



**Cardiff University**

**Annual Report and Financial**

**Statements**

**Year Ended 31 July 2024**

Statutory Information

Charity Name:	Cardiff University
Charity Registration Number:	1136855
Registered Office:	Main Building Cathays Park Cardiff CF10 3AT

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## Chair of Council's Introduction

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'What kind of University do we want to be, for what kind of future?'

Over the last year, as part of the University's 'Y Sugars Fawr/The Big Conversation' exercise, Council has joined with the University's students, staff, and stakeholders to explore the profound consequences of this seemingly straightforward question. In this collective exploration of how the world is changing and what that means for teaching, research and innovation, the University has been able to consider how it can most positively impact the lives of individuals, Cardiff, Wales, and the world. It has set about a deep process of change in our strategic thinking, which will take our University through to 2035.

What has struck me most during this time is the real sense of community Cardiff University generates, and the strength of the commitment to its future. Everyone is invested in this University and that's been shown by the full and frank exchange of ideas, in the sharing of alternative visions for our University's future, and in the volume of engagement with the process itself.

The strategy process was led superbly by our new Vice-Chancellor, Professor Wendy Larnar, but the final result is a true manifestation of everyone's input. I look forward to seeing it transform our University over the coming years.

This transformation is necessary because, as our Vice-Chancellor has made clear since her first day in post, the current model of university education is facing an existential crisis. Universities also face further challenges as a result of the previous government's policies, language, and tone towards international students. Cardiff University is not immune from these forces.

So, Council's emphasis over the last year, and central to the future strategy, has been ensuring Cardiff's long term academic and financial sustainability. The University's Voluntary Severance Scheme – which Council approved - will help reduce staffing in areas so we can reinvest in other areas of work aligned to our new strategic priorities.

Over the last year, Council met six times, approving the appointments of a new Provost, and new Pro Vice-Chancellors for the Colleges of Biomedical and Life Sciences, and Physical Sciences and Engineering. We also received regular updates from the Student's Union and on student experience and NSS, on protecting freedom of speech and delivering our duty of care to staff and students. We approved the investment in the Future Research Service, reviewed the options for achieving net zero at the University by 2030 and

also approved the appointment of a new Vice-Chair of Council, John Shakeshaft, who takes up post in August 2024. During our three further development days, as well as an expected focus on the University's strategy development and financial sustainability we also had sessions developing the University's support/activity for the Anti-Racist Wales action plan, the Welsh Language Act, and information security, among others.

In other news, this year I attended the Enriching Student Life Awards and Celebrating Excellence Awards, which in their different ways recognise and celebrate the hard work of staff and students who make a positive contribution to our University community. These are genuinely joyous events, and I am always struck by the volume and selfless nature of commitments people make to improve the Cardiff experience for others.

Graduation is always a highlight for me, and seeing our students celebrate with their friends, families and University staff is a clear reminder of the value of a university education. Not just the degree itself, but the friendships formed, and memories made. In an increasingly utilitarian age, I believe the emphasis Cardiff University places on these human values of cynefin, community and connection will differentiate us as a university of choice.

This is the third year I have had the privilege of leading Council. My thanks go to all the staff, students and independent members who have served on Council and its various committees over the year. Thanks also to all the University's students, staff and senior management team for their engagement and support for the University. Diolch yn fawr iawn i chi gyd – thank you all very much.

It's been our first full year with Professor Wendy Larnar as our Vice-Chancellor, and I look forward to seeing the strong foundations she and her team have laid over the last 12 months being used as the springboard for sustainable and impactful change.



Patrick Younge  
Chair of Council  
27 November 24

## Cardiff University: our future, together Our path to 2035

Our future direction has been heavily shaped by our past. We were the first Welsh university to admit women and the earliest chartered institution in the UK to employ women as professors. We stood alongside our neighbours in the city over generations, in Wales and beyond, providing a warm Welsh welcome to those displaced by war or needing sanctuary. Student volunteerism and activism is a rich archival theme, demonstrating our tradition of enabling free speech and debate, and encouraging civic participation and action. Our strategy to 2035 embodies our commitment to delivering a better world for future generations, a new manifestation of our progressive history.

## Our vision to 2035

By 2035, we want to be:

- recognised globally as a pioneer for research and innovation, built on our strength-in-places, initially through translational excellence in creative industries and advanced manufacturing (compound semiconductors)
- attractive to students of all ages and backgrounds, learning in a variety of ways, taught using the best pedagogy, enabled by flexible delivery and digital innovation.
- the university of choice for regional, national, and global alumni, partners and funders looking for bold and brave approaches to the future
- a valued and active anchor partner in our city-region, driving significant progress on the Cardiff Capital Region Investment Zone and Academic Health Sciences Precinct
- an employer and educator of choice, with a vibrant, international staff and student body that is also representative of our diverse city-region.

We will have:

- helped to solve grand challenges in areas such as climate change, biodiversity, health, security, sustainability, and social justice.
- diversified our income, achieving financial sustainability with more commercial revenue from our research and our estate, diverse sources of research and teaching income, and growth in philanthropy.
- made a significant economic and social impact on Cardiff and Wales
- established a network of well-developed, reciprocal, transnational education partnerships across the globe.

- developed a smaller, high quality, civic campus, which is green, creative, and open, cohabiting and co-locating with communities and partners.

## Our Strategic Priorities

### 1. Culture, cynefin and community

Our university will be an amazing place to research, teach, learn, study, and create, which allows excellence to flourish beyond boundaries, enabling curiosity and ambition. We will support all members of our community to thrive.

We will welcome and accept people for who they are - a community where we know and value each other and understand what matters to us. We value diversity and will take the necessary steps to be a genuinely inclusive, positively bilingual, and anti-racist university. 'Cynefin' is a touchstone for us, a place where people feel they belong. We will work together, leaving no-one behind, clear on our expectations of each other and pursuing shared priorities.

Our values and work will align in a socially responsible university that strives to make Cardiff and Wales, as well as the world beyond, a better place. Our actions and behaviours will engender trust and respect from others and will inspire students and staff to be lifelong champions. Our strong disposition is to make a difference and to be among the very best.

### 2. A vibrant and thriving place

We are a capital city university; an anchor institution for Cardiff and Wales, embodying Welshness, embracing the Welsh language, proud of our heritage. We celebrate being multicultural and multilingual, drawing together the best minds from across the globe and nurturing homegrown talent.

We are an integral part of a liveable, creative, bilingual, multicultural city and will work with others to ensure Cardiff is a wonderful city to visit and to work, study and live. We will be open to our partners – locally, nationally, globally - and accessible with a clearly marked 'front door' that says 'croeso'. We will be more visible and present in diverse communities, allowing knowledge to flow in both directions, sharing our spaces and resources.

We will be distinctively of Cardiff and Wales in all that we do, through our outlook, teams, investments, facilities, partnerships, collaborations, and ecosystems. We will connect Cardiff and Wales to the world through mutually beneficial connections and global relationships

that benefit us all. We will foster social mobility and economic impact, creating a highly skilled workforce and building on joint research and innovation priorities. We will encourage entrepreneurship among our staff, students, and alumni, generating spinouts and commercialising our research to create new businesses and jobs. Cardiff staff, students and alumni will be global ambassadors for a Welsh spirit of change-making which is deeply rooted in place and community.

We will improve our campuses, their sustainability, and the shared experience of being here. That means taking seriously the challenge of climate change and decreasing biodiversity, tackling our carbon footprint, enhancing our green infrastructure, and adapting our buildings to enable us to work better together. We will invest in world class approaches – physical and digital – for research and innovation, education, and operations.

### 3. Co-creating futures

We will work collaboratively as we co-create futures with our staff, students, alumni, and partners. We will be agile, innovative, and continually evolving. Together, we will adapt to a changeable world and deal with uncertainty. We will take a global outlook and work to establish international partnerships that are genuinely reciprocal. We will embrace, prepare for, and actively shape the future throughout our activities. We will be united by a mission to reshape, rewire, and renew prospects not just for tomorrow, but far beyond.

Our intellectual curiosity and research intensity will create a depth of understanding from which we will innovate; sustaining and securing the future, enriching lives, supporting social integrity, pioneering public values, embedding one-health, enabling physical and mental well-being, driving decarbonisation, and developing new transformational technologies. We will be world-renowned for our impact and underpinning research strengths, working with others to create insights and solutions far beyond those that can be achieved alone.

We will offer flexible, tailored, lifelong learning to our students that gives them choices, agency, and a voice, and provide future-proofed knowledge and skills that they can apply in the real world to fulfil their aspirations. We will teach our students in a way that develops them further into resilient, critical, problem-solving change makers who know how to work together in an uncertain, interdisciplinary, cross-sectoral, digitised world.

We will help people from all backgrounds transform their lives, place, and society and will have a lifelong commitment to, and relationship with, our students and alumni.

### Our measures of success

- Our students of all backgrounds are supported to succeed and have an excellent experience.
- We are a university where our staff feel like they belong (Cynefin)
- We are recognised as one of the best Universities in the World
- We embrace the Welsh language, offering opportunities to study in Welsh wherever possible.
- We are a financially robust and sustainable institution.
- We operate a more sustainable campus.
- Our research is recognised as world-leading and impactful.
- Our research has practical applications in our community.
- Our student outcomes are amongst the best in the sector – contributing to a skilled workforce.

### Delivery of our strategy

Delivery of this strategy will take place across three interrelated time horizons. Horizon One will largely focus on our ways of working, organisational effectiveness and the creation of financial headroom, putting in place the fundamentals that will enable change. Horizon Two will incorporate activity that begins to deliver growth and innovation in the areas that speak to our vision for the future, allowing us to build momentum for change. Horizon Three will take our reinvention further, incorporating activities that will emerge as we work together to co-create our future.

### Introduction

At the beginning of the 2023/2024 academic year, we asked ourselves one very important question: What kind of university do we want to be, for what kind of future?

It was the driver behind *Y Sgwrs Fawr/The Big Conversation*, a participatory process that helped shape and develop our new strategy.

Our staff, students and external communities were engaged through town hall events, exhibitions, surveys and sessions with our Schools, departments, and the Students' Union. We created a student panel which acted as a sounding board, and our senior team created think pieces to spark conversation. We then used the results of these engagements to develop three possible futures for our University, asking our community what excited them and discouraged them in each one.

The approach that we took is novel. No other university that I'm aware of has engaged as deeply and used futures methodologies as extensively as us to shape their strategic direction. I'm also very proud of the fact that this has been a 'home grown' process, designed and delivered by Cardiff staff, without relying on external consultants.

I think it is fair to say that it pushed many of us out of our comfort zones, but it enabled us to be imaginative and to think beyond incremental change and improvement to something far bolder. The result – our new strategy to 2035 – was co-created with our staff, students, and wider community.

Everyone who took part was generous with their time and ideas and I feel this new strategy represents all of us – our thoughts, projections and hopes for our University. Together we have shaped Cardiff University's future, and I would like to thank every member of the University community who participated in this process. *Y Sgwrs Fawr/The Big Conversation* has given us all clarity on our direction, and allowed us to unite around common strategic goals.

We've already shared drafts of the strategy with our staff and the final version has now been approved by the University Council. Our new strategy – *Cardiff University: our future, together* will be fully operational as of 1 September 2024 and will guide us through to 2035.

Although strategy development was a significant focus this year, other work has continued alongside the development of the strategy. What follows next is a snapshot of Cardiff's impact over the last 12 months. We have chosen to tell these successes under the three priority areas of our new strategy, to show the excellent work already underway in these fields.

### 1. Culture, cynefin and community

#### Our commitment to supporting technical career development

The GW4 Alliance of Cardiff, Bath, Bristol and Exeter universities will develop opportunities that give technical specialists the opportunity to excel in their careers; collectively work together to effectively respond to the most relevant recommendations of UKRI's TALENT Commission; and deliver sector-leading programmes and reports on how innovative approaches to career development can transform technical skills and capabilities.

#### Welsh language hub opens its doors

A dedicated space aimed at nurturing Welsh language and culture has opened for Cardiff University staff and students. Y Lle is available to anyone who would like the opportunity to work, study or socialise through the medium of Welsh. It is home to the University's Academi Gymraeg and the Coleg Cymraeg Cenedlaethol Cardiff University branch. Welsh lessons taught by Learn Welsh Cardiff take place at Y Lle and the space also offers hot desk and meeting facilities and a social space.

#### Teaching excellence recognised

Dr Emma Yhnell, a senior lecturer in the School of Biosciences, was awarded a National Teaching Fellowship in recognition of her teaching excellence and commitment to her students. The prestigious awards – the highest in the sector – are given to a small number of academics each year who have made an outstanding impact on student outcomes and the teaching profession. The award is recognised internationally as a mark of quality.

#### Strategic Equality Plan

We finalised our Strategic Equality Plan 2024-2028 which sets out our ambitions and measures for equality, inclusion, diversity, and anti-racism at our University. Staff and students across the institution were involved, telling us what they thought of our objectives and helping us build our vision of who we want to be.

#### Putting our students at the heart of our teaching

We are trialling a new approach which sees our Student Champions partnering with academic Schools to give a student perspective on programme design. This puts our students at the heart of decisions and means our programmes are centred around what they need. A specialist toolkit focussing on inclusivity, sustainability and employability is also helping our academics

develop their teaching practice and programme design.

### 2. A vibrant and thriving place

#### **Cardiff University joins forces with Cardiff Capital Region for future collaboration**

Cardiff University signed a groundbreaking Memorandum of Understanding with Cardiff Capital Region and other Higher and Further Education institutions from South-East Wales, forming a framework for future collaboration based on key objectives for economic wellbeing in the Region. It will ensure alignment on regional ambitions and create further opportunities for business engagement, collaborative learning, teaching, and research and development, allowing Cardiff Capital Region to gather the expertise that these institutions can deliver together.

#### **Pilot initiative drives growth in creative industries across Cardiff Capital Region**

A pilot project to nurture creative talent in Newport, Monmouthshire and Rhondda Cynon Taf saw an increase in the survival rates of businesses, positive changes in the working conditions of freelancers and up to £230,000 in additional revenue. The project, between the University's Centre for the Creative Economy and local authorities brought together more than 1,000 artists and creative business owners.

#### **Cardiff University and Siemens Healthineers forge strategic alliance**

Cardiff University and Siemens Healthineers have entered a strategic partnership to develop advanced medical technologies, with a key focus on imaging and in vitro diagnostics. The alliance builds on a ten-year collaboration between the global healthcare solutions company and the University, supporting innovation in world-class imaging research and precision diagnostics.

#### **Junior graduates celebrate achievements**

Cardiff University's latest cohort of junior graduates doffed their caps in front of family and friends. The youngsters were part of the Cardiff University Primary School Programme, delivered in partnership with Cardiff Council's Passport to the City: Children's University initiative. The year-long project delivers opportunities for children to study subjects aligned to the Curriculum in Wales, while learning new skills and raising aspirations.

#### **Responsible procurement**

Our new Responsible Procurement Policy introduces Environmental, Social and Governance considerations into our purchasing decisions and will help us become a socially responsible university

that strives to make Cardiff, Wales, and the World a better place.

### 3. Co-creating futures

#### **World-first ammonia steam boiler moves to next phase of testing**

Cardiff University researchers are opening new avenues in sustainable energy adoption and greener industry. Researchers at the Net Zero Innovation Institute, in collaboration with industry partner Flogas, began testing a new type of low carbon ammonia boiler on-site at Cardiff University. Launched last year, the £3.4m Amburn project is funded by the Department for Energy Security and Net Zero through the Industrial Fuel Switching Competition. The project team has designed world-first equipment that aims to tackle industrial carbon emissions by providing a greener solution.

#### **Cardiff graduates among the UK's most employable**

Cardiff University graduates are some of the most employable and sought after by UK employers, according to the 2021/22 Graduate Outcomes survey. Published by the Higher Education Statistics Agency (HESA), data shows that 15 months after their course ended, 86% of our graduates were working in the UK in highly skilled employment, making Cardiff University first in Wales for this measure.

#### **Beeswax could help families in warzones**

Academics from Cardiff University and Kharkiv Polytechnic Institute of National Technical University, Ukraine have developed an antimicrobial food wrap, using household items and beeswax, which can provide food storage in conflict zones. The kit created by the scientists can be used in areas of Ukraine where the power supply has been disrupted by the Russian invasion and potentially in other conflict zones around the world.

#### **Earth's earliest forest revealed in Somerset fossils**

Scientists have discovered remnants of the Earth's oldest fossil forest on the north coast of Devon and Somerset in the UK. Discovered by researchers from Cambridge University and identified at Cardiff University, the cladoxylopsids trees, which are around 390 million years old, are thought to have grown as part of an extensive forest covering the east coast of the Old Red Sandstone continent – part of Europe at that time. This makes the Somerset Forest four to five million years older than the previous record holder at Cairo, New York in the US and throws new light on the evolution of trees and the transformative role they played in shaping the world we live in today.

### **Evidence of ancient medieval feasting rituals uncovered in grounds of historic property**

An early medieval cemetery has been discovered within the grounds of Fonmon Castle, near Barry, South Wales by archaeologists from Cardiff University. The excavation offers fascinating new evidence about life in early medieval Wales (AD 400-1100) and transforms our understanding of the history of Fonmon and the Vale of Glamorgan.

Alongside these big news stories for Cardiff there was steady progress in other important areas. Our NSS results, for example, saw overall student satisfaction increase from 71.72 to 77.9%, the highest it has been in four years. Seven programmes achieved 100%, with 22 programmes achieving 90% and above (nine more than last year). There were improvements in every thematic area – a result which is testament to the efforts of staff over the past year in every part of the University. We were also delighted to note that our Students' Union was ranked second among Russell Group universities for representing our students' academic interests.

Several activities also took place during the year to help us build a positive, values-based research culture. These include the launch of our evidence-based Research Culture Action Plan; a Research Culture Fund supporting 26 grassroots events; our inaugural Research Culture Week and securing and launching the Cynnu Ignite research culture leadership programme.

