

University of Wales Trinity Saint David

ANNUAL REPORT & Financial Statements 2023-2024

Charity number: 1149535

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The background of the slide is a faded, light gray image. It features a close-up of a woman's face on the left side, looking slightly to the right. On the right side, there is a hand holding a pen, with the pen tip pointing towards the bottom right. The overall image is very light and serves as a subtle backdrop for the text.

Introduction

Introduction



Emlyn Dole
Chair of Council

On behalf of the University Council, I would like to begin by thanking the Senior Leadership Team and all our University staff and students for their continued commitment and hard work ensuring that our University continues to deliver an excellent experience for our students, and to become more sustainable in what is an increasingly competitive and challenging Higher Education sector. I took up the role of Chair of Council on 1 September 2023 and have immensely valued the experience and guidance of my fellow members and the out-going Chair in my first year. I would like to thank both past and present members of Council and its various committees for their commitment and contribution to the University. They have continued to provide committed support for the University's aims and ambitions and have ensured that appropriate governance and scrutiny arrangements are in place.

I was very pleased that the University was awarded Joint 3rd in the UK by the Times Higher Education rankings based on our excellent 2024 NSS results. These results go to the heart of our values and reflect the dedication of all our staff to provide the best possible learning experiences for our students. It was pleasing to see the contribution our staff make to these results reflected in the annual NEXUS teaching and learning awards. The event celebrated outstanding contributions to the student experience from across our academic and professional services teams. I feel privileged to be part of an organisation that makes such an impact on the wellbeing of the individuals and communities it serves.

We have a clear commitment to making a difference and providing opportunities for communities traditionally under-represented in higher education. Such opportunities are provided at locations in South and West Wales as well as in London and Birmingham.

At the beginning of the academic year, I was delighted to open additional space at Quay Place in Birmingham. In addition, the London campus relocated to Westferry Circus in London which has significantly enhanced the experience for our students and staff. I was personally very pleased to meet with Ofsted during their inspection of our successful apprenticeship provision in November 2023, which allowed me to reflect on my own apprenticeship journey and the importance of the opportunities our provision provides not only to the individual student but also to their families and wider communities.

Alongside our new Vice-Chancellor, Council and the Senior Leadership Team have taken a rigorous and comprehensive look at the University to create a responsible, fact-based and data-informed, multi-dimensional Institutional plan that will drive the University's future success. Council is optimistic that this robust financial and operational planning will support the University to continue to deliver a high-quality student experience. We also appreciate meaningful change requires navigating tough discussions and making challenging decisions and are confident the University is set on the right path moving forward.

Our dual sector Group, with Coleg Sir Gâr and Coleg Ceredigion, has welcomed the Welsh Government's establishment of a commission to oversee and regulate the entirety of the tertiary education sector and we look forward to working with Medr on realising the opportunities that this development will bring.

The University sector is undoubtedly experiencing challenges. But what is clear, is the enduring value of higher education to the social and economic wellbeing of our nation. I am proud of the contribution that this University makes by providing opportunities for communities traditionally under-represented in higher education.



Prof Elwen Evans, KC
Vice-Chancellor

I had the privilege of becoming Vice Chancellor of the University of Wales Trinity Saint David and the Chief Executive of the UWTSD Group on 1 September 2023.

It has been a very great pleasure to get to know the University and the Group in the period since my appointment. We are a wonderfully diverse community in terms of our students, geography and educational offering. Our distinctiveness is a strength which offers significant opportunities as we look to the future. There are key themes that are evident across our Institution and Group: these include a powerful commitment to putting education and the learner experience at the heart of our mission; supporting learners to achieve their full potential; undertaking research and knowledge exchange that is impactful and relevant; ensuring that we contribute to the economic wellbeing of our regions, and so much more. The quality of our student experience is at the heart of our identity, illustrated by our high ranking by the Times Higher Education based on the National Student Survey 2024.

Our dual sector structure with Coleg Sir Gar and Coleg Ceredigion as constituent colleges is a great asset in shaping our integrated delivery of post-16 education. The UWTSD Group provides routes through education, facilitates opportunities to widen access and participation, and strengthens our partnerships to develop a skills curriculum that meets the future needs of our region and Wales. We welcome the opportunity of working with Medr and closely collaborating with a wide range of stakeholders in the best interests of our learners, our staff, our region, of Wales and beyond.

It is, of course, a time of challenge, transition and change throughout the university sector. External pressures combined with institutional history define the landscape within which we are operating. We recognise that all of our work must be underpinned by the overarching priority of ensuring robust financial and operational planning. We also appreciate that delivering change is never easy and often has to be grounded in difficult discussions and decisions. In addressing the overarching priority of financial resilience, we have undertaken a rigorous evaluation of our current provision. We have introduced an evidence-based business planning process, designed to ensure that our future decision-making is underpinned by robust analysis, data and stakeholder engagement. We have also embarked on the development of a new Strategic Plan. These activities have been undertaken in a collaborative and consultative way across the entire organisation, enabling us to strengthen relationships across our community and ensure a firm, collegiate basis for our future work.

I am immensely grateful to colleagues within the University community, on Council and beyond who have given of their time, support and commitment to help chart a way through this period of transition. We are proud to take this opportunity to share details of our plans and to report on the progress that is being made. Whilst the focus may not always be easy, we are looking forward to the future and we are confident that we will succeed in delivering financial resilience and transformative education.

Council Membership

In accordance with the University’s Royal Charter, the Council is the governing body of the University and is responsible, through Statute, for approving the strategic plans for the University and for governing and regulating its finances, accounts, investments, property, business and affairs. Its Primary Responsibilities are set out in the University’s Ordinances.

The Council comprises independent, staff and student governors appointed under the Statutes and Ordinances of the University, the majority of whom are non-executive. Members of Council are also trustees of the University.

Board Member	Category	Status	Attendance (%)
Emlyn Dole	Chair	Independent	100%
Professor Elwen Evans, KC	Vice-Chancellor	Independent	100%
Justin Albert, OBE	Independent	-	75%
Natalie Beard	Student	-	100%
Dr Tracy Cruickshank	Staff	Appointed 01.08.2024	-
Maria Dinu	Student	Appointed 01.07.2024	-
John Edge	Independent	Appointed 01.01.2024	50%
Professor Kyle Erickson	Staff	-	75%
Taya Gibbons	Student	Resigned 30.06.2024	75%
Dr Deborah Hughes	Staff	Appointed 01.08.2024	-
Uzo Iwobi	Independent	-	50%
Rowland Jones	Independent	-	100%
Timothy J Llewelyn	Independent	-	100%
Professor Conny Matera-Rogers	Staff	Resigned 31.07.2024	100%
Arwel Ellis Owen, OBE	Independent	Resigned 31.07.2024	75%
Geraint Roberts	Independent	-	75%
Nigel Roberts	Independent	-	100%
Emlyn Schiavone	Independent	-	75%
Dr Liz Siberry, OBE	Independent	-	75%
Dr Peter Spring	Staff	Resigned 31.07.2024	50%
Maria Stedman	Independent	Resigned 31.12.2023	100%
The Venerable Randolph Thomas	Independent	Resigned 31.12.2023	100%
Dr Kerry Tudor	Staff	Resigned 31.07.2024	100%
Sarah Clark	Clerk & Secretary	Appointed 01.04.2024	100%
Rebecca Doswell	Clerk & Secretary	Resigned 31.03.2024	100%

Members of the University’s governing body, the Council, are the Trustees of the University. Those who served during the year (up to the Council meeting at which the financial statements were signed) are listed below. Attendance (%) at Council meetings in 2023/24 is provided in brackets.

The Council has formally adopted the definition of independence developed by the sector in response to the Review of Governance of the Universities in Wales. Independent members are neither registered students nor staff of the University and their appointment and responsibilities are consistent with the definition. A published Register of Members’ Interests is reviewed and updated annually, and members are expected to explicitly identify at the start and end of each meeting any matters on which their interests may have a bearing. Further information is available in the Statement of Corporate Governance.



Justin Albert OBE



Natalie Beard



Dr Tracy Cruickshank



Maria Dinu



Emlyn Dole



John Edge



Professor Elwen Evans KC



Professor Kyle Erickson



Uzo Iwobi CBE



Dr Deborah Hughes



Rowland Jones



Timothy J Llewelyn



Geraint Roberts



Nigel Roberts



Emlyn Schiavone



Dr Elizabeth Siberry OBE

University of Wales: Trinity Saint David (UWTSD) is incorporated by Royal Charter. The most recent version of its constitution is the Supplemental Charter which was sealed by the Privy Council on 28 September 2012, following the constitutional merger with Swansea Metropolitan University.

Trinity University College Limited (TUC) is deemed to be controlled by UWTSD, as UWTSD is its sole member.

Trinity College incorporates the original endowment of 1848 and, as an education charity, embodies the assets of both land and buildings together with any charitable monies which have accrued to the charity. There is no direct ownership link between UWTSD and Trinity College. However, it is deemed to be controlled by UWTSD by virtue of the fact that TUC is the sole trustee.

Eclectica Drindod is a private company limited by guarantee with no share capital, established to undertake a role that more effectively delivers Third Mission activity for UWTSD. Eclectica Drindod is deemed to be controlled by UWTSD as TUC (whose sole member is UWTSD) is its sole member and has the power to appoint directors.

UWTSD Learning Centres Limited is a wholly owned subsidiary of UWTSD.

UWTSD Investments Limited is a wholly owned subsidiary of UWTSD.

Y Ganolfan Dysgu Cymraeg Genedlaethol is a private company limited by guarantee with no share capital. It undertakes the setting of the national strategic direction for the Welsh for Adults sector, providing leadership to Welsh for Adults providers. UWTSD is the sole member of the company.

Coleg Sir Gâr is a private company limited by guarantee with no share capital, which undertakes the provision of further education and higher education. UWTSD is the sole member of the company.

Coleg Ceredigion is a private company limited by guarantee with no share capital, which undertakes the provision of further education. Coleg Sir Gâr is the sole member of the company, and it is deemed to be controlled by UWTSD as the sole member of Coleg Sir Gâr.

Mentrau Creadigol Cymru Limited is a wholly owned subsidiary of UWTSD. It was established to operate a digital media centre at Canolfan S4C Yr Egin, adjacent to the University's campus in Carmarthen. Construction of the centre was completed during the year to 31st July 2019.

UW Centre for Advanced Batch Manufacture Limited, is a private company, the University has a 51% controlling interest in the company with University of Wales holding the remaining 49%.

OSTC Trinity St David LLP, is a limited liability partnership, the University has a 50% stake in the entity with the other 50% owned by OSTC limited.

UWTSD Innovation Centres Limited is a wholly owned subsidiary of UWTSD and did not trade during the year.

UWTSD Strategic Plan

The University of Wales Trinity Saint David’s Strategic Plan (2017-25) makes a commitment to its learners and specifically to Wales, its culture, heritage and language through its values and its distinctiveness.

Because of the change in senior leadership, Council has approved the extension of the Strategic Plan to cover the period 2025. The University is currently working on its new strategic plan. While reviewing the strategic plan, the Council has approved a business plan with 5 domains: Education & Student Experience; Recruitment: Home & International; People, Organisation & Culture; The Digital & Physical Estate; and Research & Civic Mission. The University views these as the core areas for the delivery of the University’s mission.

Vision:

Our vision is to be a University for Wales, with a commitment to the well-being and heritage of the nation at the heart of all that we do. Central to our vision is the promotion and embedding of a dual-sector educational system which educates learners of all ages and backgrounds, and stimulates economic development in our region, across Wales and beyond.

Mission:

Transforming Education; Transforming Lives.

Strategic Priorities:

1. Putting learnings first
2. Maintaining excellence in teaching, scholarship and applied research
3. Creation of opportunities through partnerships
4. Maintaining a University of Wales

Enablers:

In addition, the Strategic Plan identifies seven key enablers to be achieved to support delivery of the strategic priorities. These are:

1. Maintaining financial security;
2. Supporting, encouraging and developing our people;
3. Providing high quality estates and infrastructure;
4. Maintaining good governance;
5. Providing effective leadership and management;
6. Promoting equality; and
7. Seeking continuous improvement.

Values:

Excellent teaching informed by scholarship and professional practice, and applied research that influences knowledge and policy in Wales and beyond.

Inclusivity, by removing barriers to participation and supporting people from all backgrounds and circumstances to fulfil their potential.

Employability and creativity, by offering educational programmes that develop entrepreneurial and creative skills, enabling learners to have the best opportunities to gain employment and to contribute to the prosperity of their communities.

Collaboration through strategic relationships, working with others to provide educational and commercial opportunities and to ensure that Wales is connected to the wider world.

Sustainable development, by behaving in a way which ensures that the needs of the present are met without compromising the ability of future generations to meet their own needs, and by systematically embedding this principle in our approach to teaching and learning.

The concept of global citizenship, through the development of multi-national activities and opportunities for our learners, staff and partners.

Wales and its distinctiveness, through embedding the goals of the *Well-Being of Future Generations (Wales) Act* in all of our activities, and by celebrating the vibrant culture, heritage and language of Wales.





Vice Chancellor's Review

Vice-Chancellor's Review

The core mission of the University of Wales Trinity Saint David is the delivery of education. By Transforming Education and Transforming Lives UWTSD aims to be a recognised and established market leader in delivering integrated post-16 education in the region, in Wales, the UK and with partners across the globe.

The University has a broad and flexible portfolio providing a diverse offer that supports personalised learning. It includes degree apprenticeships, Certificates of Higher Education, as well as traditional Undergraduate, Postgraduate and Doctoral level degrees, including Professional Doctorates. It also works with a range of transnational partners in seven overseas territories. The University has seen continued growth in the number of students undertaking Certificates of Higher Education, a visible sign of our commitment to widening participation and reaching underrepresented communities. To support this growth, the University has expanded its campus in Birmingham and opened a new campus in London to enhance the student experience.

The University has a culture where staff and students work together in partnership. It aims to provide an inclusive, supportive and safe learning environment to all students. We recognise and celebrate the diversity of our students and aim to provide an excellent experience, that supports everyone in their studies and in university life.

Race Equality

During the year, the University launched its new Strategic Equality plan 2024-2028. Work also continued towards Advance HE's bronze level Race Equality Charter, required by the Welsh Government, which helps institutions to identify and address the barriers facing Minority Ethnic staff and students, while also providing a framework for action. UWTSD's Race Equality Charter Self-Assessment Team includes membership from academic and professional services staff across the University and representatives from staff and students from a Minority Ethnic background. Additionally, a new teaching and learning resource – Brethyn Cymru – was published by Peniarth, the University's educational resource centre, to support the teaching and celebration of Minority Ethnic people's contributions to Wales.

Welsh Language

The Centre for Advanced Welsh and Celtic Studies was awarded £190,000 for its role in the FOSTERLANG: Reversing the diversity crisis: inclusive strategies to foster the linguistic capital of Europe project. This is a collaborative EU Horizon Europe programme led by the University of Warsaw.

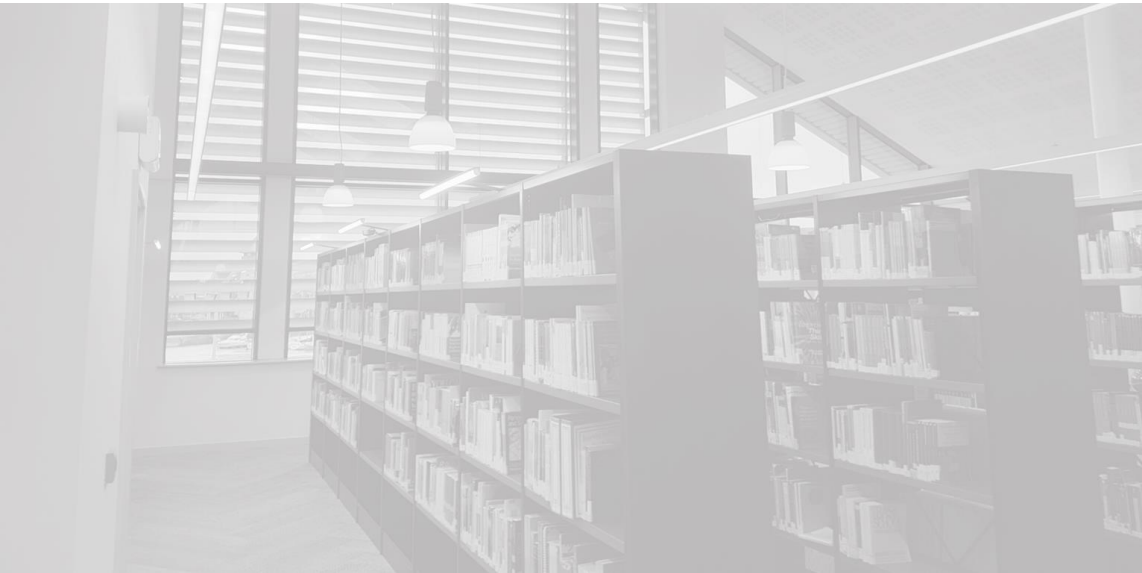
The Welsh Language Services Centre readjusted its commercial aims in 2023 with a clearer focus on academically aligned activity. Specifically, its two branded entities now have a designated aim of servicing the education sector in Wales. Rhagoriaith is a main provider of the Welsh Government's National Sabbatical Scheme for teachers and delivers bespoke training to a variety of clients. It is now recognised as a national centre of excellence for Welsh language training within the education sector in Wales. Similarly, Peniarth, the University's publishing arm is also recognised as one of Wales' main providers of education resources, in line with Cwricwlwm i Gymru. In 2023, it was commissioned by WG to produce a series of reading books for children which will be used in schools nationally.

Headcount

Postgraduate Research: 658
Postgraduate Taught: 3,390
Undergraduate First Degree: 7,830
Other Undergraduate Degree: 8,862

Full-Time Equivalent

Postgraduate Research: 225.5
Postgraduate Taught: 1,713.5
Undergraduate First Degree: 6,329.33
Other Undergraduate Degree: 4,640



Vice-Chancellor's Review

Delivering a High-Quality Student experience

Delivering high quality Learning and Teaching and an excellent Student Experience is the primary purpose for the organisation. The National Student Survey (NSS) is the national benchmark survey that measures student satisfaction and based on the 2024 survey, the Times Higher Education ranked UWTSD joint 3rd in the UK.

Applying Knowledge in our Teaching

We have focused on ensuring that our programmes are linked to industry or the public sector to provide students with a personalised and supportive educational experience. As a result, the University falls under a range of external review bodies and professional accrediting organisations. In 2023/24 the University has been successfully inspected by Estyn, Ofsted, UKVI, and in September 2024 QAA reviewed our Transnational Education Provision in China. A number of professional bodies (Institute of Mechanical Engineers (IMechE), Education Workforce Council (EWC), Chartered Institute for the Management of Sport and Physical Activity (CIMSPA)) re-accredited our provision across a number of disciplines.

The University celebrated the 25th anniversary of the BEng Motorsport Engineering programme. Recognised as the first of its kind, the course has forged excellent links with the industry with graduates working as race engineers, aerodynamicists, data analysts and in managerial positions. Alumni who now work at world-leading automotive companies such as McLaren, Gordon Murray, Arc, Bentley, Ford, and Toyota Gazoo Racing joined the celebrations to share their career journeys and successes with current students.

The Innovation Matrix on our Swansea Waterfront Campus opened its doors at the end of the academic year. The building is home to established businesses and start-ups who work alongside the University's academic team and can access specialist technical support from the University to help accelerate new product development and business growth. Working with our partners, the Innovation Matrix aims to encourage and support the development of a sustainable, innovation-led economy which is based upon knowledge and enterprise.

The then Minister for Education and Welsh Language, Jeremy Miles, MS, launched the University's Certificate in Language Policy and Planning, an innovative qualification aimed at upskilling the workforce in order to respond to the Welsh Government's linguistic agenda of reaching a million Welsh speakers by 2050.

Embedding Technology in our Teaching

The University has developed new resources to supporting the AI literacy of staff and students to respond to the major changes brought by Generative AI to Higher Education. Materials for students were created to support both AI literacy and the use of AI in assessment. Furthermore, we have been able to take advantage of the two state-of-the-art LED immersive classrooms, alongside the incorporation of extended reality (XR) technologies, exemplifying the University's innovative approach to teaching and learning. The University has continued to lead on the pan-Wales Immersive Learning Network for HE and FE.

Notable League Table Standings for UWTSD in 2024:

THE  TIMES

Social Inclusion:
Joint 18th in the UK
Mature students:
5th in the UK

THE  Times
Higher
Education

Overall:
Joint 3rd in the UK

The
Guardian

Satisfaction with Teaching:
7th in UK
Satisfaction with Feedback:
5th in UK

Notable Guardian Subject Standings for UWTSD in 2024:



Fashion and Textiles
2nd in UK
1st in Wales



Education
6th in the UK
1st in Wales



Mechanical Engineering
3rd in the UK
1st in Wales



Sports Science
6th in the UK
2nd in Wales



Film Production & Photography
7th in the UK
1st in Wales

Vice-Chancellor's Review

Student Health and Wellbeing

The University has continued to enhance its support for the health and wellbeing of its students. It works in partnership with a number of key sector organisations, such as the NHS, Papyrus, and People Unlimited, to develop training and resources for staff and students and implement sector best practice.

The Wellbeing Service has augmented the Wellbeing Triage process over the course of this academic year, with a triage team established, trained and launched. The team is made up of mental health professionals from the across the Wellbeing Advisory Service and the Counselling Service, with triage provision running 9-5 Monday to Friday, and additional triage capacity at weekends.

The Wellbeing Projects team delivered pilot Student co-production activity across 2023-24. Activity began with the collaborative project in partnership with People Unlimited, focusing particularly on introducing and exploring the benefits of co-production. This project was delivered through a series of workshops and was tasked with reaching Minority Ethnic students. This initial project culminated in participating students identifying ideas for future work which will be incorporated into the University's broader Race Equality work.

Through its bursary framework, the University continues to support students who are struggling financially to access support and services.



