- endorsed the University's annual Welsh Language Standards report for 2021/22, noting identified areas of good practice from the University's work in respect of the Welsh Language.
- endorsed the University's commitment to working in partnership with Y Coleg Cymraeg Cenedlaethol to increase Welsh Language Provision at the University, through the delivery of the Welsh Medium Academic Strategy and Action Plan (CYFLE)

Nominations & Governance Committee

The Nominations and Governance Committee is responsible to the Board of Governors for the oversight of corporate governance arrangements to ensure that the University is pursuing best practice.

It is responsible for identifying and recommending the appointment of new Governors to the Board, for the nomination of Governors and co-opted members to the Board's committees, advising on the appointment of the Chancellor and identifying and recommending recipients of Honorary Fellowships of the University to the Board. The Committee meets at least twice per year and the membership of the Committee includes an academic staff governor and a student governor as well as a co-opted external member who is not a member of the Board of Governors. The Committee met three times during 2022/23.

Membership and Attendance 2022/23

Members	Attendance No. attended v No. eligible to attend
Claire Homard (Chair)	3/3
Dr Leigh Griffin	2/3
Dr Karen Heald	2/2
Lauren Hole	3/3
Professor Maria Hinfelaar	3/3
Diane McCarthy	3/3
Bruce Roberts (co-opted member)	3/3

Summary of business 2022/23

Annually, in addition to the responsibilities laid out within its terms of reference, the Committee sets itself a workplan for the year ahead. During 2022/23 the Committee focussed on five key areas and reported to the full Board at its July 2023 meeting on how it had addressed these areas.

The Committee:

- reviewed and considered actions for the Board from the stakeholder guidance document arising from the Review of HE governance in Wales (Camm) – “Effective Stakeholder Engagement – a good practice guide for Welsh universities”;
- monitored the implementation of the action plan to address the findings of the Board’s 2021/22 effectiveness review, which was signed off by the Board in July 2023;
- oversaw the implementation of the Board’s EDI Action Plan, developed to address Camm actions on EDI matters as well as a recommendation from the Board’s 2021/22 effectiveness review;
- oversaw the recruitment of new independent governors, resulting in the appointment of Jayne Owen and Fabrizio Trifiro from September 2023
- reviewed the success of the EDI Champion role, recommending to the Board that Professor Sandra Jowett continue in the role for 2023/24, and that the Students’ Union Vice President be appointed as a student governor EDI Champion.

In other work, the Committee

- reviewed analysis of the self-confidence ratings of governors in respect of acquired knowledge, skills and sector experience, utilising the Advance HE skills template, and updated the Board skills matrix;
- reviewed the collective knowledge, skills and experience required to enable the Board to undertake its responsibilities and recommended a revised list for the Board’s approval;
- made recommendations to the Board in relation to committee membership changes, taking into account governors due to leave the Board in August 2023, and including new Committee Chairs and Vice-Chairs;
- noted updates with regards to approved Honorary Fellows;
- reviewed governance documents including role description for governors, selection process for new independent governors, governor induction, mentoring and CPD, code of conduct, scheme of delegation, and statement of primary responsibilities;
- reviewed Students’ Union documentation including relationship agreement, memorandum of agreement between the University and Students’ Union, and Code of Practice for the Operation of the Students’ Union.

Remuneration Committee

The Board of Governors is required to establish a remuneration committee to consider and determine the remuneration of the Vice-Chancellor and other Senior Postholders as defined under the Instrument and Articles of Government and agreed by the Board. In addition to remuneration the Committee's remit includes consideration of the severance arrangements for the Vice-Chancellor and other senior postholders and all those earning a basic full-time equivalent salary of more than £100k per year.

The Committee reviews relevant benchmarking information and evidence of senior postholders' performance against agreed objectives, as well as the pay multiple between the senior postholders and the rest of the workforce. The Committee must take into consideration the public interest and the safeguarding of public funds alongside the interests of the University when considering all forms of payment, reward or severance to senior postholders.

The Committee meets twice annually. In October it considers the annual pay policy statement and in June it considers the remuneration of senior post holders i.e the Vice Chancellor and the Deputy Vice Chancellor, in line with annual practice. A report on the Committee's decisions is provided to the Board of Governors. The Remuneration Committee has adopted the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code (revised 2021). The Vice Chancellor is not a member of the Remuneration Committee.

Membership and Attendance 2022/23

Members	Attendance No. attended v No. eligible to attend
Professor Sandra Jowett (Chair)	3/3
Paul Barlow	3/3
Dr Leigh Griffin	3/3
Judy Owen	1/3
Richard Thomas	1/3
David Subacchi	3/3

Summary of business 2022/23

The Committee:

- considered the Annual Pay Policy Statement and recommended it to the Board for approval and publication;
- considered a report under its 'policy on external activities and retention of associated payments for senior postholders' which requires postholders to seek consent of appointments annually to ensure that external work activities remain appropriate in view of any changing circumstances for the individual or the University, and to seek approval for the retention of associated payments;
- reviewed its practice against the CUC Code (2021) and concluded that it meets the Code requirements;
- reviewed its Terms of Reference and membership, recommending amendments to the membership statement to the Board for approval;
- received updates on the recruitment process for a new Clerk to the Board of Governors, with an appointment made in July 2023;
- received updates on the appointment of an acting DVC, and the recruitment process for a substantive DVC post.

Vice-Chancellor's Remuneration:

Full details of the Vice Chancellor's remuneration are provided in the Annual Pay Policy Statement for 2022/23. This pay policy statement is aligned to the Public Services Staff Commission's Transparency of Senior Pay in the Devolved Public Sector (2016) and also fulfils the requirements of the Committee of University Chairs (CUC) HE Senior Staff Remuneration Code (2021).

Monitoring performance

There is a formal annual performance development review (PDR) scheme in place for all staff including the Vice-Chancellor. This process entails three stages. Initially, the Chair of the Board meets with the Vice-Chancellor to review prior year objectives and sets objectives for the coming year, there is a mid- year review of performance with final review and sign off towards the end of each academic year. The Vice-Chancellor's annual objectives are shared with the full Board as part of the Committee's remuneration report.

The Vice-Chancellor's annual objectives are focussed on the four strategic domains of the University's Vision and Strategy 2025: teaching that inspires, research that informs, engagement that enables and structure that sustains. Overarching measures of achievement are set for the Vice Chancellor underpinned by SMART targets aligned to the Vision and Strategy, and relevant supporting strategies.

In addition, the Vice-Chancellor is set personal objectives relating to 'leadership role' and 'external profile'.

In line with the senior postholder remuneration policy the Chair of the Board provides a report to the Remuneration Committee on the Vice-Chancellor's performance against the agreed objectives.

Context

The Remuneration Committee receives a benchmark report annually to inform their consideration of the remuneration of the Vice-Chancellor. For the reporting year the benchmark information related to post- 92 institutions and small institutions (with a turnover of between £40m and £100m).

The Committee also receives information on the impact a range of potential percentage increases would have on the Vice- Chancellor's salary as compared to benchmarks and prior year pay awards.

In addition, the Committee considers internal benchmark data including; the pay multiplier of the Vice- Chancellor's salary to the median earnings of all staff, the mean percentage rise for all other staff, gender and ethnic and disability pay gaps and other benchmark data which are laid out in detail in the University's annual pay policy statement.

The University has paid the Living Wage Foundation's Living Wage to all staff since 1st August 2018. The University has no bonus scheme.

Achievements 2022/23

The Vice-Chancellor led the University through some positive achievements during the reporting year, notably around international student recruitment, continuation of Campus 2025 developments, strengthening of the Faculty of Arts, Science and Technology, good NSS outcomes, and the change to the University's title and its rebranding.

The Vice-Chancellor continues to raise the University's prospects and its profile, supported by the wider executive team, and has established the University as a trusted and reliable partner in the region.

The Vice-Chancellor engages effectively in networks at a local and regional level, and is well respected across the sector.

Under policy on external activities and retention of associated payments for senior postholders' the Vice- Chancellor resigned from her appointment on the Independent Pay Review Body Wales - a public appointment by the Minister for Education and the Welsh Language – during the reporting year. No other paid external work is undertaken by the Vice-Chancellor currently.

In respect of the reporting year the Vice-Chancellor again indicated that she wished to receive no more than the nationally agreed pay increase applied to all staff.

Quality & Standards Scrutiny Panel

In March 2017 the Board agreed to put in place a 'quality and standards scrutiny panel' to facilitate the scrutiny of documentation received throughout the year on academic quality and standards matters, and assist the Board in its consideration of assurance matters.

In line with the standing orders, a 'panel' has a less rigid constitution and is able to follow the procedure which seems most suitable to its objectives. In 2022/23 the Governor membership on this panel was:

Professor Sandra Jowett (Chair)
Dr Leigh Griffin
Professor Maria Hinfelaar
Lauren Hole
Richard Thomas
Maureen Wain

At its July 2023 meeting, the Board approved Terms of Reference for a new Academic Quality and Standards Committee to replace the Quality and Standards Scrutiny Panel.

This will be a standing Committee of the Board, taking effect from 2023/24 and will provide the Board with further assurance on matters of academic quality and standards as part of the formal Committee structure.



Vice-Chancellor's Executive Committee

The Vice-Chancellor's Executive Committee adopts the principles of 'collective responsibility' by taking ownership of the corporate aims and objectives and decisions of the Board of Governors, Academic Board and the Vice-Chancellor and implements the strategic framework of the University working towards the achievement of the University's vision and mission.

Its remit encompasses financial health, resource management, strategic imperatives, action planning, partnerships and external impact, and risk management. The membership of the Group constitutes those members of Senior Management who report directly to the Vice-Chancellor.

Membership and Attendance 2022/23

Members	Attendance No. attended v No. eligible to attend
Professor Maria Hinfelaar (Chair)	22/22
Professor Claire Taylor	13/17
Professor Richard Day	20/22
Professor Aulay Mackenzie	19/22
David Elcock	22/22
Peter Gibbs	17/22
Lynda Powell	19/22

Board of Governors

The Vice-Chancellor is a member of the Board of Governors. Other members of the Vice-Chancellor's Executive Team are not members but regularly attend meetings of the Board and its committees to present reports and provide advice relevant to their areas of responsibility.

The committees include Audit and Risk Committee, Strategy and Finance Committee, People and Culture Committee and Remuneration Committee. An approved description of the role that executive officers play at board and committee meetings is in place.