Our commitment to creating 'cynefin', a place for everyone, cannot be overstated, and we are on a journey to establish ourselves as an actively anti-racist University. We are pursuing the Race Equality Charter Mark Bronze-Level Recognition, and over the year our staff had their say on the areas of work we need to prioritise. Our work on this is ongoing and we are committed to improving the experience of our minoritised ethnic staff and students.

All of this has taken place against a difficult backdrop. Like others in the sector, Cardiff is facing a challenging financial context. To ensure our long-term sustainability, we need to return to a point where our costs are lower than our income. We also need to create headroom to be able to invest in new activities and support the delivery of our strategy. We have already made early steps towards rationalising our estate, and are actively looking for ways to further reduce our non-pay expenditure. Our voluntary severance scheme is aimed at reducing staffing in areas where we can and reinvesting in the areas which need more resources. We recognise this as our opportunity to embrace change and to positively and proactively

reshape our activities to meet the needs of current and future generations.

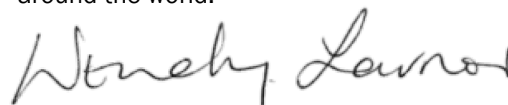
In April 2024, the Welsh Government confirmed that the amount that Welsh universities can now charge for tuition was increasing from £9,000 to £9,250 per year from September 2024. Like other Welsh universities, we took the difficult decision to increase fees to help meet our ever rising financial costs. Although it helps a little, in real terms tuition fees in Wales have decreased by 17.4%, and if fees had increased with inflation, they'd be around £11,000.

An immediate concern we faced over the year – and continue to feel the effects of – is the Migration Advisory Committee (MAC) review into the graduate visa route. While we welcome the recommendation that the graduate route should remain as is, the very decision to review in the first place has caused uncertainty and much damage to international student recruitment in the UK.

Geopolitical issues have also affected our community. The Israel-Gaza war has been deeply upsetting and challenging for many members of the University. We have offered support to staff and students over the year and will continue to do so for as long as is needed. Like many other campuses, we saw pro-Palestinian protestors set up a camp on our Main Building's Horseshoe Drive. Following a number of meetings with the camp, its members voluntarily left, and the camp ended peacefully in mid-July.

As I reflect on the year, it has been both successful and challenging. It's been my first year in post and I'm looking forward to seeing the work we have put in on our strategy start to make an impact. As always, Cardiff's strength is in its people, it's community.

Our tradition of supporting each other in times of crisis has continued and I am immensely proud of the difference our work is making at home and around the world.



**Professor Wendy Larnor**  
**27 November 24**



## Key trends in Higher Education

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### **Cardiff University continues to respond to trends in both Wales and Westminster, adapting to the different policy agendas devolution entails.**

The past year has been one of significant political change. Thus included two new First Ministers in short succession and a period of significant political turbulence between those two appointments. We have also seen a number of changes to the make-up of the cabinet and an end to the co-operation agreement between Welsh Labour and Plaid Cymru.

Higher education in Wales has continued to face a number of difficult challenges relating to finances, and all universities in Wales are taking action to close deficits. These funding challenges have arisen from a number of sources including; the declining value of the domestic tuition fee, a challenging market for international recruitment, and the wider context for public finances.

The most immediate concern has been the UK Government's request that the Migration Advisory Committee (MAC) review the graduate visa route. Whilst the MAC recommended retaining the Graduate route in its current form, this followed extensive evidence-gathering by the higher education sector. It also highlights the challenges to universities if migration remains a key political issue.

More positively, the Welsh Government raised tuition fees from £9,000 to £9,250, although this was alongside a reduction in HEFCW's budget. It is unlikely that the Welsh budget allocated to higher education will see significant increases in the short-term. As a result, our HEFCW funding streams – such as teaching grants and research funding – are likely to see further pressures. We note the decision from Westminster that English fees will be able to be increased in 2025/26 to £9,535 but we await any further decisions from Welsh Government as to what that means for Welsh Fees. In the meantime, we will need to absorb the additional Employers National Insurance Contributions announced in the Chancellor's Autumn Budget Statement.

Higher education across Wales is also preparing for the eventual handover of powers from HEFCW to Medr (the new name from the Commission on Tertiary Education and Research). This will bring together higher education, further education, sixth forms, and adult learning into a single regulatory and planning space from 1<sup>st</sup> August 2024. The Statement of Priorities set by Welsh Government gives an insight into Medr's work. This statement takes a gradualist approach but focuses on:

- Putting learners at the heart of the system
- A social and economic contribution
- Supporting financial sustainability, whilst also referring to increasing differentiation between providers.

This statement continues to consider social mobility and tackling education inequality as a key priority for Welsh Government, building on a significant theme of Welsh Government policy over the last 25 years.

Medr will lead to closer work between higher and further education, building on existing partnerships around specific courses and civic mission.

Likewise, whilst the new Welsh Government has had limited time to act on research and innovation, we have been keen to promote Cardiff University's role as an anchor institution in the economy of south Wales, building on our research and innovation institutes and links with a wide range of partners across the region. We expect a stronger focus from Welsh Government on job creation in the next few years, with a particular emphasis on green jobs.

Both the Welsh and UK Governments have said that they expect a more collaborative relationship following the UK general election and this is especially likely to affect research and innovation policy and new regional and place-based agendas, as the UK Government seeks to replace the former Government's Levelling Up programme.

Finally, many of our conversations with elected officials in the last year have addressed Y Sgwrs Fawr/The Big Conversation and strategic review. This has led to a number of useful interactions with MSs and MPs representing Cardiff University and provided useful feedback into our conversations.

### Report from the Governing Body's key committees

Council has established four major committees whose members it appoints to oversee various aspects of the University's business: the Audit and Risk Committee, the Finance and Resources Committee, the Governance Committee, and the Remuneration Committee. All of these committees are formally constituted, each with terms of reference and a membership which includes independent members of Council and a Council independent member as Chair. Major committees may establish sub-committees, such as the Nominations Sub-Committee which is a key sub-committee created to consider and agree recommendations to Council in relation to key appointments.

#### Audit and Risk Committee

Member	Type	Attendance
Dr Robert Weaver (Chair)	Independent	6/6
Aneesa Ali (appointed 01 Jan 24)	Independent	2/2
Pers Aswani	Independent	6/6
Dónall Curtin (resigned 13 Nov 23)	Independent	3/3
Suzanne Rankin	Independent	4/6
Dr Nick Starkey (appointed 01 Jan 24)	Independent	2/2
Agnes Xavier-Phillips	Independent	4/6

The Chair of Council and members of staff or students at the institution are not members of the Committee. Members are not individuals with executive management responsibilities within the institution or members of the Finance and Resources Committee. Two independent members were appointed to the Committee during 2023-24 following a recruitment exercise supported by an external search agency following the resignation of one member.

#### Key responsibilities

The Audit and Risk Committee has a key role in advising and assisting the Council in overseeing the assurance and control environment of the University. Its duties cover:

- Assessing and advising Council on the effectiveness of the institution's risk management, control and governance arrangements, and the internal controls and procedures to promote economy, efficiency, and effectiveness.
- Oversight of external and internal audit arrangements, including advising the governing body on the appointment of the audit providers, and oversight of the nature and scope of external and internal audits and the effectiveness of the audit processes; and

- Oversight of audit aspects of the University's financial statements, including the independent auditors' opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the management External Auditor's representation letter.

The Committee's terms of reference are closely aligned to the Committee of University Chairs' guidance about audit committees and the Committee takes due regard of this guidance in its operation.

#### Summary of business

The Audit and Risk Committee met six times during 2023-24, including two special meetings held in September 2023 to consider the Head of Internal Audit's resignation statement and draft Head of Internal Audit Opinion, and to make recommendations on the appointment of an Interim Head of Internal Audit.

The External Auditors attended all ordinary meetings of the Committee and were present for consideration of the annual Financial Statements (including going concern review), management representation letter, and the Internal Auditor's formal opinion as well as approval of the annual internal audit plan and strategy.

The Committee reviewed the University's risk register and detailed reports, including those from internal audit, together with recommendations for the improvement of the University's systems of internal control, management responses and implementation plans, and progress with the high priority external and internal audit recommendations. The Committee monitored progress with the Fee and Access Plan and a project to map the University's key controls, and oversaw an external review of Internal Audit, and the development of a new Strategic Risk Register, following implementation of a new Risk Management Policy and software.

The Committee considered reports on value for money, complaints, data submitted externally, and Net Zero, assurance mapping and the University estate. The Committee also received regular reports on serious incidents, whistleblowing, litigation, and financial compliance. The Committee undertook an annual self-evaluation of effectiveness and identified one area for Committee training during 2024-25.

## Major Committees and University Executive Board

### Finance and Resources Committee

Member	Type	Attendance
John Shakeshaft	Independent	4/4
Angie Flores Acuña (term ended 30 Jun 24)	Student	4/4
Beth Button (appointed 05 Mar 24)	Independent	2/2
Madison Hutchinson (appointed from 01 Jul 24)	Student	-
Chris Jones	Independent	4/4
Jan Juillerat	Independent	4/4
Professor Urfan Khaliq	Employee	4/4
Professor Wendy Larnar (from 01 Sep 23)	Employee	4/4
Micaela Panes	Student	4/4
Professor Colin Riordan (until 31 Aug 23)	Employee	-
David Selway	Independent	4/4
Professor Damian Walford Davies	Employee	3/4
Jennifer Wood	Independent	4/4
Patrick Younge	Independent	3/4

The Committee's membership includes two members with relevant financial experience gained within a predominantly finance-based role.

#### Key responsibilities

The broad remit of the Finance and Resources Committee is to advise and assist Council on the University's financial and resource matters. It monitors proposals for achievement, alignment of resources and performance of the University's strategic aims. It has specific duties in respect of the following areas:

- Resource Allocation, including allocation provided to Students' Union.
- Financial management, including investment and banking.
- Estates and Digital Infrastructure management.
- Human Resources management

#### Summary of business

The Committee met five times during the 2023-24 academic year, including a special meeting to approve the Fee and Access Plan for 2025-27. The Committee continued to oversee the business of its two sub-committees: the Environmental Sustainability Sub-Committee, which oversees the development and implementation of environmental sustainability strategy, policies, and programmes of activity; and the Investment and Banking Sub-Committee that monitors and advises on the University's investment strategy and its banking arrangements. The Committee approved a delegated authority to the Investment and Banking

Sub-Committee, along with appointment of a new external member.

Over the year, the Committee reviewed performance of the estate, via receipt of the Annual Estates Performance Report, recommendation of a proposed Residences Strategy, reviewed several business cases for investment into the estate and also received regular updates on the University's activities around cyber security. A key item of business related to discussion of the new proposed strategy and roadmap, together with the budget for 2024-25. The Committee continued to receive regular financial updates, oversaw funding for the Students' Union (via the annual Block Grant and Students' Union Financial Agreement Review) and approved minor revisions to the Financial Regulations and Delegation of Financial Authority Framework. The Committee also received an update on the review of student recruitment for 2023/24, a presentation of the outcomes of the Tribal Benchmarking review for 2021/22 and an update on the Better Ways of Working Programme.

### Governance Committee

Member	Type	Attendance
Judith Fabian (Chair)	Independent	3/3
Professor Dame Janet Finch	Independent	2/3
Angie Flores Acuña (term ended 30 Jun 24)	Student	3/3
Professor Adam Hedgecoe	Employee	3/3
Madison Hutchinson (appointed 01 Jul 24)	Student	-
Jan Juillerat	Independent	3/3
Professor Wendy Larnar (from 01 Sep 23)	Employee	3/3
Professor Mark Llewellyn (appointed 01 Aug 24)	Employee	-
Dr Caroline Rae (term ended 31 Jul 24)	Employee	3/3
Professor Colin Riordan (until 31 Aug 23)	Employee	-
David Selway	Independent	2/3
Professor Damian Walford Davies	Employee	3/3
Patrick Younge	Independent	2/3

#### Key responsibilities

The key role of the Governance Committee is to advise and assist the Council on the effectiveness of the governance structure and framework of the University. This includes:

## Major Committees and University Executive Board

- The University's level of compliance with the mandatory requirements of legislation and other regulations, including the provisions of the Equality Act and the Welsh Language Act.
- Constitutional and legal matters, including the Charter, Statutes and Ordinances.
- Independent Member nominations and appointments

To discharge its responsibilities, the Governance Committee has established five sub-committees:

- Nominations
- Health, Safety and Wellbeing
- Equality, Diversity, and Inclusion
- Biological Standards
- Open Research Ethics and Integrity

### Summary of business

The Governance Committee met three times in 2023-24. The Committee reviewed the University's Governance Framework and recommended associated updates to Ordinances and the Scheme of Delegation. It also oversaw the triannual Governance Effectiveness Review comprising an external review of the relationship between Council and Senate; an externally administered and benchmarked survey of governance effectiveness; and an internal analysis of Council member EDI data over the past three years.

The Committee reviewed a number of annual assurance documents, including compliance with the Welsh Language Standards, PREVENT, The Modern Slavery Act 2015, the Animals (Scientific Procedures) Act 1996, safeguarding requirements, UK Visas and Immigration regulations, and the Strategic Equality Plan Annual Monitoring Report.

The Governance Committee reviewed the independent member skills matrix and equality and diversity data to consider the composition requirements of an effective and efficient governing body, and oversaw the appointment of five new independent members, a new Vice-Chair of Council, and a Governor apprentice via the Nominations Sub-Committee. The Committee also approved the annual induction and development plan, and oversaw the annual performance reviews of the Chair of Council and Council members.

### Nominations Sub-Committee

Member	Type	Attendance
Judith Fabian (Chair)	Independent	1/1
Angie Flores Acuña (term ended 30 Jun 24)	Student	1/1
Madison Hutchinson (appointed 25 Sep 24)	Student	-

Member	Type	Attendance
Dr Juan Pereiro Viterbo (appointed 30 Jan 24)	Staff – Senate member of Council	-
Professor Stephen Riley (term ended 31 Dec 23)	Staff – Senate member of Council	1/1
John Shakeshaft	Independent	1/1
Dr Robert Weaver (appointed 25 Sep 24)	Independent	-
Patrick Younge	Independent	1/1

### Key responsibilities

The role of the Nominations Sub-Committee is to consider and agree recommendations to Council in relation to key appointments, including the appointment and re-appointment of the Chair and Independent Members to the Council and its committees.

The sub-committee ensures that independent member recruitment is achieved through a clear and transparent appointment process, having due regard for the overall skills and experience of the governing body, balance of sector and non-sector knowledge and commitments to diversity and inclusivity.

### Summary of business

The sub-committee met on one occasion during 2023-24 to agree the role description and approach to recruitment for independent members of Council and Audit and Risk Committee, including the composition of the shortlisting and interview panels to work with the external search firm appointed, Aspen People Ltd. The Committee also oversaw the appointment of a new Vice-Chair of Council and an Apprentice Governor. Recruitment for the independent member positions was undertaken during November and December 2023, and the appointment process for the Vice-Chair during February 2024.

The governor apprentice was recruited via Perrett Laver's Governor Apprenticeship Scheme which aims to encourage diversity on boards, and the post was advertised externally.

### Remuneration Committee

Member	Type	Attendance
Jan Juillerat (Chair)	Independent	2/2
Professor Dame Janet Finch	Independent	2/2
Suzanne Rankin (appointed 02 Oct 23)	Independent	2/2
Patrick Younge	Independent	2/2

until the December 2024 meeting. It received the annual update on the Gender and Ethnicity Pay Gap and on Equal Pay and Senior Pay Governance. The Committee also undertook its annual review of the Committee of University Chairs (CUC) HE Senior Staff Remuneration Code and confirmed the University has adopted the Code. The Committee, through the Chair, reports to Council at least twice a year.

The Remuneration Committee has a wholly independent membership of independent members of the Council (who include the Chair and Vice-Chair of Council). The Remuneration Committee shall not be chaired by the Chair of Council. The Director of HR (renamed Director of People of Culture from 2024-25) is invited to attend the Committee meetings.

The University's pay policy is published annually on our [website](#) (further information on page 17).

### Key responsibilities

The Remuneration Committee, with advice from the Professorial and Senior Salaries Committee, develops the overall reward strategy and policy to cover the remuneration, benefits, conditions of employment and severance of the senior officers and staff of the University, including Deans and Heads of School.

The Committee is responsible for determining the remuneration, benefits, and conditions of employment of the Vice-Chancellor and their direct reports, taking account of affordability, comparative information of the remuneration, benefits, and conditions of employment in the Higher Education Sector and elsewhere as appropriate and relevant metrics and performance data.

The Vice-Chancellor's remuneration package is determined according to a number of factors including, but not limited to

- the leadership, management, and academic experience within the higher education sector.
- the breadth of leadership responsibilities for one of the UK's largest universities.
- the financial responsibilities for an institution with an annual income of over £625 million; and which contributes more than £3.7 billion to the UK economy, generating £6.40 for every £1 we spend and supports 1 in 135 jobs in Wales.