Vice-Chancellor's Review

Staff Development and Recognition

The University has made significant progress in offering further opportunities for staff development. We have continued to invest in relevant leadership development interventions and continued to provide access to online self-development learning resources for staff to access as the need arises. In addition, we have provided opportunities for focused staff development in health and wellbeing, and role-related learning and teaching enhancement.

The University successfully re-accredited its Fellowship programmes with AdvanceHE under the new Professional Standards Framework.

The University also continued to run its successful LEAP fellowship programme, with 11 participants who undertook a yearlong programme to develop a specific project to enhance learning and teaching and develop a community of educators.

The University's annual NEXUS learning and teaching conference focused on Immersion and Technology, Artificial Intelligence, Employability, and good practice case studies from within UWTSD and partners. The conference also hosted the second UWTSD Nexus Learning and Teaching Awards, which recognised the exemplary practice and the impact of colleagues and projects. Highlights included: "Student Collaboration Project", "Integration of AI into Teaching", "Embedding Entrepreneurialism in Art and Media".

Sustainability

The University was pleased to be recognised with a '1st Class' award in the esteemed 2023 People & Planet University League. This accolade underscores UWTSD's commitment to environmental stewardship, ethical practices, and sustainability initiatives. Notably, UWTSD secured top positions in Wales and commendable UK standings in the 'Waste and Recycling' (9th in the UK), 'Energy Sources' (7th in the UK), and 'Water Reduction' (2nd in the UK) categories.

The Coastal TALES project, led by the UNESCO-MOST BRIDGES (UK) hub at UWTSD, secured €770,000 of funding in Belmont Forum's Climate and Cultural Heritage joint call (CCH 2023). The collaborative initiative aims to address challenges at the intersection of climate change and cultural heritage, involving teams from Ireland, the United States, and Wales. The project focuses on understanding and preserving adaptive strategies of coastal communities facing climate change impacts.

Setting the stage for the future

In 2023/24, the Vice-Chancellor reviewed the Executive team structures and arrangements to ensure a cohesive senior leadership team and accountable institutional governance approach. A new Chair of the University Councils joined the University at the beginning of the academic year, enabling a new aligned approach between executive and governance to be established and evolve to respond to challenges and opportunities, and to provide greater accountability for the delivery of our priorities. As a result of these changes Council has approved an extension to the Strategic plan until 2025.

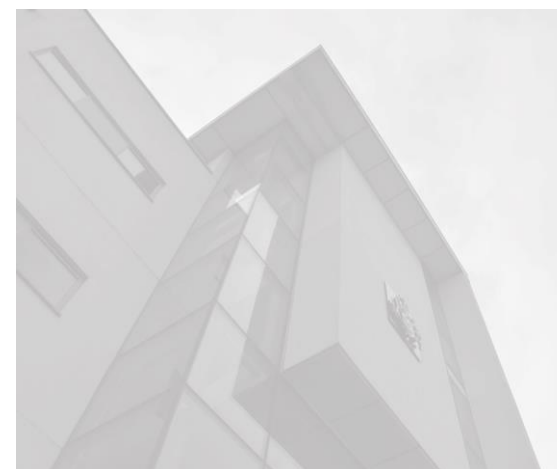
The University has reviewed its internal planning and review processes to better enable it to face the sector challenges. The Council has approved a new business plan with 5 domains: Education & Student Experience; Recruitment: Home & International; People, Organisation & Culture; The Digital & Physical Estate; and Research & Civic Mission. The University views these as the core areas for the delivery of the University's mission. Principal risks and uncertainties have been mapped against these.



UWTSD is rated 4th in Wales for impact, with 74% of the University's research judged as delivering outstanding and very considerable impacts for society, culture, and industry



People & Planet green league table ranking: 1st Class and Joint 29th



Principal Risks and Uncertainties

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

Institutional performance is systematically monitored. Council’s Resources and Performance Committee and Council itself receives an annual report on performance. On behalf of the Council, the Resources and Performance Committee also maintains oversight of performance against Key Performance Indicators (KPIs). Monitoring reports are provided at each meeting, with an annual assessment and narrative presented at the final meeting of each year.

		Education & Student Experience	Recruitment: Home & International	People, Organisation & Culture	The Digital & Physical Estate	Research & Civic Mission
RISK	RISK	Our academic portfolio is not appropriately structured to provide the best opportunities for student recruitment, experience and outcomes.	Home and International student recruitment and retention do not align to forecast student numbers resulting in reduced financial sustainability.	Our staffing structures, workforce profile and workplace behaviours are not aligned to the needs of the University and our students	Costs associated with running and maintaining the geographical estate result in reduced financial sustainability. A cyber security breach or incident results in harm to the University.	Reduced income from research and commercial activities results in reduced financial sustainability.
MITIGATION	MITIGATION	Through a planned cycle, we will review the academic portfolio using a range of metrics and other information, both internal and external, to ensure that our offer is attractive, well-designed, appropriately structured and geographically located to provide the best opportunities for student recruitment, experience and outcomes.	We will review and enhance our marketing to increase our share of existing and developing markets with an offer to attract more students to our Welsh campuses and grow international activity.	We will frame and implement an organisational structure and culture, based on shared values and vision, within a post-16 educational group that responds to institutional and national priorities, delivered by academic and professional services, and managed by an agile Executive that is accountable to governors and our regulatory bodies. Within the parameters of our existing workforce, we will define organisation structures of appropriate shape, size and geographical distribution to effectively deliver and run the University.	We will optimise our campus infrastructure and footprint to support a sustainable efficient estate that is fit for purpose to deliver our educational and organisational requirements and respond to changing demands on usage. We will continue to implement our Digital Strategy, focusing on digital tools that will support improved student recruitment and staff and student services whilst maintaining strong cyber security.	We will define, structure and implement an appropriate research approach for the University that is embedded into our educational offer.



Joint Report on Financial Year

Joint Report on Financial Year

Financial Review

The Director of Financial Services and the Chair of the Resources and Performance Committee present the financial review of the Group for the year to July 2024.

The Group result encompasses all activities, other than the Students’ Union which is an independent body.

The higher education sector is operating in an environment where a number of underlying factors are resulting in uncertain student enrolments, income generation and cost pressures. The year to 31 July 2024 saw an acute realisation of these pressures for all Universities.

From the total comprehensive income of £27.9 million, £30.4 million is attributed to the results of the University, a deficit of £1.2 million is attributed to the FE colleges, and a deficit of £1.3 million is attributed to the other subsidiaries in the Group.

As detailed in the following financial review, the surplus and total comprehensive income totals posted by the University and the Group are heavily impacted through the release of the USS deficit provision in the year. The 2022 Valuation of the USS pension scheme reported a surplus for the scheme, resulting in a full release of the £33 million provision that was reported at 31 July 2023. When considering the surplus recorded in year, the impact of this provision should be considered and excluded.

The University operates in a complex environment and as such there are a number of non-cash impacting items and items outside of the University’s influence that are reported in the surplus recorded in the statement of comprehensive income. The University considers this underlying operating position to be an appropriate measurement of its performance.

A summary of the reported financial performance and the underlying financial position are shown in the tables overleaf.

The University of Wales Trinity Saint David is not immune to the risks and pressures in the sector but has a student and estate profile that provides additional risks. When managed appropriately with mitigating activities, they also provide the University with opportunities to navigate the current landscape.

The year to 31 July 2023 showed a significant deficit. The actions taken by the University in the year to 31 July 2024 have resulted in a correction of this financial position.

Budgets and forecasts are set to ensure that the University is sustainable and underpinned with appropriate investment in both staff and operational expenditure. The budgets are set to a model that delivers surplus and cash generating positions.

The University took decisions in the summer of 2023 that will provide medium to long-term benefits to the University, but which impacted the ability of the University to meet the surplus and cash targets set in the budget. An early reforecast taking these into account provided a break-even position and the University is reporting a final position in line with this. This early reforecast was set against the challenging environment with a changing student demographic and needs, coupled with high levels of inflation within the UK economy.

The University is satisfied with the year’s performance but also reflects the need to continue to reshape the financial model for the University and wider group in order to return to a cash generating position from the current year.

Tuition fee income for the University continues to be the driver of its growth, particularly through the growth in in-year intakes where the delivery of teaching does not follow the traditional academic year profile. As a result, a portion of the income from the in-year intakes is deferred at 31 July and recognised in the following year. The level of deferred income remained consistent at £24 million. The relocation of the London campus is expected to result in a growth in this figure at July 2025.

The growth in tuition fee income is partially offset through a reduction in the funding body grants, with the level of specific use grants falling by £1 million in the year.

The pay costs in the year to 31 July 2024 have increased from the prior year as the full year impact of recruitment activity in the previous period was fully realised. During the past year, staff recruitment was carefully controlled to ensure that the level of staff costs is appropriate for its current and projected income levels. Although, the distribution of staff does not align to the University’s delivery requirements and the distribution is being reviewed in the current financial year. The University benefited from the early adoption of the 2023 USS valuation in January 2024 with pension contributions falling from this point.

Operating expenditure was managed closely throughout the year to ensure a breakeven position was met. The University reduced its non-pay expenditure by £3 million. This was offset by an increase in commission payments linked to student recruitment of £2 million. As a result, the University saw a net £1 million decrease in its operating expenditure. The University will continue to carefully manage its non-pay costs while minimising the impact on its ability to deliver a high-quality education for its students.

In managing the cash position, some capital disposals anticipated for the year to 31 July 2024 were delayed and are now expected to conclude in the year to 31 July 2025. These delays had a £2 million negative impact on the cash position at the year end.



Joint Report on Financial Year

Consolidated

Statement of Comprehensive Income summary (Consolidated)

	Year ended 31 July 2024	Year ended 31 July 2023	Movement
	£'000	£'000	£'000
Income	202,701	183,116	19,585
Expenditure	(205,030)	(196,258)	(8,772)
Impact of movement of USS deficit provision	32,925	2,273	30,652
Profit on Sale of Assets	1,408	41	1,367
Decrease in fair value of investment properties	(655)	(300)	(355)
Loss on investments	(758)	(155)	(603)
Taxation	(4)	5	(9)
Surplus/(Deficit) for the year	30,587	(11,278)	41,865
- Actuarial gain/(loss) in respect of pension schemes	(2,679)	11,177	(13,856)
Total comprehensive income/(loss) for the year	27,908	(101)	28,009

The Group operates in a complex environment and as such there are a number of non-cash impacting items and items outside of the Group's influence that are reported in the surplus recorded in the statement of comprehensive income. These are highlighted below:

Adjusted Underlying Performance (Consolidated)

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Total comprehensive income/(loss) for the year	27,908	(101)
Add back actuarial movement on pension schemes	2,679	(11,177)
<u>Add back non-core expenditure</u>		
Net non-cash pension costs & adjustments	(32,925)	(2,273)
Revaluation of derivative liability	-	(254)
Restructuring costs	459	977
Decrease in fair value of investment properties	655	300
Underlying deficit	(1,224)	(12,528)

The Group considers this underlying operating position to be an appropriate measurement of its performance.

University

Statement of Comprehensive Income summary (University)

	Year ended 31 July 2024	Year ended 31 July 2023	Movement
	£'000	£'000	£'000
Income	135,552	116,572	18,980
Expenditure	(136,230)	(127,861)	(8,371)
Impact of movement of USS deficit provision	32,925	2,273	30,652
Profit on Sale of Assets	1,403	16	1,387
Decrease in fair value of investment properties	(565)	(75)	(490)
Loss on investments	(746)	(148)	(598)
Surplus/(Deficit) for the year	32,339	(9,223)	41,562
- Actuarial gain/(loss) in respect of pension schemes	(1,915)	1,164	(3,079)
Total comprehensive income/(loss) for the year	30,424	(8,059)	38,483

The University operates in a complex environment and as such there are a number of non-cash impacting items and items outside of the University's influence that are reported in the surplus recorded in the statement of comprehensive income. These are highlighted below:

Adjusted Underlying Performance (University)

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Total comprehensive income/(loss) for the year	30,424	(8,059)
Add back actuarial movement on pension schemes	1,915	(1,164)
<u>Add back non-core expenditure</u>		
Net non-cash pension costs & adjustments	(32,925)	(2,273)
Revaluation of derivative liability	-	(254)
Restructuring costs	403	56
Decrease in fair value of investment properties	565	75
Underlying surplus/(deficit)	382	(11,619)

The University considers this underlying operating position to be an appropriate measurement of its performance.

Joint Report on Financial Year

Income Sources

The year to 31 July 2024 saw an increase in total group income of £19.6 million (11%) and increase in University income of £19.0 million (16%). Total income for the group in the year is £202.7 million and for the University is £135.6 million.

Excluding the capital grant income for the Innovation Matrix (£8.1 million), the increase in income from the previous year for the group and University was £11.5 million (6%) and £10.9

million (9%). This growth is predominantly driven through an increase in tuition fees.

The total income then includes the £8.1 million of capital grant for the construction of the Innovation Matrix building in Swansea. This had a total construction cost of £13.6 million and is held as an Investment Property (see note 13). The make-up of the income has remained broadly consistent year on year and is summarised below:

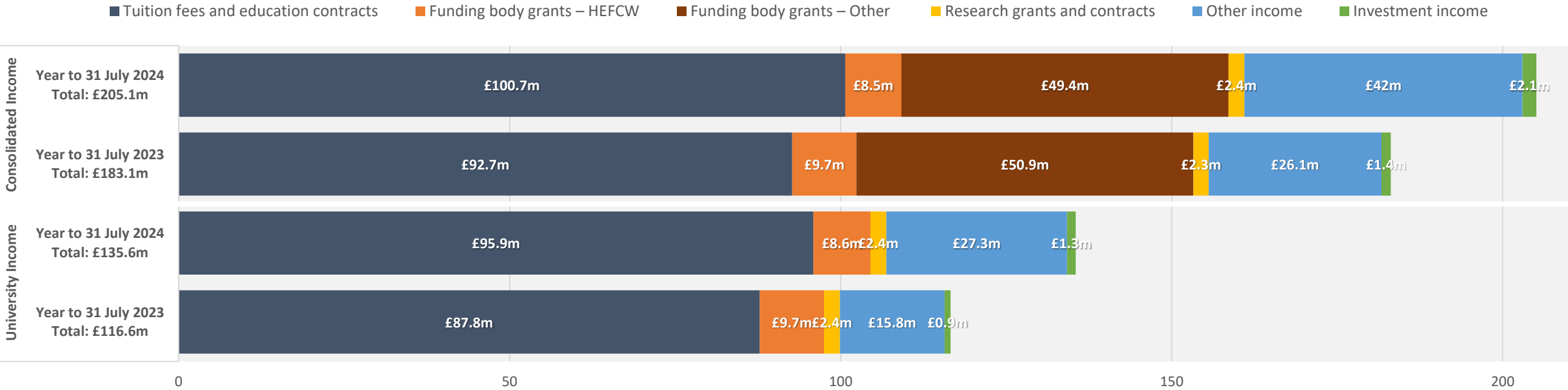
Funding Body Grants - The Higher Education sector received a number of specific, non-recurring grants during the Covid-19 pandemic with the final projects funded by these grants concluding during the year to 31 July 2023. The reduction in the funding body grant income of £1.2 million for the University and £2.7 million for the Group is largely through this reduction in non-recurrent grant funding.

The recurrent Welsh Government grant funding of £47.5 million comprises of £15.4m awarded to Y Ganolfan Dysgu Cymraeg Genedlaethol for the delivery and promotion of Welsh Language learning and £32.1 million awarded to Coleg Sir Gar and Coleg Ceredigion for the provision of further education.

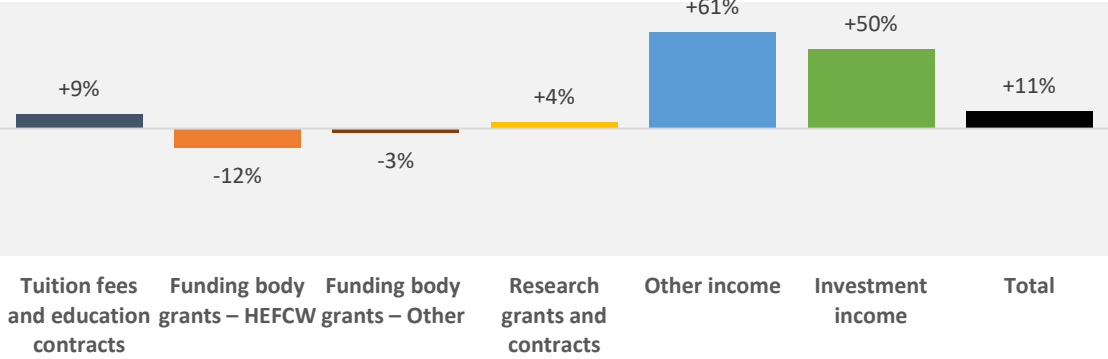
Funding body grants – Other reflect grants from the Welsh Government, received by Coleg Sir Gâr, Coleg Ceredigion and Y Ganolfan Dysgu Cymraeg Genedlaethol (YGDCG).

Other income arises from a wide range of sources including: student residences, catering and grant funding for projects and programmes.

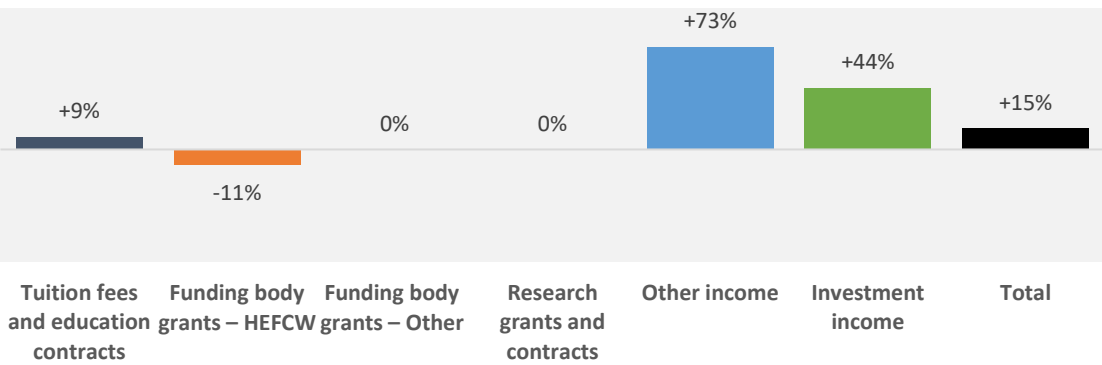
Income (£'m)



Consolidated income: Movement % 2023 -2024



University income: Movement % 2023 -2024



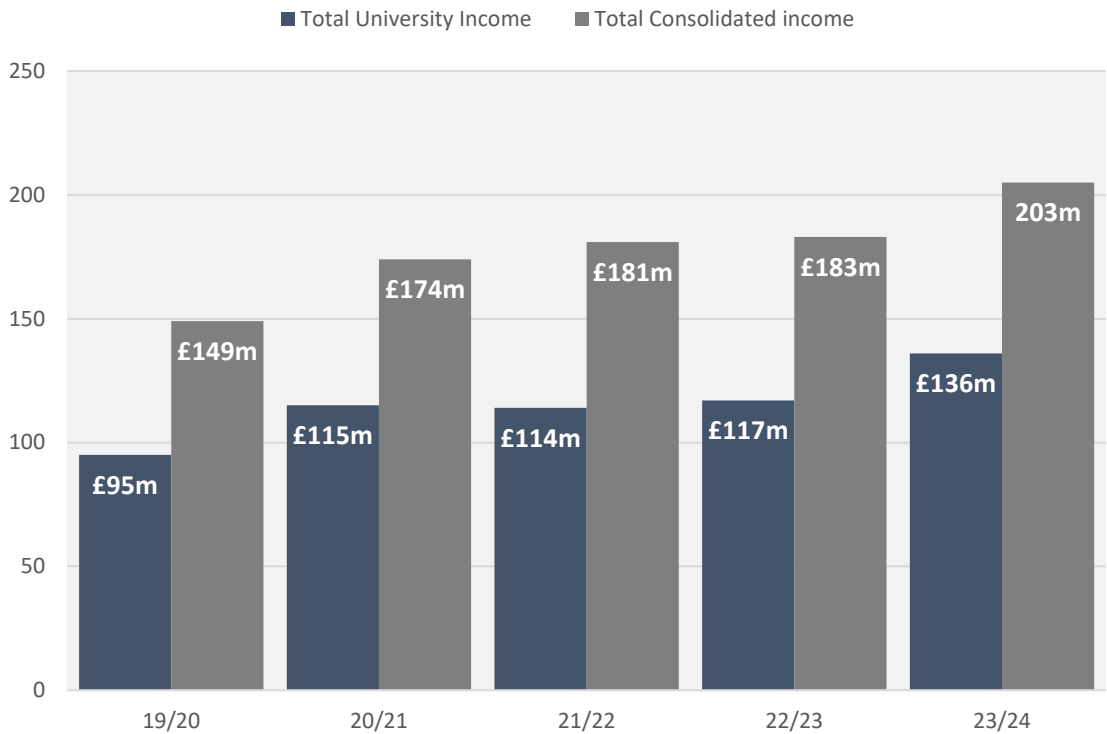
Joint Report on Financial Year

Total Income

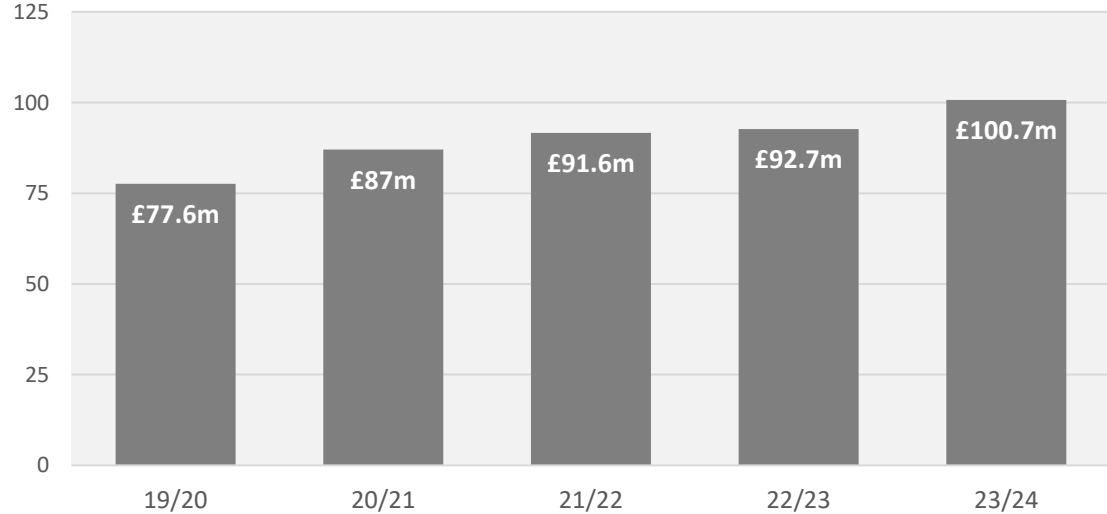
The growth in income continues a trend over the past 5 years where income has grown by 38% from an income of £149 million in 2019/2020 to £203 million in the current year. The University income in the same

period has increased by 43% from £95 million in 2019/2020 to £136 million in the current year. During this same period, the Group tuition fee income increased by 30%.