The Vice-Chancellor attends the Board's Remuneration Committee only to present reports on the performance of senior postholders who report directly to them, but they are not a member.

Summary of Business – 2022/23

Regular update reports were received from Executive members covering academic development activity, partnerships and international growth, financial management, staffing resources and operational management issues alongside the sharing of sector engagement information and contributions to sector consultations and funding bids.

Executive Members also received training and briefings on Cyber Security and achieving the Race Equality Charter.

A key emerging issue arose within the 2022/23 academic year: a HEFCW commissioned QAA concerns review by the QAA of which 12 recommendations were reported.

Executive members developed an Academic Quality Review action plan to address the recommendations along with other actions to further improve the academic regulations and processed under the remit of Academic Board.

Other key strategy issues which were progressed were:

- The commencement of work to develop a new Vision and Strategy to 2030.
- Progressing the 2021/22 Transformational Change Projects to either a successful conclusion or identifying pathways to progress them.
- The preparation for the achievement of RDAPs

Academic Board

Academic Board is responsible for general issues relating to the research, scholarship, teaching and courses at the University, including criteria for the admission of students; the appointment and removal of internal and external examiners; policies and procedures for assessment and examination of the academic performance of students; the content of the curriculum; academic standards and the validation and review of courses; the procedures for the award of qualifications and of honorary academic titles; and the procedures for expulsion of students for academic reasons.

These responsibilities are subject to the requirements of the validating and accrediting bodies. Academic Board also considers the development of the academic activities of the University and the resources needed to support them and for advising the Vice-Chancellor and the Board of Governors accordingly.

Membership and attendance 2022/23

- 6th September 2022
- 9th November 2022
- 15th November 2022 (extraordinary meeting)
- 8th February 2023
- 20th February 2023 (extraordinary meeting)
- 26th April 2023 (extraordinary meeting)
- 10th May 2023
- 21st June 2023
- 10th July 2023 (extraordinary meeting)

	Members	Attendance
Vice Chancellor & Chief Executive (Chair)	Professor Maria Hinfelaar	8/9
Deputy Vice Chancellor (Vice Chair)	Professor Claire Taylor / Professor Aulay Mackenzie	9/9
Pro-Vice Chancellor Partnerships (UK & International)	Professor Aulay Mackenzie	8/9
Pro-Vice Chancellor Research	Professor Richard Day	9/9
Dean of Faculties Arts, Sciences & Technology	Professor Alec Shepley / Dr Stewart Eyres	8/9
Dean of Faculties Social & Life Sciences	Dr Simon Stewart	6/9
Associate Deans	Prof John Brewer / Prof Alec Shepley	4/9
	Dr Zheng Chen	5/9
	Mike Wright	8/9
	Madi Ruby	0/9
	Dr Caroline Hughes	8/9
	Dr Sue Horder	9/9

Associate Deans	Professor Mandy Robbins	6/9
	Dr Neil Pickles	8/9
Director of Operations	Lynda Powell	6/9
Director of Strategic Planning & Student Administration	James Dawson	8/9
Director of Marketing & Admissions	Helena Eaton	7/9
Research Representatives Arts, Science & Technology	Natalia Luhyna	5/9
Research Representatives Social & Life Sciences	Dr Caro Gorden / Dr Chelsea Batty	3/9
Teaching staff Arts, Science &	Cerys Alonso	9/9
Teaching staff Arts, Science & Technology	Dr Karen Heald	7/9
Teaching staff Social & Life Sciences	Jess Achilleos	5/9
Teaching staff Social & Life Sciences	Madeleine Nicholson	9/9
Operational staff	Lucy Jones	7/9
President of the Students' Union	Lauren Hole	8/9
Nominee of the President of the Students' Union	Amy Rowley	4/9
Co-opted Member	Elen Mai Nefydd	5/9

Summary of business 2022/23

Over the year Academic Board has undertaken business in line with its responsibilities as follows:

- revisions, updates and additions to academic regulations across all areas of provision, including the new academic regulations currently in development.
- received and reviewed a wide range of reports on matters of learning, teaching and quality assurance, including: the Annual Standards Overview Report, the University's Strategy for Supporting Student Learning and Achievement; reports on academic integrity, complaints; student outcomes such as degree results, NSS and Graduate Outcomes; HEFCW and QAA reports and updates; and associated action plans.
- considered and approved new or updated policies that relate to and/or impact upon academic provision and student conduct, for example, Student Engagement in Quality Assurance and Enhancement and the Extenuating Circumstances Procedure, Academic Integrity, Student Complaints, Suitability for Practice.
- considered and approved a range of programme validations, re-validations, programme suspensions/withdrawals and derogations across all areas of provision.
- received reports on a variety of other matters pertinent to the academic business of the University, notably: updates and approvals on academic partnership matters; updates from the Research Committee; and were kept informed of matters relating to student access and retention; and consideration of the Welsh Medium Action Plan.
- A number of additional extraordinary meetings were held during the year to consider single agenda items relating to Academic Integrity and Quality Assurance action plans

Risk Management & Internal Control

The Board of Governors' assurance about the effectiveness of the system of risk and internal control is informed by the work of the senior management within the University, who have responsibility for the development and maintenance of the internal control framework, through consideration by the Audit Committee; comments made by the internal auditors in their annual report and external auditors in their management letter.

University's approach to effective management of risk

The approach to risk management is predicated upon this being an active part of normal, good practice and business as usual, but recognising the need and value in having a clear, uniform and coherent process across the University and for this to be formally recorded and documented. There is an institutional risk framework that identifies strategic/corporate risks, which is then supported by an operational risk register.

The corporate risk register is developed by the Vice-Chancellor's Board and reviewed and approved through the Audit Committee. The corporate risks range across several academic, professional and operational areas and take

account of the University as a national and international institution operating in a public and regulated environment.

Corporate risks remain under review by senior managers who are appointed as risk 'owners' but are formally reviewed each year in terms of their overall appropriateness; and quarterly to determine their currency and to recognise any changes happening within year.

The corporate risk register identifies: the nature of the risk, the potential impact of the identified risk, the likelihood of the risk materialising, the 'owner' of the risk, and the mitigating factors to manage the risk, and this is scored both before and after the mitigating controls have been considered, and additional information is provided around risk 'triggers' and horizon scanning.

The operational risk register then sits alongside the corporate risk register, with the responsibility as risk owner being the heads of relevant academic and professional areas across all parts of the University, with practical support from a risk lead in their own area.

Each area is asked to ensure that local risks are actively considered within their management and reporting structures, with escalation to the Vice-Chancellor's Board triggered if a residual risk score is high or very high. The Audit Committee receives and considers a report from the University's independent audit provider RSM LLP on risk management processes.

The corporate risk register has been reviewed by the Board of Governors during the year.

Whilst the University's Internal Auditors have identified areas for improving the University's risk management framework, the Board of Governors is of the view that an effective and continuing process for identifying, evaluation and managing the University's key risks has been in place for the period of the financial statements.

Plans are in place to implement Internal audit recommendations for improvement and the risk management process is reviewed regularly in line with the University's approved Risk Management Policy.

Statement of Internal control

The key elements of the Group's system of internal controls, which is designed to discharge the responsibilities set out above included the following:

- Clear definitions of the responsibilities of, and the authority delegated to, senior managers and heads of academic and professional areas;
- A medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets;
- Regular reviews of student recruitment and 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 according to approved levels set by the Board of Governors;

- Comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Board of Governors;
- A professional independent Internal Audit provider whose annual programme is approved by the Audit Committee;
- Linking the identification and management of risk to the achievement of the University's strategic objectives through the planning process;
- Evaluating the likelihood and impact of risks becoming a reality as part of that same process and establishing mitigating controls;
- Embedding risk management and internal control processes in the ongoing operation of all academic and professional services departments;
- Regular reporting to Audit Committee, and then to the Board of Governors, on internal control and risk; and
- Reporting to the Board of Governors the principal results of risk identification, evaluation and management review.

The Audit Committee, on behalf of the Board of Governors, has reviewed the effectiveness of the system of internal control of the University.

Committee of University Chair (CUC) Higher Education Code of Governance

The Board of Governors has throughout the 2021/22 academic year adhered to the provisions of the Committee of University Chairs Higher Education Code of Governance (May 2020).

The Audit Committee has adopted the Committee of University Chairs (CUC) Higher Education Audit Committee Code of Practice (May,2020).

Review of Governance of Welsh Universities (Camm) 2019.

The Board adopted the Governance Charter for Universities in Wales in May 2020. The Charter maps out an approach to improving governance that has been adopted by all universities in Wales to demonstrate their commitment to the continuous development and improvement of governance both within their own universities and the sector in Wales as a whole.

The Board completed all of the actions within its control by the end of the 2021/22 academic year.

During 2022/23 the Board continued to monitor progress in relation to the EDI action plan, aimed at improving Board diversity and incorporating recommendations arising from the Board's effectiveness review around widening the Board's oversight of EDI matters more generally.

Governor Induction and Development

The Board has in place a Governor Induction, Mentoring and CPD Procedure which explains the induction and development all governors can expect on being appointed, supported by a letter of appointment which clearly outlines their responsibilities.

This process is aimed at ensuring all governors are informed of the educational character, strategic direction and culture of the University as well as the practicalities of being a member of the Board, thereby helping them become effective governors as quickly as possible.

All governors who joined the Board in 2022/23 and the start of 2023/24 have undertaken induction in line with the Board's procedure.

External development opportunities and sector briefings are highlighted to governors as they become available as part of their continuing development.

The Board also engages in an annual development day where developmental areas identified are addressed by University colleagues or external providers. In January 2023 the development day featured updates on governors' responsibilities around Information Governance, EDI and the Race Equality Charter.

The Chair of the Board conducted individual review meetings with all governors, which were largely focussed on relationship building. The Chair will conduct further individual meetings with governors in 2023/24.

Improving the effectiveness of the Board of Governors

The Committee of Chair's Higher Education Code of Governors requires governing bodies to review their effectiveness at least every three years. In 2022 the Board engaged Advance HE to undertake such a review resulting in an action plan to address the recommendations arising from it.

During the reporting year the action plan continued to be monitored by Nominations and Governance Committee, before the completed plan was signed off by Board of Governors in July 2023.