### Summary of business

During 2023-24, the Committee reviewed the output of the 2023 Senior Salary Review and approved the running of the 2024 Limited Senior Salary Review, with a focus on equity reviews. It also postponed the decision on the 2024 Banding review

## Major Committees and University Executive Board

### Senate

Member	Type	Attendance
Professor Wendy Lerner	Employee	3/3
Angie Flores Acuña (until 30 Jun 24)	Student	3/3
Professor Rudolf Allemann	Employee	3/3
Professor Stuart Allen (until 22 May 24)	Employee	2/2
Professor Stuart Allan (appointed 08 May 24)	Employee	1/1
Professor Rachel Ashworth	Employee	3/3
Dr Thomas Beach	Employee	3/3
Professor Roger Behrend (until 31 Jul 24)	Employee	0/3
Professor Anthony Bennett	Employee	2/3
Dr Emma Blain	Employee	3/3
Shola Bold (appointed 01 Jul 24)	Student	-
Professor Kate Brain	Employee	2/3
Professor Gill Bristow	Employee	1/3
Dr Andreas Buerki	Employee	3/3
Professor Christine Bundy	Employee	2/3
Dr Cindy Carter	Employee	1/3
Eve Chamberlain (appointed 01 Jul 24)	Student	-
Professor David Clarke	Employee	3/3
Lauren Cockayne	Employee	1/3
Susan Cousins (until 31 Jul 24)	Employee	2/3
Professor Dave Cowan (until 07 May 24)	Employee	0/2
Professor Vicki Cummings	Employee	3/3
Professor Juliet Davis	Employee	2/3
Professor Lina Dencik (until 01 Jan 24)	Employee	0/1
Michelle Deininger (appointed 01 Jan 24)	Employee	0/2
Dr David Doddington	Employee	3/3
Dr Luzia Dominguez (until 31 Jul 24)	Employee	1/3
Dr Derek Dunne	Employee	2/3
Professor Dominic Dwyer	Employee	2/3
Professor Edwin Egede	Employee	2/3
Professor Rachel Errington (appointed 01 Jan 24)	Employee	1/2
Catrin Edith Parry (appointed 01 Jul 2024)	Student	-
Fflur Evans	Employee	1/3
Professor Dylan Foster Evans	Employee	3/3
Helen Evans (until 31 Dec 23)	Employee	0/1
Graham Getheridge	Employee	1/3
Professor Hayley Gomez (appointed 01 Dec 23)	Employee	1/2
Professor Julian Gould-Williams	Employee	2/3
Professor Clare Griffiths (appointed 01 Aug 24)	Employee	-

Member	Type	Attendance
Professor Mark Gumbleton	Employee	2/3
Professor Thomas Hall	Employee	2/3
Dr Natasha Hammond-Browning	Employee	2/3
Emma Heady (delegated member until May 2024)	Employee	1/2
Professor Adam Hedgecoe	Employee	2/3
Dr Monika Hennemann (until 31 Jul 24)	Employee	2/3
Dr Jonathan Hewitt	Employee	1/3
Madison Hutchinson	Student	2/3
Professor Aseem Inam	Employee	0/3
Professor Nicola Innes	Employee	1/3
Claire Jaynes (appointed 01 Jan 24)	Employee	1/2
Dr Nicholas Jones	Employee	3/3
Professor Dafydd Jones	Employee	2/3
Dr Kathryn Jones (appointed 23 May 24)	Employee	0/1
Dr Hesam Kamalipour	Employee	3/3
Dr Tahl Kaminer	Employee	3/3
Professor Deborah Kays (appointed 01 Jun 24)	Employee	0/1
Professor Andrew Kerr	Employee	1/3
Professor Urfan Khaliq	Employee	2/3
Professor Alan Kwan (acting member for 1 meeting)	Employee	1/1
Professor Mark Llewellyn (appointed 01 Feb 24)	Employee	1/2
Professor Eshwar Mahenthiralingam	Employee	3/3
Alex Meers	Student	1/1
Claire Morgan	Employee	3/3
Ana Nagiel Escobar (appointed 01 Jul 2024)	Student	-
Rebecca Newsome (returning member from May 2024)	Employee	0/1
Professor Gerard O'Grady	Employee	3/3
Dr James Osborne (until 31 Jul 24)	Employee	1/3
Deio Owen (until 30 Jun 24)	Student	3/3
Joanne Pagett	Employee	0/3
Micaela Panes	Student	3/3
Dr Vassiliki Papatsiba (appointed 01 May 24)	Employee	1/1
Dr Juan Pereiro Viterbo	Employee	2/3
Professor John Pickett (appointed 01 Sept 23 until 31 May 24)	Employee	0/2
Dr Jenny Pike	Employee	2/3
Professor Simon Pope (appointed 01 Aug 24)	Employee	-
Abyd Quinn-Aziz (until 31 Jul 24)	Employee	1/3
Dr Caroline Rae (until 31 Jul 24)	Employee	2/3

## Major Committees and University Executive Board

Member	Type	Attendance
Michael Reade	Employee	2/3
Kate Richards	Employee	2/3
Professor Stephen Riley	Employee	1/3
Dominic Roche	Employee	1/3
Noah Russell (until 30 Jun 2024)	Student	3/3
Professor Gavin Shaddick (appointed 01 May 24)	Employee	1/3
Professor Karl Michael Schmidt (appointed 01 Aug 24)	Employee	-
Professor Katherine Shelton	Employee	-3/3
Dr Andy Skyrme	Employee	0/3
Professor Peter Smowton (until 31 Nov 23)	Employee	1/1
Zbig Sobiesierski	Employee	1/1
Helen Spittle	Employee	3/3
Georgia Spry	Student	2/3
Tracey Stanley	Employee	3/3
Professor Phil Stephens (appointed 01 May 24)	Employee	0/1
Professor Patrick Sutton	Employee	2/3
Dr Catherine Teehan	Employee	2/3
Grace Thomas	Employee	2/3
Dr Jonathan Thompson	Employee	3/3
Professor Damian Walford Davies	Employee	3/3
Matt Walsh	Employee	2/3
Dr Catherine Walsh (until 31 Jul 24)	Employee	2/3
Lisa Watkins (until 27 Nov 23)	Employee	1/1
Professor Ian Weeks (until 31 Dec 23)	Employee	1/1
Professor David Whitaker (until 29 Feb 24)	Employee	0/1
Professor Roger Whitaker	Employee	2/3
Professor John Wild	Employee	2/3
Professor Martin Willis (until 31 Jan 24)	Employee	1/1
Professor Jianzhong Wu	Employee	2/2

### Key responsibilities

The Senate is established by the University's Charter, which gives it responsibility for the ordering of the academic affairs of the University, both in teaching and in research, and powers to make Academic Regulations. It draws its membership from the academic staff, professional services staff, and students of the Institution. Senate keeps under review the educational policy of the University and provides Council with assurance that the academic affairs of the University are appropriately managed. In turn, Senate has established standing panels and Sub-Committees to support it in discharging its

responsibilities, such as the Academic Standards and Quality Committee and the Education and Student Experience Sub-Committee.

### Summary of business

Senate met three times during the 2023-24 academic year. Key areas of strategic business included updates on the National Student Survey results and actions, updates on work around research culture and the Research Excellence Programme, and a presentation on the proposed new strategy for the University. Senate received and considered the Bicameral Review report from the external reviewers and received updates on progress in this area. Senate also received an update on the review of Education Governance arrangements.

Senate considered the Annual Quality Report, the Annual Enhancement Report and approved a number of proposals to vary academic regulations and policies. Senate received the Institutional Response to the 2023 Student View and received the Student View for 2024. Regular reports of business from Senate's sub-committees, including the Academic Standards and Quality Committee and the Education and Student Experience Committee, were received.

### University Executive Board

Member	Type
Professor Colin Riordan (Chair) (until 31 Aug 23)	Employee
Professor Wendy Larner (Chair) (from 01 Sep 23)	Employee
Professor Rudolf Allemann	Employee
Hayley Beckett (from 16 Apr 24 until 09 Sep 24)	Employee
Laura Davies (from 01 Feb 24)	Employee
Sally-Ann Efstathiou (from 10 Sep 24)	Employee
Rashi Jain (until 16 Feb 24)	Employee
Professor Urfan Khaliq	Employee
Dr David Langley (from 30 Apr 24)	Employee
Daniel Lawrence (from 14 Oct 24)	Employee
Susan Midha (until 19 Mar 24)	Employee
Claire Morgan	Employee
TJ Rawlinson (until 30 Jan 24)	Employee
Professor Stephen Riley (from 01 Jan 24)	Employee
Claire Sanders (until 21 Jun 24)	Employee
Dr Paula Sanderson (from 08 Jul 24)	Employee
Professor Gavin Shaddick (from 8 May 24)	Employee
Professor Damian Walford Davies	Employee
Professor Ian Weeks (until 31 Dec 23)	Employee
Professor Roger Whitaker	Employee
Darren Xiberras	Employee

All members of the University Executive Board attend weekly senior meetings. Given the frequency of these meetings, the attendance is not recorded in the table above.

### **Key responsibilities**

The University Executive Board is the University's senior executive team. The HEFCW Terms and Conditions of Funding defines the Senior Executive Team in accordance with Financial Reporting Standard 102 (FRS 102)'s definition for 'key management personnel'; that is "those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity".

The broad remit of UEB is to assist the Vice-Chancellor in the performance of their duties as the Chief Executive Officer including developing and implementing strategy, operational plans, policies, and procedures, setting budgets, and monitoring operating and financial performance.

### **Summary of business**

Throughout 2023-24, the UEB owned Y Sgwrs Fawr/The Big Conversation, the participatory process through which the new University strategy – 'Our future, together' – was developed. Aligned to the strategy development was a programme of work to develop the leadership of the University to deliver our future. This included building more time into UEB weekly meetings for strategic discussions in addition to three extended away days. Other key areas of activity included oversight of a Planning and Budgeting Task and Finish Group to identify options for taking cost out of the organisation, approval of the Future Research Service case for change, a new Fee and Access Plan 2025-27 and Strategic Equality Plan 2024-2028.



# Annual Pay Policy Statement

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## Annual Pay Policy Statement

This Pay Policy provides the framework for decision making in respect of remuneration and in particular decision making on remuneration for senior staff.

### 1 Senior pay remuneration

All senior staff are covered by the University's Senior Pay Policy, which is published annually. This reviews performance on a biennial basis across four broad categories, and allows performance-based awards, as well as reviewing equity. Data drawn from the Universities and Colleges Employer Association's (UCEA) Senior Staff Remuneration Survey and the Russell Reward Survey are used to provide evidence for any market adjustments.

The policy is set by the Remuneration Committee, whose terms of reference can be found within the University's Ordinances. The Remuneration Committee is the body that has overall responsibility for the University's approach to senior remuneration.

As part of this role, it takes decisions on the pay of the most senior individuals in the University, including the Vice-Chancellor.

The Remuneration Committee is appointed by and answerable to the University Council, which is the supreme authority of the University.

The Committee directly reviews and determines the remuneration, benefits, and conditions of employment of the President and Vice-Chancellor and his/her direct reports.

It gives delegated authority to the Professorial and Senior Salaries Committee to make recommendations on the remuneration of Professors and senior staff not covered directly by the Committee itself.

The numbers of all staff paid above £100k are published in the [financial accounts](#), broken down into £10k pay bands. [Directly reimbursed expenses](#) for senior staff who are members of the University Executive Board are also published. All expense claims and payments made to senior members of the University are in accordance with the University's financial regulations. These apply to all staff and are reviewed and approved annually by the University Council.

### 2 Vice-Chancellor Remuneration

The remuneration of the current Vice-Chancellor is set by the Remuneration Committee, which comprises of independent lay members of Council, through the Senior Salary Review process. The Vice-Chancellor's base salary is also reviewed in line with national pay awards for the Higher Education sector.

The Chair of Council presents performance assessments to the Remuneration Committee for inclusion in the Senior Salary Review process. The Remuneration Committee make the final decision

on the rewards given for comparable performance assessments. The Vice Chancellor's salary, in line with the Senior Salary Review, is also assessed against equity and market concerns.

The Vice Chancellor's performance is reviewed according to a number of factors including, but not limited to:

- the Vice-Chancellor's leadership, management, and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- The performance of the University according to the strategy and agreed metrics.

### 3 Remuneration for other staff groups

The majority of other staff are on the National Framework Agreement (NFA) pay spine and covered by the University's Grading Structure which consist of 9 grades. These grades are supported by the Higher Education Role Analysis HERA and HAY role evaluation methodology.

Staff on NFA pay scales gain pay increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade's core range. They are also subject to any nationally agreed pay awards.

The Clinical Pay Scale covers clinical staff, and replicates the NHS pay ranges. Clinical staff gain increases annually based on increased skill, knowledge, and experience, until they reach the top of the grade range. Clinical consultants also gain commitment awards above the top of the consultant grade range.

The Outstanding Contribution Award Scheme (OCAS) recognises exceptional performance and contribution, resulting in both one-off awards, and any accelerated incremental progression.

### 4 Living Wage Employer

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

### 5 Pay Ratio

The ratios between the VC salary and the median pay of staff and the VC total remuneration and the median total remuneration of staff are disclosed in the Annual Report & Financial Statements.

### 6 Exit policy

All settlement agreements, including voluntary severance, for professorial, professional service directors and senior staff are reported biannually to the Remuneration Committee, with details of both the severance payment and the saving to the

## **Annual Pay Policy Statement**

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university. Any redundancies related to academic and senior staff are subject to University's redundancy processes.

# Financial Review

## Financial Review 2023-2024

**The University delivered an operating deficit of £31.2m in 2023/24 before impairments and the change in the pension scheme provisions.**

The Higher Education sector is at a fundamental turning point, with the potential for future UK and Welsh Government policies to impact on financial performance. We face challenges in meeting investment needs for facilities and environmental policies and have continued to face acute economic challenges in the financial year ending 31st July 2024. Rising costs have continued to strain the university budget and despite inflation reducing during the year, the earlier high levels have had a lasting impact. Growth in tuition fee revenue was lower than anticipated, hindered by the international student market being impacted by new visa restrictions and continued global economic uncertainty. Interest rates have remained high during the year which has resulted in higher investment income and the value of our investment portfolio also increased reflecting global market performances.

We are focused on strategic financial planning to ensure long-term sustainability including careful budgeting and monitoring of financial performance to align with strategic objectives.

We remain committed to offering an excellent educational experience for students of all backgrounds and experiences, generating new knowledge and delivering cultural, social, economic, and environmental benefits. We recognise the impact of economic challenges on our community and will continue to support both students and staff by providing a positive experience in a safe campus environment. The University has sufficient short-term liquidity to enable us to deal with these uncertainties. However, we are striving to return the University's cost base to a position where we can afford to pay for all our activity on a sustainable long-term basis.

The underlying operating deficit of £31.2m reconciles to the total surplus of £177.3m as follows:

## Summary of group results

	2023/24	2022/23
	£m	£m
Total comprehensive surplus for the year	177.3	28.9
Impairment on the revaluation of assets	-	3.0
(Gain)/loss on valuation of investments	(36.9)	5.6
Loss on disposal of fixed assets	0.2	2.3
Actuarial (gain)/ loss on pensions	3.4	(15.5)
<b>(Deficit)/Surplus before other gains/(losses)</b>	<b>144.0</b>	<b>24.3</b>
Other pension movements	(5.8)	(10.2)
USS pension provision credit	(162.8)	(27.4)
Other losses/(gains)	(6.6)	0.6
<b>Underlying operating surplus/(deficit)</b>	<b>(31.2)</b>	<b>(12.7)</b>

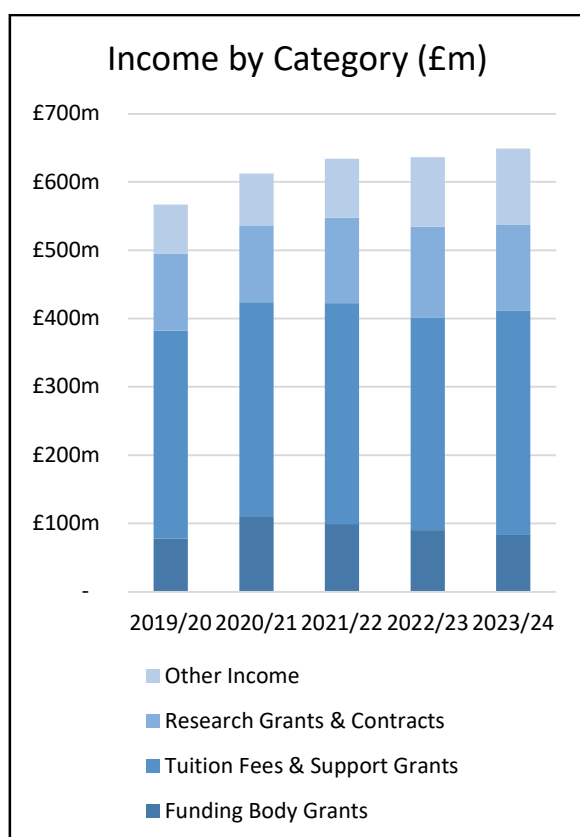
The financial statements for the year ended 31 July 2024 consolidate the results of the University, its subsidiary companies University College Cardiff Consultants Limited and International Learning Exchange Limited ("Taith") and, the joint venture of Cardiff Medicentre.

## Income up 2.0% to £649m

2023/24 saw total income grow from £636.4m to £649.1m largely due to:

- growth in tuition fees (up £17.7m or 6% to £328m). This followed 2022/23's tuition fee income decline. Our expectations this year were for tuition fees to rebound further than they did – we believe we did not achieve these expectations largely due to the external environment factors already noted above.
- other income (up £4.3m or 4.7% to £95.1m),
- donations and endowments (up £2.8m or 199% to £4.2m). Of this growth £1.3m represented a transfer of land from Cardiff City Council to the University at our University sports facilities in the Llanrumney area of the city. This was part of a wider partnership between the University, Cardiff City Council and Cardiff City Football Club to improve the quality of these facilities for the University and its students, elite sports in the city and the city's residents. Whilst the transfer of land is recognised as income in the University's accounts no actual cash payments were made as part of this transaction; and
- investment income (up £2.0m or 21% to £11.7m).
- This was offset by a reduction in research income (down £7.1m or 5.3% to £126.5m) and funding body grants (down £7.0m or 7.7% to £83.2m).