5 Year Income



Consolidated Tuition Fee Income

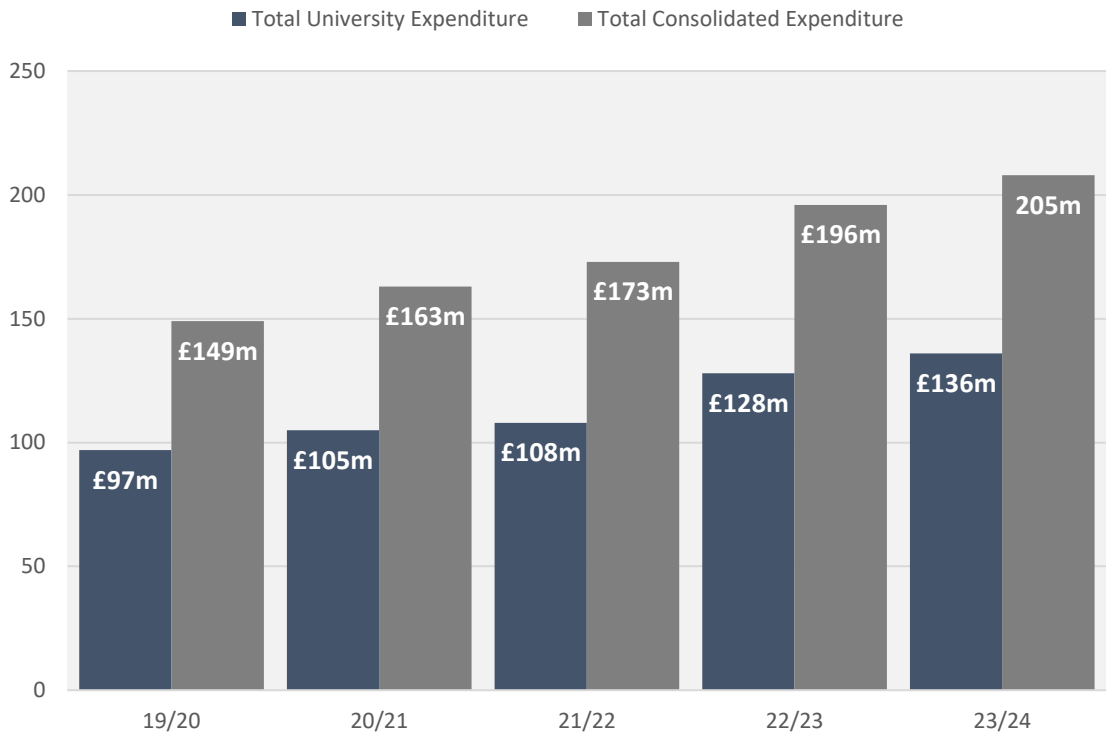


Total Expenditure

The year to 31 July 2024 saw a decrease in total group expenditure and University expenditure. This decrease is entirely the

result of the release of the USS deficit provision noted in the introduction. In fact, there is a 6% increase in the expenditure.

5 Year Expenditure

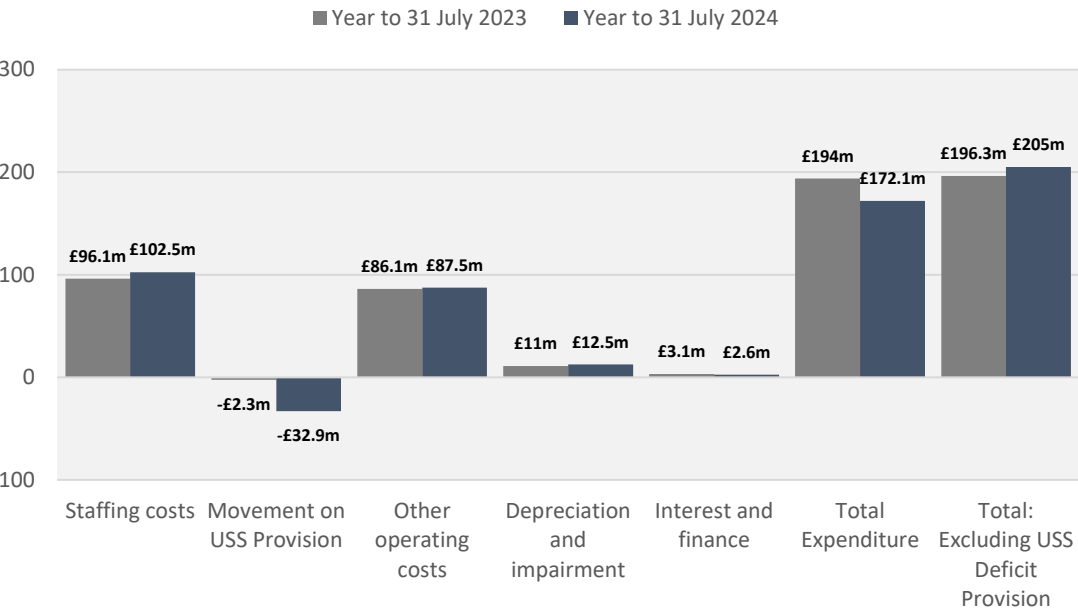


	Expenditure	% Change	USS Deficit Provision	Expenditure w/o USS Deficit Provision	% Change
Group	(174.6m)	(10%)	32.9m	(207.5m)	6%
University	(103.4m)	(18%)	32.9m	(136.2m)	6%

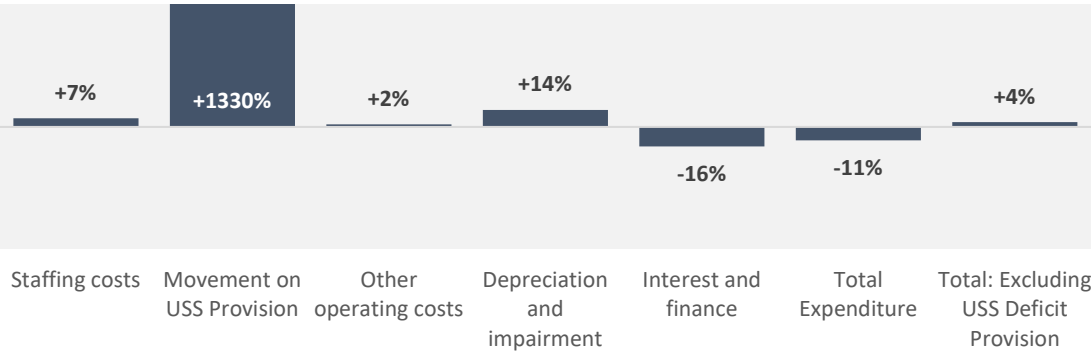
Expenditure has increased over the past 5 years to support the income growth experienced in the period (38% group income growth, 43% University). When the annual adjustments to the USS provision are excluded, the Group expenditure has grown by 39% and University expenditure growth at 40% over the past 5 years.

Joint Report on Financial Year

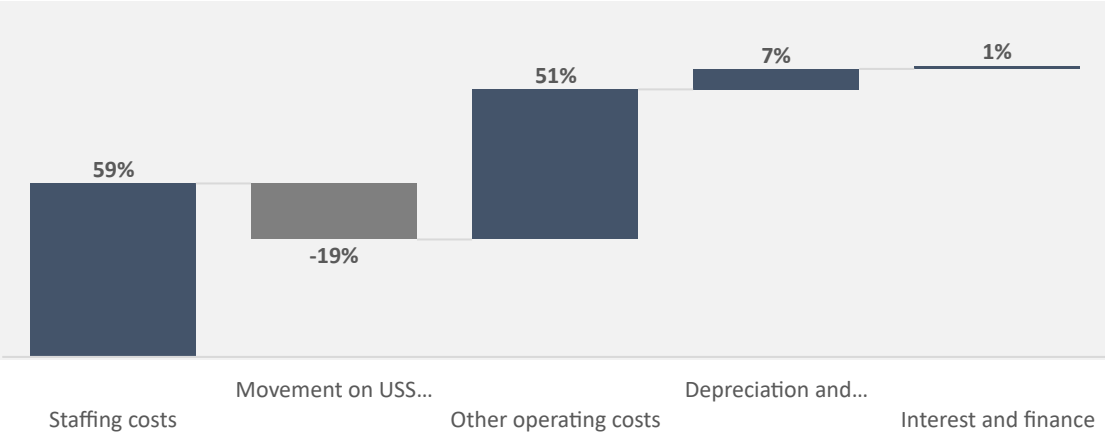
Consolidated Expenditure



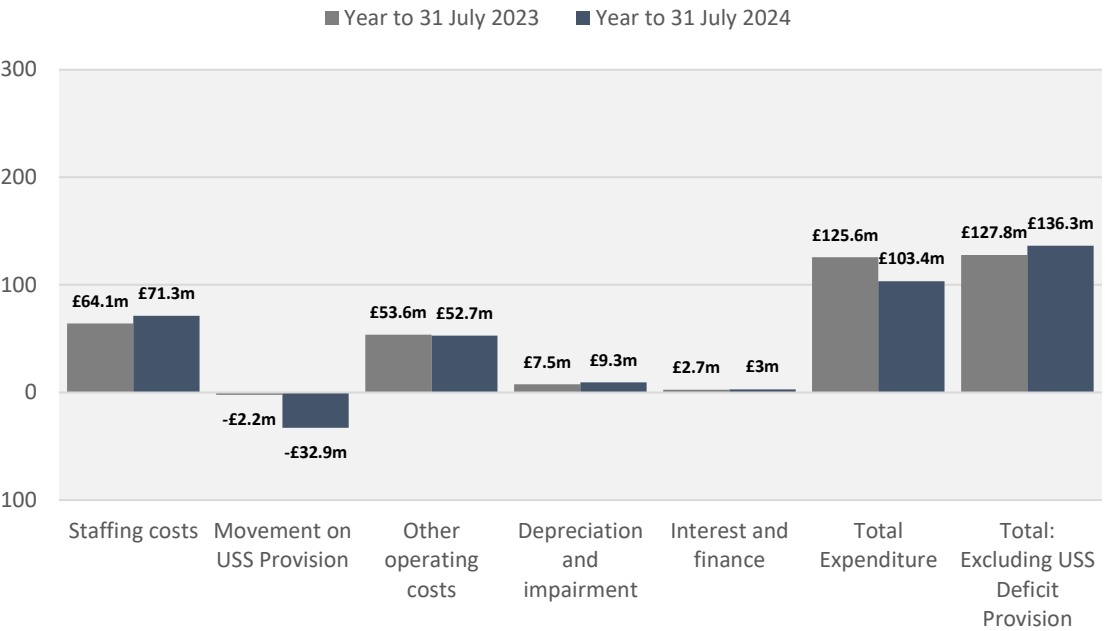
Consolidated Expenditure: Movement % 2023 - 2024



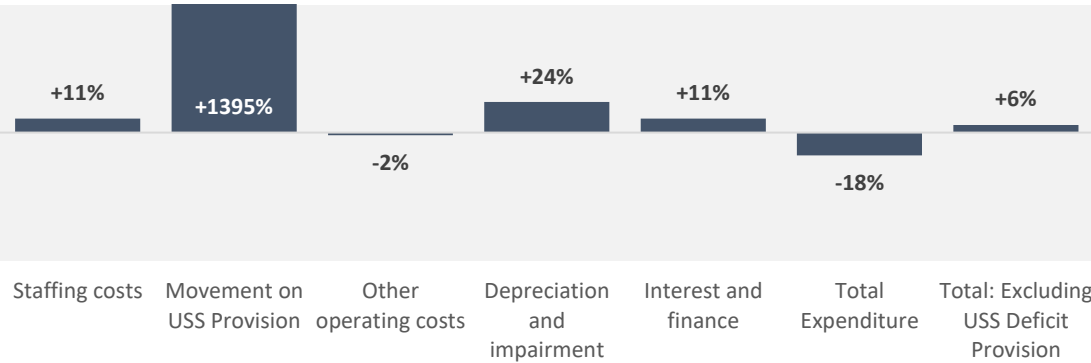
Consolidated Expenditure: % of Year to 31 July 2024



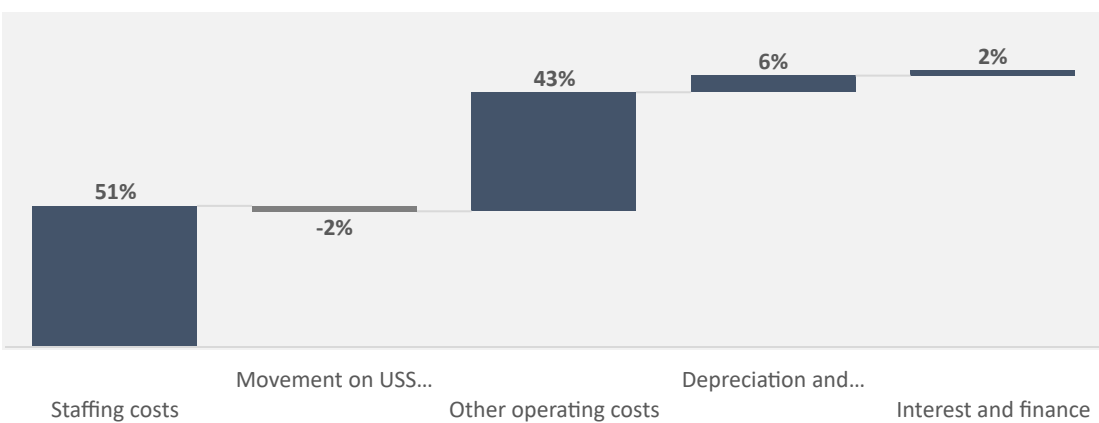
University Expenditure



University Expenditure: Movement % 2023 - 2024



University Expenditure: % of Year to 31 July 2024



Joint Report on Financial Year

Staffing Costs

The University targets a staffing cost to income ratio of between 50% and 55%, over this 5-year period the ratios have been within this range. In the year to 31 July 2024, the University ratio is 53% and the Group Ratio 50%. When the non-recurring capital grant income is excluded, the ratios are 56% and 52% for the University and Group respectively.

Staffing costs are the largest single cost line for the University and Group representing 42% of Group expenditure (2023:49%) and 52% of University expenditure (2023:50%).

Restructuring costs totalling £403k were paid in the year to 6 employees, including 4 employees reported under Key Management Personnel in the previous year.

Other Operating Costs

53% of the University's operating expenditure (52% group) falls within Academic and related expenditure. The University expenditure of £27.9 million in this area includes £16.5 million related to student recruitment, an increase of £2 million.

(£1.5 million for the Group) as a result of the capital expenditure in the year. Having undertaken reviews on expected future use of the key University buildings, the University has concluded that the carrying value is appropriate, with no impairment charges required in the current year.

Premises expenditure for the University has reduced by £4.3 million (38%), Group expenditure has reduced by £4.3 million (30%). The fall in expenditure is in part through a £1.3 million reduction in utility costs with the costs in the year to 31 July 2024.

University Interest and finance costs include pension scheme interest charges of £0.4 million (2023: £1.3 million) and loan interest of £2.1 million (2022: £1.4 million).

The Group Interest and finance costs include a pension scheme interest credit of £0.06 million (2023: £1.5 million charge) and loan interest of £2.1 million (2022: £1.4 million).

The depreciation charge in the year has increased by £1.7 million for the university

Capital Expenditure

2024 saw the completion of a range of capital projects previously committed to. As a result, the capital expenditure in the Year to 31 July 2024 was £16.9 million for the University and £19.5 million for the Group. This completed a three-year period of significant investment in the University's

physical and digital estate [£11.6 million (2023) and £14.2 million (2022)]. The expenditure of £16.9 million in 2024 includes £12 million for the development of the University's new London campus in Canary Wharf completed in June 2024.

Capital Expenditure (cont.)

The University has invested £13.6 million into the construction of a new property known as the Innovation Matrix in Swansea, with £9.7 million of the expenditure occurring during the year and £3.9 million being incurred during the year to 31 July 2023. The building opened and welcomed

its first tenants during the year and will provide a commercial income to the University alongside providing opportunities for innovative companies to work within the University and amongst our students.

Balance Sheet

The consolidated Balance Sheet discloses a net assets position of £141.9 million at 31 July 2024 (2023: £114.1 million). The increase in net assets primarily arises from the decrease in pension liabilities of £33.2 million to £nil (2023: £33.2 million).

(2023: £22.8 million). In addition, the University utilised an overdraft facility at 31 July 2024 of £5.5 million which is reported under creditors. The amounts are due within one year (2023: £nil). The decrease in cash reserves is through the capital expenditure in the year on both tangible fixed assets and investment properties.

Cash balances are reported as £20.4 million for the Group at 31 July 2024 (2023: £44.8 million) and £2.0 million for the University

Cash Flow

The University and Group cash position peaked at July 2022 after which the cash balances have been utilised in the capital expenditure noted above in both the current and prior years and in servicing the deficit recorded in the Year to 31 July 2023. The consolidated net cash outflow from operating activities was £3.6 million for the year (2023: inflow £0.5 million) and the overall cash outflow was £29.9 million (2023: £14.7 million).

proceeds from the sale of fixed assets of £2.7 million (2023: £0.04 million) less payments made to acquire fixed assets of £24.8 million and investment properties of £2.9 million (2022: £11.7 million). The University divested from £4.3 million of investments in the year.

Cashflows from operating activities are impacted by the recognition of the negative non-cash pension costs of £35.9 million (2023: £3.4 million).

Cashflows from financing activities are comprised of new finance leases to fund the purchase of equipment of £1.5 million (2022: £0.5 million) less payments made against finance leases of £0.9 million (2022: £0.9 million) giving an increase of £0.6 million (2023: decrease £0.4 million) and interest payments of £2.1 million (2023: £1.4 million).

Cashflows from investing activities include

Joint Report on Financial Year

Borrowing

The University's loan with HSBC was renegotiated during the period to renew the original product term that was due to end in April 2024. An agreement for a further 5 years was agreed and formally put in place on 31 January 2024. The University did not take out any further borrowing as part of the renewal. The capital repayment on the loan remains at £2 million per year, paid in 4

equal instalments. The maturity of the loan is detailed in April 2029.

The University entered into an unsecured overdraft facility with Barclays during the period with the facility being utilised at 31 July 2024 at a level of £5,457k. This is reported under creditors due within one year.

Covenants

The 3 covenants in place for the year to 31 July 2024 are

- The ratio of cash-flow available to meet debt servicing costs for the prior 12 months to be not less than 1.1 times debt servicing costs – Capital Expenditure in the year to be net of opening balance sheet cash;
- The ratio of net debt to total income to be not more than 50%; and
- The level of consolidated net assets excluding pension liabilities to be not less than £105 million.

These covenants were tested based on the University's management accounts at 31st October 2023, 31st January 2024, and 30th April 2024. All 3 tests were passed at each testing point. A final test point based on the audited financial statements at July 2024 saw all 3 tests passed.

The budget and forecasts prepared indicate that they will be passed at all points for the forecast period through to December 2025.

Liquidity

The Group's current ratio at 31 July 2024 was 0.84 (2023: 1.22). The reduction in the ratio is attributed to the capital expenditure in the period.

Detailed monthly cashflow forecasts have been prepared for the 12 months ended 31 July 2025 and into the Year ending 31 July 2026 showing that there are sufficient cash resources and liquidity during this period to properly manage its affairs and planned operations. These forecasts indicate a positive cash flow for both periods.

Creditors due within one year amount to £64.2 million for the University (2023: £74.6 million), and £56.3 million for the Group (2023: £74.6 million). The decrease primarily arises from a reduction in deferred income (£10.2 million University, £10.3 million group), a decrease in other accruals (£3.1 million University, £2.7 million group),

and a decrease in Trade Creditors (£1.7 million University, £2.1 million group). This is offset through the recognition of an overdraft (£5.5 million).

The decrease in deferred income is driven through the release of the capital grant of £8.1 million held at 31 July 2023 relating to the Innovation Matrix building and a £2 million decrease in other deferred grant income as long-term projects reach their end point.

The trade creditors decrease is due to timing of transactions. There has been no amendment to the creditor payment policy in the year which continues to follow best practice. The University's payment policy requires the University to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice.

Joint Report on Financial Year

Pensions

The University contributes into 6 defined benefit pension schemes, of which one (USS) remains open to new members. In addition, the two FE colleges each contribute into a defined benefit scheme. Of the 8 schemes in total, 2 Teachers Pension Schemes (TPS) are accounted for as a defined contribution scheme with no balance sheet provision, 4 Local Government Pension Schemes (LPGS) and 1 in-house scheme are accounted for as pension provisions and the USS scheme is accounted for as a deficit provision. All provisions are recorded as non-current liabilities.