Many of the actions, including building opportunities for governors to engage with the wider university, supporting the transition of new Board members, and identification of training and development needs for collective and individual Board members, were accepted as ongoing practice.

There continued to be a focus on EDI, including improving the diversity of the Board's membership, and the ongoing implementation of the EDI action plan which would continue in 2023/24.



Responsibilities of the University's board of governors in respect of the annual report and financial statements

The Board of Governors is responsible for preparing the Annual Report and the financial statements in accordance with the requirements of the Terms and Conditions of Funding issued by the Higher Education Funding Council for Wales (HEFCW), the Accounts Direction to Higher Education Institutions for 2022/23 issued by HEFCW, the Financial Management Code issued under the Higher Education (Wales) Act 2015 and applicable law and regulations.

It is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements of the Charities Act 2011.

The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction to Higher Education Institutions for 2022/23 issued by HEFCW.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;

- assess the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or have no realistic alternative but to do so.

The Board of Governors is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University.

It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Board of Governors is also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code (FMC);
- Funding Council grants have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the University's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Professor Maria Hinfelaar
Vice-Chancellor and Chief Executive

Independent Auditor's Report to Board of Governors of Wrexham University

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Wrexham University ("the University") for the year ended 31 July 2023 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Statement of Financial Position, the Consolidated Statement of Cash Flows and related notes, including the accounting policies in the Statement of Principal Accounting Policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2023, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and

- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

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

Going concern

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

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

Our conclusions based on this work:

- we consider that the Board of Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Board of Governors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University's ability to continue as a going concern for the going concern period.

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud.

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

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

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

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income from tuition fees relating to courses that span the year end are recorded in the wrong period and the risk that the University's management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, journals posted by irregular users or to seldom used accounts and journals posted to unusual accounts.

- Assessing whether tuition fee and research revenue transactions either side of the year end were recorded in the correct period.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

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

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

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

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

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material

effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: compliance with Higher Education regulatory requirements of the Higher Education Funding Council for Wales, recognising the nature of the Group's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement.

We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Board of Governors (the members of which are the Trustees of the University for the purposes of charity law) is responsible for the other information, which comprises the Report of the Chair of the Board of Governors, the Vice Chancellor's Review of the Reporting Year, the Report of the Financial Year 2022/23, the Public Benefit Statement and the Corporate Governance Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

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

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion the information given in the Report of the Chair of the Board of Governors, the Vice Chancellor's Review of the Reporting Year, the Report of the Financial Year 2022/23, the Public Benefit Statement and the Corporate Governance Statement (which together constitutes the Trustees' Annual Report for the financial year) is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

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

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Board of Governors responsibilities

As explained more fully in its statement set out on page 48, the Board of Governors is responsible for: the preparation of the financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of

assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

Report on other Legal and Regulatory Requirements

We are required to report on the following matters prescribed in the Higher Education Funding Council for Wales ("HEFCW") Audit Code of Practice (effective 1 August 2017) issued under the Further and Higher Education Act 1992 and in the Financial Management Code issued under the Higher Education (Wales) Act 2015 and the Accounts Direction to Higher Education Institutions for 2022/23 issued by the HEFCW ("the Accounts Direction").

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code ("FMC");

- Funding Council grants have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding 2022/23; and
- the requirements of HEFCW's Accounts Direction have been met.

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

This report is made solely to the Board of Governors in accordance with paragraph 13(2) of the University's Articles of Government and section 124B of the Education Reform Act 1988 and in accordance with the with the section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Board of Governors those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Board of Governors for our audit work, for this report, or for the opinions we have formed.



Debra Chamberlain

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

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

1 St Peter's Square
Manchester
M2 3AE

Date: 30 November 2023

Financial accounts

Statement of principal accounting policies

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standard (FRS102), The Financial Reporting Standard applicable in the UK and Republic of Ireland. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. Where relevant the financial statements adhere to the accounting directives of HEFCW.

Going concern

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

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

The Board of Governors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements. After reviewing these forecasts the Governing Body is of the opinion that, taking account of severe but plausible downsides, the Group and parent University will have sufficient funds to meet their liabilities as they fall due over the period of 12 months

from the date of approval of the financial statements (the going concern assessment period).

In reaching this opinion on the financial sustainability of this institution, the following factors have been taken into account:

Financial

- regular performance monitoring through monthly reporting, annual budgets and forecasting, including HEFCW forecast submissions.
- measurement against the Corporate Strategy and related Key Performance Indicators complying with the financial covenants of any lenders if applicable.
- a cash flow strategy which is aligned to the funding regime and which takes into account the peaks and troughs of the funding cycle.

Non-financial

- measurement against the Corporate Strategy and related Key Performance Indicators.
- maintaining a Risk Register which considers both financial and non-financial strategic risks.
- continuing to provide governance and legal functions which cover all financial, statutory and regulatory compliance.

Thorough cashflow modelling and scenario testing completed which evidences that the University Group holds sufficient cash

reserves to fund ongoing costs of activity for the foreseeable future. Rising costs have been considered in scenario testing and no issues have been identified which are unable to be mitigated. These increased cash reserves are sufficient to meet the going concern basis of preparation.

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

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the deemed cost for certain fixed assets as revalued with the introduction of FRS102 reporting.

Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2023. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of income and expenditure from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

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

Details of the University's subsidiary undertakings are provided in note 23 to the financial statements.

Income recognition

Funding Council block grants are accounted for in the period to which they relate.

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied. A debtor is recognised when there is unconditional right to receive future economic benefit from past events. In line with this policy, when courses are delivered across the financial year end, income relating to the future period is deferred to recognise a deferred income creditor. Any remaining debtor balance continues to be recorded in debtors.

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

Governmental Grant Funding

Recurrent income from grants, contracts and other services rendered is accounted for on an accruals basis and included to the extent the contract or service has been completed; any payments received in advance of such performance are recognised on the Statement of Financial Position sheet as liabilities.

Governmental Capital Grants

Non-recurrent grants received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants. Such grants are credited to deferred capital grants and an annual transfer made to the income and expenditure account over the useful economic life of the asset, at the same rate as the depreciation charge on the asset for which the grant was awarded.

Non-Governmental Grant Funding

Recurrent income from grants, contracts and other services rendered is accounted for on a performance basis and included to the extent the contract or service has been completed; any payments received in advance of such performance are recognised on the Statement of Financial Position as liabilities.

Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

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

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

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

Agency arrangements

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

During 2017/18 the University entered into an Agency agreement for the supply of Catering services at the Plas Coch campus and which remains in place. All income and expenditure associated have been included within the University Statement of Comprehensive Income and Expenditure as the University retains the risk or reward of the activity under this agency agreement.

Leases and hire purchase contracts

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

Finance leases, which substantially transfer all the benefits and risk of ownership of an asset to the University, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases.

The lease rentals are treated as consisting of capital and interest elements. The capital element is applied in order to reduce outstanding obligations, and the interest element is charged to the income and expenditure account in proportion to the reducing capital element outstanding.

Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent-owned assets.

The leasing of assets under a finance lease (Colliers Park) are treated as a short and long term debtor consisting of capital and interest elements. The capital element is applied in order to reduce outstanding debtor obligations, and the interest element is recorded as income in the income and expenditure account in proportion to the reducing capital element outstanding.

Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from UK Corporation Tax in respect of income or capital gains received within

categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

All UK subsidiary companies are liable to corporation tax in the same way as any commercial organisation.

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

All UK subsidiary companies are liable to VAT in the same way as any other commercial organisation except that any education or training provided by a university subsidiary is an exempt supply of education.

Tangible fixed assets

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

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

Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life of 50 years. The hockey pitch is depreciated over its expected useful life of 10 years. Capital expenditure applied to existing buildings is depreciated over its estimated useful life of 10 years.

Where buildings are acquired with the aid of specific government grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Fixtures, fittings and equipment costing less than £10,000 per individual item or group of related items is written off to the income and expenditure account in the period of acquisition. All other fixtures, fittings and equipment is capitalised at cost. Motor vehicles are capitalised at cost.

All assets are depreciated over their estimated useful economic life as follows:

- Fixtures, fittings and equipment – five years
- Motor vehicles – three years

Where equipment is acquired with the aid of specific government grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a

deferred capital grant account and released to the income and expenditure account over the

expected useful life of the related equipment. It is University policy not to revalue this class of assets.

Equipment acquired for a specific funded project is depreciated over its expected useful life which ordinarily equates to the term of the project.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Any impairments which are due to the clear consumption of economic benefits are recognised in the income and expenditure account in the period when they occur.

Any downward revaluations which are not due to the clear consumption of economic benefits are also recognised in the statement of comprehensive income and expenditure account in the period when they occur.

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the income and expenditure account in the period it is incurred.

The University has a planned maintenance programme, which is reviewed on an annual basis.

Intangible assets

Intangible assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Intangible assets are depreciated over a maximum of 10 years.

Investments

Listed investments held as endowment assets are shown at market value. Investments in subsidiary undertakings and non-listed entities are shown at the lower of cost or net realisable value.

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

Stock

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

Cash and cash equivalents

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, cash at bank and deposits repayable on demand. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. No other investments, however liquid, are included as cash.

Liquid resources comprise sums on short-term deposit with recognised banks. They exclude any such assets held as endowment assets.

Under FRS102, the exemption from the requirement to prepare a separate cash flow statement for the University has been applied. Foreign currency translations

Assets and liabilities denominated in foreign currencies are translated to the group's presentational currency (Sterling) at the rates of exchange ruling at the end of the financial year, with all resulting exchange differences being taken to the income and expenditure account in the period in which they arise.

Financial instruments

Risk Management

The University's principal financial instruments are cash, investments and loans. The core objective of these financial instruments is to meet the financing needs of the University's operations. Additionally, the University has other financial assets and liabilities arising directly from its operations i.e. trade debtors and creditors.

We have assessed the potential impact of Brexit on the organisation at present and consider there to be no material impact or significant risk to going concern.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the University.

Student and commercial debtors are reviewed on an-ongoing basis and a bad debt provision is made if recovery becomes uncertain. If a debtor is deemed irrecoverable it is written off. The concentration of risk is limited due to a large number of diverse customers across both students and commercial customer populations.

Liquidity risk

Liquidity risk refers to the risk that the University will not be able to meet its financial obligations as they fall due. Regular monitoring of liquidity risk is an essential feature of treasury management activities.