## Financial Review

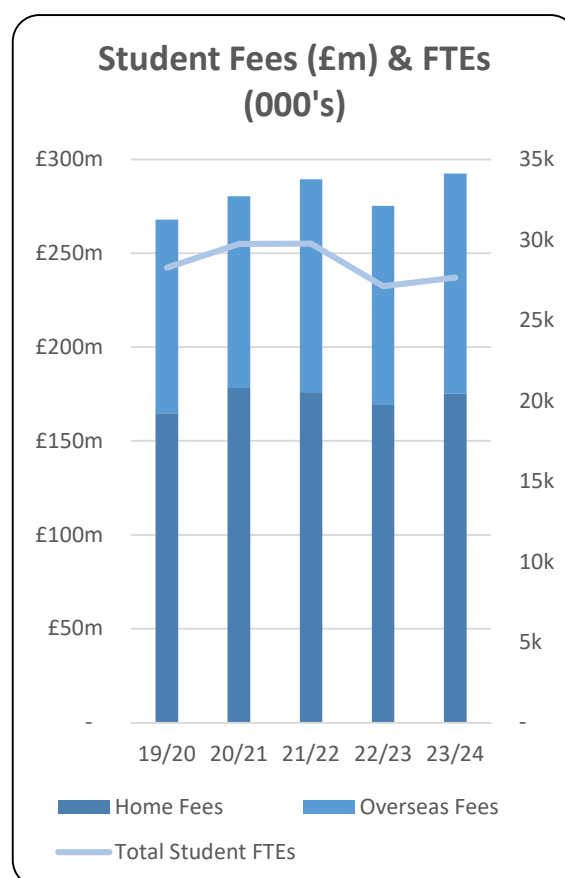


Our student body of 27,649 students is made up as follows:

Student numbers	2023/24	2022/23 *
Undergraduates	22,416	21,791
Postgraduate Taught	3,743	3,942
Postgraduate Research	1,490	1,388
<b>Total</b>	<b>27,649</b>	<b>27,121</b>
Home	22,836	22,533
Overseas	4,813	4,588
<b>Total</b>	<b>27,649</b>	<b>27,121</b>

\*Restated from prior year after confirmation of final student numbers

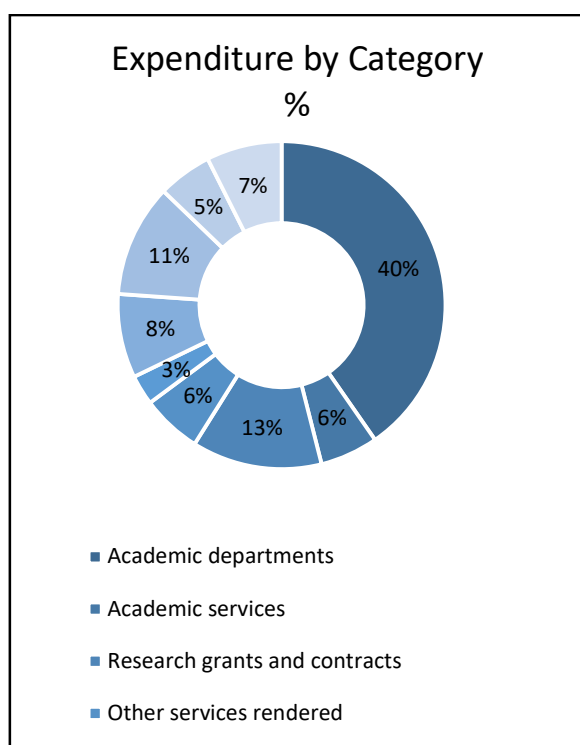
Overall funding from HEFCW reduced by £7m, including a £5m reduction in recurrent grant income.



### Cost control measures have been implemented during the year to manage financial pressures.

Total expenditure, excluding the changes to pension provisions, increased by 4.8% to £680.2m. The increase in expenditure is largely attributable to increased staff costs and Premises expenditure (largely driven by utility cost inflation). Staff costs grew by 5.4% in the year reflecting principally a 3% pay award in August 2023, and full year consolidation of the pay rise made in February 2023. Average staff full time equivalent (FTE) numbers increased by 1.3% to 6,253 mainly in academic areas reflecting changes to employment practices for our Post-Graduate researchers. Staff costs as a proportion of income was 59.0% which is an increase on the previous year (57.1%). Recruitment controls and a voluntary severance scheme have been introduced to FY 24/25 to manage and reduce staff costs.

## Financial Review



Operating expenses increased by £8.3m to £234.6m in the year, predominantly due to rising utility and maintenance costs. Spend has been restricted to business-critical areas where possible to ease financial pressures.

### USS Pension provision eliminated

The Universities Superannuation Scheme (USS) of which Cardiff is an employer member provides pensions for academic and professional staff. The University's financial statements reflect the actuarial valuation as of 31 March 2023, where the scheme has moved from a deficit to an asset position. As such, no provision has been recognised in the 23/24 annual accounts. The release of the prior year provision is the main contributor to the University's comprehensive surplus for the year.

### Operating cash surplus of £1.8m

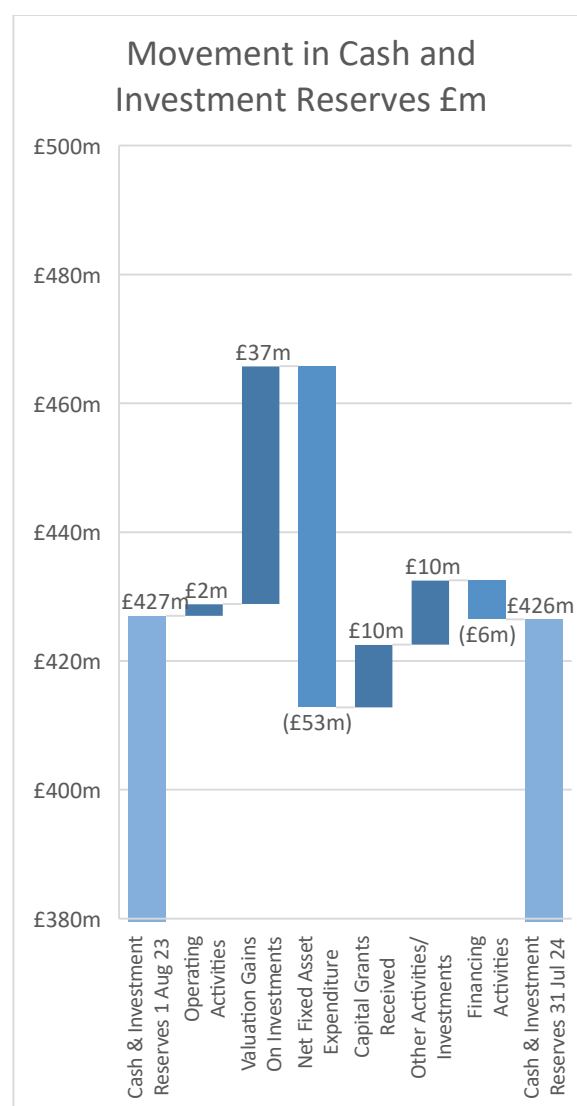
The University delivered an operating cash inflow in the year of £1.8m or 0.3% of income. After servicing debt, further fixed asset expenditure and withdrawing of funds into investments, the cash and cash equivalent reserves of the University increased by £69.2m to £105.8m (see Statement of Cashflows on Page 54).

At 31 July 2024 the University's cash reserves, and current investments totalled £426m (2023 £427m), although this includes £75.7m ring-fenced as the Bond Repayment Fund (see Note 24) and an endowment fund of £53.1m.

The University has maintained sufficient reserves to ensure financial sustainability in the short-term, but efforts are focused on returning to a strong position to deal with future financial challenges.

### Investments

The year ending 31<sup>st</sup> July 2024 was a good year for global financial markets. The performance of our investment portfolios reflects this with investment balances increasing by £36.9m (2022/23 reduction of £5.6m) by the year end. During the year, the University incurred a net interest cost of £1.5m a reduction of £2.1m on the prior year cost.



### Borrowings

Borrowings at the year-end totalled £426.7m of which the public bond totalled £420.3m. This Public Bond debt was issued at a nominal value of £400m and a nominal interest rate of 3.0% p.a. and is repayable in 2055. Moody's have assessed the bond as A1 with a stable outlook.

## Financial Review

The University has, to date, set aside £58.4m of reserves into a bond repayment fund that is invested on a total return basis with the objective of being able to fund the repayment of the £400m bond in 2055. As at 31<sup>st</sup> July 2024 the fund had a valuation of £75.7m.

The University had a three year £20m Revolving Credit Facility with Lloyds Bank to cover working capital requirements. The facility was not used and expired in July 2024. Subsequent to the balance sheet date the University has subsequently agreed a new revolving credit facility with HSBC of £60m.

### Balance Sheet Strength

At 31 July 2024, the University's consolidated net assets had increased 26.1% to £855m (2023 £678m) of which £506m or 57% is represented unrestricted reserves. This is largely driven by the accounting for USS pensions and the schemes move into surplus in the latest valuation. The University has successfully managed the many challenges of the last year due to the significant commitment of our staff. Whilst not reflected on the balance sheet of the University they remain our most important and valued asset.

### Ensuring sustainability

The financial landscape for universities has become increasingly challenging. In the short-term global economic uncertainty and the geo-political situation will continue to impose challenges on forecasting and delivering a strong financial position.

Following Welsh Government's decision to raise the tuition fee cap for domestic students to £9,250 for the 2024/25 financial year, domestic tuition revenue is set to increase in the 2024/25. This has been more than off-set by reductions in funding body grants from Medr the replacement agency for HEFCW in 2024/25. We note the decision from Westminster that English fees will be able to be increased in 2025/26 to £9,535 but we await any further decisions from Welsh Government as to what that means for Welsh Fees. In the meantime, we will need to absorb the additional Employers National Insurance Contributions announced in the Chancellor's Autumn Budget Statements. In line with the University's new strategy, we will continue to compete for students in the highly competitive international market. While it is essential that we are able to continue to attract and retain talented students from both the UK and overseas, we will actively seek to diversify our income streams. This includes research income and exploring new revenue opportunities. Cardiff University collaborates with enterprise to foster

innovation and support economic growth. This collaboration helps generate additional income and strengthens the university's role in the local economy.

Reducing inflation rates will mean that our financial challenges will not increase as fast as they have been recently. We will need to continue to manage our cost base carefully in 24/25. These include restricting recruitment to business-critical positions, offering a voluntary redundancy scheme and reducing the size of our estate where possible. We have been clear with our staff that we cannot rule out the need for compulsory redundancies as we move through this period.

Our key performance financial metric is to deliver an operating surplus before investment income and depreciation in excess of 12% of income. This enables us to generate sufficient cashflow to maintain and enhance the University's facilities and retain reserves that are sufficient to weather any reasonably foreseeable economic challenges. In 2023/24 we achieved 6.4% (2022/23 10.7%) in challenging circumstances.

The University continuously scans the risk horizon and regularly updates its risk register. All risks are rated in terms of impact and likelihood, risk mitigation actions are logged and monitored. The risk register is discussed and monitored at University Executive Board, Finance & Resources and Audit & Risk Committee and at Council. The principal risks to the University and how they are being mitigated are shown in the tables on pages 37 to 43.

The University's capital commitments of £19.4m (2023 £20.0m) are because of essential investment in the estate. Our operating lease commitments at £37.1m (2023 £38.4m) are also less as the University seeks to divest itself of leased premises where possible.

### Reserve Policy

The University's reserves policy balances the requirement for the University to spend its income within a reasonable time of receipt and the necessity of managing uncertainty and ensuring the University's financial sustainability, thereby protecting the University's future activities.

The University's mission is a long-term undertaking and whilst Council expends all of the funds it receives towards its mission within a reasonable time of receiving them, it also considers it is prudent to maintain a liquid reserve of "free funds" to assure the long-term financial viability of the University's work. In determining the level of "free

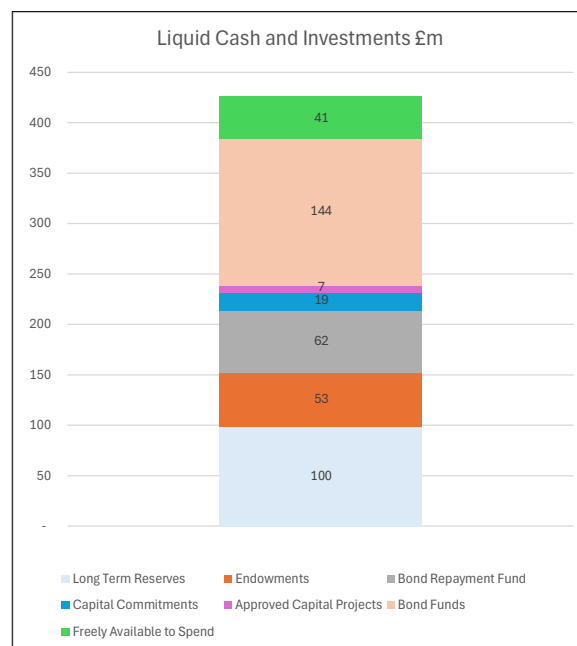
## Financial Review

funds” to be held in reserve, Council considers the University’s future needs and possible financial risks. In particular Council considers, in accordance with Charity Commission guidance:

- the forecast for levels of income in future years, taking into account the reliability of each source of income and the prospects for opening up new sources.
- the forecasts of expenditure in future years on the basis of planned activity
- funding required for particular infrastructure needs and capital developments.
- its analysis of any future needs, opportunities, contingencies or risks the effects of which are not likely to be met out of income if and when they arise.
- its ability to meet its debt repayments as they become due. To this end the University has established a separate “Bond Repayment Fund” (see note 24 for further details)
- its assessment, on the best evidence available, of the likelihood of each of these needs, opportunities, contingencies, or risks arising and the consequences for the University of not being able to meet them.

Council reviews this policy and the assessment and calculation of the level of “free funds” each year. Council has set the expected level of unrestricted “free funds” as £100m which represents approximately two months of University expenditure.

These “free funds” exclude funds that have been raised through long term debt issuance, which are designated for expenditure on strategic investment projects which are expected to deliver a long-term return, and restricted funds and endowed funds, which can only be used for the purposes for which they were gifted to the University.



Of the University’s £426m of cash and investments as at 31 July 2024, £41m is freely available to spend.

Darren Xiberras  
Chief Financial Officer

John Shakeshaft  
Chair of Finance  
& Resources  
Committee

27 November 2024

# Environmental Reporting

Cardiff University is committed to leadership in sustainability and improving our environmental performance. Our vision is towards building an inclusive, sustainable, and resilient future for our community and to bring about environmental benefits not only to Cardiff and Wales but to the wider world. It is crucial to develop environmental sustainability as an integral part of our values and to embed the United Nations Sustainable Development Goals into all aspects of our academic and operational activities.

We will promote sustainability through education, dissemination, and direct participation, enabling students and staff to make positive changes to our environmental impact, in particular our declaration of a Climate Emergency and our aim to become carbon net zero (Scopes 1 and 2) by 2030. We will empower our students, graduates, and staff to become sustainable citizens who make a positive contribution to society and are active within their communities. We will ensure sustainable development is a key consideration in all major decision making, promote sustainability issues and principles with all staff, students and stakeholders and enable the application of our innovative research to improve global sustainability.

Our underpinning goals are adapted from the United Nations Sustainable Development Goals, the Welsh Government's Environment Act and the Welsh Government's Well-being of Future Generations Act, Well-being Goals. These are as follows:

- A prosperous University - An innovative, productive, and low carbon community which recognises the limits of the global environment and therefore uses resources efficiently and proportionately including acting on climate change.
- A resilient University - A University which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic, and ecological resilience, embedding the capacity to adapt to change.
- A healthier University - A University which provides facilities for and encourages staff and students to make healthier food, lifestyle, and travel choices which in turn help to improve wellbeing and reduce pollution both locally and globally.
- A globally responsible University - A University which will take account of the impact of its activities on global sustainable development and global well-being. We will purchase zero carbon energy and adopt responsible

consumption practices for all goods and services we procure and use. We will also actively enable our innovative research to improve global sustainability.

Our aims, for 2023-24 academic year are:

- We will benchmark our carbon footprint with other universities and Welsh Public Sector
- We will publish a Net Zero Roadmap, outlining the actions we need to take to achieve net zero carbon (Scopes 1 & 2)
- We will develop a new Environmental Strategy and milestones which align with our net zero roadmap and wider sustainability ambitions. Our strategy will be supported by an annual action plan of measures.
- We will continue our programme of "quick wins" to decarbonise our estate which include energy efficiency measures such as LED lighting, Solar PV, upgrades to equipment and expansion of our existing heat pump.
- We will continue to consider and seek opportunities for low carbon heat across our estate, including bidding for funding for building fabric improvements.
- We adopt our Responsible Procurement Policy to help understand and eventually mitigate the emissions from our supply chain. This activity accounts for most of our Scope 3 emissions.
- We will prioritise the consideration of low carbon staff business travel, which is a large proportion of our Scope 3 emissions after our supply chain. We will then start to consider student travel.
- We will continue to maintain accreditation to ISO 14001 Environmental Management System
- We will increase behavioural change and engagement activities across the University and boost participation and engagement amongst our environmental compliance officers.
- We will increase participation in LEAF, which focuses on our laboratories and reinstate Green Impact for our general office and teaching areas.
- We will continue to work towards our biodiversity action plan (ERBAP), ensuring we maintain and enhance biodiversity and promote ecosystem resilience across our estate.

## Carbon emissions

Our Environmental Sustainability Sub Committee chaired by the Deputy Vice-Chancellor is responsible for taking forward our carbon net zero work over the coming years. We have committed to achieving net zero carbon for scope 1 (direct emissions) and 2 (indirect emissions) by 2030

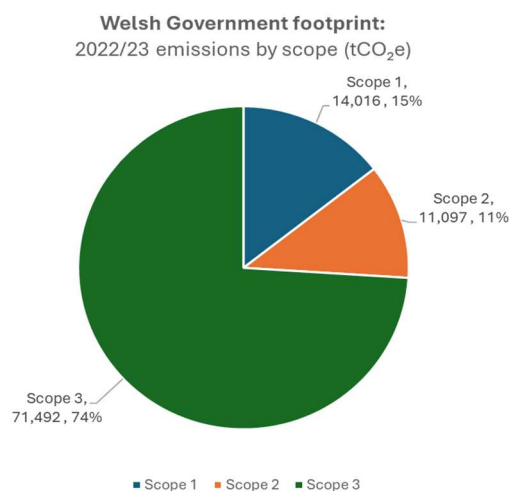
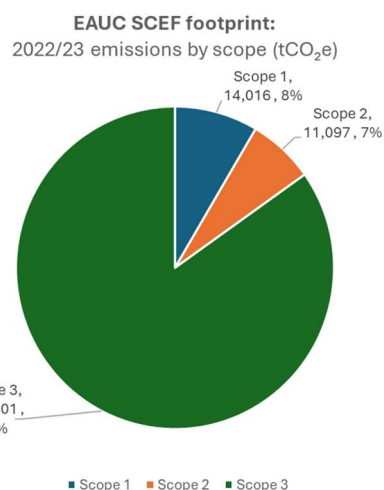


## Environmental Reporting

(timeframe to be reviewed in summer 2024 when our roadmap is drafted, to ensure that we focus on carbon reduction ahead of any offset) and before 2050 for scope 3 (indirect emissions from our activities). Over the last year we have been developing our Roadmap to Net Zero for Scope 1 & 2 which will help identify the projects and activities that need to be undertaken to work towards net zero. We aim to publish our roadmap in Autumn of 2024.