The LPGS and in-house scheme were in a surplus position at 31 July 2024 and 31 July 2023. The University undertook a review on the underlying assumptions within the actuarial reports for each of the LPGS, TPS and in-house schemes and concluded that all of the inflation, discount rate and salary movement assumptions fell within the range expected, based on a peer review of 8 other institutions' schemes.

The Group has assessed the future economic benefit from the surplus position

of its pension schemes. As it is not anticipating to derive any economic benefit from the surplus position on any of the LPGS or in-house schemes, no surplus has been recognised on any scheme.

FRS102 requires the University to recognise its obligations to contribute to the deficit of the University Superannuation Scheme (USS). This liability is included in the pension provision. Additional costs are processed through staff costs in the consolidated statement of income and expenditure.

At 31 July 2023, the institution's balance sheet included a liability of £33.2 million for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions, and accordingly the provision was released in full during the year.

Financial Health

The University is pro-actively managing its activities to meet the challenges of the current difficult economic environment.

The key indicators of surplus, cashflow and banking headroom reflect the challenging environment. These have been significantly influenced over the past 2 years through significant capital expenditure levels resulting in an operating deficit in the year to 31 July 2024 and the previous year. The Group reserves provide sufficient headroom to meet the challenges faced in the immediate term and provide a platform for success and sustainable financial performance in future periods.

The University recognises the need to actively manage this position in future periods with key areas for focus including:

- reviewing the academic portfolio to ensure that our offer is attractive, well-designed, appropriately structured and geographically located to provide the best opportunities for student recruitment, experience and outcomes;
- enhancing our marketing and increase our share of existing and developing markets with an offer to attract more students to our Welsh campuses and grow international activity.
- defining organisation structures of appropriate shape, size and geographical distribution to effectively deliver and run the University.

- optimising our campus infrastructure and footprint to support a sustainable efficient estate that is fit for purpose to deliver our educational and organisational requirements and respond to changing demands on usage.
- managing cash flows, including the timely collection of receipts from the student loans company, to ensure compliance with bank covenants;
- being pro-active in responding to the reductions in core funding from Medr and Welsh Government; and
- responding to the changing political context of Higher Education in Wales;

During the year ended 31 July 2024 the University's increased teaching activity and cost controls have moved the operating performance from one of deficit to one of a small surplus. The University will continue to seek increased student recruitment through each of its entry points and continue to manage expenditure levels in a way to drive an operating surplus and begin to replenish the cash reserves that have decreased over the past 2 years.

The budget for the year to 31 July 2025 indicates a small net cash inflow for the year which follows the expectation set in the Annual Review for the year to 31 July 2023 that the cash balance would decrease in the year to 31 July 2024 before beginning to recover in future periods.

Joint Report on Financial Year

Going Concern

In preparing the financial statements for 2023/2024 and a budget for 2024/2025 the Group and University acknowledged and appreciated the challenging external environment that all tertiary education providers in Wales and the UK are operating under. The Group and University consider income generation and realisation of this income in cash as the most appropriate method of maintaining sustainability.

For the year to July 2024, the Group's income, excluding one off capital grants, grew by £11.5 million despite a reduction in Funding Body Grants of £2.6. million. This decrease in funding is due to the completion of projects attracting specific funding body grant funding. Within this increase £10.9m came from the University.. With the exception of the one off capital grant all of the income recognised in the current year is considered to be repeatable.

September 2023 saw the first intake of students in the University's new campus in Birmingham, providing the base for tuition fee growth in the year. Additionally, the new London campus in Canary Wharf saw its first intake of students in June 2024. The relocation to its new base provides an opportunity for student growth and student numbers in September 2024 have exceeding budget expectations for both domestic and international students. In 2024, there has also been growth in provision in Cardiff.

The difficult decisions taken in the summer of 2023 will provide longer term stability for the Group and University's income generation potential. The impact of these decisions, along with the operational improvements being applied during the current year, result in a budget with an

increase in recurring income, a small operating surplus and cash generation of £3 million in the University. At the date of signing the accounts, both the Group and University remain confident that their budgets will be delivered in the financial year.

Within the budget process, all members of the Group set appropriate targets for EBITDA and cash generation that will aid the management of their primary sustainability metric - being the Group and University's cash position and projections alongside meeting its banking covenants..

Over the past year, both the Group and the University have reviewed their cost base, with appropriate cost saving targets being set within the Group and University to allow investment in key areas whilst maintaining a cost base consistent with the current year and appropriate for its total income levels.

The increase in pay costs has pushed the ratio of pay costs to income slightly above 55%, when excluding the non-recurring capital grant income. The actions taken in the current year will bring this ratio back within the 55% target.

The budget setting for 2024/2025 and forecasting for 2025/2026 acknowledges the current cost base and the external pressures facing the Group and University, resulting in prudent and centrally controlled costs levels in both pay and non-pay for future years.

The forecasts are made with an underlying assumption of continued support from its bankers in the provision of its term loan facility. On 31 January 2024, the Group renewed its term loan facility with HSBC for a 5-year period to April 2029. As part of the renewal, the Group and University agreed updated covenants and is forecasting to achieve the revised covenant obligations throughout the going concern period, even when considering the stress testing and sensitivity.

The Group banking covenants to HSBC are tested on a quarterly basis on the 31st October, 31st January, 31st April and 31st July. The forecasts referred to above demonstrate that the Group and University will be compliant with its covenants during the assessment period on both base case and downside with mitigation case scenarios.

As noted above and in the Consolidated Statement of Cash flows, there was a net cash outflow of £29.9 million in the year to 31 July 2024 with a net cash outflow from operating activities of £0.8 million. The forecasts for 2024/2025 show a recovery in both the Group and University cash positions with an expected net cash inflow of £3 million. During 2024/25, the Group and University intend to utilise the overdraft facility referred to above with Barclays to manage its monthly cashflow.

The Group and University are working with its banking partners to identify a suitable longer-term financing model that is best suited for future expansion and developments. As this solution is explored

there is an overdraft facility in place for the current financial year which, alongside Group funds being available, will support any gap in establishing the longer-term funding. it is. The Group cash reserves position is available and sufficient, even under plausible downside scenarios, to allow all Group and University liabilities to be met as they fall due for a period of 12 months from the date of signing the financial statements.

The applied downside scenarios give further confidence in the ability of the Group and the University to manage any uncertainty arising in the 12 months from the date of signing these financial statements and the accounts are produced on a going concern basis to reflect the points covered above..

Joint Report on Financial Year

Environmental Sustainability Policy

Sustainability is at the heart of how the University does business. The University believes that environmental sustainability is the foundation of wider economic and social sustainability and is an integral part of good institutional practice. It has a duty to satisfy itself that all of its operations and activities are conducted with proper regard to the environment.

The University's sustainability team collaborates with the Sustainable Development Group and the Sustainability Steering group in this area and continues to support the embedding of sustainability within the University's curriculum at all levels as well as engaging with the widest number of organisations to develop sustainable practice across all sectors in Wales and further afield.

Environmental Reporting

The University is committed to embedding sustainability as a core principle. This is evidenced in the Strategic Plan and Environmental Policy Statement which articulates its values of Sustainable Development and Global Citizenship. Sustainability is embedded within the Strategic Action Plan (2022 – 2025) and Estates and Infrastructure have key performance indicators that are sustainability linked; these include: energy consumption, cost of core utilities, Scope 2 emissions. Progress is monitored through annual strategic plan reporting and Key Performance Indicator Reporting provided to the Resources and Performance Committee and University Council.

The University is specifically committed to implementing a University-wide Carbon Management Plan to achieve Net Zero Scope 1 & 2 by 2030, scope 3 by 2045.

In 2022, the University adopted a Net Zero Carbon, Interim Plan to explicitly show its commitment to, and outline a plan for, managing and reducing its carbon emissions, against which considerable progress has been made. This has included: signed Swansea Healthy Travel Charter, being part of Public Service Boards Net Zero action groups, and external communications on student led projects. Solar installations, retro fitting the estate with energy efficient options such as LED lighting, Low carbon Heat Pumps, etc.

Systematic revision of this plan will enable the University to continue the journey to Net Zero Carbon while undertaking a range of assessments that will inform the

development of a three-year plan that will recognise the progress to date and further map out the route to Net Zero Carbon.

The main action areas identified for carbon reduction fall within the following:

- Implementing a Monitoring Programme to ensure accurate monitoring of energy use, and water use through the provision and use of an Energy Management System enabled by an appropriate software package;
- All new capital projects are built to Net Zero Carbon BREEAM 'Excellent' score and there is an associated reduction in supply chain and waste impacts;
- To significantly improve the energy efficiency of the remaining estate, with full consideration given to replacement & renewable energy heat schemes and discontinuation use of gas. Campus development plans must prioritise decarbonisation opportunities such as scoping for Low/No Carbon Heat pilot projects and making demonstrable progress on understanding and implementing the remaining energy efficiency opportunities. which include utilisation of effective building management controls;
- To reduce waste across the institution in order to minimise waste processing, pollution and landfill activity whilst meeting the new Waste legislation for Wales that came into force in 2024.

In addition, the University will:

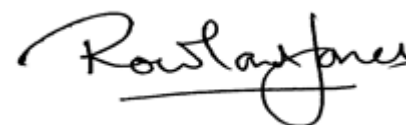
- Develop people centred model of service delivery that reduces the need to travel for staff, students and visitors that promotes low emission travel, active travel and encourages a greater use of public transport, reducing car commutes and business travel;
- Apply the principles of a circular economy to our procurement activities, incorporating a robust carbon reduction phase that assesses the carbon impact of goods and service across the lifespan;
- Utilise UK markets for carbon sequestration values to develop a land asset calculation;
- Develop renewable energy sources to reduce our carbon footprint, mitigating business risk against overloading and power outage on the National Grid;
- Student and staff engagement through a blended approach of both digital and face to face events which aims to promote behaviour change that creates a climate conscious Wales;
- Maximise carbon sequestration through the biodiversity of its land holdings.

Central to this is the creation of a clear accountability route that ensures that sustainability becomes embedded into policy and establishes collective responsibility to make a positive impact upon our people, our communities and our planet.

The Sustainability Steering Group (SSG) is responsible for supporting the Sustainability agenda for the University Group, and for

monitoring and measuring progress against performance indicators to confirm effective implementation and alignment with organisational objectives and strategy. It reviews (where appropriate) strategy and policy and approves or refer to Senior Leadership Team as is necessary, while working to ensure that the requirements of both UN Sustainable Development Goals and the Wellbeing of Future Generations Act (2015) requirements are met. This steering group is chaired by the Chief Operating Officer who is instrumental in driving the institutional change.

The Sustainability Development Group (SDG) is formed by managers across every academic and professional service in the University as well as Coleg Sir Gâr. This group has student representation, and membership is open to all students who wish to be part of it. They are tasked with creating a departmental sustainability action plan, capturing suggestions and actions to move the sustainability agenda forward to meet our commitments, including the Net-Zero Carbon by 2030 ambition. The group promotes and communicates sustainability across the whole institution. This has resulted in several initiatives relating to Net Zero being communicated to staff, such as our "One Campus, One Day" initiative aimed at reducing inter-campus travel as well as providing a consultation forum for policy development, check and challenge. The membership of these groups ensures senior level oversight and support for this agenda, as well as ensuring engagement and consultation with senior officers in terms of wider University Group impact.



Rowland Jones
(Chair, Resources and
Performance Committee)



Gavin Bessant
(Director of Financial Services)

Joint Report on Financial Year

Public Benefit Statement

The University is a registered charity, and its charity number is 1149535.

Our Mission of Transforming Education; Transforming Lives derives from our Royal Charter's Objects to 'to advance education and disseminate knowledge by teaching, scholarship and research for the public benefit'.

These Objects constitute the University's charitable purposes for the public benefit.

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

Academic Success

Education for the public good is at the heart of the University's values. We are committed to the principles of equality and diversity and to building strong communities on all sites and within our partners' academic communities. We are committed to create an inclusive, supportive learning and working environment in which all staff, students and learners can flourish and fulfil their personal potential. UWTSD Students are not a single group, they include – but are not limited to - mature students, disabled students, minority ethnic students, international students, LGBTQ+ students and students from further

underrepresented groups in higher education. Our students enter with a wide range of prior qualifications and experiences which enhance our University community. Understanding the barriers facing these different students, and the impact of intersections between different characteristics, will be crucial to the success of this strategy. We also recognise that the barriers faced by various groups of students are not mutually exclusive and through its mission the University aims to work to reduce these barriers to enable student success.

Scholarship and Research

Our research and engagement create impact in the public realm, improving equality, diversity and inclusion. Our research activity is critical to the delivery of the University's

mission and public purpose, and the Research and Innovation Strategy seeks to ensure that all research areas should make a positive contribution to the communities we serve.

Welsh Medium

Our commitment to Welsh medium learning, including supporting second language learning and Welsh cultures is underpinned by the University's Welsh Language Strategy. The Strategy contains firm commitment to ensuring opportunities to learn and study through the medium of Welsh in line with the

Welsh Government's Cymraeg 2050: A million Welsh Speakers Strategy. Compliance with Welsh Language Standards also ensures that the University provides a supportive environment and ethos for individuals learning the language or studying through the medium of Welsh.



The background of the slide features a faded, grayscale image of two men in business suits. The man on the right is pointing towards the left, while the man on the left looks on. They appear to be in a professional setting, possibly a meeting or presentation.

Statement of Corporate Governance

Governance Overview

In accordance with the University’s Supplemental Royal Charter, the Council is the governing body of the University and is responsible, through Statute, for approving the strategic plans for the University and for governing and regulating its finances, accounts, investments, property, business and affairs. Its Primary Responsibilities are set out in the University’s Ordinances.

The Council comprises independent, staff and student governors appointed under the Statutes and Ordinances of the University, the majority of whom are non-executive. Members of Council are also trustees of the University. Vacancies for independent members are advertised externally and appointments are made following completion of an interview and selection process. The role of Chair of Council is separated from the role of the University’s Chief Executive, the Vice-Chancellor. The Council is served by a Clerk who is responsible to the Chair.

The Council meets at least four times a year and also exercises its responsibilities through the executive management and several standing committees. A Scheme of Delegation sets out where decision-making authority in the name of, or on behalf of, the Council resides, and where this authority can and has been delegated. The standing committees are chaired by independent members of Council and all have a majority of independent members. Staff and student Council members are members of all standing committees with the exception of the Audit and Risk Committee. Senior officers of the University attend meetings as necessary.

A register of interests is maintained and presented annually for all members of Council and the standing committees along with senior officers of the University and its subsidiary companies. A Code of Practice for Council Members provides information on the procedures to be followed should a conflict of interest or loyalty arise.

Academic Committee

The Academic Committee provides advice to Council on its determination of the educational character of the University.

The Committee met on three occasions in 2023/24. It considered a range of issues within the scope of its remit, including reports on the student experience, the learning environment, international activities and quality assurance; the University’s strategy for developing and promoting Welsh medium and bilingual education; and reports from Coleg Sir Gâr on learners and standards. The Committee considered Senate’s Annual Report to the University Council and the assurances it provided on the maintenance of quality and standards in advance of presentation to the full Council in November 2023.

Areas of particular focus during the year included the action plans arising from the Estyn Inspection of the University’s Initial Teacher Education provision and the Ofsted inspection of apprenticeships. The Committee also considered monitoring reports on strategies in a range of areas, including learning and teaching, student mental health and wellbeing, Welsh language and widening participation.

The membership was follows (with attendance (%) provided in brackets): Geraint Roberts (Chair) (100%); Emlyn Dole (100%); Professor Elwen Evans (67%); Taya Gibbons (67%); Uzo lwobi (33%); Dr Peter Spring (67%); Dr Kerry Tudor (100%); Deris Williams (33%).

Audit and Risk Committee

The Audit and Risk Committee oversees audit and risk across the UWTSD Group, with terms of reference that are based on the model terms of reference set out in the Higher Education Audit Committees Code of Practice published by the Committee of University Chairs (CUC). The Internal and External Auditors are present at each meeting.

The Committee met on five occasions in 2023/24. It considered a range of issues within the scope of its remit, including internal and external audit plans and findings; the financial statements for the University and its subsidiary companies prior to their submission to Council; the corporate risk register and assurance map; a twice-yearly transparency report on a range of matters including procurement and freedom of information; an annual report on whistleblowing; the performance of the internal and external auditors; and reports from the Coleg Sir Gâr Audit and Risk Management Committee.

The membership was follows (with attendance (%) provided in brackets): Nigel Roberts (Chair) (100%); Timothy Llewelyn (100%); Emlyn Schiavone (100%); Adrian Evans (co-opted; 40%); Jacqui Kedward (co-opted; 100%); Nia Morgan (co-opted – resigned May 2024; 20%).

There is no cross-membership between the Audit and Risk Committee and the Resources and Performance Committee.

Group Scrutiny Committee

The Group Scrutiny Committee maintains oversight of the subsidiary companies of the University, focusing in particular on strategies pertaining to the relationship between the University and Coleg Sir Gâr.

The Committee met on one occasion in 2023/24. It considered a range of issues within the scope of its remit, including the financial position of the University’s trading subsidiaries and proposals to dissolve a number of dormant subsidiaries.

The membership was follows (with attendance (%) provided in brackets): Rowland Jones (Chair) (100%); Professor Medwin Hughes (0%); Vanessa Liverpool (on authorised absence from 15.3.2023; 0%); Nigel Roberts (100%); Dr Peter Spring (100%); Maria Stedman (100%); Randolph Thomas (100%); Jayne Woods (co-opted; 100%).

Estates Committee

Established in its current form in 2022/23, the Committee provides oversight of the development of an integrated UWTSD Group estates strategy and advice to Council on the resourcing and delivery of major capital projects; the operational management of the estate; and estates maintenance and compliance, including health and safety.

The Committee met on three occasions in 2023/24. Having focused extensively on Group estate matters in 2022/23, the focus in 2023/24 was primarily on the University estate (as reflected in the attendance detailed below), in particular developments in Swansea (the Innovation Matrix) and London (the acquisition of new premises in Canary Wharf). It also considered reports on other capital and maintenance projects, and health and safety matters. At the end of the year the Committee was disbanded and from 2024/25 estates matters will be included in the remit of the Resources and Performance Committee.

The Committee’s membership includes the Principal of Coleg Sir Gâr and several independent members of the Coleg Board. In 2023/24 the membership was as follows (with attendance (%) provided in brackets): Rowland Jones (Chair) (100%); Dr Andrew Cornish (0%); Emlyn Dole (67%); John Edge (33%); Professor Kyle Erickson (67%); Professor Elwen Evans (100%); Taya Gibbons (0%); Delwyn Jones (33%); Arwel Ellis Owen (67%); Maria Stedman (100%; resigned December 2023).

Nominations and Governance Committee

The Nominations and Governance Committee is responsible for monitoring Council’s corporate governance capability and governance arrangements for the University and the wider UWTSD Group. It monitors the composition and membership needs of the Council and makes recommendations for appointments to committees and other bodies.

The Committee met on three occasions in 2023/24. It considered a range of issues within the scope of its remit, including progress against the University’s action plan arising from the Review of Governance of the Universities in Wales; the recruitment strategy for new independent governors; the biennial review of adherence to the sector-wide Code of Governance published by the Committee of University Chairs; governance reports from Coleg Sir Gâr; reports on complaints; and nominations for honorary awards.

Key areas of work in 2023/24 included arrangements for the next Governance Effectiveness Review; an audit of members’ skills and experience to inform succession planning; and monitoring of the second year of implementation of the Council development and retention plan.

The membership was as follows (with attendance (%) provided in brackets): Dr Liz Siberry (Chair; 100%); Natalie Beard (67%); Emlyn Dole (67%) Professor Elwen Evans (100%); Dr Stuart Robb (100%); Emlyn Schiavone (100%); Maria Stedman (resigned December 2023; 100%); Deris Williams (100%).

Remuneration Committee

The Remuneration Committee determines on an annual basis the salaries, terms and conditions and, where appropriate, the severance conditions of the Vice-Chancellor and other specified senior staff. As part of this process the Committee considers a range of external contextual and comparative measures in determining pay awards as set out in the annual Pay Policy Statement.

The Committee met on two occasions in 2023/24. It considered a range of issues within the scope of its remit, including annual salary reviews for the staff within its remit with accompanying relevant supporting information; and the University’s annual Pay Policy statement.

The membership was as follows (with attendance (%) provided in brackets): Justin Albert (Chair) (100%); Natalie Beard (100%); Emlyn Dole (0%); Uzo Iwobi (100%); Professor Conny Matera-Rogers (0%); Geraint Roberts (50%); Dr Liz Siberry (100%).

The University publishes its annual Pay Policy Statement on its website which can be viewed through the following link [Strategies and Policies | University of Wales Trinity Saint David](#)

Resources and Performance Committee

The Resources and Performance Committee maintains oversight of strategic planning and the financial affairs of the University.

The Committee met on five occasions in 2023/24. It considered a range of issues within the scope of its remit, including strategic developments; assessments of performance in relation to the measures of success of the Strategic Plan, the institutional Key Performance Indicators, and the targets of Fee and Access Plans; reports on student recruitment and retention; financial performance against forecasts and budgets and institutional sustainability; pensions; financial reports from the Students’ Union; human resources matters including approval of the annual pay award and reports from the Joint Consultative Committee; and reports relating to finance and resources from Coleg Sir Gâr.

The membership was as follows (with attendance (%) provided in brackets): Arwel Ellis Owen (Chair) (100%); Justin Albert (60%); Emlyn Dole (80%); Professor Elwen Evans (100%); Taya Gibbons (60%); Rowland Jones (80%); Professor Conny Matera-Rogers (80%); Maria Stedman (resigned December 2023; 100%).

Senate

In addition, the Senate, which is the academic authority of the University and draws its membership mainly from the academic staff and students of the institution, also reports to Council. Its role is to direct and regulate the teaching and research work of the University.