Cash flow forecasts form part of the University 5 year planning process and are revised during the financial year.

Foreign currency risk refers to the risk that unfavourable movement in exchange rates may cause financial loss to the University. The University's principal foreign currency exposure is to the euro. The operating level of euros is reviewed on a regular basis to mitigate the risk of adverse exchange rate movements. Accounting for retirement benefits

The three principal pension schemes for the University's staff are:

1. Teachers' Pension Scheme (TPS)
2. Universities Superannuation Scheme (USS)
3. Local Government Pension Scheme (LGPS).

All schemes are defined benefit schemes which are externally managed and contracted out of the State Second Pension (S2P), however Wrexham University's financial element of

the TPS and USS cannot be determined and as such these are treated as defined cost schemes under FRS102.

Contributions to the schemes are charged to the income and expenditure account so as to spread the cost of pensions over the employees' working lives with the University in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. Variations from regular costs are spread over the expected average remaining working lifetime of members of the schemes after making allowances for further withdrawals.

The contributions are determined by qualified actuaries on the basis of triennial valuations using the projected unit method. Wrexham University's financial element of the TPS and USS cannot be determined and as such these are treated as defined cost schemes under FRS 102.

The LGPS surplus or deficit is recognised as an asset or liability on the Statement of Financial Position. The current service cost and the past service costs are recorded within staff costs. The interest element is calculated based on the year end deficit (net liability) multiplied by the discount rate. All changes in pension surplus or deficit due to changes in actuarial assumptions

or differences between actuarial forecasts and the actual out-turn are reported in the statement of Comprehensive Income and Expenditure.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- a) the University has a present legal or constructive obligation as a result of a past event
- b) it is probable that a transfer of economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is discounted to present value where the time value of money is material.

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence of otherwise uncertain future events not wholly within the control of the University.

Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

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

Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed by way of a note.

Accounting judgements and estimates

The following key judgements and estimates have been applied in these financial statements.

- USS Pension Scheme accounting judgements have been applied using the BUFDG standard USS modelling tool at a discount rate consistent with BUFDG guidance and in line with the University group's future salary roll increase expectations.
- Local Government Pension scheme accounting judgements have been supplied by our scheme actuaries Mercers.

Reserves

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

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



Consolidated and University Statement of Comprehensive Income and Expenditure

Year Ended 31 July 2023

	Notes	Year Ended 31 July 2023		Year Ended 31 July 2022	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	37,129	37,129	33,112	33,112
Funding body grants	2	5,567	5,567	6,825	6,825
Research grants and contracts	3	700	700	1,543	1,543
Other income	4	7,011	5,624	5,599	3,170
Investment income	5	382	382	126	126
Donations and endowments	6	110	110	1	1
Total income		50,899	49,512	47,206	44,777
Expenditure					
Staff costs	7	23,259	22,008	21,150	19,715
Other pensions costs	7	2,130	2,013	2,182	2,030
LGPS Employer Pension	7	2,521	2,521	3,797	3,797
Other operating expenses	9	22,099	21,709	18,243	17,400
Depreciation	12	2,702	2,596	2,779	2,677
Impairment of intercompany debt	14	-	1,582	-	1,528
Interest and other finance costs	8	407	407	818	818
Total expenditure		53,118	52,837	48,969	47,965
(Deficit)/surplus before other gains/(losses)		(2,219)	(3,325)	(1,763)	(3,188)
Profit on disposal of fixed asset	12	17	17	5,999	5,999
Profit on disposal of long term debtor	17	-	-	642	642
(Deficit)/Surplus before tax		(2,202)	(3,308)	4,878	3,453
Taxation	10	50	50	40	40
(Deficit)/Surplus for the year		(2,252)	(3,358)	4,838	3,413
Other comprehensive income					
Actuarial gain in respect of pension schemes	23	12,151	12,151	25,527	25,527
Total comprehensive income for the year		9,899	8,793	30,365	28,940
Represented by:					
Restricted comprehensive income for the year		586	106	-	-
Unrestricted comprehensive income for the year		9,313	8,687	30,365	28,940
		9,899	8,793	30,365	28,940
Attributable to the University Group		9,899	8,793	30,365	28,940
(Deficit)/Surplus for the year attributable to:					
University Group		(2,252)	(3,358)	4,838	3,413

Consolidated and University Statement of Changes in Reserves

Year Ended 31 July 2023

Consolidated	<i>Restricted</i>	<i>Unrestricted</i>	Total
	£'000	£'000	£'000
Balance at 1 August 2021	200	20,138	20,338
Surplus/(Deficit) from the income and expenditure statement	-	4,838	4,838
Actuarial gain in respect of pension scheme	-	25,527	25,527
Transfer between funds	-	-	-
Total comprehensive income for the year	-	30,365	30,365
Balance at 1 August 2022	200	50,503	50,703
Surplus/(Deficit) from the income and expenditure statement	97	(2,349)	(2,252)
Adjustment for restricted balances in Subsidiary	474	(474)	-
Actuarial gain in respect of pension scheme	-	12,151	12,151
Transfer between funds	15	(15)	-
Total comprehensive income for the year	586	9,313	9,899
Balance at 31 July 2023	786	59,816	60,602
University			Total
	<i>Restricted</i>	<i>Unrestricted</i>	
	£'000	£'000	£'000
Balance at 1 August 2021	200	21,298	21,498
Surplus from the income and expenditure statement	-	3,413	3,413
Gift Aid received	-	29	29
Actuarial gain in respect of pension scheme	-	25,527	25,527
Total comprehensive income for the year	-	28,969	28,969
Balance at 1 August 2022	200	50,267	50,467
Surplus/(Deficit) from the income and expenditure statement	106	(3,464)	(3,358)
Gift Aid received	-	29	29
Actuarial gain in respect of pension scheme	-	12,151	12,151
Total comprehensive income for the year	106	8,716	8,822
Balance at 31 July 2023	306	58,983	59,289

Consolidated and University Statement of Financial Position

Year Ended 31 July 2023

	Notes	2023 Consolidated £'000	2023 University £'000	2022 Consolidated £'000	2022 University £'000
Non-current assets					
Intangible assets	11	252	252	-	-
Fixed assets	12	65,138	62,888	64,216	61,883
		<u>65,390</u>	<u>63,140</u>	<u>64,216</u>	<u>61,883</u>
Current assets					
Stock	13	27	9	33	9
Trade and other receivables : amounts falling due within one year	14	8,875	8,011	6,086	6,616
Investments	15	-	-	5,000	5,000
Cash and cash equivalents	20	26,971	26,798	17,992	17,172
		<u>35,873</u>	<u>34,818</u>	<u>29,111</u>	<u>28,797</u>
Less: Creditors: amounts falling due within one year	16	(27,025)	(26,828)	(17,099)	(16,483)
Net current assets		<u>8,848</u>	<u>7,990</u>	<u>12,012</u>	<u>12,314</u>
Total assets less current liabilities		<u>74,238</u>	<u>71,130</u>	<u>76,228</u>	<u>74,197</u>
Trade and other receivables : amounts falling due after more than one year	17	302	302	302	302
Creditors: amounts falling due after more than one year	18	(11,493)	(9,698)	(11,576)	(9,781)
Provisions					
Pension provisions	19	(2,009)	(2,009)	(13,490)	(13,490)
Other provisions	19	(436)	(436)	(761)	(761)
Total net assets		<u>60,602</u>	<u>59,289</u>	<u>50,703</u>	<u>50,467</u>
Restricted Reserves					
Income and expenditure reserve - restricted reserve	21	786	306	200	200
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		59,816	58,983	50,503	50,267
		<u>60,602</u>	<u>59,289</u>	<u>50,703</u>	<u>50,467</u>
Total Reserves		<u>60,602</u>	<u>59,289</u>	<u>50,703</u>	<u>50,467</u>

The financial statements were approved by the Board of Governors on 24th November 2023 and were signed on its behalf on that date by:



Dr Leigh Griffin
Chair of the Board of Governors



Professor Maria Hinfelaar
Vice-Chancellor and Chief Executive

Consolidated Statement of Cash Flows

As at 31 July 2023

	2023	2022
	£'000	£'000
Cash flow from operating activities		
Surplus/(Deficit) for the year	(2,252)	4,838
Adjustment for non-cash items		
Depreciation	2,702	2,779
Decrease in stock	6	(5)
Decrease in debtors < 1 Yr	(2,789)	(970)
Decrease in debtors > 1 Yr	-	1
Increase/(Decrease) in creditors < 1 Yr	9,843	3,039
Increase/(Decrease) in creditors > 1 Yr	-	-
Increase in pension provision	670	2,468
(Decrease)/Increase in other provisions	(325)	(45)
Adjustment for investing or financing activities		
Investment income	(382)	(126)
Interest payable	40	284
Interest element of finance lease	-	1
Loss/(Profit) on the sale of fixed assets	(17)	(5,999)
Loss/(Profit) on the sale of long term debtor	-	(642)
Capital grant income	<u>(1,324)</u>	<u>(1,672)</u>
Net cash inflow/(outflow) from operating activities	6,172	3,951
Cash flows from investing activities		
Capital grants receipts	1,324	1,828
Investment income	382	126
Disposal of fixed asset	17	9,291
Disposal of long term debtor	-	1,991
Payments made to acquire fixed assets	(3,876)	(2,835)
New deposits	<u>5,000</u>	<u>(5,000)</u>
Net cash inflow/(outflow) from investing activities	2,847	5,401
Cash flows from financing activities		
Interest paid	(40)	(284)
Interest element of finance lease	-	(1)
Repayments of amounts borrowed	-	(8,875)
Capital element of finance lease	<u>-</u>	<u>(20)</u>
Net cash outflow from financing activities	(40)	(9,180)
Increase in cash and cash equivalents in the year	<u>8,979</u>	<u>172</u>
Cash and cash equivalents at beginning of the year	17,992	17,820
Cash and cash equivalents as at 31 July 2023	26,971	17,992