In addition to submitting our 2022/23 carbon footprint to the Welsh Government as part of the Public Sector Net Zero Reporting requirements, we have also reported our 2022/23 emissions using the EAUC's (Environmental Association for Universities and Colleges) Standardised Carbon Emissions Framework (SCEF) for the first time. The EAUC framework, based on the Greenhouse Gas Protocol, is a voluntary reporting standard developed for the Higher Education sector. The Scope 1 and 2 reporting standards are consistent across the Welsh Government and EAUC guidance, with both frameworks showing that our emissions were 14,016 tCO<sub>2</sub>e (Scope 1) and 11,097 tCO<sub>2</sub>e (Scope 2).

Scope 3 data collection was improved in 2022/23, with broader coverage of emissions from staff commuting and business travel reported for both footprints. Moreover, the EAUC framework reports Scope 3 emissions with a higher level of detail; it calculates spend-based procurement emissions using the Higher Education Supply Chain Emissions tool (HESCET), which aligns with Higher Education categorisations, whereas the Welsh Government uses Standard Industrial Classification (SIC) codes for its calculations. The EAUC framework also encompasses student travel, unlike the Welsh Government framework. Our Scope 3 and total emissions therefore vary widely across the two frameworks. Under the EAUC footprint, our Scope 3 emissions were 140,301 tCO<sub>2</sub>e, compared to 71,492 tCO<sub>2</sub>e as calculated under the Welsh Government guidance; our total 2022/23 emissions were 165,313 tCO<sub>2</sub>e per the EAUC SCEF and 96,606 tCO<sub>2</sub>e per Welsh Government Public Sector reporting. Whilst we will continue to submit our annual footprint to the Welsh Government, we propose to adopt the EAUC's footprint to measure progress towards net zero.



### Procurement and Supply Chain

The majority of our scope 3 emissions relate to our purchased goods, services and works. These emissions are reported annually within the EAUC and Welsh Government footprints. Although the reporting tools have been useful to establish a baseline, more accurate tools are required to monitor progress. Procurement Services have appointed a Responsible Procurement Lead who has developed a Roadmap of key deliverables over the next 3 years which relate to policy, process, training, baselining, and recruitment. The 3-year Roadmap starts with a 'Responsible Procurement Policy' and 'Supplier Code of Conduct' which were approved in May 2024 by the University Executive Board and are being launched in July 2024 and January 2025 respectively -both of which will be embedded into the procurement process. Procurement Services have also been running a successful Responsible Procurement Internship

# Environmental Reporting

since February 2023 which has been imperative to the progress made in recent years.

## Transport and Travel

The University umbrella travel plan (2022 – 2027) has been approved to address the impact that university travel has on the environment, the local area and the health and wellbeing of our staff and students. It places active travel modes (walking, cycling, wheeling) at the top of an agreed travel hierarchy. The five-year strategy which aligns with local and national policy, and best practice includes a focused approach each year on the key elements of our transport operations. Alongside the focused review is an action plan of measures that will encourage and support use and uptake of sustainable transport. During the 2024/25 academic year the focus of the travel plan will be considering student travel (including review of international student travel).

## Waste and Recycling

During 2022/23, the focus was to develop a team to drive Waste Minimisation for the University. Our Waste Minimisation Manager joined the University in early July 2023. The initial focus has been on completing Waste and Recycling Audits of key University buildings to understand the current situation and identify further waste minimisation and recycling opportunities. The quality of our waste data collection is much improved and is more comprehensive than ever, with all waste streams now captured. Our data for 2021/22 has been set as our new baseline against which to measure and report our waste minimisation and recycling achievements.

Our general waste and recycling scheme has continued to operate well, and new initiatives are in development, for example introducing a furniture re-use scheme across the University. We will also deliver more waste communication activities to raise awareness in staff and students of the importance of recycling with the aim to encourage more effective recycling behaviour and increased participation. For the next academic year, focus will be on developing a Waste Minimisation Strategy in partnership with Procurement Services to include significant behavioural change initiatives to divert recycle from the general waste stream and to reduce waste generally. Another key focus will be on improving the quality of our recycled materials, as per the aims of the Workplace Recycling Regulations which came in to force in April 2024.

## THE Impact Rankings

The Times Higher Education (THE) Impact Rankings provide the only global performance table that assess universities against the United

Nations' Sustainable Development Goals (SDGs). Calibrated indicators provide comprehensive and balanced comparisons across three broad areas: research, outreach, and stewardship.

**THIS YEAR THE UNIVERSITY FELL THREE PLACES TO BE RANKED 55<sup>TH</sup> OUT OF 1963 RANKED INSTITUTIONS WORLDWIDE. ALTHOUGH THIS IS A FALL IN PLACE, CARDIFF'S OVERALL SCORE IMPROVED FROM 91.2% TO 91.6%.**

Cardiff's percentile ranking also improved. This year, Cardiff is in the top 2.8% of institutions globally. Last year, being ranked 52nd out of 1,591 institutions placed Cardiff in the top 3.3%, meaning the University's relative position has improved.

For the 2024 ranking, Cardiff submitted data for 12 of the 17 SDGs, an increase of two from the previous year. The additional SDGs were SDG9: Industry, Innovation, and Infrastructure, and SDG11: Sustainable Cities and Communities.

Cardiff has three SDGs ranked in the top 50, compared to four last year:

- SDG14: Life Below Water – 9<sup>th</sup>, down from 6<sup>th</sup> (3<sup>rd</sup> in the UK)
- SDG15: Life on Land – 36<sup>th</sup>, down from 11<sup>th</sup> (15<sup>th</sup> in the UK)
- SDG16: Peace, Justice, and Strong Institutions – 47<sup>th</sup>, up from 81<sup>st</sup> (10<sup>th</sup> in the UK)

SDG12: Responsible Consumption and Production, and SDG3: Good Health, have dropped out of the top 50.

The University fell from 87th place last year to a rank between 201st and 300th this year in the mandatory SDG17: Partnership for the Goals.

The overall ranking is generated from the score for the mandatory SDG 17 (22%), plus the three strongest of the other SDGs submitted (26% each). The score for the overall ranking is an average of the last two years' total scores.

## Education for Sustainable Development (ESD) Champions Network

This year the Education for Sustainable Development Team has developed and delivered an ESD action plan overview for 2024-2030, which highlights necessary actions at an institutional level to achieve holistic sustainable transformation. This plan has been endorsed by the Education and Student Experience Committee and supported by the Environmental Sustainability Sub-Committee. The ESD College Networks and Steering group have met regularly to support the development of the action plan and delivery of initial actions for the period January – September 2024. These have

## Environmental Reporting

included: liaison with Student Futures to continue the embedding of sustainability and sustainable values throughout their activities; reinforcing links with the Students' Union with a shared objective to register for the SOS Responsible Futures framework, support for the 1 in 5 project to promote dissertations and projects on the topics of sustainability, progress towards web presence for ESD and the SDGs, launching of the Sprout Egin Sustainability network for PGR students, promotion of student voice on Sustainability, and SDG evaluation has been embedded within programme revalidation processes as a pilot in Chemistry. We also launched a living labs initiative in June, presenting an opportunity to be creative and present real-life challenges to students, activating Cardiff University as a living lab. The event was positively received with 14 Professional Services staff; the Vice President from the Students' Union and 43 Representatives from half of our academic Schools registered to attend the event. Over the last year, we have delivered a series of staff support for teaching and learning relating to ESD through collaboration with the Learning and Teaching Academy. This has included further updates to the Education Development Service's online toolkit and the delivery of a series of workshops to support and develop staff understanding and implementation of Education for Sustainable Development in teaching practice (from novice to expert). ESD has also been threaded through the HEA fellowship and senior fellowship training. In September 2023, a sustainability focused group induction activity was piloted for first year Cardiff University students in Architecture in the College of Physical Sciences and Engineering. It aims to enable students to build communities and a sense of belonging within their School and cohort during the induction period while engaging with the important topic of sustainability and the climate emergency. The event was a great success and is currently being explored for roll out in other Schools and Colleges in September 2024.

### Ecosystem Resilience and Biodiversity Action Plan (ERBAP)

In 2022-23 we completed our Environment (Wales) Act section 6 biodiversity reporting requirements. This academic year we have reviewed and updated our [Ecosystem Resilience and Biodiversity Action Plan \(ERBAP\)](#) to ensure our biodiversity activities remain relevant. The revised ERBAP sets out a series of targets to reach over the next three-year period between 2024 and 2026.

Our achievements in the last 12 months include:

- Establishment of eight Biodiversity Hubs across the University, run by our staff and student volunteers.
- Hosting 'Building Homes for Wildlife' workshops for University staff and students, and local community groups and running workshops to build bee hotels, bird, and hedgehog houses, with a total of 70 people getting involved
- Signing up to Plantlife's 'No Mow May' campaign for the fourth year in a row.
- Adopting a new mowing/trimming regime, with measures agreed to benefit nature and the environment.
- We signed up to become a hub for the National Hedgehog Monitoring Programme in Wales, in collaboration with Cardiff Council and the Cardiff Local Nature Partnership and we are currently monitoring our first site in Cardiff using wildlife cameras.
- In May 2024, we were awarded a WWF-Cymru Community Grant to support our 'Friends in Nature: Connecting with our neighbours through nature' pilot project. Our aim is to bring communities together by creating a nature-rich urban environment that supports biodiversity and connects people with nature and each other. This pilot project will feed into the wider Greening Cathays project
- As part of the 'Friends in Nature' project we conducted two pollinator bioblitzes in our Maindy Road campus this summer, working with two local primary schools, Maindy Road residents, and University students. So far, approximately 90 people have participated in the project.



- With the support of Coed Caerdydd, we have planted seven hazel trees at Talybont, nine fruit trees at the back of Bute Building and approximately 550 hedgerow trees at Llanrumney Sports Fields
-

## Environmental Reporting



### Hedgehog Friendly Campus

The University was awarded Hedgehog Friendly Campus Silver Accreditation in February 2023, and we are on route to receive the Gold Accreditation this year. It has been another year of successful activities run by our Biodiversity Hubs, which have resulted in a wider awareness to the threats that hedgehogs and other wildlife face, and in practical actions to enhance habitats and promote biodiversity across our estate.

Our Biodiversity Hubs run several litter picks and hedgehog surveys across the year. They have also successfully fundraised for the British Hedgehog Preservation Society and four local hedgehog rescues. We are now working closely with the local hedgehog rescues, supplying them with hedgehog houses and feeding stations built with wooden pallets, and passing on items that were in the University waste stream, which are now being repurposed to help hedgehogs. Also, we have now at least 27 'hedgehog champions' on campus officially registered on [Hedgehog Street](#).

We included the ERBAP and Hedgehog Friendly Campus in one of our School of Biosciences modules and had our first undergraduate final project focused on our campus' hedgehogs.

We continued with our outreach and engagement work by organising internal and external talks, running a series of events or delivering our engagement stall during Freshers' Week, Cardiff Science Festival, Sustainability Week, Hedgehog Awareness Week, Positive Health, Environment and Wellbeing (PHEW) fortnight, and at the So, What STEM? and Cardiff University Primary School Graduation. We also delivered a series of sessions on hedgehogs at local primary schools and community groups.

### Changing Steps Cardiff

Changing Steps is a free to join rewards programme funded by the University. It is designed to help staff and students get around more sustainably. It rewards sustainable travel for commuting and leisure trips to and from campus, and encourages regular walking, running, wheeling, and cycling activity for health and wellbeing.

162,000 active and sustainable journeys were recorded on the Changing Steps Cardiff app between September 2023 and July 2024, with an average of 333 activities per participant. Whilst this is a reduction in journeys recorded compared to the previous year, users of the app are making considerably more sustainable journeys (an increase from 162 to 333 per user). Users of the programme are equally split between staff and students.

- 35% of users reported walking more often with 24% walking on two or more additional days a week versus prior to joining the initiative.
- 23% of users reported cycling more often. 14% of users reported starting to cycle following sign up to the initiative.
- 12% of users reported travelling by bus more often.
- 58% of users reported driving less often in general.
- Approximately 78,000 journeys have directly replaced single occupancy car trips equating to 34,000kg of CO<sub>2</sub> avoided.

### Sustainable Catering

Cardiff University has been awarded Fairtrade University status, which has been achieved with the support of our staff and student community, who have engaged with Fairtrade events and a sustainable food survey. From October 2024 to March 2025, Green Shoots Café will be participating in FOR Cardiff Reusable cup scheme, an app where you can borrow a reusable by swiping the FOR Cardiff app at the till. Through our 'CUFoods' projects to create a community around sustainable, healthy, and nutritious food, Cardiff University is a finalist in the Green Gown Awards for Campus Health, Food and Drink. This year's projects will see catering implement a carbon impact traffic lights coding on its menus, and the creation of new webpages with a focus on sharing and communicating our sustainable food and food waste projects.

We continue to engage with our hospitality customers to help increase food waste recycling. We are also electrifying our kitchens by removing gas appliances and updating existing equipment to be more energy efficient. Fan Hapus mobile food trucks are also available to support engagement events across campus, sourcing as much local Welsh produce and Fairtrade items as possible.



## Estates Report

The University Estate is working towards the key objectives as outlined in the *Transitional Estates Strategy 2023–25*:

- **Strategic:** Our estate will support our strategic University goals in terms of size and shape, the student experience, and our research focus.
- **Sustainable:** All projects will contribute to our Net Zero targets.
- **Efficient:** Space will be appropriately maintained, total space will be reduced, and utilisation will be increased.
- **Equitable:** Our estate will be accessible, and allocation of space will be fair and transparent with reference to recognised space norms.

The Estate is being managed to reduce the overall size of the estate, increase efficiency, accessibility, equity, and work towards the University net zero goals.

The introduction of a team working towards Net Zero and sustainability within Estates has enabled better data collection, funding opportunities to be explored and the commencement of the roadmap and implications on the estate to achieve Net Zero for Scopes 1 and 2 to be highlighted.

In the last year, the University has commenced a number of projects targeting the holistic treatment of the legacy estate in terms of strategic, sustainable and efficiency ambitions.

The decanting of professional services from McKenzie House, 33/34 Park Place and 118 Maindy Road is one of the first steps in reducing the overall estate size and making it more efficient. The overall programme of Estates Rationalisation will take place over a number of years as the future needs of the University are determined and planned.

The University have managed to obtain a loan from Salix which has enabled a programme of interventions including the roll out of LED lights throughout the University and further solar panel installations. The loan is at a below market level interest rate and the contract entered into for the works guarantees the saving made through the energy saving works will pay back the loan. Along with a strengthening of the Net zero team, carrying out upgrades to our Building management systems, and developing our utility data we are both increasing our energy efficiency and working towards our net zero ambitions.

During the last year refurbishments have been completed to provide a new student hub in the Business School, new space for our Continuing Professional Education and English Language Programme and the Arts and Social Sciences Library addressing a list of backlog maintenance, energy efficiency and remodelling and refurbishing the interiors.



The last year has also seen the opening of the new facilities for the School of Healthcare at our Heath Park West site, comprising a major refurbishment of existing 1950's buildings which have been turned into some great teaching and student spaces.



## Estates Report



a new University Hospital and associated teaching and research space.



To improve accessibility experience across campus AccessAble has launched a guide for Cardiff University on the website. This is a publicly available accessibility guide providing information on accessibility to the campus, buildings, and facilities available for all staff, students, and visitors. Through the information collected and additional surveys we are undertaking a continuous programme of accessibility improvements which this year has included new permanent ramps and stairlifts to areas in our listed Main Building, additional automatic openers for several doors throughout campus, as well as a full refurbishment of the lifts in our highest academic building.

A new Condition survey has been completed and identifies a reduction in the backlog maintenance costs for the University. This information will be managed and utilised to determine an ongoing proactive maintenance plan.

The Residential Estates Strategy has been completed. It identifies the supply and quality required for our University accommodation for the future and the refurbishment, demolitions and new builds required to achieve this. Further work will now take place to identify our funding and delivery options for a first phase of a residential programme.

The University continues to work with Cardiff and Vale Health Board on the development of plans for

## Public Benefit Statement

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Cardiff University is a registered charity (no. 1136855). It exists to create and share knowledge and to educate for the benefit of all. Its Royal Charter, first granted in 1884, sets out its constitutional arrangements and objects. Embodied within the objects is the fundamental principle of the advancement of education, empowering the University to research, teach, examine, and award degrees. The objects also contain obligations to develop the character of students, promote health and welfare—especially in Wales— and contribute to social, cultural, and economic development.

A member of the Russell Group of research-intensive universities, Cardiff University sees fundamental research as essential to human aspiration and critical to the development of cultural artefacts, technologies and services that improve the quality of life for all. In setting and reviewing the University's objectives and activities, the University's Council has had due regard to the Charity Commission's guidance on the reporting of public benefit, particularly its supplementary guidance on the advancement of education.

The University's new strategy – Our future, together – sets out our path to 2035: to co-create and share new knowledge and to deliver a better world for future generations. It maps how Cardiff University will improve the health and wellbeing of staff and students; demonstrates how we will achieve financial sustainability through diversification of income; and explains how student satisfaction and experience will improve. It reiterates our commitment to civic engagement and puts forward a vision for research and innovation that will see the University recognised globally as a pioneer.