Senior Leadership Team

At executive level, the Senior Leadership Team meets on a regular basis in an advisory role to support the Vice-Chancellor in formulating proposals for the strategic direction of the University. 29 meetings were held in 2023/24. A wide range of topics are discussed at the meetings – both strategic and operational.

In 2023/24 the Senior Leadership Team membership included: the Vice-Chancellor, the Chief Operating Officer, the Pro Vice-Chancellors, the Head of Institute/Deans, the Executive Director of Human Resources, the Director of Financial Services, the University Secretary and the Provosts for our campuses in Wales. The attendance rate was 94%.

CUC Higher Education Code of Governance

The University aspires to high standards of corporate governance. As a corporation founded by Royal Charter with charitable status, the University does not fall within the corporate governance reporting requirements of the London Stock Exchange, but it seeks to demonstrate that its governance is undertaken in an open and accountable manner and that it aspires to best practice within the higher education sector. All Council members are required to sign up annually to a Code of Practice for Council Members which sets out the standards of conduct and accountability which are expected of them in their role as governors of the University and charity trustees; the principles and values of the University and of public service more generally; and the University's approach to matters such as confidentiality and the declaration of interests.

The University's governance arrangements have been developed to reflect the principles and practices set out in CUC's Higher Education Code of Governance, the most recent iteration of which was published in September 2020. Through the Nominations and Governance Committee the Council has reviewed its practices in the context of the Code and has confirmed that all of the Primary Elements are in place and that the University's arrangements comply with all key principles. In 2019 the

Council undertook a Governance Effectiveness Review, with external input, which included holistic consideration of adherence to the Code and resulted in a published action plan. The next full Effectiveness Review, originally scheduled to take place in 2022/23, was deferred until 2024/25 in the light of the appointment of a new Chair and Vice-Chancellor.

Through its Remuneration Committee, Council reviewed compliance with CUC's Higher Education Senior Staff Remuneration Code (June 2018) in 2018/19. A further review was undertaken in 2020 in the light of the recommendations of the Camm Review, and in 2022 following the publication of an updated Code. The University's practices adhere in full to the expectations of the Code. Through the Audit and Risk Committee, the Council has also confirmed that all elements of CUC's Higher Education Audit Committees Code of Practice (May 2020) have been adopted.

An internal audit of the University's approach to Governance was undertaken in December 2023 and provided substantial assurance on the control environment, with one recommendation identified in relation to skills assessment. The next audit is scheduled for March 2025.

Camm Review of Governance of the Universities in Wales

The Council has welcomed the Review of Governance of the Universities in Wales by Gillian Camm ('the Camm Review'), the report of which was published in February 2020. In July 2020, the Council formally adopted the Governance Charter for Universities in Wales published by the Chairs of Universities Wales (ChUW) and Universities Wales and agreed an action plan in response to the accompanying Commitment to Action. The Council's implementation of the plan is now complete. The work undertaken includes:

- formally reviewing quantitative and qualitative data relating to organisational culture and agreeing a mechanism for ensuring annual reflection by the Council;
- considering the sector-wide good practice guide on stakeholder engagement;
- confirming its expectations in respect of the size and shape of the governing body and the responsibilities and behaviours of governors;
- implementing a rolling recruitment and induction strategy with a focus on diversity;
- reviewing the standing committee structure;
- confirming its approach to governor independence and conflict management;
- reviewing its arrangements for remuneration governance;
- completing a review of risk management policy;

- reviewing the internal audit process;
- commissioning an annual report on whistleblowing;
- approving the statements on independence, the role of the Secretary and annual reporting developed through the Welsh Clerks and Secretaries Group;
- approving an approach to leadership succession planning;
- adopting the new template for the Annual Report and Financial Statements;
- approving and implementing a governor development and retention plan;
- participating in Advance HE workshops relating to equality and diversity and developing a Council EDI plan.

A key focus for the Council following the Camm Review has been the articulation, consolidation and enhancement of arrangements for governor induction and development. Formal and comprehensive induction arrangements, including a 'buddy' scheme for new independent governors, have been established, and a development and retention plan has been implemented, setting out the opportunities (both mandatory and optional) that are provided for all governors. Record-keeping has been formalised, as has the approach to appraisal.

Statement of Internal Control

As the governing body of the University, the Council has responsibility for maintaining a sound system of internal control that supports the achievement of the strategic plans, aims and objectives of the institution, whilst safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibilities assigned to Council in the Charter and Statutes, and the annual Terms and Conditions of Funding issued by the Higher Education Funding Council for Wales (HEFCW).

The internal control system includes policies, regulations and plans; monitoring of financial and operational performance; segregation of duties; authorisation and approval procedures; information systems; and effective internal and external audit functions. It also includes an ongoing process designed to identify the principal risks to the achievement of the strategic plans and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively, and economically. These systems have been in place for the year ended 31 July 2024 and up to the date of approval of the annual report and financial statements. The system accords with relevant guidance from the British Universities Finance Directors Group.

The system of internal control is designed to manage rather than eliminate the risk of failure in the achievement of business objectives; it therefore provides reasonable but not absolute assurance of effectiveness and not absolute assurance against material misstatement or loss.

The Audit and Risk Committee has specific authority delegated by the Council to monitor and review internal control matters on its behalf and to report to Council on these matters. Independent Internal Auditors undertake regular reviews of the systems of internal control; the scope of their work is determined, in advance, by the Audit and Risk Committee which receives their reports and recommendations. The areas for review are determined by their significance to the University's operations and the risks associated with their failure; they include operational and compliance matters as well as financial risk. The Internal Auditors attend each meeting of the Committee and meet privately with independent members on each occasion. The deliberations of the Audit and Risk Committee are reported at each meeting of the Council.

The University has established a robust methodology for evaluating and managing risk on a continuing basis, linked explicitly to the achievement of institutional objectives. UWTS

Group and corporate-wide University risk registers, which rate the likelihood and impact of identified risks, are maintained and regularly reviewed by the Senior Leadership Team. Departmental risk registers are developed and reviewed at local level, with risks escalated to the corporate risk register as appropriate. Registers are also maintained for discrete major projects and activities. The corporate risk registers are considered at each meeting of the Audit and Risk Committee and proposed changes are considered by the Council. The Group Risk Management Policy and the construction of the risk register were comprehensively reviewed in 2023/24, with the next review scheduled for 2025/26. An assurance map, following the 3-line model supported by the Chartered Institute of Internal Auditors, provides senior managers and governors with an overview of the mechanisms in place to oversee the risks identified on the corporate risk register and to facilitate the identification of areas where strengthening is required.

An internal audit of the Group's approach to Risk Management was undertaken in summer 2022 and provided adequate assurance on the adequacy of internal controls and substantial assurance on the effectiveness of internal controls. The next audit is expected in 2025/26.

The University's Internal Auditors, Forvis Mazars, produce an annual report covering the specific audit areas reviewed in the year alongside an overall assessment rating for the year. The report for 2023/2024 covered 13 specific audits, concluding that overall the University's framework of governance, risk management and control is moderate in its overall adequacy and effectiveness. It noted that the rate of recommendation implementation had improved.

The Council's review of the effectiveness of the system of internal control is also informed by the work of senior officers within the University, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their year-end management letter and other reports.

No significant internal control weaknesses or failures have arisen during the financial year or after the financial year but before these financial statements have been signed. No instances of actual or suspected fraud were encountered during the audit work carried out in the internal audit cycle.

Risk Management / Risk Register

The Statement of Internal Control sets out the arrangements that are in place for risk management, including the continuing process of identifying, evaluating and managing risks.

A comprehensive risk register is maintained by the University with specific risks allocated to the appropriate senior managers and departmental heads. It is the responsibility of these risk owners to identify and implement mitigating actions to protect the University.

Risks are allocated an initial 'score' based on likelihood of occurrence and impact on the University with updates at each relevant committee and Council meeting detailing progress towards mitigating actions/ new actions identified and an updated risk score post mitigation.

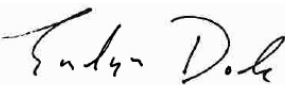
A full update to the register is presented to each meeting of the Audit and Risk Committee.

Conclusion

The Higher Education sector is one of continually evolving challenges and is not immune to the inflationary pressures that have, and continue to, impact the UK economy. The challenges facing the sector will continue throughout any reasonably forecastable period.

As a response the University continues to strengthen its core operations and deliver a divergence in products and markets.

Cost management remains a key focus for the University and the activity that has been taken in previous years has provided a sound base from which the University can react to the challenges that it will face in future periods and deliver a sustainable operating position to meet future challenges.



Emlyn Dole
Chair of University Council

Statement of Council's Responsibilities

In Respect of The Annual Report and The Financial Statements

The Council is responsible for preparing the Consolidated Financial Statements in accordance with the requirements of the Terms and Conditions of Funding 2023/24 issued by the Higher Education Funding Council for Wales ("HEFCW"), the Accounts Direction to Higher Education Institutions for 2023/24 issued by HEFCW ("the Accounts Direction"), the Financial Management Code issued under the Higher Education (Wales) Act 2015 ("FMC") and applicable law and regulations.

The Council is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements of the Charities Act 2011. The Terms and Conditions of Funding 2023/24 further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education and in accordance with the requirements of the Accounts Direction.

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

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

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Council is also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income, where appropriate, has been applied in accordance with paragraph 145 of the FMC;
- Funding Council grants have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding 2023/24;

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

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

Independent Auditor's Report

Declaration of information to auditor

In so far as each of the members who held office at the date of approval of this report is concerned:

- a) there is no relevant audit information of which the University's auditor is unaware; and*
- b) each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the University's auditor is aware of that information*

Independent Auditor's Report

Opinion

We have audited the financial statements of University of Wales Trinity Saint David (“the University”) for the year ended 31 July 2024 which comprise the Consolidated and University Statement of Comprehensive Income, the Consolidated and University Statement of Financial Position, the Consolidated and University Statement of Changes in Reserves, the Consolidated Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

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

Going concern

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

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

Our conclusions based on this work:

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

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

Independent Auditor’s Report

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

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

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

As required by auditing standards, and taking into account possible pressures to meet loan covenants, we perform procedures to address the risk of management override of controls and the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition due to the non-complex revenue recognition criteria, which limits the opportunity to fraudulently manipulate revenue.

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 journal entries containing specific key words, unusual journal entries in relation to cash and borrowings and material journals posted after the ledger closing date.

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

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

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

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

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and regulation (including related charities legislation and higher education legislation, including the Accounts Direction issued by the Higher Education Funding Council for Wales (“HEFCW”), taxation legislation and pensions legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the

imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: compliance with higher education regulatory requirements of the HEFCW, recognising the regulated nature of the Group’s activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor’s Report

Other Information

The Council (the members of which are the Trustees of the University for the purposes of charity law) is responsible for the other information, which comprises all of the information in the Annual Report other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work,

the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion the information given on pages 8 to 24 (which constitutes the Trustees’ Annual Report for the financial year) is inconsistent in any material respect with the financial statements. We have nothing to report in these respects.

We have nothing to report in these respects.

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Council’s responsibilities

As explained more fully in its statement set out on page 30, the Council is responsible for: the preparation of the financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and

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

Auditor’s responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor’s report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. A fuller description of our responsibilities is provided on the FRC’s website at www.frc.org.uk/auditorsresponsibilities.

Report On Other Legal And Regulatory Requirements

We are required to report on the following matters prescribed in the Financial Management Code issued under the Higher Education (Wales) Act 2015 and the Accounts Direction to Higher Education Institutions for 2023/24 issued by HEFCW (“the Accounts Direction”).

The regulation of the Welsh Higher Education sector was transferred from HEFCW to Medr, the Commission for Tertiary Education and Research, on 1 August 2024. The Accounts Direction, Financial Management Code and Terms and Conditions of Funding 2023/24 issued by HEFCW remain in place at the date of our report. In view of this transfer, any reference to HEFCW in our report should be read as also referring to Medr.

- In our opinion, in all material respects:
- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
 - income, where appropriate, has been applied by the University in accordance with paragraph 145 of 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 2023/24 issued by the HEFCW; and
 - the requirements of HEFCW’s Accounts Direction have been met.

The Purpose Of Our Audit Work And To Whom We Owe Our Responsibilities

This report is made solely to the Council in accordance with Section 4 of the Charters and Statutes of the University 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 Council those matters we are

required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.



Rees Batley

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
66 Queen Square
Bristol
BS1 4BE

10 December 2024

The background of the slide features a faded, grayscale image of a person with dark hair, wearing a dark shirt, sitting at a desk and working on a laptop. Several papers are scattered on the desk in front of them, some with faint text and diagrams visible. The overall tone is professional and academic.

Statement of Accounting Policies

Administrative Details

Charity Number	1149535
Company Number	RC000537
Principal Office	Carmarthen Campus, College Road, Carmarthen, SA31 3EP

Professional Advisors

External Auditor	KPMG LLP	3 Assembly Square, Britannia Quay, Cardiff, CF10 4AX
Internal Auditor	Mazars LLP	90 Victoria Square, Bristol, BS1 6DP
Bankers	Barclays Bank Plc HSBC Plc Natwest Bank Plc	

The consolidated financial statements of University of Wales: Trinity Saint David consolidate the following entities:

University of Wales: Trinity Saint David
Trinity University College Limited
Trinity College
Eclectica Drindod Limited
UWTSD Investments Limited
Y Ganolfan Dysgu Cymraeg Genedlaethol
Coleg Sir Gâr
Coleg Ceredigion
Mentrau Creadigol Cymru
UW Centre for Advance Batch Manufacture Limited
OSTC Trinity St David LLP (Joint Venture)
UWTSD Innovation Centres Limited
Swansea Business School Limited

Preparation of the consolidated financial statements

The consolidated financial statements for the year to 31 July 2024 have been prepared in accordance with applicable law and UK Accounting Standards, including the Statement of Recommended Practice – Accounting for Further and Higher Education 2019, the Accounts Direction for 2023/24 issued by the Higher Education Funding Council for Wales, and Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The consolidated financial statements for the year to 31 July 2024 have been prepared on a going concern basis as detailed on page 37.

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS102).

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention, except in relation to investment properties, current asset investments and derivative financial instruments carried at fair value.

Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2024, which include Coleg Sir Gâr and Coleg Ceredigion. Intra entity transactions are eliminated fully 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 control or dominant influence over policy decisions.

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

The parent company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS102 paragraphs 1.8 to 1.12. The following exemptions available under FRS102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included;
- Key Management Personnel compensation has not been included a second time; and
- The disclosure required by FRS102.11 Basic Financial Instruments and FRS102.12. Other Financial Instrument issues in respect of financial instruments not falling within the fair value accounting rules of paragraph 36(4) of Schedule 1.

Going Concern

The activities of the University and its subsidiaries, together with the factors likely to affect its future development and performance, are set out in the Joint Financial Statement. The financial position of the University and its subsidiaries, its cash flow, liquidity, and borrowings are presented in the Financial Statements and accompanying Notes.

The financial statements are prepared on a going concern basis which the University and Council believe to be appropriate for the following reasons.

After adjusting for non-cash adjustments on the pension provisions of £32.9 million and other non-core items (as noted on page 48), the University has recorded a surplus of £0.3 million in the year. A negative cash flow before capital expenditure of £0.6 million was also recorded. The budget for 2024/2025 targets a surplus of £0.5 million before capital disposals and positive cash inflow of £5.9 million before any capital activity. The University has no significant capital expenditure planned for the year to 31 July 2025.

As noted on page 14 in the Joint Financial review, the University took actions during the year to 31 July 2024 to address the deficit from the previous year and to support the future sustainability of the University. The review and implementation of further actions will continue through the coming years as the University implements its Business Plan:

- reviewing the academic portfolio to ensure that our offer is attractive, well-designed, appropriately structured and geographically located to provide the best opportunities for student recruitment, experience and outcomes;
- enhancing our marketing and increase our share of existing and developing markets with an offer to attract more students to our Welsh campuses and grow international activity.
- defining organisation structures of appropriate shape, size and geographical distribution to effectively deliver and run the University.
- optimising our campus infrastructure and footprint to support a sustainable efficient estate that is fit for purpose to deliver our educational and organisational requirements and respond to changing demands on usage.
- managing cash flows, including the timely collection of receipts from the student loans company, to ensure compliance with bank covenants;
- being pro-active in responding to the reductions in core funding from Medr and Welsh Government; and
- responding to the changing political context of Higher Education in Wales;

The University and its subsidiaries prepared five-year financial forecasts as part of the 2024/2025 budget process that deliver surpluses and positive cashflow in each year based on achieving specific targets for EBITDA at between 10% and 15%, cashflow generation of £10m before capital expenditure and financing activity and a wages to income ratio below 55% within the forecast period. They have also considered alternative “downside” scenarios if these plans are not realised and the alternative mitigating actions that would be required as a result. The early performance in 2024/2025 is in line with the overall budget expectations for the period. A reforecasting exercise was carried out following the autumn intake that produces a business plan to deliver a surplus for the year. The University has a number of mitigations and income opportunities that can be actioned should in year recruitment and performance deviate from this position.

The forecasts are made with an underlying assumption of continued support from its bankers in the provision of its loan facility. On 31 January 2024, the Group renewed its term loan facility with HSBC for a 5-year period to April 2029. As part of the renewal, the University has agreed updated covenants and is forecasting to achieve the revised covenant obligations throughout the going concern period, even when considering the stress testing and sensitivity.

The Group banking covenants to HSBC are tested on a quarterly basis on the 31st October, 31st January, 31st April and 31st July. The forecasts referred to above demonstrate that the University and its subsidiaries will be compliant with its covenants during the assessment period on both base case and downside with mitigation case scenarios. The overdraft facility is in place for the current financial year with Group funds being available to support any gap in establishing the longer-term funding.

The University is working with Barclays and HSBC to identify a suitable longer-term financing model that will remove the need for an overdraft and provide available funding for future expansion and developments.

Consequently, the Council is confident that the University and its subsidiaries 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.

Income recognition

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

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

Income from accommodation provision is credited to the Consolidated and University Statements of Comprehensive Income over the contracted length of the accommodation. Accommodation contracts are issued on a yearly basis. Bonds held on accommodation are held on the Consolidated and University Balance Sheets and repaid to students at the end of each academic year provided the terms of the accommodation contract have been upheld. Any bond retained by the University is credited to the Consolidated and University Statements of Comprehensive Income at the end of the accommodation period as an income item.

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

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

Grant Funding

Government grants including Funding Council block grant, research grants from government sources, and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and the performance related conditions have been met.

Income received in advance of performance-related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Commercial research contracts are accounted for in line with the policy for income from the sale of goods or services (exchange transactions) above. Other grants and donations received from non-government sources including research grants from non-government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and the performance-related conditions have been met.

Income received in advance of performance-related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met

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 or other restrictions applied to the individual endowment fund.

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

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

Capital Grants

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

Accounting for retirement benefits

There are five principal pension schemes for the University's staff, one of these schemes the Universities Superannuation Scheme (USS), is open to new members. The other four, Teachers' Pension; two local authority schemes (Swansea and Dyfed) and the University of Wales Lampeter Pension and Assurance Scheme are closed to new members from the University. The local authority schemes for Coleg Sir Gâr and Coleg Ceredigion remain open to new member. The schemes are defined benefit schemes which are externally funded. Each fund is valued every three years by professionally qualified independent actuaries.

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

Defined Contribution Plan

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

Multi- Employer Schemes

Where the Institution is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme.

Where the Institution has entered into an agreement with such a multi-employer scheme that determines how the Institution will contribute to a deficit recovery plan, the Institution recognizes a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The Group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Employment benefits

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

Finance Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

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

Operating Leases

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

Foreign Currency

The functional currency is £ Sterling. Transactions in foreign currencies are translated to £ sterling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

STATEMENT OF ACCOUNTING POLICIES

Fixed Assets

Fixed assets are stated at cost/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 2019 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.

Land and Buildings

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University. Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives as follows:

Academic buildings	50 years
Residences	30 years
Laboratories and lecture theatres	30 years
Refurbishments	20 years

A full year’s depreciation is charged in the year of acquisition.
No depreciation is charged on assets in the course of construction.

Equipment

Equipment, including computers and software, costing less than de-minimus of £5,000 per individual item or group of items is written off in the year of acquisition. All other equipment is capitalised.
Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

Computer Equipment	4 years
Equipment acquired for specific research projects	3-5 years
Other equipment	10 years
Motor vehicles	4 years

A full year’s depreciation is charged in the year of acquisition
Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Borrowing Costs

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

Heritage Assets

Works of art and other valuable artefacts valued at over £25,000 have been capitalised and recognised at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable.
Works of Art are included at costs incurred from 1 April 1981 or subsequent revaluation. The latest valuation of heritage assets was at 31 July 2014, which was carried out for insurance purposes. This valuation indicated that the value had increased, however no gain was recognised for accounting purposes.

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

Investment Properties

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Consolidated and University Statements of Comprehensive Income. Properties are not depreciated but are revalued or reviewed annually according to market conditions as at 31 July each year.

The review of the fair value of the investment properties is undertaken by Savills.

Investments

Non-current investments are held on the Balance Sheet at amortised cost less impairment.

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

Current asset investments are held at fair value with movements recognised in the Consolidated and University Statements of Comprehensive Income.

Stock

Stock is held at the lower of cost and net realisable value. Cost represents the invoice price of the stock.

Financial Instruments:

- **Trade and other debtors/creditors**

Trade and other debtors and creditors are recognised initially at transaction price net of attributable transaction costs. Subsequent to initial recognition they are measured at amortised costs less any impairment losses in the case of trade debtors.

- **Interest bearing borrowings**

Interest-bearing borrowings other than public benefit entity concessionary loans are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Concessionary loans are recognised initially at the amount received or paid and subsequently measured at cost plus any accrued interest payable or receivable.