Notes to the Accounts

Year Ended 31 July 2023

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
1 Tuition fees and education contracts				
Full-time home and EU students	14,057	14,057	15,600	15,600
Full-time international students	15,262	15,262	10,597	10,597
Part-time students	3,914	3,914	4,658	4,658
Academic Contracts	3,896	3,896	2,257	2,257
	<u>37,129</u>	<u>37,129</u>	<u>33,112</u>	<u>33,112</u>
2 Funding body grants				
Recurrent grant				
Higher Education Funding Council	2,339	2,339	2,348	2,348
Specific grants				
Higher Education Funding Other	1,530	1,530	2,775	2,775
Higher Education Funding Degree Apprenticeships	404	404	534	534
Higher Education Funding Council Quality Research	244	244	279	279
Capital grant				
Buildings	466	466	321	321
Equipment	584	584	568	568
	<u>5,567</u>	<u>5,567</u>	<u>6,825</u>	<u>6,825</u>
3 Research grants and contracts				
Research councils	1	1	1	1
Research charities	19	19	75	75
Government (UK and overseas)	627	627	1,433	1,433
Industry and commerce	53	53	34	34
	<u>700</u>	<u>700</u>	<u>1,543</u>	<u>1,543</u>
Income from Government (UK and overseas) includes £nil in respect of capital grants released in the year (2021/22: £546k)				
4 Other income				
Residences, catering and conferences	2,519	2,519	1,979	1,744
Other capital grants	274	183	783	146
Job Retention Scheme Grant	-	-	1	1
Other income	4,218	2,922	2,836	1,279
	<u>7,011</u>	<u>5,624</u>	<u>5,599</u>	<u>3,170</u>
5 Investment income				
Investment income on finance lease	-	-	121	121
Other investment income	382	382	5	5
	<u>382</u>	<u>382</u>	<u>126</u>	<u>126</u>
6 Donations and endowments				
Donations	110	110	1	1
	<u>110</u>	<u>110</u>	<u>1</u>	<u>1</u>

Notes to the Accounts

Year Ended 31 July 2023

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
1 Tuition fees and education contracts				
Full-time home and EU students	14,057	14,057	15,600	15,600
Full-time international students	15,262	15,262	10,597	10,597
Part-time students	3,914	3,914	4,658	4,658
Academic Contracts	3,896	3,896	2,257	2,257
	<u>37,129</u>	<u>37,129</u>	<u>33,112</u>	<u>33,112</u>
2 Funding body grants				
Recurrent grant				
Higher Education Funding Council	2,339	2,339	2,348	2,348
Specific grants				
Higher Education Funding Other	1,530	1,530	2,775	2,775
Higher Education Funding Degree Apprenticeships	404	404	534	534
Higher Education Funding Council Quality Research	244	244	279	279
Capital grant	466	466	321	321
Buildings				
Equipment	584	584	568	568
	<u>5,567</u>	<u>5,567</u>	<u>6,825</u>	<u>6,825</u>
3 Research grants and contracts				
Research councils	1	1	1	1
Research charities	19	19	75	75
Government (UK and overseas)	627	627	1,433	1,433
Industry and commerce	53	53	34	34
	<u>700</u>	<u>700</u>	<u>1,543</u>	<u>1,543</u>
Income from Government (UK and overseas) includes £nil in respect of capital grants released in the year (2021/22: £546k)				
4 Other income				
Residences, catering and conferences	2,519	2,519	1,979	1,744
Other capital grants	274	183	783	146
Job Retention Scheme Grant	-	-	1	1
Other income	4,218	2,922	2,836	1,279
	<u>7,011</u>	<u>5,624</u>	<u>5,599</u>	<u>3,170</u>
5 Investment income				
Investment income on finance lease	-	-	121	121
Other investment income	382	382	5	5
	<u>382</u>	<u>382</u>	<u>126</u>	<u>126</u>
6 Donations and endowments				
Donations	110	110	1	1
	<u>110</u>	<u>110</u>	<u>1</u>	<u>1</u>

Notes to the Accounts

Year Ended 31 July 2023

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
7 Staff costs				
Staff Costs :				
Salaries	20,935	19,837	19,020	17,724
Social security costs	2,105	2,006	1,875	1,761
Redundancy costs	219	165	255	230
Staff Costs	23,259	22,008	21,150	19,715
Other pension costs	2,130	2,013	2,182	2,030
LGPS Employer Pension Contributions	2,042	2,042	1,848	1,848
LGPS Current service costs	479	479	1,949	1,949
Pensions Costs	4,651	4,534	5,979	5,827
Total Staff Costs	27,910	26,542	27,129	25,542

Notes to the Accounts

Year Ended 31 July 2023

7 Staff costs (continued)

	2023	2022
	£	£
Emoluments of the Vice-Chancellor:		
Salary	211,851	206,654
Total emoluments excluding pension contributions	211,851	206,654
Pension contributions to TPS	16,722	48,936
Total emoluments including pension contributions	228,573	255,590

The emoluments were paid to the Vice-Chancellor, Professor Maria Hinfelaar, who has been remunerated in line with her contractual terms.

The governing body adopted the Committee of University Chair's Senior Staff Remuneration Code in July 2019 and assesses senior pay in line with its principals. The remuneration package of senior postholders including the Vice-Chancellor, is subject to annual review by the Remuneration Committee of the Board of Governors. A full explanation of the process for assessing the performance of the Vice-Chancellor and determining and justifying their remuneration is provided in the annual report section.

The Vice-Chancellor's basic salary is 6.16 times the median pay of staff (2022 - 5.68 times), where the median pay is calculated on a full time equivalent basis for the salaries paid by the University and its subsidiaries to its staff.

The Vice-Chancellor's total remuneration is 5.73 times the median total remuneration of staff (2022 - 5.61 times), where the median total remuneration is calculated on a full time equivalent basis for the total remuneration by the University and its subsidiaries to its staff. Total remuneration includes basic pay and employer pension contributions.

The median calculations do not include agency staff who are not employees of the University or its subsidiaries where the cost is accounted for within Other Operating Expenses.

Remuneration of other higher paid staff, excluding employer's pension contributions:

	2023	2022
	No.	No.
£100,000 - £104,999	2	2
£105,000 - £109,999	3	1
£110,000 - £114,999	1	1
£115,000 - £119,999	-	-
£120,000 - £124,999	1	-
£125,000 - £129,999	-	-
£130,000 - £134,999	-	-
£135,000 - £139,999	-	1
	7	5

	2023	2022
	£	£
Key management personnel compensation	1,152,216	1,047,069

Key management are the Universities Executive team who consist of Vice-Chancellor, Deputy Vice-Chancellor, Pro Vice-Chancellor Partnerships, Pro Vice-Chancellor Research, Executive Director of Finance, Director of HR, Director of Operations and Dean of Faculty.

Average staff numbers by major category :	2023	2022
	No.	No.
Teaching Departments & Academic Support	234	203
Administration & Central Services	251	231
Premises	25	19
	510	453

Notes to the Accounts

Year Ended 31 July 2023

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
8 Interest and other finance costs				
Loan interest	40	40	284	284
Finance lease interest	-	-	1	1
Net charge on USS pension scheme	7	7	1	1
	<u>47</u>	<u>47</u>	<u>286</u>	<u>286</u>
Net charge on LGPS pension scheme	360	360	532	532
	<u>360</u>	<u>360</u>	<u>532</u>	<u>532</u>
	<u>407</u>	<u>407</u>	<u>818</u>	<u>818</u>

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
9 Analysis of operating expenditure by activity				
Academic & Related Expenditure	11,781	11,456	7,734	7,397
Administration & Central Services	3,803	3,803	5,351	5,351
Premises	4,181	4,293	3,503	3,365
Residences, Catering & Conferences	875	875	517	479
Research Grants & Contracts	541	541	605	605
Other Expenses	918	741	533	203
	<u>22,099</u>	<u>21,709</u>	<u>18,243</u>	<u>17,400</u>

Other operating expenses include:

External auditors remuneration in respect of audit services	150	120	74	57
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Operating lease rentals

Other	36	36	6	6
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The 2022/23 audit fee is reported exclusive of VAT.

The audit fee for 2021/22 was incorrectly disclosed - the fee was £100k excluding VAT for the Group.

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
10 Taxation				
Recognised in the statement of comprehensive income				
Current tax				
Current tax expense	50	50	40	40
Adjustment in respect of previous years	-	-	-	-
Current tax expense	<u>50</u>	<u>50</u>	<u>40</u>	<u>40</u>
Deferred tax				
Origination and reversal of timing differences	-	-	-	-
Reduction in tax rate	-	-	-	-
Recognition of previously unrecognised tax losses	-	-	-	-
Deferred tax expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total tax expense	<u>50</u>	<u>50</u>	<u>40</u>	<u>40</u>

In the opinion of the Board of Governors, the criteria of the s505 ICTA 1998 and s256 TCGA 1992 are fulfilled and there is no Corporation Tax liability arising on the University's activities for the period ended 31 July 2023 or 31 July 2022.

Notes to the Accounts

Year Ended 31 July 2023

11 Intangible Assets

Consolidated

	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 August 2022	678	-	678
Additions	-	33	33
Transfers	-	419	419
Disposals	-	-	-
At 31 July 2023	678	452	1,130
Amortisation			
At 1 August 2022	678	-	678
Charge for the year	-	86	86
Transfers	-	114	114
Disposals	-	-	-
At 31 July 2023	678	200	878
Net book value			
At 31 July 2023	-	252	252
At 31 July 2022	-	-	-

	Goodwill £'000	Software £'000	Total £'000
University			
Cost			
At 1 August 2022	678	-	678
Additions	-	33	33
Transfers	-	419	419
Disposals	-	-	-
At 31 July 2023	678	452	1,130
Amortisation			
At 1 August 2022	678	-	678
Charge for the year	-	86	86
Transfers	-	114	114
Disposals	-	-	-
At 31 July 2023	678	200	878
Net book value			
At 31 July 2023	-	252	252
At 31 July 2022	-	-	-

During the year items of software with a carrying amount of £305,000 were transferred from tangible fixed assets to intangible fixed assets.