In the years ahead, our strategy will build on our strong sense of place in Cardiff, south Wales and Wales more widely. We are committed to using our research strengths, expertise, and knowledge to help government, health services and wider society to support a skills-led economy. We will champion key projects that support our diverse community, and we will continue to enhance and celebrate our Welsh identity and the Welsh language culture of our campus.

Our priorities for our students are to provide an excellent, high quality student experience, ensuring their graduate outcomes – whether that's work, further education or travel – are among the best in the sector, and they are equipped to contribute to a skilled workforce. Building on our strong track record in widening participation, we will ensure that students from a variety of backgrounds have

access to the benefits of higher education and are supported to achieve their potential – an objective that is also coupled with work on retention and student success.

The University's research will help solve grand challenges in areas such as climate change, biodiversity, health, security, sustainability, and social justice. Our bespoke facilities allow for innovative collaborations with industry, government, and wider society and offer enhanced support for students to engage in innovation and entrepreneurial training. Our research will continue to have practical application in our communities with an increase in the number of spinout companies we create.

As we work together to cocreate our future, a global outlook will run through all of our activities. We will build genuinely reciprocal partnerships with institutions around the world and will aim to close the gap in degree outcomes for students of different ethnicities.

Over the next ten years, through our strategy, we are committed to delivering a better world for future generations.

## Statement of Corporate Governance

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The University's legal status derives from a Royal Charter first granted by Queen Victoria in 1884 to found the University College of South Wales and Monmouthshire. The University's objects, powers and framework of governance are set out in its Charter and its supporting Statutes, the latest amendments to which were approved by the Privy Council in 2022.

Embodied within the Charter are fundamental principles such as the University's power to teach, examine, carry out research and award degrees. The Charter also gives Council its 'supreme authority', establishes Senate for 'ordering of the academic affairs', and establishes the President and Vice-Chancellor as 'the chief academic and executive officer' and Chair of Senate.

The University was registered as a charity in 2010 (1136855).

### Council

The Council is the governing body and thus the supreme authority of the University, which means that it is ultimately accountable for the conduct and activity of the University and its representatives. The Council is responsible for the administration and management of the affairs of the University and for agreeing the general strategic direction of the institution.

The Council is committed to conducting its business in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty, and leadership). The Council complies with the Committee of University Chairs (CUC) Higher Education Code of Governance published in September 2020 and the CUC Audit Committee Code of Practice (May 2020).

In the preparation of this statement the Council of the University has had regard for the guidance issued by the Charity Commission:

- (i) that there was no element of the CUC HE Code of Governance with which the University's practice was not consistent; and
- (ii) that the University's fundraising policies and practices are fully aligned with the Fundraising Regulator's requirements set out in the University's Code of Fundraising Practice. No fundraising complaints were received during the reporting period.

The University's commitment to all funders of the University, and additional commitments to philanthropic donors to the University is available on the University's website:

<https://www.cardiff.ac.uk/donate/other-ways-to-give/funders-rights>

The University has adopted the Universities in Wales Governance Charter. Substantial progress has been made against Charter commitments; approval of the new University strategy 'Cardiff University: our future, together, our path to 2035' and a roadmap to support its delivery in July 2024 included a number of culture KPIs, which will enable full implementation to be achieved during 2024-25. The strategy development process involved wide-ranging consultation with internal and external stakeholders through surveys, workshops, and interviews, including staff, students, alumni, Cardiff communities, further education teachers and students, 'older' learners, Welsh Government, and Business. The Council is committed to stakeholder engagement and in utilising in future the same effective model of engagement employed when developing the new strategy.

The University undertakes regular Council effectiveness reviews with the last external review undertaken in 2024. The review comprised three elements: an external review of the bicameral relationship between the Council and the Senate; an externally administered and benchmarked survey of governance effectiveness; and an internal analysis of Council equality, diversity, and inclusion data. The report of the external review concluded that the Council could be assured that academic governance was marked as 'improving'. An action plan to support the implementation of the recommendations from all three elements of the review was approved by Council in May 2024. The next external effectiveness review will take place during the 2027-28 academic year.

The University is committed to the highest standards of openness, probity and accountability, and seeks to conduct its affairs in a responsible manner and has in place a Whistleblowing (Public Interest Disclosure) Policy to enable staff, students and other members of the University to raise concerns which are in the public interest.

The Council has a majority of members from outside the University (described as independent members). Council membership also includes staff and students. Independent members of Council are recruited in an open, fair, and transparent manner and due regard is given to equality and diversity, the need to balance skills and expertise as well as geographical location. The Council remains committed to boardroom diversity; we continue to build on our Strategic Equality Plan actions to promote and develop an inclusive (internal) culture and governance by addressing diversity of decision-making committees. We continue to use and review



## Statement of Corporate Governance

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equality data to inform processes for independent member recruitment and induction.

The recent Governance Effectiveness Review confirmed that the Council membership is largely reflective of the diversity of the organisation, including in relation to gender and ethnicity, and is performing well relative to other governing bodies in the sector. The latest review of Council EDI data identified achieving greater diversity in relation to age and religion as priority areas for independent member recruitment during 2024-25 as part of the Council's commitment to equality, diversity and inclusion having already made progress in relation to age diversity as part of the 2023-24 recruitment exercise. The Nominations Sub-Committee (a sub-committee of the Governance Committee) is responsible for overseeing the recruitment process and recommending new independent members to Council for approval. All vacancies for independent members of Council are advertised externally and recruitment activity is supported by an external search agency, as well as being communicated to staff, students, and current members of Council, with expressions of interest particularly welcome from under-represented groups.

We continue to be a launch partner for Perrett Laver's Governor Apprenticeship Scheme, recently appointing our fourth consecutive apprentice governor. The scheme supports boardroom diversity by enabling a diverse and talented pool of candidates otherwise lacking in board room experience, to gain that experience.

Independent members do not receive any payment, apart from the reimbursement of expenses, for the work they do for the University. On appointment, Council members are required to complete a Register of Interests entry.

The current Register of Interests is publicly available on our website:  
<https://www.cardiff.ac.uk/about/organisation/governance/council>

All new members of Council receive an induction to the University and their responsibilities as a member of the governing body and are supported by a mentor during their first year of membership. There is an annual development programme which focuses on key strategic development areas and information sharing, and which creates opportunities for discussion between Council members and the University's Executive Team. Feedback is collated from all members of Council to inform the annual development schedule, and the induction pack is reviewed annually to ensure the currency of the information provided to new members.

The Chair of Council holds an annual meeting with individual members of Council and this feedback is used to inform and improve the effectiveness of the governing body. The Chair of Council held annual review meetings during Spring 2024 and the Chair of Council's annual review was conducted by the Vice-Chair of Council, who also undertakes the role of Senior Independent Governor, during Summer 2024. The Audit and Risk Committee also conducts an annual review of their effectiveness, which in 2023-24 was via a self-evaluation survey.

During the 2023-24 academic year, the Council met six times and approved the new University Strategy and roadmap, the 2024-25 Budget, the Strategic Equality Plan for 2024-2028, a Residences Strategy, a number of business cases, and action plans following the Governance Effectiveness Review, and External Review of Internal Audit. The Council monitored progress across a range of University activities, including quality and standards, student experience, finance, estates performance, Net Zero, Freedom of Speech, and duty of care to staff/students.

### Accountable Officer

The chief executive and principal academic and administrative officer of the University is the Vice-Chancellor, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.

Under the Terms and Conditions of Funding between the University and the Higher Education Funding Council for Wales, the Vice-Chancellor is the Accountable Officer of the University and in that capacity can be summoned to appear before the Audit Committee of the Welsh Government.

### Management

As chief executive of the University, the Vice-Chancellor has responsibility for the development of institutional strategy, the identification and planning of new developments, and the shaping of the institutional ethos. The Provost and Deputy Vice-Chancellor, Pro Vice-Chancellors, University Deans, and the senior professional officers all contribute in various ways to these aspects of the work, but ultimate authority rests with the Council.

## Council Membership

All of those persons listed below served as Charity Trustees throughout the year covered by this Report. Unless otherwise indicated they also occupied these positions on the date on which the Report was approved.

Member attendance is reviewed with the Chair of Council as part of the annual member review process, unless already discussed during the year-



Front row (L to R): Professor Dame Janet Finch, Angie Flores Acuña, Jan Juillerat, Professor Wendy Larner, Patrick Younge, Julie-Anne Johnston, Millicent Ele  
 Second row (L to R): Professor Stephen Riley, Judith Fabian, Agnes Xavier-Phillips, Jennifer Wood, David Selway, Dr Juan Pereiro Viterbo, Jeremy Lewis  
 Third row (L to R): Chris Jones, Claire Morgan, Dr Catrin Wood, Suzanne Rankin, Professor Damian Walford Davies, Deio Owen, Professor Urfan Khaliq, Darren Xiberras

NAME	Category	Attendance at Council
1. Beth Button (appointed 01 Jan 24)	Independent	4/4
2. Judith Fabian	Independent	6/6
3. Professor Dame Janet Finch	Independent	5/6
4. Angie Flores Acuña (term ended 30 Jun 24)	Student	5/5
5. Madison Hutchinson (appointed 01 Jul 24)	Student	1/1
6. Chris Jones	Independent	6/6
7. Jan Juillerat, Vice Chair of Council (term ended 31 Jul 24)	Independent	6/6
8. Professor Urfan Khaliq	Employee	6/6
9. Professor Wendy Larner, Vice-Chancellor	Employee	6/6
10. Jeremy Lewis	Independent	6/6
11. Stephen Mann (appointed 01 Jan 24)	Independent	4/4
12. Deio Owen (term ended 30 Jun 23)	Student	5/5
13. Micaela Panes (appointed from 01 Jul 24)	Student	1/1
14. Dr Juan Pereiro Viterbo	Employee	6/6

## Council Membership

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NAME	Category	Attendance at Council
15. Suzanne Rankin	Independent	3/6
16. Siân Rees (appointed 01 Jan 24)	Independent	4/4
17. Professor Stephen Riley (term ended 31 Dec 23)	Employee	2/2
18. Dr Pretty Sagoo (term ended 31 Dec 23)	Independent	1/2
19. David Selway	Independent	5/6
20. John Shakeshaft	Independent	5/6
21. Professor Katherine Shelton (appointed 22 Feb 24)	Employee	2/3
22. Professor Damian Walford Davies	Employee	5/6
23. Dr Robert Weaver	Independent	6/6
24. Dr Catrin Wood	Employee	6/6
25. Jennifer Wood	Independent	6/6
26. Agnes Xavier-Phillips	Independent	3/6
27. Patrick Younge, Chair of Council	Independent	6/6

The University must adopt a definition of independence for independent membership of governing bodies to provide a robust approach to identifying and managing conflicts of interest<sup>1</sup>.

### How is independence defined and tested?

There are several circumstances which may prevent a person being appointed as an independent member of the governing body. The Governing Body's Nominations Sub-Committee has oversight of the appointment process and responsibility for considering these factors.

In response to the Universities in Wales Charter Commitment to Action, the University has adopted a Statement of Independence based on the Welsh Secretaries Group guidance, including a Definition of Independence and Principles of Independence for independent membership. The University defines 'senior employees' as University Executive Board members in this context.

The robust process for ensuring independence through the recruitment and training of members is also set out in the Statement of Independence. When considering applications and interviewing prospective new governors, recruitment panels shall establish whether the individual has any relationships or statuses that might give rise to a conflict of interest or loyalty, as defined in the Principles of Independence

and including being related to any senior employee of an organisation gaining a pecuniary advantage from the University.

The University's Statement of Independence is available on the University's governance webpages at:

<https://www.cardiff.ac.uk/about/organisation/governance/council/>

### How does the governing body manage conflicts of interests?

A Register of Interests of all Council and Audit and Risk Committee members is maintained by the Secretary to Council and is available publicly on the University's governance webpages at:

<https://www.cardiff.ac.uk/about/organisation/governance/council/>

If any member of a Committee has any pecuniary or other interest, direct or indirect, in any contract or proposed contract or other matter involving financial transaction, that interest shall be disclosed to the Committee as soon as practicable. All Committees request that members and officers disclose any interests at the start of each Committee meeting, and the Member shall take no further part in the consideration or discussion of, or vote on, any position with respect thereto. A member of any

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<sup>1</sup> Source: The Governance Charter for Universities in Wales – Commitment to Action is available at <https://www.hefcw.ac.uk/en/document/universities-in-wales-governance-charter-commitments/>

## **Statement of Internal Controls and Principal Risks**

Committee is not considered to have a pecuniary or personal interest in matters under discussion merely because he/she is a member of staff or student at the University.

As set out in the Statement of Independence section 4, the University Secretary (as Clerk to the governing body) is accountable for highlighting issues of independence or conflict to the Chair.

The University is committed to the highest standards of openness, probity, and accountability, and seeks to conduct its affairs in a responsible manner. The Whistleblowing (Public Interest Disclosure) Policy enables staff, students, and other members of the University to raise conflict of interest concerns which they feel have not been addressed through existing procedures.

# Statement of Internal Controls and Principal Risks

## Principal Risks and System of Internal Control

Council has responsibility for maintaining a sound system of internal control that supports the achievement of the University's policies, aims and objectives, while safeguarding public and other funds and assets for which it is responsible.

The system of internal control is designed to manage rather than eliminate the risk of non-achievement of policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the University's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them effectively.

Council confirms that the system of internal control is generally adequate and been operating effectively for the year ended 31 July 2024 and up to the date of approval of the financial statements and accords with HEFCW guidance.

As the governing body, Council has responsibility for ensuring that a sound system of control is maintained and reviewing the effectiveness of the arrangements. It meets at regular intervals to consider the plans and strategic direction of the institution and receives assurance reports from the Chair of the Audit and Risk Committee concerning internal control. During 2023-24, the Audit and Risk Committee has monitored an action plan to address a number of recommendations made by the University's External Auditor to strengthen the system of internal control and has concluded that good progress has been made in ensuring the control environment is robust.

The Audit and Risk Committee receives regular reports from the Internal Audit service. Council confirms that the Head of Internal Audit is unequivocally free to act in an independent manner in pursuit of their professional business and is not fettered in their scope or reporting. An independent opinion is provided on each report relating to the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. A summary of the work undertaken by the Internal Audit service is provided in an Annual Report. This provides an independent opinion on the adequacy and effectiveness of the University's arrangements for the provision of risk management, internal control, governance and value for money and data quality.

Considering the completion of the approved audit plan for 2023-24 and the supporting information; the University's arrangements for risk management,

control and governance, and value for money and data quality are generally adequate and effective.

The Vice Chancellor is the University's Accountable Officer, responsible for providing HEFCW with clear assurances that the institution has an effective policy of risk management. The Chief Operating Officer and University Secretary is the Chief Risk Officer, responsible for promoting effective risk management across the University.

The University Executive Board (UEB) is the senior management team of the University providing strategic risk review, challenge and advice to the Vice Chancellor who has overall responsibility for the institutional management of risk. The strategic risk register and supporting documents are submitted to UEB members at pre-defined intervals for recommendation of inclusion at the Finance and Resources Committee, Audit and Risk Committee, and Council. The 2023/2024 Risk Maturity assessment delivered by Internal Audit in collaboration with the Compliance and Risk Team reported a maturity classification of 'defined' with improvements delivered including; the implementation of a new risk management policy - approved November 2023, procurement and roll out of a risk management software- implemented November 2023, new staff intranet resource, tiered training resources and risk management improvement plan not considered but due to be captured in the next maturity assessment review. The 2024 audit delivered by TIAA on risk management processes reported an assurance rating of adequate with 1 medium and 2 issues identified all of which have been captured within the risk management improvement plan due to delivered over a 5-year cycle.

As detailed in the risk management policy a risk register hierarchy is in place where professional service, school, and college level registers (which are managed locally) feed up to the strategic risk register in-line with pre-defined scoring thresholds/trigger points. All risks are aligned to the Institutions agreed Risk Appetite and Tolerance statements which allows for the identification of risk themes and patterns relating to areas such as reputation, finance, compliance etc. Project and programme risk management sits outside of the hierarchy with project risk management aligned to the Project and Programme Risk Management Framework.

Risk reporting at strategic level is delivered in-line with a clearly articulated risk management policy. The Strategic Risk Register produces a balanced portfolio of risk exposure which focuses on the treatment of risk themes, aligned to our Risk Appetite & Tolerance impact categories. Operational risk management is

## Statement of Internal Controls and Principal Risks

managed at local level with clear reporting lines and aligned governance.

Risk is the responsibility of all staff with mechanisms in place to enable all staff to have a voice in risk identification, management, and reporting. The strategic risk radar report and staff intranet site are just two examples of risk tools introduced to boost risk interaction, understanding and awareness across the institution.

The strategic deep dive review (2023/2024) prompted Risk Owners to consider and align risk appetite/tolerance categories and risks were re-scored in-line with a revised scoring criteria and matrix. The output of this work is that there is a higher number of risks being included within the 2023-2024 financial annual report and this is due to the identification of risk impact categorisation and re-scoring of the strategic risk platform in-line with new scoring criteria and in-line with the current environment and emerging risk factors.

The enclosed summaries are provided by appointed Risk Owners and provide an overview of headline mitigations and current position.