- **Cash and cash equivalents**

Cash includes cash in hand and deposits repayable on demand. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

- **Derivative financial instruments**

Derivative financial instruments are recognised at fair value. The gain or loss on re-measurement to fair value is recognised immediately in income or expenditure.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

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

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

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

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

Accounting for joint ventures and associates

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

The University accounts for its share of transactions from joint operations and jointly controlled assets within the Consolidated and University Statements of Comprehensive Income.

Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

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

Several of the University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation. Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted.

Reserves

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

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

Accounting estimates and judgements – key sources of estimation uncertainty

In preparing the financial statements management have exercised judgment in the following areas:

- **Defined benefit pension scheme assumptions**

The University has a number of defined benefit pension schemes. The valuation of the liabilities on each defined benefit scheme is calculated using a financial and demographic model to present a single scenario from a wide range of possibilities. The schemes' actual experience will inevitably differ from the assumptions underlying the financial and demographic model. The differences may be material because the valuation is very sensitive to the assumptions made over a long period of time.

- **USS pension scheme assumptions**

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) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

At 31 July 2023, the institution's balance sheet included a liability of £33.2 million for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions.

The remaining liability of £33.2 million was released to the profit and loss account.

A faded, grayscale background image of a person's face, likely a woman, looking slightly to the side. The image is semi-transparent and serves as a backdrop for the text.

Statement of Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 July 2024		Year ended 31 July 2023	
	Notes	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	2	100,735	95,932	92,735	87,759
Funding body grants	3	57,928	8,570	60,594	9,743
Research grants and contracts	4	2,429	2,429	2,327	2,357
Other income	5	39,533	27,342	26,067	15,821
Investment income	6	2,076	1,279	1,393	892
Total Income		202,701	135,552	183,116	116,572
Expenditure					
Staff costs	7	102,477	71,353	96,085	64,048
Movement on USS Provision	7	(32,925)	(32,925)	(2,273)	(2,273)
Other operating expenses	9	87,504	52,653	86,116	53,563
Depreciation and impairments	11	12,493	9,213	11,033	7,541
Interest and other finance costs	8	2,556	3,011	3,024	2,709
Total expenditure		172,105	103,305	193,985	125,588
Surplus/(deficit) before other gains losses and share of operating surplus/ (deficit) of joint ventures and associates.		30,596	32,247	(10,869)	(9,016)
Gain on disposal of fixed assets		1,408	1,403	41	16
Decrease in fair value of Investment properties	13	(655)	(565)	(300)	(75)
Gain/(Loss) on investments		(758)	(746)	(155)	(148)
		30,591	32,339	(11,283)	(9,223)
Taxation	10	(4)	-	5	-
Surplus/(deficit) for the year		30,587	32,339	(11,278)	(9,223)
Actuarial gain/(loss) in respect of pension schemes	27	(2,679)	(1,915)	11,177	1,164
Total comprehensive income for the year		27,908	30,424	(101)	(8,059)
Represented by:					
Endowment comprehensive income for the year	22	15	19	(176)	(179)
Unrestricted comprehensive income for the year		27,893	30,405	75	(7,880)
Surplus for the year attributable to					
University		30,684	32,339	(11,147)	(9,223)
Non-controlling interest		(97)	-	(131)	-
		30,587	32,339	(11,278)	(9,223)
Total comprehensive income for the year attributable to					
University		28,005	30,424	30	(8,059)
Non-controlling interest		(97)	-	(131)	-
		27,908	30,424	(101)	(8,059)

All items of income and expenditure relate to continuing activities

The accompanying policies on pages notes 35 – 42 and notes on pages 49 to 74 form part of these financial statements.

The background of the slide features a faded, grayscale image. On the left, a woman's face is visible, looking slightly to the right. On the right, there is a document or a set of papers, possibly a ledger or a report, with some text and a table visible. The overall tone is professional and academic.

Statement of Changes in Reserves

STATEMENT OF CHANGES IN RESERVES

Consolidated

	Endowment	Unrestricted	Revaluation Reserve	Total Excluding Non- Controlling Interest	Non- Controlling Interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2022	10,296	80,600	23,967	114,863	(740)	114,123
Surplus/(deficit) from the income and expenditure statement	(176)	(10,971)	-	(11,147)	(131)	(11,278)
Other comprehensive income		11,177	-	11,177	-	11,177
Total comprehensive income for the year	(176)	206	-	30	(131)	(101)
Balance at 31 July and 1 August 2023	10,120	80,806	23,967	114,893	(871)	114,022
Surplus/(deficit) from the income and expenditure statement	15	30,669	-	30,684	(97)	30,587
Other comprehensive income		(2,679)	-	(2,679)	-	(2,679)
Total comprehensive income for the year	15	27,990	-	28,005	(97)	27,908
Balance at 31 July 2024	10,135	108,796	23,967	142,898	(968)	141,930

University

	Endowment	Unrestricted	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 August 2023	9,843	40,495	14,454	64,792
Surplus/(deficit) from the income and expenditure statement	(179)	(9,043)	-	(9,223)
Other comprehensive income		1,164	-	1,164
Total comprehensive income for the year	(179)	(7,879)	-	(8,059)
Balance at 31 July and 1 August 2023	9,664	32,615	14,454	56,733
Surplus/(deficit) from the income and expenditure statement	19	32,320	-	32,339
Other comprehensive income	-	(1,915)	-	(1,915)
Total comprehensive income for the year	19	30,405	-	30,424
Balance at 1 August 2024	9,683	63,020	14,454	87,157

Statements of Financial Position & Cash Flow

STATEMENT OF FINANCIAL POSITION & CASH FLOW

Statement of Financial Position

		As at 31 July 2024		As at 31 July 2023	
	Notes	Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Non-current assets					
Tangible Fixed assets	11	165,346	122,361	152,793	108,603
Heritage assets	12	6,241	6,205	6,241	6,205
Investment properties	13	10,197	9,512	4,025	3,250
Investments	14	754	-	724	-
		182,538	138,078	163,783	118,058
Current assets					
Assets held for sale	11	-	-	1,957	1,957
Stock	16	594	393	569	342
Trade and other receivables	17	34,039	41,099	37,207	46,511
Investments	18	1,641	1,625	6,009	5,993
Cash and cash equivalents		20,394	2,033	44,826	22,758
		56,668	45,150	90,568	77,561
Less: Creditors: amounts falling due within one year	19	(66,885)	(66,772)	(74,644)	(74,644)
Net current assets/(liabilities)		(10,217)	(21,622)	15,924	2,917
Total assets less current liabilities		172,321	116,456	179,707	120,975
Creditors: amounts falling due after more than one year	20	(29,155)	(28,834)	(30,533)	(30,331)
Provisions					
Pension provisions	27	-	-	(33,226)	(33,226)
Other provisions	21	(1,236)	(465)	(1,926)	(685)
Net assets		141,930	87,157	114,022	56,733
Restricted Reserves					
Income and expenditure reserve - endowment reserve	22	10,135	9,683	10,120	9,664
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		108,796	63,020	80,806	32,615
Revaluation reserve		23,967	14,454	23,967	14,454
		142,898	87,157	114,893	56,733
Non-controlling interest	25	(968)	-	(871)	-
Total Reserves		141,930	87,157	114,022	56,733

The accompanying policies on pages notes 35 – 42 and notes on pages 49 to 74 form part of these financial statements.

The financial statements were approved by the Governing Body on 10 December 2024 and were signed on its behalf on that date by:

Emlyn Dole
Chair

Prof Elwen Evans KC
Vice-Chancellor

Statement of Cash Flow

	Notes	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
Cash flow from operating activities			
Deficit for the year		30,587	(11,278)
Adjustment for non-cash items			
Depreciation and impairments	11	12,493	11,033
(Gain)/Loss in market value of investments		(15)	155
(Gain)/Loss in investment properties	13	655	300
Loss in revaluation of livestock	11	-	-
Decrease/(increase) in stock	16	(25)	(42)
Decrease/(increase) in debtors	17	3,168	(2,554)
Increase/(decrease) in creditors	19	(4,499)	7,603
Increase/(decrease) in other provisions	21	(690)	(330)
Increase/(decrease) in pension provision	27	(35,905)	(3,410)
Adjustment for investing or financing activities			
Investment income	6	(2,076)	(1,393)
Interest payable	8	2,156	1,507
Endowment income		-	-
Profit on the sale of fixed assets		(1,408)	(41)
Capital grant income	5	(8,068)	(1,063)
Cashflows from operating activities			
Taxation		-	-
Net cash inflow/(outflow) from operating activities		(3,627)	487
Cash flows from investing activities			
Proceeds from sales of tangible assets		2,684	42
Capital Grant Receipts		-	1,063
Non-current investment disposal		4,353	-
Withdrawal of deposits		-	-
Investment income		2,076	1,393
Payments made to acquire tangible assets	11	(24,817)	(11,148)
Reversal of prior impairment	11	(2,628)	-
Payments made to acquire investment properties	13	(2,906)	-
		(21,238)	(8,650)
Cash flows from financing activities			
Interest paid		(2,124)	(1,416)
Interest element of finance lease and service concession payments		(77)	(54)
New endowments		-	-
Endowment payments		-	-
New secured loans		-	-
New unsecured loans (finance Leases)		-	-
Repayments of amounts borrowed		(2,000)	(4,181)
Capital element of finance lease and service concession payments		(823)	(889)
		(5,024)	(6,540)
Increase/(decrease) in cash and cash equivalents in the year		(29,888)	(14,701)
Cash and cash equivalents at beginning of the year		44,826	59,527
Cash and cash equivalents at end of the year		14,938	44,826

The background of the slide features a faded, light-colored photograph of a family. In the upper right, a man and a woman are smiling. In the lower right, a baby is wearing a plaid shirt. The overall tone is warm and domestic.

Notes to the Accounts

NOTES TO THE ACCOUNTS

2. Tuition fees and education contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Full-time home and EU students	82,160	78,606	75,039	72,102
Full-time international students	9,652	9,652	8,998	11,723
Part-time students	7,674	7,674	7,292	3,934
Education contracts	1,249	-	1,406	-
	100,735	95,932	92,735	87,759

3. Funding body grants

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Recurrent grant				
- HEFCW Teaching grants	3,339	3,339	2,800	2,800
- HEFCW Research grants	3,441	3,441	4,172	4,172
- Welsh Government	47,518	-	43,083	-
Specific grants				
- HEFCW Student wellbeing grants	492	492	452	452
- HEFCW Capital grants	952	952	1,063	1,063
- HEFCW Other grants	346	346	1,256	1,256
- Welsh Government grants	1,840	-	7,768	-
	57,928	8,570	60,594	9,743

4. Research grants and contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Research councils	11	11	357	357
Research charities	23	23	45	45
Other	2,395	2,395	1,925	1,955
	2,429	2,429	2,327	2,357

5. Other income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Residences, catering and conferences	4,945	3,607	5,047	3,989
Other revenue grants	11,536	6,038	10,910	5,800
Other capital grants	8,068	8,068	-	-
Other income generating activities	9,535	6,715	4,485	2,991
Other income	5,449	2,914	5,625	3,041
	39,533	27,342	26,067	15,821

6. Investment income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Investment income on endowments	1,217	1,217	262	262
Other investment income	859	62	877	376
Increase in fair value of derivative	-	-	254	254
	2,076	1,279	1,393	892

NOTES TO THE ACCOUNTS

7. Staff costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Salaries	79,916	55,852	71,933	48,605
Social security costs	7,870	5,750	7,484	5,217
Movement on USS provision	(32,925)	(32,925)	(2,273)	(2,273)
Other pension costs	14,232	9,348	15,691	10,170
Restructuring Costs	459	403	977	56
	69,552	38,428	93,812	61,775

	Year ended 31 July 2024		Year ended 31 July 2023
	Prof Medwin Hughes	Prof Elwen Evans KC	Total
	£'000	£'000	£'000
Emoluments of the Vice-Chancellor			
- Salary	44	239	283
			285
Monetary value of benefits:			
- Health Insurance	-	-	-
	44	239	283
			288
Pension contributions to USS	5	41	46
	49	280	329
			345

On the 1st September 2023 Professor Elwen Evans KC replaced Professor Medwin Hughes CBE, DL as the Vice-Chancellor for both University of Wales Trinity Saint David and University of Wales and was in role for the remainder of the reporting period. Professor Medwin Hughes CBE, DL was in role for the period 1st August 2023 – 31st August 2023. The stated values for the year to 31 July 2024 therefore relate to 1 month for Professor Medwin Hughes CBE, DL and 11 months for Professor Elwen Evans KC.

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Key management personnel remuneration	2,347	1,869
	No.	No.
Key management personnel	16	12

The year has been one of transition which has impacted the key management personnel in the year. The reported figure includes all employees who have formed part of the management team in the year. The number of key management personnel at 31st July 2024 was 11.

This does not include the cost of key management that are employed by the University of Wales, but working across both institutions. These costs totalling £55k (2020: £55k) are included in other operating expenses as they are recharged by invoice from the University of Wales.

Remuneration of other higher paid staff, excluding employer's pension contributions (subject to the relevant HEFCW accounts direction) all shown before any salary sacrifice:

	Year ended 31 July 2024	Year ended 31 July 2023
	No.	No.
£100,000 to £104,999	2	-
£105,000 to £109,999	1	-
£110,000 to £114,999	-	-
£115,000 to £119,999	1	-
£120,000 to £124,999	2	-
£125,000 to £129,999	1	-
£130,000 to £134,999	-	1
£135,000 to £139,999	-	-
£140,000 to £144,999	-	-
£145,000 to £149,999	-	3
£150,000 to £154,999	-	-
£155,000 to £159,999	-	3
£160,000 to £164,999	2	-
£165,000 to £169,999	-	-
£170,000 to £174,999	-	-
£175,000 to £179,999	2	1
£180,000 to £184,999	-	-
£185,000 to £189,999	-	-
£190,000 to £194,999	-	-
£195,000 to £199,999	-	-
£200,000 to £204,999	1	-
£205,000 to £209,999	-	-
	12	8

Compensation was paid to a total of 4 higher paid staff in the year (2023: nil) at a total of 373k (2022: £nil). This included compensation for loss of office and PILON. The disclosure above includes employees where this applies. At 31 July 2024 the number of employees with remuneration greater than £100,000 is 9.

The pay award negotiated by UCEA, applicable from August 2023 was for an average of 3% for staff on the national pay spine. The pay award provided an uplift of 8% for staff on the lowest spine points and 5% for staff on or above spine point 26. The pay award was partially implemented in February 2023 with £1,000 applied to staff below spine point 26 and 2% to staff above this spine point.

NOTES TO THE ACCOUNTS

In addition to this as a Real Living Wage employer, the University enacted the increase to the National Living Wage, including where applicable the London weighting. Where eligible, staff were awarded progression pay increases in the usual manner.

	Year ended 31 July 2024	Year ended 31 July 2023
Average staff numbers by:	No.	No.
- Academic departments	868	800
- Non-academic departments	1,241	1,139
	2,109	1,938

Restructuring Costs

The University accounts for restructuring costs in the period that the cost is incurred, where a restructuring plan has been communicated but not fully concluded at the Balance Sheet date and amounts due to be paid are recognised on the Balance Sheet and within the Statement of Comprehensive Income in the year that the plan was communicated.

The University accounts for restructuring costs in the period that the cost is incurred, where a restructuring plan has been communicated but not fully concluded at the Balance Sheet date and amounts due to be paid are recognised on the Balance Sheet and within the Statement of Comprehensive Income in the year that the plan was communicated.

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Paid to employees on termination of employment	459	403	977	56

Trustees

The University’s Council members are the trustees for charitable law purposes. The trustees who served in the year, and up to the signing date of these financial statements are listed on page 4.

Due to the nature of the University's operations and the compositions of the Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest are conducted at arm’s length and in accordance with the University's Financial Regulations and usual procurement procedures. Other than the expenses paid in the year referenced below there were no transactions in the year with any members.

No Council member has received any remuneration/waived payments from the group during the year (2023: £nil).

The total expenses paid to or on behalf of 23 council members was £12K (2023: £9K to 23 council members). This represents travel and subsistence expenses incurred in attending Council, Committee meetings and events in their official capacity

Vice-Chancellor Remuneration Statement

On the 1st September 2023 Professor Elwen Evans KC replaced Professor Medwin Hughes CBE, DL as the Vice-Chancellor for both University of Wales Trinity Saint David and University of Wales and was in role for the remainder of the reporting period. Professor Medwin Hughes CBE, DL was in role for the period 1st August 2023 – 31st August 2023.

The ratio of the annual salary of the former Vice-Chancellor Professor Medwin Hughes CBE, DL compared to the median average of the University was 6.48:1. The ratio of his total remuneration compared to the median average of the University was 7.32:1.

The ratio of the annual salary of the new Vice-Chancellor Professor Elwen Evans KC compared to the median average of the University is 6.25:1. The ratio of the total remuneration of the new Vice-Chancellor compared to the median average of the University is 6.39:1.

The Remuneration Committee decided to mirror the sector pay award for Senior Officers within its scope excluding the new Vice-Chancellor.

The Vice-Chancellor is also Vice-Chancellor of the University of Wales. 20% of the Vice-Chancellor's emoluments are recharged to the University of Wales. The emoluments and ratios disclosed above represent 100% of the Vice-Chancellor's emoluments.

The Vice-Chancellor has a significant breadth of responsibility spanning Higher Education and Further Education. This includes the University of Wales Trinity Saint David, The University of Wales, Coleg Sir Gâr and Coleg Ceredigion. Within UWTSD, this includes responsibility for Birmingham and London. 100% of the Vice-Chancellor's emoluments are disclosed in these accounts and do not take into account any recharge to the University of Wales.

The University Council is responsible for establishing a Standing Committee of the Council, known as the Remuneration Committee, to determine fair and appropriate remuneration for the Vice-Chancellor, the Chief Operating Officer, the Pro Vice-Chancellors and the Clerk to the Council.

The Remuneration Committee is responsible for reviewing and determining on an annual basis the salaries, terms and conditions and, where appropriate the severance conditions of the above senior post-holders. The terms of reference are published on the University website ensuring these are available to staff, students and all stakeholders in an open and transparent manner: <https://www.uwtsd.ac.uk/about/governance-and-management> The Committee membership includes a staff member of Council and a student member of Council. The Vice-Chancellor is not a member.

The Remuneration Committee adheres to the Higher Education Senior Staff Remuneration Code, published by the CUC. Its deliberations take account of the context in which the institution operates. It considers the value delivered by an individual acting within a role based on relevant components for the UWTSD context. The Committee considers appropriate comparative information of other Universities to inform its decisions including the annual rate of increase of the average remuneration of all other staff. It also considers the Corporate Risk Register and a report on complaints made to the University by students, staff and external persons. The Committee makes every effort to ensure that all recommendations are fair and consider the institutional interest, key stakeholders and partners including the student community and wider society. The safeguarding of public funds also forms part of its deliberations.

The Chair of the Remuneration Committee is responsible for presenting the decisions of the Remuneration Committee to the University's Council.

NOTES TO THE ACCOUNTS

8. Interest and other finance costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Finance leases	77	36	54	25
Loan interest	2,124	2,124	1,416	1,416
Net charge on pension schemes	(58)	438	1,549	1,265
Other	413	413	5	3
	2,556	3,011	3,024	2,709

9. Analysis of other operating expenses by activity

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Academic and related expenditure	45,893	27,896	34,133	26,361
Administration and central services	22,296	14,284	19,811	11,726
Premises	10,031	6,953	14,365	11,283
Residences, catering and conferences	1,922	866	1,876	983
Other expenses	9,815	2,654	15,931	3,210
	89,957	52,653	86,116	53,563

Other operating expenses include:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
External auditor's remuneration in respect of audit services:				
- These financial statements	122	122	114	114
- Other group financial statements	116	-	109	-
External auditor's remuneration in respect of non-audit services:				
- Audit related assurance services	29	23	31	31
- Tax compliance services	-	-	-	-
- Tax advisory services	12	-	9	-

10. Taxation

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Recognised in the statement of comprehensive income				
Current tax				
Current tax expense	(9)	-	(14)	-
Prior year adjustment	5	-	9	-
Current tax expense	(4)	-	(5)	-
Deferred tax				
Origination and reversal of timing differences		-	-	-
Reduction in tax rate		-	-	-
Recognition of previously unrecognised tax losses		-	-	-
Deferred tax expense		-	-	-
Total tax expense	(4)	-	(5)	-

Factors affecting the total tax charge for the current period

The tax assessed for the period relates to Eclectica Drindod Limited, Mentrau Creadigol Cymru , UWTSD Investments and Y Ganolfan Dysgu Cymraeg Genedlaethol and is lower than the standard rate of corporation tax in the UK of 25% (2023: 19%). The differences are explained as follows:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
(Deficit)/Surplus before tax	30,591	33,411	(11,278)	(9,223)
Amounts not subject to tax	(32,130)	(33,411)	10,352	9,223
Taxable Profits	(1,539)	-	(926)	-
Tax at 25% (2022: 19%)	(385)	-	(176)	-
Effects of:				
- Disallowable expenditure	376	-	162	-
- Prior year adjustment	5	-	9	-
Total tax charged in the year	(4)	-	(5)	-

The standard rate of tax applied to reported profit is 25% (2023: 19%).

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021.