Notes to the Accounts

Year Ended 31 July 2023

12 Fixed Assets

Consolidated

	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Deemed Cost				
At 1 August 2022	68,744	9,772	2,925	81,441
Additions	-	799	3,044	3,843
Transfers	3,074	176	(3,669)	(419)
Disposals	(266)	(21)	-	(287)
At 31 July 2023	71,552	10,726	2,300	84,578
Depreciation				
At 1 August 2022	9,802	7,423	-	17,225
Charge for the year	1,715	901	-	2,616
Transfers	-	(114)	-	(114)
Disposals	(266)	(21)	-	(287)
At 31 July 2023	11,251	8,189	-	19,440
Net book value				
At 31 July 2023	60,301	2,537	2,300	65,138
At 31 July 2022	58,942	2,349	2,925	64,216

	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Assets in the Course of Construction £'000	Total £'000
University				
Deemed Cost				
At 1 August 2022	66,506	9,441	2,925	78,872
Additions	-	776	3,044	3,820
Transfers	3,074	176	(3,669)	(419)
Disposals	(266)	(21)	-	(287)
At 31 July 2023	69,314	10,372	2,300	81,986
Depreciation				
At 1 August 2022	9,720	7,269	-	16,989
Charge for the year	1,670	840	-	2,510
Transfers	-	(114)	-	(114)
Disposals	(266)	(21)	-	(287)
At 31 July 2023	11,124	7,974	-	19,098
Net book value				
At 31 July 2023	58,190	2,398	2,300	62,888
At 31 July 2022	56,786	2,172	2,925	61,883

During the year items of software with a carrying amount of £305,000 were transferred from tangible fixed assets to intangible fixed assets.

Notes to the Accounts

Year Ended 31 July 2023

12 Fixed Assets

During the 2018/19 year the University entered into a development agreement and 99 year finance lease with the Football Association of Wales to lease Colliers Park training ground. This has been removed from fixed assets and is now represented within finance lease assets / finance leases. See note 20.

Leased assets included above:

	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Net Book Value:				
At 31 July 2023	-	-	-	-
At 31 July 2022	-	6	-	6

Consolidated fixtures, fittings and equipment include assets held under finance leases as follows:

	Year Ended 31 July 2023 £'000
Cost B/fwd	470
Accumulated depreciation B/fwd	(464)
Charge for year	(6)
Net book value	-

Notes to the Accounts

Year Ended 31 July 2023

13 Stock

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
General consumables	27	9	33	9
	<u>27</u>	<u>9</u>	<u>33</u>	<u>9</u>

14 Trade and other receivables : amounts falling due within one year

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Trade receivables	5,058	4,023	4,112	2,801
Prepayments and accrued income	3,817	3,784	1,974	1,962
Amounts due from subsidiary companies	-	204	-	1,853
	<u>8,875</u>	<u>8,011</u>	<u>6,086</u>	<u>6,616</u>

15 Current Investments

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Short term deposits	-	-	5,000	5,000
	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>

16 Creditors : amounts falling due within one year

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Obligations under finance leases	5	5	5	5
Trade payables	1,349	1,364	1,714	1,673
Social security and other taxation payable	568	535	506	475
Other Creditors	5,742	5,730	3,498	3,408
HEFCW Clawback	648	648	497	497
Accruals and deferred income	16,957	16,790	9,178	8,815
Holiday Pay	347	347	374	374
Deferred Capital Grants	1,409	1,409	1,327	1,236
	<u>27,025</u>	<u>26,828</u>	<u>17,099</u>	<u>16,483</u>

17 Trade and other receivables : amounts falling due after more than one year

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Amount due from finance lease	302	302	302	302
	<u>302</u>	<u>302</u>	<u>302</u>	<u>302</u>

As at 4th June 2018 the University entered into a development agreement and 99 year full repairing finance lease with the Football Association of Wales to lease Colliers Park training ground. The training ground asset has been removed from fixed assets and is now represented above. The lease has an implicit interest rate of 9.9% with annual payments of £30,000 over the 99 year term. The present value of total lease payments is £302k.

Notes to the Accounts

Year Ended 31 July 2023

18 Creditors : amounts falling due after more than one year

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Deferred Capital Grants	11,493	9,698	11,576	9,781
	<u>11,493</u>	<u>9,698</u>	<u>11,576</u>	<u>9,781</u>

19 Provisions for liabilities

Consolidated	Obligation to fund deficit on USS Pension £'000	Pension enhancements on termination £'000	Defined Benefit Obligations £'000	Total Pensions Provisions £'000	Redundancy £'000	Part-time Credit clawback provision £'000	Total Other £'000
At 1 August 2022	202	1,976	11,312	13,490	-	761	761
Utilised/released in year	-	-	-	-	-	(761)	(761)
Additions in 2023	-	-	-	-	-	436	436
Unused amounts reversed in 2023	(44)	(125)	(11,312)	(11,481)	-	-	-
At 31 July 2023	<u>158</u>	<u>1,851</u>	<u>-</u>	<u>2,009</u>	<u>-</u>	<u>436</u>	<u>436</u>
University							
	Obligation to fund deficit on USS Pension £'000	Pension enhancements on termination £'000	Defined Benefit Obligations £'000	Total Pensions Provisions £'000	Redundancy £'000	Part-time Credit clawback provision £'000	Total Other £'000
At 1 August 2022	202	1,976	11,312	13,490	-	761	761
Utilised/released in year	-	-	-	-	-	(761)	(761)
Additions in 2023	-	-	-	-	-	436	436
Unused amounts reversed in 2023	(44)	(125)	(11,312)	(11,481)	-	-	-
At 31 July 2023	<u>158</u>	<u>1,851</u>	<u>-</u>	<u>2,009</u>	<u>-</u>	<u>436</u>	<u>436</u>

Defined benefit pension obligations are covered in more detail in note 23.

Part time credit claw back provision for 21-22 has been established with HEFCW and is now held within Creditors : amounts falling due within one year and a new provision has been established for the 22-23 potential clawback still to be agreed with HEFCW.

Pension enhancement

The enhanced pension provision relates to the cost of staff who have already left the University's employ and commitments for reorganisation costs from which the college cannot reasonably withdraw at the balance sheet date. The principal assumptions remain the same as 2021/2022:

	2023	2022
Price inflation	3.74%	3.74%
Discount rate	2.50%	2.50%

USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

Notes to the Accounts

Year Ended 31 July 2023

20 Cash and cash equivalents

	At 1st August 2022 £'000	Cash Flows £'000	At 31st July 2023 £'000
Consolidated			
Cash and cash equivalents	17,992	8,979	26,971
	<u>17,992</u>	<u>8,979</u>	<u>26,971</u>

21 Restricted reserves

	31 July 2023		31 July 2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
At 1 August	200	200	200	200
Income	407	110	-	-
Expenditure	(310)	(4)	-	-
Transfer	489	-	-	-
Total restricted comprehensive income/(expenditure) for the year	586	106	-	-
At 31 July	<u>786</u>	<u>306</u>	<u>200</u>	<u>200</u>

22 Lease obligations

Total rentals payable under operating leases:

	Land and Buildings £'000	Plant and Machinery £'000	31 July 2023	31 July 2022
			Total £'000	Total £'000
Payable during the year	30	6	36	36
Future minimum lease payments due:				
Not later than 1 year	30	-	30	36
Later than 1 year and not later than 5 years	120	-	120	120
Later than 5 years	2,700	-	2,700	2,730
Total lease payments due	<u>2,850</u>	<u>-</u>	<u>2,850</u>	<u>2,886</u>

Total rentals payable under financing leases:

	31 July 2023	31 July 2022
	IT Lease £'000	IT Lease £'000
Payable during the year	5	20
Future minimum lease payments due:		
Not later than 1 year	-	5
Later than 1 year and not later than 5 years	-	-
Total lease payments due	<u>-</u>	<u>5</u>

Total rental receivable under financing leases:

	Consolidated and University			
	Asset receipt £'000	Interest receipts £'000	31 July 2023	31 July 2022
Total lease receipts £'000			Total lease receipts £'000	
Racecourse Stadium / Colliers Park Leases				
Receiveable during the year	-	30	30	121
Future minimum lease receipts due:				
Not later than 1 year	-	30	30	30
Later than 1 year and not later than 5 years	-	120	120	120
Later than 5 years	302	2,368	2,670	2,730
Total lease receipts due	<u>302</u>	<u>2,518</u>	<u>2,820</u>	<u>2,880</u>

As at 4th June 2018 the University entered into a development agreement and 99 year full repairing finance lease with the Football Association of Wales to lease Colliers Park training ground. The training ground asset has been removed from fixed assets and is now represented above. The lease has an implicit interest rate of 9.9% with annual payments of £30,000 over the 99 year term. The present value of total lease payments is £302k.

Notes to the Accounts

Year Ended 31 July 2023

18 Creditors : amounts falling due after more than one year

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Deferred Capital Grants	11,493	9,698	11,576	9,781
	<u>11,493</u>	<u>9,698</u>	<u>11,576</u>	<u>9,781</u>

19 Provisions for liabilities

Consolidated	Obligation to fund deficit on USS Pension £'000	Pension enhancements on termination £'000	Defined Benefit Obligations £'000	Total Pensions Provisions £'000	Redundancy £'000	Part-time Credit clawback provision £'000	Total Other £'000
At 1 August 2022	202	1,976	11,312	13,490	-	761	761
Utilised/released in year	-	-	-	-	-	(761)	(761)
Additions in 2023	-	-	-	-	-	436	436
Unused amounts reversed in 2023	(44)	(125)	(11,312)	(11,481)	-	-	-
At 31 July 2023	<u>158</u>	<u>1,851</u>	<u>-</u>	<u>2,009</u>	<u>-</u>	<u>436</u>	<u>436</u>

University

University	Obligation to fund deficit on USS Pension £'000	Pension enhancements on termination £'000	Defined Benefit Obligations £'000	Total Pensions Provisions £'000	Redundancy £'000	Part-time Credit clawback provision £'000	Total Other £'000
At 1 August 2022	202	1,976	11,312	13,490	-	761	761
Utilised/released in year	-	-	-	-	-	(761)	(761)
Additions in 2023	-	-	-	-	-	436	436
Unused amounts reversed in 2023	(44)	(125)	(11,312)	(11,481)	-	-	-
At 31 July 2023	<u>158</u>	<u>1,851</u>	<u>-</u>	<u>2,009</u>	<u>-</u>	<u>436</u>	<u>436</u>

Defined benefit pension obligations are covered in more detail in note 23.

Part time credit claw back provision for 21-22 has been established with HEFCW and is now held within Creditors : amounts falling due within one year and a new provision has been established for the 22-23 potential clawback still to be agreed with HEFCW.