## Statement of Internal Controls and Principal Risks

### Principal Risks

Principle Risk Title	Risk Summary 2022-2023	Risk Summary 2023-2024
<b>Regulatory Compliance</b> <b>Risk Event:</b> If the University fails to identify, define, document, and communicate legal and regulatory requirements (such as Welsh Language Standards, SSSI protection, GDPR, increasingly stringent UKVI regulations, tax legislation, PREVENT, ICO, MEDR etc.)	<p>A detailed Regulatory Compliance Risk Assurance Map has been developed and a follow-up review undertaken to outline the areas where additional measures would have the greatest impact on reducing the risk for the highest areas of risk. In addition, the Assurance and Risk Group has overseen the creation of a risk assurance heatmap. This allows the University to readily identify the higher risk areas using measures such as the internal audit findings as to the level of assurance in place and the impact on the University should that risk crystallise.</p>	<p>Cardiff University has a detailed Regulatory Compliance Risk Assurance Map which demonstrates how the University understands, articulates, and complies with its regulatory responsibilities. The assurance map lists the legal and regulatory framework for each area of compliance for the University and the policies and procedures in place as well as the three lines for implementing, monitoring and assurance relating to each area of compliance. A review of the map is underway, which will include a mapping of compliance frameworks to evidence understanding of the specific compliance requirements for each area of legal/regulatory compliance and for how processes are applied, monitored and assurance reported. In addition to this, interviews have been held with schools and professional services departments across the university to gauge confidence in specifically defined regulatory areas. This work will help to identify any areas of development required within the processes and a programme of work will be developed to support any improvement activities which are required. This work is also supported by the Risk Assurance Heat Map, which allows the University to readily identify the higher risk areas using measures such as, internal audit findings to review the levels of assurance which are in place for each area. The Assurance Risk Map requires regular updates to reflect developments in compliance arrangements. This aids in the understanding that the University has of how this risk is being mitigated, where further work is required and what action can be taken should an element of this risk materialise.</p>
<b>Cyber &amp; Information Security</b> <b>Risk Event:</b> If the University suffers a cyber-attack and/or an information security breach.	<p>Cardiff University has a multi-layered approach to Cyber Security. We prepare and review our ability to respond to cyber-attacks through scenario planning and testing the effectiveness of both business continuity and disaster recovery contingency plans. The University is regularly audited by cyber experts and is currently accredited for both Cyber Essentials (this is cyber assurance provided by the National Cyber Security Centre) and PCI DSS compliance. The University has a mandatory all staff information security training module. We have protected the University through the use of best-in-class cyber security tools. We detect threats using the latest national and international threat intelligence data combined with a full suite of monitoring tools.</p>	<p>Cardiff University has a multi-layered approach to Cyber and Information Security.</p> <p>We prepare and review our ability to respond to cyber-attacks and data breaches through scenario planning and testing the effectiveness of both business continuity and disaster recovery contingency plans. The University is regularly audited by cyber experts and is currently accredited for both Cyber Essentials (this is cyber assurance provided by the National Cyber Security Centre). The University has a mandatory all staff information security training module.</p> <p>We have protected the University through the use of best-in-class cyber security tools and information governance controls. We proactively manage cyber and information security risk to reduce the university's exposure to current and emerging threats.</p> <p>We detect threats using the latest national and international threat intelligence data combined with a full suite of monitoring tools.</p>

## Statement of Internal Controls and Principal Risks

Principle Risk Title	Risk Summary 2022-2023	Risk Summary 2023-2024
<b>Financial Sustainability</b> <b>Risk Event:</b> If the University becomes financially unsustainable in the medium to long-term.	<p>The University deploys detailed budget control and monitoring.</p> <p>There are regular discussions between Recruitment and Admissions and Finance to model fee income.</p> <p>Research and Change projects are assessed for return on investment to ensure delivery on expected benefits.</p> <p>Integrated planning process has been launched to ensure delivery of robust academic and financial plans.</p> <p>The change in the external financial environment, particularly with regards to inflation has resulted in significant realised cost pressures as well as industrial unrest given inability of pay to keep pace with the cost of living. We continue to strive for additional income growth particularly in relation to overseas tuition fee income and manage our cost base carefully.</p> <p>All mitigating actions have resulted in a continued robust financial position.</p>	<p>The University deploys detailed budget control and monitoring. There are regular discussions between Recruitment and Admissions and Finance to model fee income. Research and Change projects are assessed for return on investment to ensure delivery of expected benefits. An integrated planning process has been launched to ensure delivery of robust academic and financial plans. The change in the external financial environment, particularly with regards to inflation has resulted in significant realised cost pressures as well as heightened risk of industrial unrest given inability of pay to keep pace with the cost of living. Government policies with regards to immigration have increased risk with regards to overseas student fee income and therefore careful management of our costs is needed. Mitigating actions are in place to maintain a robust financial position for the University.</p>



## Statement of Internal Controls and Principal Risks

Principle Risk Title	Risk Summary 2022-2023	Risk Summary 2023-2024
<b>Carbon Net Zero</b> <b>Risk Event:</b> If the University does not make significant progress in achieving its ambitions of reaching carbon net zero (Scope 1 and 2) by 2030.	<p>The Strategic Environmental Sustainability Sub-Committee has identified the staffing required to enable a step-change. Recruitment is currently underway for professional staff in this area.</p> <p>Analysis of our biggest carbon emitting buildings was completed in summer 2022; we are now developing projects to maximise impact of short-term initiatives.</p> <p>We are exploring Welsh Government backed loan schemes to enable investment into short- and medium-term carbon reduction plans.</p> <p>We are confirming the University carbon emissions baselines, aligned to Welsh Government reporting requirements by June 2023.</p> <p>A tree-planting programme in partnership with Coed Caerdydd is in train.</p> <p>We are finalising our carbon offset policy now and will draft our roadmap to Net Zero (scopes 1 &amp; 2) by 2030.</p> <p>The University is a member of Cardiff City Council One Planet Strategy Group and UUK groups relating to environmental sustainability.</p>	<p>The Environmental Sustainability Sub-Committee has continued to drive, and give assurance on, progress towards net zero goals. Though controls and actions have reduced our risk status, that risk remains significant, and it has been retained on the institutional register. Work to establish a baseline for the University's carbon emissions is complete, with annual reporting of our emissions now established. Success with a Welsh-Government Salix loan is enabling quick wins in carbon reduction across the estate alongside other energy control measures. Key levers and mitigations include divestment of elements of our legacy estate, analysis of the all-estate conditions survey, committed resource to improve metering, the adoption of a Sustainable Procurement policy, the work of a business travel Task and Finish Group, and the work of a new Engagement Officer. Comprehensive options assessment work on the net zero (scopes 1 and 2) challenge will shortly lead to a detailed roadmap. Academic leadership in this area will shortly be enhanced with the appointment of a University Dean of Environmental Sustainability.</p>
<b>Academic Standards &amp; Quality of Education</b> <b>Risk Event:</b> If the academic standard and quality of education does not meet stakeholder needs or expectations	<p>The risk that standard and quality of education does not meet stakeholder needs or expectations is a risk managed by the University. Contributing factors identified are residual impact of COVID, the ongoing impact of national Industrial Action, and insufficient consistent application of procedures and processes. A risk treatment plan is in place to mitigate this risk including control themes for monitoring of education and student voice activities, training, second line of defence activities, and reporting from institutional and shadow systems.</p>	<p>Cardiff University has an established academic quality system, complying with regulatory requirements and aligned with sector norms, to manage risk and to enhance the student experience.</p> <p>An Annual Quality Report is submitted to Senate and Council which confirms the method and evidential base for continuous review of academic standards and the quality of education, and how risks are being managed.</p> <p>Principle risk areas and mitigations are NSS outcomes which where they are below benchmark are mitigated by agreed action plans which have led to improved outcomes in NSS 2024. Errors in student transcripts and assessment marks are mitigated by the Mark Processing Project which has been established and actions agreed to address identified issues. Gaps between the good degree outcomes (1<sup>st</sup> and 2-1) of UK Black, Asian, and Minority Ethnic students and UK white students are being mitigated by actions being taken through its Inclusive Education Project which will contribute towards eliminating the Black, Asian, and Minority Ethnic awarding gap.</p>

## Statement of Internal Controls and Principal Risks

Principle Risk Title	Risk Summary 2022-2023	Risk Summary 2023-2024
<b>Dental School</b> <b>Risk Event:</b> If the School of Dentistry fails to provide the clinical teaching facilities necessary to meet PSRB competencies and Welsh Government commissioned graduates.	<p>The risk to core activities of the School of Dentistry which is housed entirely within the Dental Hospital, a facility owned and managed by Cardiff and Vale University Health Board (CAVUHB) is a risk managed by the University. With the School of Dentistry the only dental school in Wales, its main objective is to train future dentists, dental therapists, and dental hygienists for Wales and beyond. With the acute and ongoing shortage of NHS dentists and dental practices across Wales, this activity is critical and political. The school's ability to provide essential clinical training for students is heavily dependent on the availability of clinical activity within the building. A risk treatment plan has been introduced to mitigate this risk in the form of building maintenance plans, prioritization of roles for recruitment and enhanced policy and procedures.</p>	<p>Cardiff University has an established strategic partnership with the Cardiff and Vale University Health Board (CVUHB) that enables robust risk mitigation and monitoring of the University Dental Hospital (UDH) estate via formal governance structures. Weekly meetings between the management of the School of Dentistry and Dental Directorate, CVUHB enable regular updates to be discussed, with any concerns escalated as required through the management of the two organisations.</p> <p>In 2023/24, the CVUHB completed a substantial pipework maintenance works programme in two of the Hospital's teaching clinics. To compensate students for lost clinical activity arising due to the works, additional clinical teaching staff were employed, and clinical teaching sessions were scheduled in 2023/24 to ensure no student was at detriment and received comparable clinical experience to previous cohorts. The partial upgrade to the infrastructure has improved the reliability of the facilities for student clinical activity. The Dental School activity monitors data from student surveys, the patient timetable reporting tool, complaints, and school student/staff panels to understand student and staff experience issues/risks and identification of hours lost.</p> <p>Risk areas in the UDH continue to be monitored by building risk assessments and condition surveys which will inform the prioritisation of future CVUHB estates work in the UDH. Work remains ongoing to complete these actions.</p>
<b>Student Welfare and Wellbeing</b> <b>Risk Event:</b> If the University does not provide sufficient or appropriate welfare, wellbeing, and mental health support		<p>The welfare, safety and wellbeing of University students continue to be a priority for the university with the risk mitigated, managed, and reported through various mechanisms. To mitigate against the increasing demand for welfare and wellbeing, resource planning takes place on an annual basis through the Integrated Planning Process and is managed throughout the year by senior line management.</p> <p>Our Student Life platform provides a comprehensive range of student services alongside cross institutional engagement and coordination to support student welfare and wellbeing. The Student Support Intervention Procedure, delivered by the Student Intervention Team provides staff with relevant advice and support. The University provides various externally delivered student support services in the form of talking therapy (Problem Shared) and a 24/7 Talk Campus, professionally staffed crisis phone line and peer-to-peer social network discussion forum which is available in addition to the University's counselling provision. A task and finish group has been established to respond to Tackling Abuse, Violence and Sexual Harassment Against Women, a new University Mental Health Strategy is in development as is the University Suicide Safer Strategy. Recommendations from the review of Residence Life 2023 will be taken forward to further enhance the mitigation of this risk.</p>

## Statement of Internal Controls and Principal Risks

Principle Risk Title	Risk Summary 2022-2023	Risk Summary 2023-2024
<b>Learning Environment</b> <b>Risk Event:</b> If the learning environment does not support the delivery of high-quality programmes and learning.		<p>Cardiff University provides a safe and secure learning environment to both staff and students, ensuring the delivery of high-quality programmes and learning.</p> <p>Contributing risk factors such as the quality and usability of buildings, systems and technology, processes and teaching, our strategic approach and vision, our staff skills, support and application, our budget and our student expectations and satisfactions are all considered as part of the risks' treatment plan.</p> <p>Key implemented controls include the introduction of a toolkit and education service to support academics in curriculum design, the Black Board Ultra dashboard has enabled the review of usage and identification of future support. The refurbishment of teaching spaces and Information Technology/Audio-Visual technology to Physical Learning Space standard and a rolling replacement of teaching spaces has enhanced the usability and quality of teaching spaces and user experience. Physical and remote checks of teaching space technology and geographical dispersal of IT Technicians has enabled a rapid response to failures in teaching spaces which has enhanced the student and staff experience of the learning environment.</p> <p>Robust future actions are in place to further mitigate the risk and aim to look at establishing a sufficient annual budget and resources to maintain fabric, infrastructure, fixtures and fittings and an investment plan focussed on usability, quality, and quantity of services. The development of a Library Annual Enhancement Plan for campus-wide study spaces, prioritising spaces for investment in collaboration with University Estates will further support this vital area of work.</p>
<b>Estate Repair &amp; Maintenance</b> <b>Risk Event:</b> If University buildings are not in a sufficient state of repair to ensure service delivery		<p>The Repair and maintenance of the estate continues to require substantial investment. The risk is managed through prioritisation of backlog maintenance works by compliance, health &amp; safety, student experience and business continuity plans. A new condition survey has been completed and an estates system implemented to enable proactive planning and programming of estates repairs and maintenance. Implementation of greater compliance monitoring, testing, and a review and tender of planned contracts has commenced to reduce reactive maintenance.</p> <p>Contractor frameworks to enable greater agility and assistance in internal resource to carry out reactive maintenance works have been introduced.</p> <p>The University and the Cardiff and Vale Health Board are working to establish the correct level and location of space required by the University and associated maintenance needed to mitigate the current risks on the overall University Hospital site.</p>
<b>Research Income</b> <b>Risk Event:</b> If research income reduces to below an acceptable threshold		<p>Cardiff University has a large and diverse research portfolio supported through a variety of funders and recognises the importance of this income stream to the financial sustainability of the institution. It has invested in a large-scale change programme to create a one-University approach to support research applications and awards. This includes the implementation of a new online system and a new delivery model for professional service teams supporting research activities. In addition, costing and pricing guidance is being reviewed to maximise cost recovery.</p> <p>To ensure capacity and competitiveness, investment in Innovation Institutes has taken place to build critical mass around areas of strength. Investment in physical infrastructure has involved commissioning the Social Science Park (SPARK) and Translational Research Hub (TRH) to ensure the university is well placed to apply for large scale grants. Continued engagement with external funders has been established which includes a programme of activities and events to promote European funding schemes following the reassociation with Horizon Europe.</p>

## Statement of Internal Controls and Principal Risks

Principle Risk Title	Risk Summary 2022-2023	Risk Summary 2023-2024
<b>Future Research Quality</b> <b>Risk Event:</b> If research income reduces to below an acceptable threshold		<p>Cardiff University has interventions to support sustaining and enhancing research quality. There is now a dedicated resource through the Research Excellence team to help support academic departments with a coordinated programme of activity. Action planning, implementation and review cycles have been introduced for all academic schools involving senior management and the Pro Vice-Chancellor for Research, Innovation and Enterprise. The university has also reinvested in an institution wide Research Leave scheme to provide colleagues with additional time for key research. A Research Culture team is delivering support for cultural changes aligned to strengthening the wider research environment. This is being delivered through an action plan developed following the analysis of an institution wide Research Culture Survey conducted in 2022. A Welcome Trust funded 'Ignite' programme is supporting colleagues to work together to develop positive research culture.</p>
<b>International Student recruitment targets not met.</b> <b>Risk Event:</b> If we do not meet our student recruitment targets (International)		<p>In common with every UK university, Cardiff University is reliant on generating income from student tuition fees in order to fund research and teaching activities. Difficulties faced by the sector are well-documented and include: declining interest in university study among Welsh domiciled sixth-formers; increased competition for international students from the US, Canada and Australia; increased quality in provision domestically for student in China and South-East Asia, meaning that fewer students are encouraged to go overseas; and international students deterred from coming to the UK because of threats by the previous UK Government to limit visa opportunities for international students. The student recruitment position is monitored daily and reported monthly to the Recruitment and Admissions Strategy Group and University Executive Board. Mitigating actions are in place wherever possible.</p>
<b>UK Visas and Immigration</b> <b>Risk Event:</b> If the UK Visas and Immigration (UKVI) sponsor license is suspended or revoked		<p>The University has a multi disciplined approach to maintaining compliance with UK Visas and Immigration (UKVI) international student compliance regulations. We regularly assess the effectiveness of our UKVI controls, testing procedures to maintain the required evidence and databases to support UKVI reporting requirements. We proactively manage risks to reduce threat to the University's student route sponsor licence, without which we would be unable to recruit international students. There is regular discussion between the professional services departments who are responsible for the international student journey to enable the smooth running of processes that contribute to positive student experience, as well as regular training and update sessions with academic and school staff. Mitigating actions are in place to maintain a robust University position for upcoming UKVI audit visits, including automation of reporting processes, regular monitoring of University policy and procedure, and the establishment of internal networks that provide opportunities for student visa compliance knowledge sharing and engagement activities for University staff.</p>
<b>Staff Safety &amp; Wellbeing</b> <b>Risk Event:</b> If the University is unable to maintain its commitment to the health, safety and wellbeing of staff including its statutory duty of care (considering physical and psychological safety).		<p>Cardiff University has a multi-layered approach to monitoring the management of safety, health, environment, and wellbeing (SHEW). The University is certified to international standards for the management of H&amp;S, environmental management, and psychological safety. The University's SHEW management system is regularly audited by an external audit provider in addition to centrally managed ongoing internal SHEW audits and local oversight of SHEW issues. The university monitors SHEW performance via its Health, Safety and Wellbeing (HSW) Committee which also provides the opportunity to consult with the recognised Trade Unions. SHEW Committees at College/Professional Services level feed into the HSW Committee. A central advisory service supports the institution in its management of SHEW issues underpinned by a network of locally based Safety Officers, Environmental Compliance Officers and Dignity &amp; Wellbeing Contacts. The University also have access to occupational health provision and an employee assistance programme to support staff.</p>

## Responsibilities of the Council of Cardiff University

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In accordance with the University's Charter, the Council is responsible for the administration and management of the affairs of the University, including ensuring an effective system of internal control.

The Council is responsible for ensuring the University and Group Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the University's Charter, the Accounts Direction and Terms and Conditions of Funding issued by HEFCW, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions 2019, the Charities Act 2011 and other relevant accounting standards.

The Council, through its Accountable Officer, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University and its subsidiaries and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year. The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the University's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the University and Group and to enable it to ensure that the Financial Statements comply with applicable law and regulations.

The Council is also responsible for safeguarding the assets of the University and Group and for taking reasonable steps for the preventions and detection of fraud and other irregularities.

**In preparing these Financial Statements, the Council is required to:**

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).

- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.