NOTES TO THE ACCOUNTS

11. Tangible Fixed assets (Consolidated)

	Freehold land and buildings	Assets under construction	Leasehold land and buildings	Equipment, fixtures and fittings	Motor vehicles	Livestock	Totals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated Cost or valuation							
At 1 August 2023	186,686	5,235	18,532	35,962	211	381	247,007
Additions in the year	19,995	97	-	5,359	769	119	26,339
Transfers	3,650	(3,942)	-	291	-	-	-
Transfer to Investment Properties	-	(3,921)	-	-	-	-	(3,921)
Disposals	(1,957)	-	-	(29)	-	-	(1,986)
Reversal of prior impairment	-	2,628	-	-	-	-	2,628
At 31 July 2024	208,374	97	18,532	41,583	980	500	270,066
Accumulated depreciation							
At 1 August 2023	60,033	-	5,120	26,932	172	-	92,257
Charge for the year	4,886	-	365	7,050	192	-	12,493
Disposals	-	-	-	(29)	-	-	(29)
At 31 July 2024	64,919	-	5,485	33,953	364	-	104,721
Net book value							
At 31 July 2024	143,455	97	13,047	7,630	616	500	165,345
At 31 July 2023	126,653	5,235	13,412	9,030	39	381	154,750

Land and buildings owned by Coleg Sir Gâr were revalued in 1998 at depreciated replacement cost by Cooke & Arkwright, a firm of independent chartered surveyors. On adoption of FRS 102, revalued properties have been treated as deemed cost. The analysis of cost or valuation of the tangible fixed assets as at 31 July 2024 is as follows:

	Freehold land and buildings	Assets under construction	Leasehold land and buildings	Equipment, fixtures and fittings	Motor vehicles	Livestock	Totals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
Valuation in 1998	19,716	-	-	-	-	381	20,097
Cost	188,658	97	18,532	41,583	980	119	249,969
	208,374	97	18,532	41,583	980	500	270,066

The University reported land worth £1,957k within assets held for sale at 31 July 2023. The disposal of this land was completed during the year.

NOTES TO THE ACCOUNTS

11. Tangible Fixed assets (University)

	Freehold land and buildings £'000	Assets under construction £'000	Leasehold land and buildings £'000	Equipment, fixtures and fittings £'000	Motor vehicles £'000	Livestock £'000	Totals £'000
University Cost or valuation							
At 1 August 2023	117,512	4,561	18,532	18,274	212	-	159,091
Additions in the year	18,764	97	-	4,130	769	-	23,760
Transfers	3,650	(3,771)	-	121	-	-	-
Transfer to Investment Properties	-	(3,921)	-	-	-	-	(3,921)
Disposals	(1,957)	-	-	(5)	-	-	(1,962)
Reversal of prior impairment	-	3,132	-	-	-	-	3,132
At 31 July 2024	137,969	97	18,532	22,520	981	-	180,100
Accumulated depreciation							
At 1 August 2023	30,894	-	5,121	12,345	171	-	48,531
Charge for the year	3,401	-	365	5,255	192	-	9,213
Disposals	-	-	-	(5)	-	-	(5)
At 31 July 2024	34,295	-	5,486	17,595	363	-	57,739
Net book value							
At 31 July 2024	103,674	97	13,046	4,925	618	-	122,361
At 31 July 2023	86,617	4,561	13,411	5,929	41	-	110,560

The University reported land worth £1,957k within assets held for sale at 31 July 2023. The disposal of this land was completed during the year.

12. Heritage assets: Consolidated and University

The heritage assets include a collection of rare manuscripts, tracts, incunabula and printed books. The assets were formally revalued at 31st July 2014 by Bernard Quaritch Ltd, resulting in an increase in value of £250k.

The University of Wales Lampeter Pension & Assurance Scheme trustees have a £2m floating charge over the University's heritage assets.

The University's heritage assets are hosted in a specialist purpose-built annexe to the library on the Lampeter Campus and are managed by 2 specialist, qualified members of staff. Where the assets require any preservation or conservation work, this is carried out by the National Library of Wales

There have been no acquisitions or disposals of heritage assets within the last five years.

Details of the University's collection is available on the University's website
<https://uwtsd.ac.uk/rbla/a-z-list-of-collections/>

NOTES TO THE ACCOUNTS

13. Investment Properties

	Freehold Property	
	Consolidated	University
	£'000	£'000
Balance at 1 August 2023	4,025	3,250
Additions	2,906	2,906
Transfer from fixed assets	3,921	3,921
Revaluation	(655)	(565)
Balance at 31 July 2024	10,197	9,512

The Investment properties are valued by an independent RICS registered valuer on an annual basis with the latest valuation being dated 31st July 2024. The valuation basis for the investment properties is at fair value as defined under FRS102 with an assumption that the properties selling value is subject to any existing leases. The revaluation amount recognised in 2024 relates to revaluing the investment properties to fair value in line with a valuation prepared by Savilles.

The University has no restriction of use on the income generated from the investment properties and at 31 July 2024 has no contractual obligations for future development or maintenance of the properties.

14. Non-current investments

Non-Current Investments: Consolidated

	Interest in Joint Venture (Note 15) £'000	Other fixed asset investments £'000	Total £'000
At 1 August 2023	661	248	909
Additions	-	-	-
Disposals	-	-	-
Impairment	-	(12)	(12)
At 31 July 2024	661	236	897
Share of post-acquisition reserves			
At 1 August 2023	(185)	-	(185)
Retained profit less losses	42	-	42
At 31 July 2024	(143)	-	(143)
Balance at 31 July 2024	518	236	754
Balance at 31 July 2023	476	248	724

Non-Current Investments: University

	Investment in Subsidiary £'000	Total £'000
At 1 August 2023	-	-
Additions	-	-
Disposals	-	-
Impairment	-	-
At 31 July 2024	-	-

NOTES TO THE ACCOUNTS

15. Investment in Joint Venture

One of the University’s subsidiaries, UWTSD Investments Limited, holds a 50% share of OSTC TSD LLP, a limited liability partnership. This is a joint venture owned equally by UWTSD Investments Limited and OSTC, a Commercial Company. The investment in OSTC TSD LLP is partly in share capital (£300,000 (2023: £300,000)) and partly as an unsecured loan, repayable on demand, with an interest rate of 4% over base rate (£471,290 (2023: £429,656)). The increase is way of accrued interest earned in the period of £41,634 (2022: £32,458).

The arrangement is treated as a joint venture and is accounted for using the equity method, such that the investment is initially recorded at cost and is subsequently adjusted to reflect the University’s 50% share of the net profit or loss of the joint venture. The Group’s share of the operating loss of the joint venture within the joint venture’s most recent financial statements (dated 31 December 2023) is £nil (2022: £nil). The Group’s interest in the joint venture is £476,458 (2022: £476,458), consisting of the loan as disclosed above, plus capital investment in its consolidated balance sheet.

16. Stock

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £’000	University £’000	Consolidated £’000	University £’000
Finished goods	583	393	558	342
Livestock for resale	11	-	11	-
	594	393	569	342

Stock is valued at the lower of its cost and net realisable value on a FIFO basis.

17. Trade and other receivables

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £’000	University £’000	Consolidated £’000	University £’000
Amounts falling due within one year:				
- Trade debtors	26,474	26,187	30,363	29,835
- Prepayments and accrued income	7,565	3,949	5,925	4,074
- Amounts due from subsidiary companies	-	10,963	-	11,683
- Derivatives	-	-	919	919
	34,039	41,099	37,207	46,511

The amounts due from subsidiaries are an aggregate of trading balances that are interest free and repayable on demand. The University has provided letters of support to its subsidiary companies in which it confirms that the debtor balances will not be called in during a period of 12 months from the Statement of Financial Position date. Accordingly, these balances are considered to fall due in more than one year. Applying this gives the following split of trade and other receivables

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £’000	University £’000	Consolidated £’000	University £’000
Trade and other receivables				
- Due within one year	34,039	30,136	37,207	34,828
- Due after one year	-	10,963	-	11,683
Total	34,039	41,099	37,207	46,511

The derivatives in the prior year relate to an interest rate swap contract which was used to fix the rate of the University’s loan at 1.435% plus bank lending margin. This was held at fair value and had been valued using mark to market.

NOTES TO THE ACCOUNTS

18. Investments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Short term investment in shares	1,626	1,625	5,994	5,993
Short term deposits	15	-	15	-
	1,641	1,625	6,009	5,993

The University follows a conservative investment policy with an emphasis on obtaining an increase in the real capital value of each fund within the portfolio each year, a target of 5% real growth is expected, with 3.5% being income growth and 1.5% being capital growth.

The investments are held within the University and consolidated endowment funds. The movement in fair value on these investments is detailed in Note 21.

19 Creditors: amounts falling due within one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Bank Overdraft	5,457	5,457	-	-
Secured loans (note 20)	2,573	2,573	2,615	2,615
Obligations under finance leases (note 20)	996	835	669	459
Trade creditors	12,008	10,051	14,108	11,814
Social security and other taxation payable	1,056	512	2,054	1,382
Accruals and deferred income	44,795	37,685	55,198	48,372
Amounts due to subsidiary companies	-	9,659	-	10,002
	66,885	66,772	74,644	74,644

The amounts due to subsidiaries are an aggregate of trading balances that are interest free and repayable on demand.

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

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Funding Body Grants	-	-	234	234
Other Grant Income	3,349	2,481	4,834	3,850
Capital Grant Income	-	-	8,068	8,068
Student Income	26,626	26,626	24,410	24,410
Other Income	2,677	2,657	2,839	2,817
	32,652	31,764	40,385	39,379

The secured loan consists of a capital amount of £2 million and accrued interest of £573k. A capital payment of £500k was due on the 1st August 2024 with subsequent £500k repayments being due 1st November 2024 on 1st February 2025 and 1st April 2025.

The overdraft facility is unsecured, has a limit of £6 million at 31 July 2024. As noted in note 28 the facility was amended post year end with a limit of £15 million that will be in place until June 2025.

NOTES TO THE ACCOUNTS

20. Creditors: Amounts falling due after more than one year

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Obligations under finance leases	1,155	834	533	331
Secured loans	28,000	28,000	30,000	30,000
	29,155	28,834	30,533	30,331
Analysis of obligations under finance leases				
Due within one year (note 19)	996	835	669	459
Due between two and five years	1,155	834	533	331
Total obligations under finance leases	2,151	1,669	1,202	790
Analysis of secured loans:				
Due within one year or on demand (note 19)	2,573	2,573	2,615	2,615
Due between one and two years	2,000	2,000	30,000	30,000
Due between two and five years	26,000	26,000	-	-
Due in five years or more	-	-	-	-
Total secured loans	30,573	30,573	32,615	32,615

The borrowing at 31 July 2024 and 31 July 2023 consisted of:

Lender	Instrument	Amount £'000	Term	Interest Rate %	Borrower
HSBC	Term loan	38,000	To February 2029	2.35% over the prevailing SONIA rate	University
Barclays	Overdraft	5,457	To May 2025	1.95% Over the prevailing base rate	University

21. Provision for liabilities

Consolidated	Other	Pension enhancements on termination	Pension scheme rectification	Total provisions
	£'000	£'000	£'000	£'000
At 1 August 2023	448	1,440	38	1,926
Utilised in year	-	(690)	-	(690)
Additions in year	-	-	-	-
At 31 July 2024	448	750	38	1,236

The other provision of £448K relates to a potential repayment of European Funds (ESF) in relation to one of the subsidiaries' overhead recovery methodology.

The pension enhancements provision relates to staff in both the University and its subsidiaries who have already left employment and commitments for reorganisation costs at the balance sheet date. The provision has been recalculated in accordance with the latest LSC circular.

The Pension rectification provision is a potential liability on the University's in-house pension scheme.

University

	Pension enhancements on termination	Pension scheme rectification	Total provisions
	£'000	£'000	£'000
At 1 August 2022	647	38	685
Utilised in year	(219)	-	(219)
Additions in year	-	-	-
At 31 July 2023	428	38	466

The pension enhancements and the pension rectification provisions are as previously stated.

NOTES TO THE ACCOUNTS

22. Endowment funds

Consolidated

Restricted net assets relating to endowments are as follows:

	Unrestricted permanent endowment	Restricted permanent endowment	Restricted expendable endowment	2024 Total	2023 Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August					
Capital	2,501	4,927	25	7,453	7,791
Accumulated income	60	2,608	-	2,668	2,505
	2,561	7,535	25	10,121	10,296
New endowments	-	-	-	-	(10)
Investment income	50	294	-	344	395
Expenditure	(5)	(149)	(2)	(156)	(232)
Increase/(decrease) in market value of investments	-	(176)	2	(174)	(329)
Total endowment comprehensive income for the year	45	(31)	-	14	(176)
Balance at 31 July	2,606	7,504	25	10,135	10,120
Represented by:					
Capital	2,500	4,751	25	7,276	7,452
Accumulated income	106	2,753	-	2,859	2,668
	2,606	7,504	25	10,135	10,120
Analysis by type of purpose:					
Lectureships	-	3,941	-	3,941	4,069
Fellowships, scholarships and prize funds	23	1,716	25	1,764	1,764
General	2,583	1,847	-	4,430	4,287
	2,606	7,504	25	10,135	10,120
Analysis by asset					
Investments	23	1,287	25	1,335	5,808
Cash	-	1,958	-	1,958	2,582
Debtors	2,583	4,354	-	6,937	1,825
Creditors	-	(95)	-	(95)	(95)
	2,606	7,504	25	10,135	10,120

University

Restricted net assets relating to endowments are as follows:

	Unrestricted permanent endowment	Restricted permanent endowment	2024 Total	2023 Total
	£'000	£'000	£'000	£'000
Balance at 1 August				
Capital	2,370	4,762	7,132	7,471
Accumulated income	10	2,522	2,532	2,372
	2,380	7,284	9,664	9,843
New endowments	-	-	-	(10)
Investment income	50	294	344	392
Expenditure	-	(149)	(149)	(232)
Increase/(decrease) in market value of investments	-	(176)	(176)	(329)
Total endowment comprehensive income for the year	50	(31)	19	(179)
Balance at 31 July	2,430	7,253	9,683	9,664
Represented by:				
Capital	2,370	4,586	6,956	7,132
Accumulated income	60	2,667	2,727	2,532
	2,430	7,253	9,683	9,664
Analysis by type of purpose:				
Lectureships	-	3,941	3,941	3,916
Fellowships, scholarships and prize funds	-	1,679	1,679	1,693
General	2,430	1,633	4,063	4,055
	2,430	7,253	9,683	9,664
Analysis by asset				
Investments	23	1,286	1,309	5,777
Cash	-	1,708	1,708	2,158
Debtors	2,407	4,354	6,761	1,824
Creditors	-	(95)	(95)	(95)
	2,430	7,253	9,683	9,664

NOTES TO THE ACCOUNTS

23. Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2023

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Commitments contracted for	-	-	17,277	17,277
Commitments authorised	-	-	-	-
	-	-	17,277	17,277

24. Lease obligations

	At 31 July 2024			At 31 July 2023
	Land and buildings	Other leases	Total	Total
	£'000	£'000	£'000	£'000
Consolidated				
Total rentals payable under operating leases:				
Payable during the year	2,447	429	2,876	2,757
Future minimum lease payments due:				
Not later than 1 year	1,312	252	1,564	2,774
Later than 1 year and not later 5 years	7,518	655	8,173	7,081
Greater than 5 years	12,683	-	12,683	16,384
Total lease payments due	21,513	907	22,420	26,239
University				
Total rentals payable under operating leases:				
Payable during the year	2,383	199	2,582	2,588
Future minimum lease payments due:				
Not later than 1 year	1,263	185	1,448	2,703
Later than 1 year and not later 5 years	7,502	541	8,043	6,943
Greater than 5 years	12,682	-	12,682	16,384
Total lease payments due	21,447	726	22,173	26,030

25. Subsidiary undertakings

Company	Principal Activity	Status
Eclectica Drindod Limited	Deliver third mission activity	TUC sole member
Trinity College	Hold endowment assets	TUC sole trustee
Trinity University College (TUC)	Dormant	UWTSD sole member
UWTSD Investments Limited	Commercial activities	100% owned
Y Ganolfan Dysgu Cymraeg Genedlaethol	Delivery of Welsh for Adults programme	UWTSD sole member
Mentrau Creadigol Cymru	Operation of Yr Egin activities	100% owned
Tidal Lagoon Academy Ltd	Dormant	100% owned
Welsh American Academy Enterprises Limited	Dormant	100% owned
Inspire (UWTSD) Limited	Dormant	100% owned
Swansea Business School Limited	Dormant	100% owned
Coleg Sir Gâr	Further education	100% owned
Coleg Ceredigion	Further education	100% owned
UW Centre for Advance Batch Manufacture Limited	Commercial and research activities	51% owned

The minority interest in UW Centre for Advance Batch Manufacture Limited is held in University of Wales. 51% of the surplus or deficit for each accounting period is recognised in these financial statements with 49% being recognised in the financial statements of University of Wales.

During the year the following companies were formally struck off the Companies Register:

St Davids Trust	Dormant	100% owned
Tidal Lagoon Academy Ltd	Dormant	100% owned

26. Related Parties

The company has taken advantage of the disclosure exemptions of 100% owned related party transactions under FRS102.

The transactions with related parties that are not 100% owned by the group are disclosed below:

University of Wales is deemed a related party in that it has key management personnel in common with the University

Balances: Receivables £4,421 (2023: £4,706), Payables £1,527,924 (2023: £416,850)
Total income £58,304 (2023: £1,533,261), Total expenditure £1,664,222 (2023: £1,664,492)

OSTC Trinity St David LLP is deemed a related party in that the UWTSD Investments Limited (a wholly owned subsidiary of the University) is a partner in it and has significant influence over it. The balance below represents an unsecured loan, for which more details are provided in note 14
Balances: Receivables £471,290 (2023: £429,656), Payables £nil (2023: £nil)
Total income £41,634 (2023: £32,458), Total expenditure £nil (2023: £nil)

The University maintains a register of Council member interests, the scope of which includes interests of connected persons to the members. There have been no transactions in the year with any individual or company on the Register of Interests.

Payments to Council members in relation to their duties are disclosed in note 7.

NOTES TO THE ACCOUNTS

27. Pension Schemes

There are five pension schemes in operation via the Group for its staff: the Teachers’ Pension Scheme (TPS) for academic staff and Universities Superannuation Scheme (USS) for academic and support staff and all staff appointed after 18 November 2010, the Dyfed Pension Fund (LGPS), the Swansea Pension Fund (LGPS) and the University of Wales Lampeter Pension and Assurance Scheme (UWLPS) for support staff.

The total pension costs included in the consolidated accounts are:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£’000	£’000	£’000	£’000
Staff costs				
TPS contributions				
University of Wales: Trinity Saint David	1,177	1,177	1,108	1,108
Coleg Sir Gâr	2,521	-	2,333	-
Coleg Ceredigion	499	-	476	-
USS contributions				
University of Wales: Trinity Saint David	7,250	7,250	7,881	7,881
Local Government contributions				
University of Wales Trinity Saint David	2,145	2,145	2,097	2,097
Coleg Sir Gâr	1,630	-	1,596	-
Coleg Ceredigion	229	-	227	-
In House Scheme				
University of Wales Trinity Saint David	325	325	306	306
Other pension adjustments				
University of Wales Trinity Saint David				
Movement on USS provision	(33,226)	(33,226)	(2,273)	(2,273)
Service costs				
University of Wales: Trinity Saint David	863	863	1,374	1,374
Coleg Sir Gâr	(247)	-	592	-
Coleg Ceredigion	(146)	-	124	-
Restructuring Provision				
University of Wales Trinity Saint David	-	-	-	-
Coleg Sir Gâr	55	-	12	-
Coleg Ceredigion	16	-	(40)	-
Total Pension costs per note 7	(16,909)	(21,466)	15,813	10,493
Interest Costs				
Local Government – University	(318)	(318)	99	99
Local Government – Coleg Sir Gâr	(371)	-	259	-
Local Government – Coleg Ceredigion	(125)	-	25	-
In House Scheme – University	(8)	(8)	(44)	(44)
USS – University	764	764	1,210	1,210
Total Pension interest cost per note 8	(58)	438	1,549	1,265

The pension liability/(asset) disclosed in the balance sheet is summarised as follows:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	University	Consolidated	University
	£’000	£’000	£’000	£’000
In House Scheme				
University of Wales: Trinity Saint David	-	-	-	-
USS Pension Scheme				
University of Wales: Trinity Saint David	-	-	33,226	33,226
Local Government Schemes				
University of Wales: Trinity Saint David (Dyfed)	-	-	-	-
University of Wales: Trinity Saint David (Swansea)	-	-	-	-
University of Wales: Trinity Saint David (Swansea)	-	-	-	-
Coleg Sir Gâr	-	-	-	-
Coleg Ceredigion	-	-	-	-
Liability at 31 July	-	-	33,226	33,226

The LGPS and In House schemes are in a technical surplus position at 31st July 2023. The University and group have applied IAS19 in calculating a cap to the gains which caps the overall scheme asset positions to nil. This has an impact on reducing the recognised actuarial gains in these financial statements from the FRS102 gains, as set out below in the individual scheme notes.

On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court’s ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court’s ruling. The ruling may have implications for other UK defined benefit plans. It is understood this may or may not apply to the LGPS and HM Treasury is currently assessing the implications for all public service pension schemes. No further information is available at this stage

NOTES TO THE ACCOUNTS

LGPS – Dyfed Scheme

Certain employees are members of the Dyfed Local Government Pension Scheme (LGPS). The University and employees contribute to the LGPS, which is a defined benefit scheme, and based on members final pensionable salary.

A full actuarial valuation of the scheme was carried out as at 31 March 2022 by a qualified independent actuary. The major assumptions used by the actuary were:

	2022 Valuation	2019 Valuation
	%	%
Rate of increase in pensionable pay	4.6	3.9
Rate of increase in pensions in payment	3.1	2.4
Discount rate		
- in service	5.1	4.1
- left service	4.55	4.1
Inflation assumptions	3.1	2.4

The valuation states that the market value of the assets held at the valuation date amounted to £3,243 million and the present value of the scheme liabilities was £2,508 million. Representing a funding level of 129% and a surplus of £735 million.

The employer contribution rate was 22% during the year.

FRS102 disclosure

In accordance with the requirements of Financial Reporting Standard 102, independent qualified actuaries have updated the results of the March 2022 valuation in order to ascertain the assets and liabilities of the fund which relate to the University at 31 July 2024. The projected unit method was used.