Pension enhancement

The enhanced pension provision relates to the cost of staff who have already left the University's employ and commitments for reorganisation costs from which the college cannot reasonably withdraw at the balance sheet date. The principal assumptions remain the same as 2021/2022:

	2023	2022
Price inflation	3.74%	3.74%
Discount rate	2.50%	2.50%

USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

Notes to the Accounts

Year Ended 31 July 2023

20 Cash and cash equivalents				
	At 1st August 2022 £'000	Cash Flows £'000	At 31st July 2023 £'000	
Consolidated				
Cash and cash equivalents	<u>17,992</u>	<u>8,979</u>	<u>26,971</u>	
	<u>17,992</u>	<u>8,979</u>	<u>26,971</u>	
21 Restricted reserves				
	31 July 2023		31 July 2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
At 1 August	200	200	200	200
Income	407	110	-	-
Expenditure	(310)	(4)	-	-
Transfer	<u>489</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total restricted comprehensive income/(expenditure) for the year	586	106	-	-
At 31 July	<u>786</u>	<u>306</u>	<u>200</u>	<u>200</u>
22 Lease obligations				
Total rentals payable under operating leases:				
	Land and Buildings £'000	Plant and Machinery £'000	31 July 2023 Total £'000	31 July 2022 Total £'000
Payable during the year	30	6	36	36
Future minimum lease payments due:				
Not later than 1 year	30	-	30	36
Later than 1 year and not later than 5 years	120	-	120	120
Later than 5 years	<u>2,700</u>	<u>-</u>	<u>2,700</u>	<u>2,730</u>
Total lease payments due	<u>2,850</u>	<u>-</u>	<u>2,850</u>	<u>2,886</u>
Total rentals payable under financing leases:				
	31 July 2023 IT Lease £'000		31 July 2022 IT Lease £'000	
Payable during the year	5		20	
Future minimum lease payments due:				
Not later than 1 year	-		5	
Later than 1 year and not later than 5 years	<u>-</u>		<u>-</u>	
Total lease payments due	<u>-</u>		<u>5</u>	
Total rental receivable under financing leases:				
	Consolidated and University			
	31 July 2023		31 July 2022	
	Asset receipt £'000	Interest receipts £'000	Total lease receipts £'000	Total lease receipts £'000
Racecourse Stadium / Colliers Park Leases				
Receiveable during the year	-	30	30	121
Future minimum lease receipts due:				
Not later than 1 year	-	30	30	30
Later than 1 year and not later than 5 years	-	120	120	120
Later than 5 years	<u>302</u>	<u>2,368</u>	<u>2,670</u>	<u>2,730</u>
Total lease receipts due	<u>302</u>	<u>2,518</u>	<u>2,820</u>	<u>2,880</u>

As at 4th June 2018 the University entered into a development agreement and 99 year full repairing finance lease with the Football Association of Wales to lease Colliers Park training ground. The training ground asset has been removed from fixed assets and is now represented above. The lease has an implicit interest rate of 9.9% with annual payments of £30,000 over the 99 year term. The present value of total lease payments is £302k.

Notes to the Accounts

Year Ended 31 July 2023

23 Subsidiary undertakings

The subsidiary companies (all of which are registered in England & Wales), wholly-owned or effectively controlled by the University, are as follows:

Company	Principal Activity	Status
Glyndwr Innovations Ltd	Consultancy, commercial technical contracts, business incubation	100% owned
North Wales Science	Science discovery centre	Limited by guarantee
Glyndwr Services Ltd	Provision of security and combined facilities support activities	100% owned

All of the above subsidiaries operate to the same financial year end as the University.

Notes to the Accounts

Year Ended 31 July 2023

24 Pension Schemes

Retirement benefits for employees of the University are provided by defined benefit schemes which are funded by contributions from the University and employees.

Payments are made to the Teachers' Pension Scheme (TPS) for academic and related staff, the Local Government Pension Scheme (LGPS) for non-academic staff, Universities Superannuation Scheme for pre-existing members and NEST for some staff employed in the subsidiaries. These are all independently administered schemes.

The total pension cost for the period was £4,651k (2022- £5,979k). The expected costs for 2023/24 for the LGPS are £1,444k service costs and (£173k) net interest costs in addition to contributions to TPS and USS schemes.

(i) Teachers Pension Scheme

The Teachers' Pension Budgeting and Valuation Account

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The university is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the university has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The university has set out above the information available on the plan and the implications for the university in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

Valuation Of The Teachers' Pension Scheme

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion.

As a result of the valuation, new employer contribution rates were set at 28.6% of pensionable pay from April 2024 onwards (compared to 23.68% during 2022/3).

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

[https://www.teacherspensions.co.uk/-/media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report--26_10_23-\(002\).ashx](https://www.teacherspensions.co.uk/-/media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report--26_10_23-(002).ashx)

Notes to the Accounts

Year Ended 31 July 2023

24 Pension Schemes

(ii) The Universities Superannuation Scheme

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

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

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

Pension Costs

The total cost credited to the profit and loss account is £15,515 (prior year credit: £122,653). Deficit recovery contributions due within one year for the institution are £13,857 (prior year: £13,789).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020 ("the valuation date"), which was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

Due to the small number of members the University has in the scheme an indicative estimate of the crystallisation of the Section 75 debt was sought from USS. Estimated Section 75 debt as at 31 March 2022 - Wrexham University's proportion of the whole scheme debt; i.e. 0.00461% of £63.3bn was £2.9m.

Notes to the Accounts

Year Ended 31 July 2023

24 Pension Schemes

(ii) The Universities Superannuation Scheme (continued)

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles:

<https://www.uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles>

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table	2020 valuation 101% of S2PMA "light" for males and 95% of S3PFA for females.
Future improvements to mortality	CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	3.32%	3.31%
Pension increases (CPI)	2.50%	2.50%

Notes to the Accounts

Year Ended 31 July 2023

24 Pension Schemes (continued)

(iii) LGPS

(Retirement Benefits) Disclosure for the accounting period ending 31 July 2023

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Flintshire Country Council (Clwyd Pension Fund).

The agreed contribution rates for future years are currently 17.2% for employers (subject to the triennial valuation in March 2022) and range from 5.5% to 12.5% for employees, depending on salary.

The following information is based upon the last formal triennial actuarial valuation of the scheme was performed as at 31 March 2019 and updated at 31 March 2022 by an independent qualified actuary.

The DBO at 31 July 2023 includes an allowance for the known CPI indices that are anticipated to be used to set the 2023 pension amount. This has been allowed for as experience in the OCI this year.

Assumptions

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

	At 31 July 2023 %pa	At 31 July 2022 %pa
Discount rate	5.10%	3.50%
Price Inflation (CPI)	2.70%	2.70%
Rate of increase in salaries (short term - for 4 years)	3.95%	3.95%
Rate of increase in salaries (long term)	3.95%	3.95%
Rate of increase of pensions in payment for LGPS members	2.80%	2.80%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and (female) members at age 65 (average during the period).

	Years
Life expectancy for a male aged 65 now	22.5
Life expectancy at 65 for a male aged 45 now	24.0
Life expectancy for a female aged 65 now	24.9
Life expectancy at 65 for a female aged 45 now	26.9

The mortality rate is based on publicly available mortality tables for the specific country. COVID-19 has caused a short-term increase in deaths in the UK but the excess deaths to date have not generally had a material impact on UK pension scheme liabilities. The future impact of COVID-19 on long term mortality improvements is currently uncertain with potential adverse implications of delayed medical interventions and "long COVID" along with potential positive implications if the surviving population is less "frail" or the pandemic causes improved healthcare initiatives and lifestyle changes. Overall, the University Group believes there is insufficient evidence to require an explicit adjustment to the mortality assumption for COVID-19 at this time.

Notes to the Accounts

Year Ended 31 July 2023

24 Pension Schemes (continued)

Scheme assets for LGPS

	Year Ended 31 July 2023 £'000	Year Ended 31 July 2022 £'000
Analysis of the amount shown in the balance sheet for LGPS :		
Scheme assets	68,145	67,951
Scheme liabilities	(65,272)	(79,263)
Impact of asset ceiling	(2,873)	-
Surplus/(Deficit) in the scheme – net pension liability recorded within pension provisions (Note 18)	<u>-</u>	<u>(11,312)</u>
Current service cost	2,403	3,677
Administration expenses	76	67
Effect of curtailments	42	53
Total operating charge:	<u>2,521</u>	<u>3,797</u>
Analysis of the amount charged to interest payable/credited to other finance income for LGPS		
Interest cost	2,749	1,606
Expected return on assets	(2,389)	(1,074)
Net charge to other finance income	<u>360</u>	<u>532</u>
Total profit and loss charge before deduction for tax		
Analysis of other comprehensive income for LGPS :		
(Loss)/gain on assets	2,715	241
Experience loss on liabilities	7,507	5,919
Loss/(gain) on liabilities	(22,373)	(31,687)
Total other comprehensive income before deduction for tax	<u>(12,151)</u>	<u>(25,527)</u>

The LGPS pension scheme at 31 July 2023 reported a surplus (the fair value of plan assets exceeds the present value of benefit obligations).

The Group does not have an inherent right to a refund of that surplus, but might have a recognisable surplus arising from the economic value of potential reduced future contributions.

In measuring the economic value, FRS102 is not explicit in the approach to adopt and in the absence of clear guidance, the Group have applied the principles in IFRIC14 and as a consequence are not recognising any of the surplus.