	2022 Valuation	2019 Valuation
	%	%
Rate of increase in salaries	4.1	4.2
Rate of increase in pensions	2.7	2.8
Discount rate	4.9	5.1
Rate of inflation	2.6	2.7

The mortality assumptions are based on the recent actual mortality experience of members in the Fund and allow for future expected mortality improvements. Sample life expectancies resulting from these mortality assumptions are shown below:

	2024	2023
Males		
Future lifetime from age 65 (currently aged 65)	21.4	21.4
Future lifetime from age 65 (currently aged 45)	22.8	22.8
Females		
Future lifetime from age 65 (currently aged 65)	23.8	23.7
Future lifetime from age 65 (currently aged 45)	25.6	25.5
Split of scheme assets		
	Split at 31-Jul-24 %	Split at 31-Jul-23 %
Equities	73.2	73.1
Government Bonds	0	0.2
Other Bonds	9.3	8.5
Property	10.8	13.2
Cash/liquidity and other	6.7	5
	100	100

NOTES TO THE ACCOUNTS

LGPS Dyfed Scheme – University of Wales Trinity Saint David

The following amounts at 31 July 2024 and 31 July 2023 were measured in accordance with the requirements of FRS102.

	31-Jul-24	31-Jul-23
	£'000	£'000
Fair value of assets	29,480	27,068
Present value of scheme liabilities	(22,995)	(21,847)
Surplus in the scheme	6,485	5,221
Effect of asset ceiling	(6,485)	(5,221)
Recognised pension asset	-	-

Analysis of amount charged in Statement of Comprehensive Income

	31-Jul-24	31-Jul-23
	£'000	£'000
Current service cost	(376)	(573)
Past service cost	-	-
Administration expenses	(8)	(8)
Curtailment	-	-
Total operating charge	(384)	(581)

Analysis of finance income and charges

	31-Jul-24	31-Jul-23
	£'000	£'000
Expected return on assets	1,377	955
Interest on pension liabilities	(1,099)	(1,024)
Net finance cost	278	(69)

Amount recognised in other comprehensive income

	31-Jul-24	31-Jul-23
	£'000	£'000
Remeasurement of assets	1,167	(1,073)
Effects of changes in assumptions underlying the present value of scheme liabilities	(252)	8,723
Effect of asset ceiling	(1,264)	(5,221)
	(349)	2,429

Movement in scheme at beginning of the year

	31-Jul-24	31-Jul-23
	£'000	£'000
Surplus/(Deficit) in scheme at beginning of the year	5,221	(2,224)
Administration expenses	(8)	(8)
Current service cost	(376)	(573)
Contributions paid by the employer	455	445
Net finance cost	278	(69)
Actuarial gain	915	7,650
Surplus in scheme at the end of the year	6,485	5,221
Effect of asset ceiling	(6,485)	(5,221)
Recognised pension asset	-	-

Analysis of the movement in the present value of the scheme liabilities

	31-Jul-24	31-Jul-23
	£'000	£'000
At 1 August	(21,847)	(29,595)
Current service cost	(376)	(573)
Past service cost	-	-
Interest cost	(1,099)	(1,024)
Member contributions	(137)	(140)
Change in financial assumptions	(382)	7,216
Change in demographic assumptions	53	944
Experience gain/(loss)	77	563
Curtailment	-	-
Benefits paid	716	762
At 31 July	(22,995)	(21,847)

Analysis of the movement in the present value of the scheme assets

	31-Jul-24	31-Jul-23
	£'000	£'000
At 1 August	27,068	27,371
Expected rate of return on scheme assets	1,377	955
Re measurement gains on assets	1,167	(1,073)
Administration expenses	(8)	(8)
Employer contributions	455	445
Members contributions	137	140
Benefits paid	(716)	(762)
At 31 July	29,480	27,068
Effect of the asset ceiling	(6,485)	(5,221)
Recognised value of the scheme assets at 31 July	22,995	21,847

NOTES TO THE ACCOUNTS

LGPS Dyfed Scheme – Coleg Sir Gâr

The following amounts at 31 July 2024 and 31 July 2023 were measured in accordance with the requirements of FRS102.

	31-Jul-24 £'000	31-Jul-23 £'000
Fair value of assets	63,142	57,252
Present value of scheme liabilities	(54,255)	(50,842)
Surplus in the scheme	8,887	6,410
Effect of the asset ceiling	(8,887)	(6,410)
Recognised pension asset	-	-

Analysis of amount charged in Statement of Comprehensive Income

	31-Jul-24 £'000	31-Jul-23 £'000
Current service cost	(1,417)	(2,192)
Past service cost	-	-
Administration expenses	(33)	(32)
Curtailement	-	(25)
Total operating charge	(1,450)	(2,249)

Analysis of finance income and charges

	31-Jul-24 £'000	31-Jul-23 £'000
Expected return on assets	2,933	1,936
Interest on pension liabilities	(2,562)	(2,195)
Net finance cost	371	(259)

Amount recognised in other comprehensive income

	31-Jul-24 £'000	31-Jul-23 £'000
Remeasurement of assets	2,483	(435)
Effects of changes in assumptions underlying the present value of scheme liabilities	(624)	15,910
Effect of asset ceiling	(2,477)	(6,410)
	(618)	9,065

Movement in scheme at beginning of the year

	31-Jul-24 £'000	31-Jul-23 £'000
Surplus/(Deficit) in scheme at beginning of the year	6,410	(8,214)
Operating cost	(1,450)	(2,249)
Contributions paid by the employer	371	1,657
Net finance cost	1,859	(259)
Actuarial gain	1,697	15,475
Surplus in scheme at the end of the year	8,887	6,410
Effect of the asset ceiling	(8,887)	(6,410)
Recognised pension asset	-	-

Analysis of the movement in the present value of the scheme liabilities

	31-Jul-24 £'000	31-Jul-23 £'000
At 1 August	(50,842)	(63,051)
Current service cost	(1,417)	(2,192)
Past service cost	-	-
Interest cost	(2,562)	(2,195)
Member contributions	(511)	(497)
Change in financial assumptions	(937)	17,618
Change in demographic assumptions	122	2,189
Experience gain/(loss)	192	(3,897)
Curtailement	-	(25)
Benefits paid	1,700	1,208
At 31 July	(54,255)	(50,842)

Analysis of the movement in the present value of the scheme assets

	31-Jul-24 £'000	31-Jul-23 £'000
At 1 August	57,252	54,837
Expected rate of return on scheme assets	2,973	1,936
Re measurement gains on assets	2,482	(435)
Administration expenses	(33)	(32)
Employer contributions	1,657	1,657
Members contributions	511	497
Benefits paid	(1,700)	(1,208)
At 31 July	63,142	57,252
Effect of the asset ceiling	(8,887)	(6,410)
Recognised value of the scheme assets at 31 July	54,255	50,842

NOTES TO THE ACCOUNTS

LGPS Dyfed Scheme – Coleg Ceredigion

The following amounts at 31 July 2024 and 31 July 2023 were measured in accordance with the requirements of FRS102.

	31-Jul-24 £'000	31-Jul-23 £'000
Fair value of assets	13,898	12,898
Present value of scheme liabilities	(10,952)	(10,552)
Surplus in the scheme	2,946	2,346
Effect of the asset ceiling	(2,946)	(2,346)
Recognised pension asset/(liability)	-	-

Analysis of amount charged in Statement of Comprehensive Income

	31-Jul-24 £'000	31-Jul-23 £'000
Current service cost	(204)	(324)
Past service cost	-	-
Administration expenses	(5)	(5)
Curtailment	-	-
Total operating charge	(209)	(329)

Analysis of finance income and charges

	31-Jul-24 £'000	31-Jul-23 £'000
Expected return on assets	653	429
Interest on pension liabilities	(528)	(454)
Net finance cost	125	(25)

Amount recognised in other comprehensive income

	31-Jul-24 £'000	31-Jul-23 £'000
Remeasurement of assets	653	429
Effects of changes in assumptions underlying the present value of scheme liabilities	(199)	2,865
Effect of asset ceiling	(600)	(2,346)
	(146)	948

Movement in scheme at beginning of the year

	31-Jul-24 £'000	31-Jul-23 £'000
Surplus/(deficit) in scheme at beginning of the year	2,346	(824)
Operating cost	(209)	(329)
Contributions paid by the employer	230	230
Net finance cost	125	(25)
Actuarial gain	454	3,294
Surplus in scheme at the end of the year	2,946	2,346
Effect of the asset ceiling	(2,946)	(2,346)
Recognised pension asset	-	-

Analysis of the movement in the present value of the scheme liabilities

	31-Jul-24 £'000	31-Jul-23 £'000
At 1 August	(10,552)	(13,106)
Current service cost	(204)	(324)
Past service cost	-	-
Interest cost	(528)	(454)
Member contributions	(68)	(69)
Change in financial assumptions	(174)	3,317
Change in demographic assumptions	27	461
Experience gain/(loss)	48	(751)
Curtailment	-	-
Benefits paid	499	374
At 31 July	(10,952)	(10,552)

Analysis of the movement in the present value of the scheme assets

	31-Jul-24 £'000	31-Jul-23 £'000
At 1 August	12,898	12,282
Expected rate of return on scheme assets	653	429
Re measurement gains on assets	553	267
Administration expenses	(5)	(5)
Employer contributions	230	230
Members contributions	68	69
Benefits paid	(499)	(374)
At 31 July	13,898	12,898
Effect of the asset ceiling	(2,946)	(2,346)
Recognised value of the scheme assets at 31 July	10,952	10,552

NOTES TO THE ACCOUNTS

LGPS Swansea Scheme

Certain employees are members of the City and County of Swansea Local Government Pension Scheme (LGPS). The University and employees contribute to the LGPS, which is a defined benefit scheme, and based on members final pensionable salary. The latest actuarial valuation was undertaken at 31 March 2022 by independent actuaries.

The actuarial valuation of the scheme is based on the projected unit method and the principal assumptions made by the actuaries were:

	2022 Valuation	2019 Valuation
	%	%
Rate of increase in pensionable pay	3.8	3.6
Rate of increase in pensions in payment	2.3	2.1
Discount rate		
- in service	4.1	4.25
- left service	0.8	1.6
Inflation assumptions	2.3	2.1

The valuation states that the market value of the assets held at the valuation date amounted to £2.924 million and the present value of the scheme liabilities was £2.921 million. Representing a funding level of 100% and a surplus of £2.8 million.

The employer contribution rate is 40.8% plus an annual deficit contribution of £631,000 payable from April 2023 to March 2024 rising to 40.8% plus an annual deficit and £721,000 in for the period April 2024 to March 2025.

FRS102 disclosure

In accordance with the requirements of Financial Reporting Standard 102, independent qualified actuaries have updated the results of the March 2022 valuation in order to ascertain the assets and liabilities of the fund which relate to the University at 31 July 2024. The projected unit method was used.

	2024 Valuation	2023 Valuation
	%	%
Rate of increase in salaries	4.1	4.1
Rate of increase in pensions	2.6	2.6
Discount rate	5.0	5.0
Rate of inflation	2.6	2.6

The mortality assumptions are based on the recent actual mortality experience of members in the Fund and allow for future expected mortality improvements. Sample life expectancies resulting from these mortality assumptions are shown below:

	2024 Years	2023 Years
Males		
Future lifetime from age 65 (currently aged 65)	21.5	21.7
Future lifetime from age 65 (currently aged 45)	21.8	22.3
Females		
Future lifetime from age 65 (currently aged 65)	24.1	24.2
Future lifetime from age 65 (currently aged 45)	24.9	25.3

	Split at 31-Jul-24 %	Split at 31-Jul-23 %
Split of scheme assets		
Equities	71.3	73.6
Government Bonds	5.1	4.5
Other Bonds	4.4	7.0
Property	3.0	4.6
Cash/liquidity and other	0.4	0.6
Other*	15.8	9.7
	100	100

NOTES TO THE ACCOUNTS

LGPS Swansea Scheme – University of Wales Trinity Saint David

The following amounts at 31 July 2024 and 31 July 2023 were measured in accordance with the requirements of FRS102.

	31-Jul-24	31-Jul-23
	£'000	£'000
Fair value of assets	56,460	49,360
Present value of scheme liabilities	(36,960)	(36,110)
Surplus in the scheme	19,500	13,250
Effect of the asset ceiling	(19,500)	(13,250)
Recognised pension asset	-	-

Analysis of amount charged in Statement of Comprehensive Income

	31-Jul-24	31-Jul-23
	£'000	£'000
Current service cost	(460)	(750)
Past service cost	-	-
Administration expenses	-	-
Curtailment	-	-
Total operating charge	(460)	(750)

Analysis of finance income and charges

	31-Jul-24	31-Jul-23
	£'000	£'000
Expected return on assets	2,480	1,670
Interest on pension liabilities	(1,780)	(1,500)
Interest on unrecognised asset	(660)	-
Net finance cost	40	180

Amount recognised in other comprehensive income

	31-Jul-24	31-Jul-23
	£'000	£'000
Remeasurement of assets	4,050	(190)
Effects of changes in assumptions underlying the present value of scheme liabilities	270	8,490
Effect of asset ceiling	(5,590)	(9,240)
	(1,270)	(940)

Movement in scheme at beginning of the year

	31-Jul-24	31-Jul-23
	£'000	£'000
Surplus in scheme at beginning of the year	13,250	3,870
Current service cost	(460)	(750)
Contributions paid by the employer	1,690	1,660
Net finance cost	700	170
Actuarial gain	4,320	8,300
Surplus in scheme at the end of the year	19,500	13,250
Effect of asset ceiling	(19,500)	(13,250)
Recognised pension asset	-	-

Analysis of the movement in the present value of the scheme liabilities

	31-Jul-24	31-Jul-23
	£'000	£'000
At 1 August	(36,110)	(43,480)
Current service cost	(460)	(750)
Past service cost	-	-
Interest cost	(1,780)	(1,500)
Member contributions	(160)	(170)
Change in financial assumptions	-	10,890
Change in demographic assumptions	300	60
Experience gain/(loss)	(30)	(2,460)
Curtailment	-	-
Benefits paid	1,280	1,300
At 31 July	(36,960)	(36,110)

Analysis of the movement in the present value of the scheme assets

	31-Jul-24	31-Jul-23
	£'000	£'000
At 1 August	49,360	47,350
Expected rate of return on scheme assets	2,480	1,670
Re measurement gains on assets	4,050	(190)
Administration expenses	-	-
Employer contributions	1,690	1,660
Members contributions	160	170
Benefits paid	(1,280)	(1,300)
At 31 July	56,460	49,360
Effect of the asset ceiling	(19,500)	(13,250)
Recognised value of the scheme assets at 31 July	36,960	36,110

NOTES TO THE ACCOUNTS

University of Wales Lampeter Pension and Assurance Scheme (UWLPAS)

The University sponsors the University of Wales, Lampeter Pension & Assurance Scheme which is a defined benefit arrangement. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities.

The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries. The appointment of the trustees is determined by the scheme's trust documentation. One-third of the trustees are nominated by the members of the scheme, at least one of the member nominated trustees must be a pensioner member.

A full actuarial valuation was carried out as at 31 July 2022, the results have been updated to 31 July 2024 by a qualified actuary, independent of the plan's sponsoring employer.

The results of the 31 July 2022 valuation showed a deficit of £1,294,000. The University has agreed with the trustees that it would continue to make contributions at a rate of 19% of employee salaries along with an annual enhanced contribution of £277,990, increasing by 3% p.a. The University will also meet expenses of the scheme and levies to the Pension Protection Fund, insurance premiums for death in service and all management and administration expenses. Member contributions are payable at the rate of 6.25% of pensionable service.

The material assumptions used by the actuary as at 31 July 2024 and for the comparative period, were as follows:

	2024	2023
	%	%
Rate of increase in salaries	4.05	4.0
Rate of increase in pensions in payment	2.55	2.5
Revaluation rate for deferred pensions	2.55	2.5
Discount rate	4.90	5.15
Rate of inflation	2.55	2.5
Allowance for commutation of pension for cash at retirement	Maximum allowed	Maximum allowed

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	2024 Years	2023 Years
Males retiring at age 65 in 2020	20.6	21.0
Females retiring at age 65 in 2020	22.9	22.9
Males retiring at age 65 in 2040	21.8	22.3
Females retiring at age 65 in 2040	24.4	24.5

Split of scheme assets

	Split at 31-Jul-24 %	Split at 31-Jul-23 %
Equities	21.2	40.9
Bonds	78.1	48.4
Other*	0.7	10.7
	100	100

On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans. It is understood this may or may not apply to the LGPS and HM Treasury is currently assessing the implications for all public service pension schemes. No further information is available at this stage

NOTES TO THE ACCOUNTS

University of Wales Lampeter Pension and Assurance Scheme (UWLPPAS)

The following amounts at 31 July 2024, and at 31 July 2023 were measured in accordance with the requirements of FRS102.

	31-Jul-24	31-Jul-23
	£'000	£'000
Fair value of assets	19,489	18,617
Present value of scheme liabilities	(16,057)	(15,447)
Surplus/(Deficit) in the scheme	3,432	3,170
Effect of the asset ceiling	(3,432)	(3,170)
Recognised pension asset	-	-

Analysis of amount charged in Statement of Comprehensive Income

	31-Jul-24	31-Jul-23
	£'000	£'000
Current service cost	(37)	(51)
Past service cost	-	-
Administration expenses	-	-
Curtailment	-	-
Total operating charge	(37)	(51)

Analysis of finance income and charges

	31-Jul-24	31-Jul-23
	£'000	£'000
Expected rate of return on scheme assets	952	745
Interest on pension liabilities	(781)	(675)
Interest expense on effect of asset ceiling	(163)	(26)
Net finance cost	8	44

Amount recognised in other comprehensive income

	31-Jul-24	31-Jul-23
	£'000	£'000
Return on plan assets – gain	192	(3,225)
Experienced gains/(losses) arising on plan liabilities	52	(40)
Change in financial and demographic assumptions underlying the plan	(441)	4,232
Effect of asset ceiling	(99)	(1,292)
Total gain recognised in the statement of comprehensive income	(296)	(325)

Movement in scheme at beginning of the year

	31-Jul-24	31-Jul-23
	£'000	£'000
Surplus in scheme at beginning of the year	3,170	1,878
Current service cost	(37)	(51)
Contributions paid by the employer	325	306
Net finance cost	171	70
Expenses	-	-
Losses due to benefit changes	-	-
Actuarial gain/(loss)	(197)	967
Effect of the asset ceiling	(3,432)	(3,170)
Recognised pension asset	-	-

Analysis of the movement in the present value of the scheme liabilities

	31-Jul-24	31-Jul-23
	£'000	£'000
At 1 August	(15,447)	(19,610)
Current service cost	(37)	(51)
Past service cost	-	-
Interest cost	(781)	(675)
Member contributions	(16)	(14)
Change in financial assumptions	(389)	4,232
Change in demographic assumptions	-	(40)
Experience gain/(loss)	-	-
Curtailment	-	-
Benefits paid	613	711
Expenses	-	-
Losses due to benefit changes	-	-
At 31 July	(16,057)	(15,447)

Analysis of the movement in the present value of the scheme assets

	31-Jul-24	31-Jul-23
	£'000	£'000
At 1 August	18,617	19,610
Expected rate of return on scheme assets	952	745
Re measurement gains on assets	192	(3,225)
Administration expenses	-	-
Employer contributions	325	306
Members contributions	16	14
Benefits paid	(613)	(711)
Effect of asset ceiling	(3,432)	(1,292)
At 31 July	16,057	15,447

NOTES TO THE ACCOUNTS

Teachers' Pension Scheme

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 college 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.

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 at 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 (compared to £22 billion in the 2016 valuation).

As a result of the valuation, new employer contribution rates will rise to 28.68% from April 2024 (compared to 23.68% during 2018/9).

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

The pension costs paid to TPS in the year amounted to £4,197k (2023: £3,917k) of which £1,177k (2023: 1,108k) was paid by the University and £3,020k (2023: £2,809k) was paid by Coleg Sir Gar and Coleg Ceredigion

NOTES TO THE ACCOUNTS

Universities Superannuation Scheme (USS)

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

USS is a multi-employer scheme and is accounted for as set out in the accounting policies

The total cost charged to the Consolidated Statement of Comprehensive Income is £7,250k (2023: £7,881k) including PensionChoice, but excluding the impact of the change in the deficit recovery plan.

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

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

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As part of the 2023 valuation, no deficit recovery plan was required because the scheme was in surplus on a technical provisions basis. The University was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account. Deficit recovery contributions due within one year for the institution are nil (2023: £2,763k)

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

Discount Rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement 2.5% Post-retirement 0.9%
CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030 reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.03%

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	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w202 and 2021 and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

	2024 Years	2023 Years
Males retiring at age 65 in 2020	23.7	24.0
Females retiring at age 65 in 2020	25.6	25.6
Males retiring at age 65 in 2040	25.4	26.0
Females retiring at age 65 in 2040	27.2	27.4

At 31 July 2023, the institution's balance sheet included a liability of £33,226k for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. The remaining liability of £33,226k was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 7.

STATEMENT OF FINANCIAL POSITION & CASH FLOW

28. Consolidated reconciliation of net debt

	Year ended 31 July 2024 £'000	
Net debt at 1 August 2023	11,009	
Movement in cash and cash equivalents	(29,888)	
Other non-cash changes	1,092	
Net debt at 31 July 2024	(17,787)	
Analysis of net debt:	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
Cash and cash equivalents	20,394	44,826
Borrowings: amounts falling due within one year		
Secured loans	2,573	2,615
Unsecured loans	-	-
Bank overdraft	5,457	-
Obligations under finance leases	996	669
	9,026	3,284
Borrowings: amount falling due after more than one year		
Secured loans	28,000	30,000
Obligations under finance leases	1,155	533
	29,155	30,533
Net Debt	(17,787)	11,009

29. Events after the reporting period

As noted in Note 20 the overdraft facility was restructured in November 2024 until June 2025 with a limit of £15 million. The University and its bankers are working towards converting the overdraft to a longer-term financing solution which will be in place prior to July 2025.

There have been no other material events in the period between 31st July 2024 and the signing of the accounts on the November 2024.