Notes to the Accounts

Year Ended 31 July 2023

24 Pension Schemes (continued)

	At 31-Jul 2023 £'000	At 31-Jul 2022 £'000		
Cumulative actuarial loss recognised as other comprehensive income for LGPS				
Cumulative actuarial gains/(losses) recognised at the start of the year	20,516	(5,011)		
Cumulative actuarial gains recognised at the end of the year	32,667	20,516		
Analysis of movement in surplus/(deficit) for LGPS				
Deficit at beginning of year	(11,312)	(34,358)		
Contributions or benefits paid by the University	2,042	1,848		
Current service cost	(2,403)	(3,677)		
Administration expenses	(76)	(67)		
Curtailments	(42)	(53)		
Other finance charge	(360)	(532)		
(Loss)/gain recognised in other comprehensive income	<u>12,151</u>	<u>25,527</u>		
Surplus/(Deficit) at end of year	-	(11,312)		
	Year to 31 July 2023 £'000	Year to 31 July 2022 £'000		
Analysis of movement in the present value of LGPS				
Present value of LGPS at the start of the year	79,263	101,083		
Current service cost (net of member contributions)	2,403	3,677		
Interest on member liabilities	2,749	1,606		
Curtailments	42	53		
Actual member contributions (including notional contributions)	640	571		
Experience (gain)/loss	7,507	5,919		
Actuarial (gain)/loss	(25,246)	(31,687)		
Actual benefit payments	<u>(2,086)</u>	<u>(1,959)</u>		
Present value of LGPS at the end of the year	65,272	79,263		
	Year to 31 July 2023 £'000	Year to 31 July 2022 £'000		
Analysis of movement in the fair value of scheme assets				
Fair value of assets at the start of the year	67,951	66,725		
Interest on plan assets	2,389	1,074		
Administration expenses	(76)	(67)		
Remeasurements (assets)	(2,715)	(241)		
Actual contributions paid by University	2,042	1,848		
Actual member contributions (including notional contributions)	640	571		
Actual benefit payments	<u>(2,086)</u>	<u>(1,959)</u>		
Fair value of scheme assets at the end of the year	68,145	67,951		
	31 July 2023	31 July 2022		
Breakdown of scheme assets at 31 July 2023	£'000	%	£'000	%
Asset Class				
Equities	9,336	13.7%	13,318	19.6%
Government Bonds	-	0.0%	-	0.0%
Other bonds	27,258	40.0%	21,133	31.1%
Property	3,884	5.7%	4,349	6.4%
Cash/liquidity	1,567	2.3%	2,514	3.7%
Other	<u>26,100</u>	38.3%	<u>26,637</u>	39.2%
Total	68,145		67,951	

The roll forward approach has been adopted for the accounting valuation and investment returns are based on 11 months of actual returns from August 2022 to June 2023, with July 2023 estimated based on monthly asset values.

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

The University Group acts as guarantor for the LGPS payments of those staff that were transferred under TUPE to Aramark Ltd and those staff employed by the Students Union

Notes to the Accounts

Year Ended 31 July 2023

25 Events after the reporting period

The sale of land owned by the University at Dean Road, Wrexham was completed on 6th October 2023 with cash received into the University's bank account of almost £5m on 11th October 2023. The sale was expected to complete prior to the end of the 2022/23 financial year but due to delays, the profit on sale will now be reflected in the financial statements for 2023/24 at c£4,250k.

26 Related party transactions

Due to the nature of the University's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the Board of Governors may have an interest.

No Board of Governors member has received any remuneration/waived payments from the group during the year (2022 - none).

All transactions involving organisations in which a member of the Board of Governors, their closely related family members or dependants may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. All members of the Board of Governors and senior post holders are required annually to declare any interests and disclose all related party transactions, where appropriate.

The Institution has taken advantage of the exemption within FRS 102 and has not disclosed transactions with other group entities where it holds 100% of the voting rights.

Included within the financial statements are the following transactions with related parties :

	Income £'000	Expenditure £'000	Balance at 31 July 2023 £'000
Amy Anglesea - Wrexham Glyndŵr Students' Union	(7.8)	437.8	(3.0)
Plas Coch Rd, Campus, Wrexham LL11 2AW			
Mr Jim Barclay - CIPFA	0.0	0.1	0.0
77 Mansell Street, London E1 8AN			
Maisie Head - Wrexham Glyndŵr Students' Union	(7.8)	437.8	(3.0)
Plas Coch Rd, Campus, Wrexham LL11 2AW			
Ms Lauren Hole - Wrexham Glyndŵr Students' Union	(7.8)	437.8	(3.0)
Plas Coch Rd, Campus, Wrexham LL11 2AW			
Ms Lauren Hole - Labour Party	(0.5)	0.0	0.0
20 Rushworth Street, London SE1 0SS			
Mrs Claire Homard - Flintshire County Council	(20.1)	198.0	(0.9)
County Hall, Mold, Flintshire CH7 6NB			
Mrs Claire Homard - Theatr Clwyd Trust Ltd	(54.0)	17.5	0.0
Raikes Ln, Mold CH7 1YA			
Mrs Claire Homard - Denbighshire County Council	(21.0)	111.4	5.8
Denbighshire County Council, PO Box 62, Ruthin LL15 9AZ			
Ms Diane McCarthy - St Asaph Diocesan	(0.4)	0.0	0.0
High Street, St Asaph, Denbighshire LL17 0RD			
Mr Paul McGrady - Clwyd Alyn Housing Association	(0.5)	0.0	(1.0)
St Asaph Business Park, 72 Ffordd William Morgan, Saint Asaph LL17 0JD			
Mr Paul McGrady - CIPFA	0.0	0.1	0.0
77 Mansell Street, London E1 8AN			
Mr Will Naylor - The Open University	(4.0)	0.0	(0.3)
Walton Hall, Milton Keynes, MK7 6AA			
Jayne Owen - North Wales Housing Association Ltd	0.0	2.3	0.0
Plas Blodwel, Broad Street, Llandudno Junction Conwy, North Wales, LL31 9HL			
Jayne Owen - CIPFA	0.0	0.1	0.0
77 Mansell Street, London E1 8AN			
Amy Rowley - Wrexham Glyndŵr Students' Union	(7.8)	437.8	(3.0)
Plas Coch Rd, Campus, Wrexham LL11 2AW			
Amy Rowley - St Mary's University	(647.1)	6.2	0.0
Waldegrave Rd, Twickenham TW1 4SX			
Mr David Sprake - Energy Institute	0.0	0.7	0.0
61 New Cavendish Street, London, United Kingdom, W1G 7AR			
Mr David Subacchi - St Mary's RC School Wrexham	(0.9)	0.0	0.0
St. Mary's Catholic Primary School, Lea Road, Wrexham LL13 7NA			
Mr David Subacchi - Wrexham County Borough Council	(657.8)	106.8	(43.7)
16 Lord St, Wrexham LL11 1LG			
Mr David Subacchi - North Wales Police	(18.8)	0.0	(3.5)
Glan-y-Don, Abergele Road, Colwyn Bay LL29 8AW			
Mr David Subacchi - Ysgol Esgob Morgan	(0.2)	0.6	0.0
Ffordd Siarl, Saint Asaph LL17 0PT			
Mr Richard Thomas - Careers Wales	(0.9)	0.0	0.0
Unit 4, Churchill House, 17 Churchill Way, Cardiff, CF10 2HH			
Mr Richard Thomas - Institute of Engineering and Technology	(0.5)	0.0	0.0
Futures Place, Kings Way, Stevenage, Hertfordshire, SG1 2UA			
Mr Richard Thomas - University of Wales Trinity St David	(1.4)	0.0	(1.2)
College St, Lampeter, SA48 7ED			
Fabrizio Trifiro - Ecctis Ltd	0.0	3.8	0.0
Ecctis, Suffolk House, 68-70 Suffolk Road, Cheltenham, GL50 2ED			
Liam Wynne - Advatek	(0.1)	28.4	0.0
Unit 11, Wilkinson Business Park, Wrexham LL13 9AE			

Notes to the Accounts

Year Ended 31 July 2023

27 US Department of Education Financial Responsibility Supplementary Schedule

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

The amounts presented within the schedules have been:

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

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Consolidated

Reference / Note if applicable	Expendable Net Assets	Year ended 31 July 2023		Year ended 31 July 2022	
		£GBP '000	£GBP '000	£GBP '000	£GBP '000
Statement of Changes in Reserves - Unrestricted Balance	Statement of Financial Position - Net assets without donor restrictions		59,816		50,503
Statement of Changes in Reserves - Restricted Balance	Statement of Financial Position - Net assets with donor restrictions		786		200
	Statement of Financial Position - Related party receivable and Related party note disclosure		-		-
	Statement of Financial Position - Related party receivable and Related party note disclosure		-		-
Note 12	Statement of Financial Position - Property, Plant and equipment, net	65,138		64,216	
Note 12	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation		61,295		61,381
	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation with outstanding debt for original purchase		-		-
Note 12	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase		799		-
Note 12	Note of the Financial Statements - Statement of Financial Position - Construction in progress		3,044		2,835
	Statement of Financial Position - Lease right-of-use assets, net		-		-
	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation		-		-
	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset post-implementation		-		-
	Statement of Financial Position - Goodwill		-		-
Note 11	Statement of Financial Position - Other intangible assets		252		-
Note 19	Statement of Financial Position - Post-employment and pension liabilities		2,009		13,490
	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process		-		-
	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process		-		-
	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process		-		-
	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process		-		-
	Statement of Financial Position - Lease right-of-use asset liability		-		-
	Statement of Financial Position - Lease right-of-use asset liability pre-implementation		-		-
	Statement of Financial Position - Lease right-of-use asset liability post-implementation		-		-
	Statement of Financial Position - Annuities		-		-
	Statement of Financial Position - Term endowments		-		-
	Statement of Financial Position - Life Income Funds		-		-
	Statement of Financial Position - Perpetual Funds		-		-

Notes to the Accounts

Year Ended 31 July 2023

27 US Department of Education Financial Responsibility Supplementary Schedule (continued)

Reference / Note if applicable	Total Expenses and Losses		Year ended 31 July 2023		Year ended 31 July 2022	
			£GBP '000	£GBP '000	£GBP '000	£GBP '000
Notes 7, 8, 9, 12	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		53,118		48,969
Notes 5, 24	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		(12,533)		(25,653)
Note 5	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Net investment losses		(382)		(126)
	Statement of Activities - Pension related changes other than periodic pension	Pension-related changes other than net periodic costs		-		-
Modified Net Assets						
Statement of Changes in Reserves - Unrestricted Balance	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		59,816		50,503
Statement of Changes in Reserves - Restricted Balance	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		786		200
	Statement of Financial Position - Goodwill	Intangible assets		-		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		-
Modified Assets						
Notes 11, 12, 13, 14, 15, 17, 20	Statement of Financial Position - Total Assets	Total Assets		101,565		93,629
	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation		-		-
	Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases		-		-
	Statement of Financial Position - Goodwill	Intangible assets		-		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		-
Net Income Ratio						
Statement of Comprehensive Income and Expenditure - Unrestricted comprehensive expenditure for the year	Statement of Activities - Change in Net Assets Without Donor Restrictions	Change in Net Assets Without Donor Restrictions		9,313		30,365
Notes 1-6, 12, 17	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		50,534		53,721

Prifysgol Wreccsam
Wrexham University

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