**The Council has taken reasonable steps to:**

- ensure that funds from HEFCW, Welsh Government and other Funding Bodies are used only for the purposes for which they have been given and in accordance with the HEFCW Terms and Conditions of Funding and Financial Management Code; and any other conditions which HEFCW or any other Funding Body may from time to time prescribe.
- ensure that income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code (FMC).
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.
- safeguard the assets of the University and its subsidiaries and prevent and detect fraud; and
- secure the economical, efficient, and effective management of the resources and expenditure of the University and its subsidiaries.

Any system of internal financial control can, however, provide reasonable, but not absolute, assurance against material misstatement or loss.

On behalf of the Council



**Professor Wendy Larnar**

Accountable Officer

27 November 2024



# Independent auditor's report

## To the Council of Cardiff University

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### 1. Our opinion is unmodified

We have audited the financial statements of Cardiff University ("the Institution") for the year ended 31 July 2024 which comprise the Consolidated and Institution Statements of Comprehensive Income, the Consolidated and Institution Statements of Changes in Reserves, the Consolidated and Institution Statement of Financial Position, and the Consolidated and Institution Statements of Cash-flow and the related notes, including the Statement of Principle 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 Institution's affairs as at 31 July 2024 and of the Group's and of the Institution's income and expenditure, gains and losses, changes in reserves, and 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 Institution 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 believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

We were first appointed as auditor by the Council on 7 July 2022. The period of total uninterrupted engagement is for the three financial years ended 31 July 2024. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

#### Overview

<b>Materiality:</b>	£6.3 million
group financial statements as a whole	(2023: £6.07 million)
	0.97% of Group total income (2023: 0.95%)

<b>Coverage</b>	100% of Group total Income (2023: 100%)
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Key audit matters	Change since 2023
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<b>Recurring risks</b>	Research Grants & Contract Income
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Valuation of Cardiff University Pension Fund Liabilities
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## 2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, (unchanged from 2023), in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
<b>Group and Institution: Research Grants and Contract Income</b> (£127 million (2023: £133 million))	<b>2023-24 income</b> The Institution manages a significant number of projects from a range of public and private sources with a variety of contractual requirements in terms of treatment of direct and overhead costs and other evidence/compliance requirements. Research grants and contracts income are accounted for under the Performance Model. Unless specifically disallowed, in most cases expenditure on the grant purpose is presumed to be the performance condition and therefore income is generally recognised in line with the related expenditure, including apportioned overhead costs. We have identified a significant risk of fraud and error due to: <ul style="list-style-type: none"> <li>• The risk of inappropriate apportionment of overhead costs resulting in inappropriate recognition of research revenue;</li> <li>• The risk of non-compliance with grant terms and conditions resulting in income not being recognised in line with the Institution's accounting policies or relevant accounting standards.</li> <li>• The risk of non-compliance with grant terms and conditions resulting in clawback of funding by research funders.</li> </ul>	We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. <ul style="list-style-type: none"> <li>• Our procedures included:               <ul style="list-style-type: none"> <li>• For a sample of research expenditure recorded in the year, we assessed whether the expenditure incurred was in line with the terms and conditions of the relevant contract;</li> <li>• For a sample of research expenditure recorded in the year, we assessed whether overhead rates applied were appropriate by reference to the terms of the grant agreement;</li> <li>• For a sample of research projects with underlying milestones, we agreed the revenue recognised to invoices raised and cash receipts, and assessed whether the milestone had been met in accordance with the grant agreement.</li> <li>• We inspected the reconciliation of research expenditure to corresponding research income to assess whether income had been accounted for in accordance with the requirements of the relevant accounting standards.</li> <li>• For a sample of research projects with large accrued and deferred income balances at year-end, we inspected the grant agreements, cash received to date, and the payment profile to assess whether research expenditure and income had been accounted for in the appropriate accounting period.</li> <li>• We inquired with management as whether there were any disputes or significant issues on any projects that could impact on recognition of the research grants and contract income.</li> </ul> </li> </ul>
		<b>Our results</b> The results of our testing were satisfactory and we considered the amount of research grants and contract income recognised by the Group and the Institution to be acceptable (2023: acceptable).

	The risk	Our response
<p><b>Group and Parent Institution: Valuation of Cardiff University Pension Fund Liabilities</b></p> <p><b>Group and Parent Institution</b></p> <p>Present value of scheme liabilities for Cardiff University Pension Fund: £230.0 million (2023: £216.7 million).</p> <p>Refer to note 1 (accounting policy) and note 25 (financial disclosures).</p>	<p><b>Subjective estimate valuation</b></p> <p>The Institution and Group are a member of a number of defined benefit schemes, including the Cardiff University Pension Fund (CUPF). The CUPF scheme is the largest scheme.</p> <p>The valuation of the CUPF scheme liabilities (before deducting scheme assets) involves the selection of appropriate actuarial assumptions, most notably the discount rate, salary increase, and mortality rates. The selection of these assumptions is inherently subjective and small changes in these assumptions and estimates used to value the CUPF scheme liabilities could have a significant effect on the financial position of the Institution and the Group.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that valuation of the CUPF scheme liabilities has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 25) disclose the sensitivity estimated by the Institution.</p>	<p>We performed the tests below rather than seeking to rely on the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• <b>Our actuarial expertise:</b> We challenged, with the support of our own actuarial specialists, the key assumptions and estimates used in the calculation of the CUPF scheme liabilities being the discount rate, salary increases and mortality rate. This included comparing key assumptions against our own benchmark ranges derived from externally available data and against those used by other universities reporting on the same period.</li> <li>• <b>Assessing external actuaries' credentials:</b> We assessed the competence and independence of the external actuary engaged by the Group.</li> <li>• <b>Assessing transparency:</b> We considered the adequacy of the Group's disclosure in respect of the CUPF retirement benefits, in particular the gross scheme liabilities and the sensitivity of the scheme liabilities to the assumptions used.</li> </ul> <p><b>Our results</b></p> <p>We found the resulting estimates of the CUPF scheme liabilities for the Group and the Institution to be acceptable (2023: acceptable).</p>

#### Universities Superannuation Scheme (USS)

We continue to perform procedures over the Universities Superannuation Scheme (USS) pension liability. However, following the updated 2023 valuation of the USS finalised during the year (see note 25), the liability is nil in the current year and therefore we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.



### 3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £6.3 million (2023: £6.07 million), determined with reference to a benchmark of Group total income for 2023/24 of £648 million (2023: £636 million), of which it represents 0.97% (2023: 0.95%).

Materiality for the Institution financial statements was set at £6.2 million (2023: £6.0 million), determined with reference to a benchmark of Institution total income for 2023/24 of £637 million (2023: £627 million), of which it represents 0.97% (2023: 0.96%).

We consider total income, rather than a surplus-related benchmark, to be the appropriate benchmark as the Institution is a not-for-profit organisation.

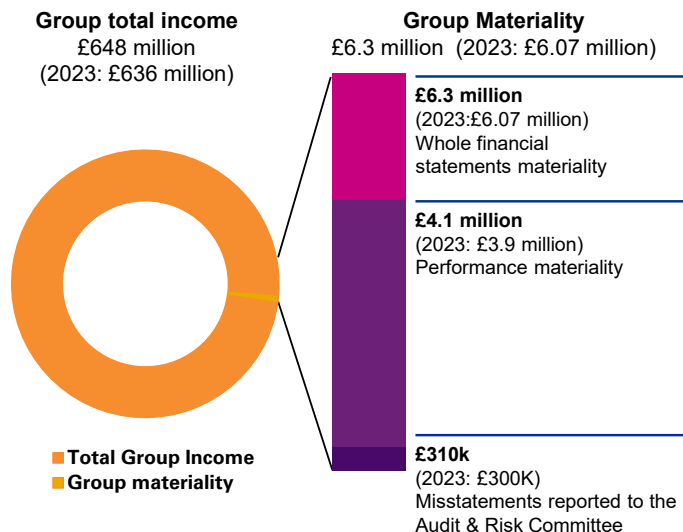
In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 65% of materiality for the financial statements as a whole, which equates to £4.1 million (2023: £3.9 million) for the Group and £4.0 million (2023: £3.9 million) for the Institution. We applied this percentage in our determination of performance materiality based on the level of control deficiencies and misstatements identified during our prior year audit.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £310k (2023: £300k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

The Group team performed the audit of the Group as if it was a single aggregated set of financial information. The audit was performed using the materiality and performance materiality level set out above.



### 4 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 Institution or to cease their operations, and as it has concluded that the Group's and the Institution'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").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Institution's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Institution's available financial resources over this period were:

- A reduction in tuition fee income; and
- Impact of inflation on underlying cost base.

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the directors' sensitivities over the level of available financial resources indicated by the Group's financial forecast taking account of severe, but plausible adverse effects that could arise from these risks individually and collectively.

Our procedures also included:

- Critically assessing assumptions in base case and downside scenarios relevant to liquidity, in particular in relation to tuition fee income and the timing of related cash flows including knowledge of the entity's plans and the sector in which it operates.

- We also compared past budgets to actual results to assess the directors' record of budgeting accurately.
- We considered whether the going concern disclosure in note 1 to the financial statements gives a full and accurate description of the directors' assessment of going concern.

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;
- 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 Institution's ability to continue as a going concern for the going concern period; and
- We found the going concern disclosure in note 1 to be acceptable.

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 Institution will continue in operation.

## 5. 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 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.
- Reading a copy of the Group's risk register.

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 our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk that Research Grants and Contract Income is overstated through recording revenues in the wrong period, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts and unusual cash and borrowing journals.

- Performing testing as detailed in Section 2 of our report in relation to the fraud risk that Research Grants and Contract Income is overstated through recording revenues in the wrong period

### *Identifying and responding to risks of material misstatement related to 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 the Audit and Risk Committee and other management (as required by auditing standards), and discussed with the management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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 (including related charities legislation, higher education related legislation and regulation), taxation legislation, 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: GDPR, Health and Safety legislation, employment and social security legislation and the higher education regulatory requirements of the Commission for Tertiary Education and research (Medr), recognising the regulated nature of the Institution's activities. Auditing standards limit the required audit procedures 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 fraud 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.

## 6. We have nothing to report on the other information in the Annual Report

The Council (the members of which are the Trustees of the Institution for the purposes of charity law) is responsible for the other information, which comprises the information included 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 in the Vice Chancellor's Review, Financial Review, Statement of Corporate Governance, and Statement of Internal Control (which together constitutes the Trustees' Annual Report for the financial year) is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

## 7. We have nothing to report on the other 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 Institution 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.

## 8. Respective responsibilities

### Council's responsibilities

As explained more fully in its statement set out on page 43, Council is responsible for: the preparation of financial statements which 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 Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the Institution or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities

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

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



## REPORT OF OTHER LEGAL AND REGULATORY REQUIREMENTS

### 9. Reporting 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 Institution 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 Institution 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.

### 10. 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 Institution and in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act.

Our audit work has been undertaken so that we might state to 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 Institution and the Council for our audit work, for this report, or for the opinions we have formed.

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

3 Assembly Square  
Britannia Quay  
Cardiff  
CF10 4AX

28 November 2024

# Consolidated and Institution Statements of Comprehensive Income and Expenditure

Year ended 31 July 2024

		Consolidated		Institution	
	Note	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Income</b>					
Tuition fees and education contracts	2	328,285	310,617	328,285	310,617
Funding body grants	3	83,213	90,199	83,213	90,199
Research grants and contracts	4	126,500	133,624	126,600	133,629
Other income	5	95,186	90,874	83,898	81,730
Investment income	6	11,707	9,670	11,544	9,622
Donations and endowments	7	4,177	1,397	4,493	1,397
<b>Total Income</b>		<b>649,068</b>	<b>636,381</b>	<b>638,033</b>	<b>627,194</b>
<b>Expenditure</b>					
Staff costs	8	373,137	346,090	373,137	346,090
Staff costs – (decrease) in USS pension scheme provision	10	(162,794)	(27,447)	(162,794)	(27,447)
Other operating expenses	10	234,623	226,288	223,377	217,833
Depreciation	11	50,632	47,291	50,632	47,291
Interest and other finance costs	9	16,033	19,247	16,033	19,247
<b>Total Expenditure</b>	<b>10</b>	<b>511,631</b>	<b>611,469</b>	<b>500,385</b>	<b>603,014</b>
<b>Operating surplus before other gains and losses</b>		<b>137,437</b>	<b>24,912</b>	<b>137,648</b>	<b>24,180</b>
Loss on disposal of fixed assets		(174)	(2,333)	(174)	(2,333)
Impairment of tangible fixed assets	11	(593)	(458)	(593)	(458)
Gain on sale of non-current investments	12	7,115	675	3,184	675
Gain / (Loss) on valuation of investments	15	36,923	(5,624)	36,923	(5,624)
Share of surplus/ (deficit) in joint venture	12	70	(813)	-	-
<b>Surplus for the year</b>		<b>180,778</b>	<b>16,359</b>	<b>176,988</b>	<b>16,440</b>
<b>Other Comprehensive Income</b>					
Impairment on the revaluation of assets		-	(3,043)	-	(3,043)
Actuarial gain in respect of pension schemes	21	(3,440)	15,541	(3,440)	15,541
<b>Total comprehensive surplus/ (deficit) for the year</b>		<b>177,338</b>	<b>28,857</b>	<b>173,548</b>	<b>28,938</b>
<b>Represented by:</b>					
Endowment comprehensive income for the year		6,850	677	6,850	677
Net restricted comprehensive expenditure for the year		(92)	-	(92)	-
Unrestricted comprehensive income for the year		170,580	28,180	166,790	28,261
		<b>177,338</b>	<b>28,857</b>	<b>173,548</b>	<b>28,938</b>

All items of income and expenditure relate to continuing activities.

The Notes on page 56 to 92 form part of these financial statements.

**Consolidated and Institution Statements of Changes in Reserves**  
**Year ended 31 July 2024**

Consolidated	Income and expenditure account			Revaluation reserve	Total
	Endowment	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2022	45,570	160	292,318	310,611	648,659
Surplus from the income and expenditure statement	677	-	15,682	-	16,359
Other comprehensive income	-	-	12,498	-	12,498
Total comprehensive surplus for the year	677	-	28,180	-	28,857
Transfers between reserves	-	-	8,672	(8,672)	-
Balance at 31 July 2023	46,247	160	329,170	301,939	677,516
Surplus from the income and expenditure statement	6,850	(92)	174,020	-	180,778
Other comprehensive income	-	-	(3,440)	-	(3,440)
<b>Total comprehensive surplus for the year</b>	<b>6,850</b>	<b>(92)</b>	<b>170,580</b>	<b>-</b>	<b>177,338</b>
Transfers between reserves	-	-	5,587	(5,587)	-
<b>Balance at 31 July 2024</b>	<b>53,097</b>	<b>68</b>	<b>505,337</b>	<b>296,352</b>	<b>854,854</b>
Institution	Income and expenditure account			Revaluation Reserve	Total
	Endowment	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2022	45,570	160	293,748	310,611	650,089
Surplus from the income and expenditure statement	677	-	15,763	-	16,440
Other comprehensive income	-	-	12,498	-	12,498
Total comprehensive surplus for the year	677	-	28,261	-	28,938
Transfers between reserves	-	-	8,672	(8,672)	-
Balance at 31 July 2023	46,247	160	330,681	301,939	679,027
Surplus from the income and expenditure statement	6,850	(92)	170,230	-	176,988
Other comprehensive income	-	-	(3,440)	-	(3,440)
<b>Total comprehensive surplus for the year</b>	<b>6,850</b>	<b>(92)</b>	<b>166,790</b>	<b>-</b>	<b>173,548</b>
Transfers between reserves	-	-	5,587	(5,587)	-
<b>Balance at 31 July 2024</b>	<b>53,097</b>	<b>68</b>	<b>503,058</b>	<b>296,352</b>	<b>852,575</b>

The Notes on page 56 to 92 form part of these financial statements.

# Consolidated and Institution Statements of Financial Position

Year ended 31 July 2024

	Note	Consolidated		Institution	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Non-current assets					
Tangible fixed assets	11	956,775	952,270	956,775	952,270
Investments	12	17,353	15,207	15,508	13,433
		974,128	967,477	972,283	965,703
Current assets					
Stocks	13	268	289	268	289
Trade and other receivables	14	61,656	61,549	61,608	62,783
Investments	15	320,690	390,439	320,690	390,439
Cash and cash equivalents	16	105,806	36,586	103,037	33,135
		488,420	488,863	485,603	486,646
Creditors: amounts falling due within one year	17	(159,436)	(168,138)	(157,053)	(166,567)
Net current assets		328,984	320,725	328,550	320,079
Total assets less current liabilities		1,303,112	1,288,202	1,300,833	1,285,782
Creditors: amounts falling due after more than one year	18	(430,263)	(422,901)	(430,263)	(422,901)
Pension provisions	21	(15,197)	(180,332)	(15,197)	(180,332)
Other provisions	22	(2,798)	(7,453)	(2,798)	(3,522)
<b>Total net assets</b>		<b>854,854</b>	<b>677,516</b>	<b>852,575</b>	<b>679,027</b>
<u>Restricted Reserves</u>					
Income and expenditure - endowment reserve	23	53,097	46,247	53,097	46,247
Income and expenditure - restricted reserve		68	160	68	160
<u>Unrestricted Reserves</u>					
Income and expenditure - unrestricted		505,337	329,170	503,058	330,681
Revaluation reserve		296,352	301,939	296,352	301,939
<b>Total Reserves</b>		<b>854,854</b>	<b>677,516</b>	<b>852,575</b>	<b>679,027</b>

The Notes on page 56 to 92 form part of these financial statements.

The financial statements on pages 52 to 92 were approved by Council on 26 November 2024 and were signed on its behalf on 27 November 2024 by:



**Patrick Younge**  
Chair of Council



**Professor Wendy Larnor**  
Vice-Chancellor



**Darren Xiberras**  
Chief Financial Officer

## Consolidated and Institution Statements of Cash-flow

Year ended 31 July 2024

		Consolidated		Institution	
	Note	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Cash flow from operating activities					
Surplus for the year		180,778	16,359	176,988	16,440
Adjustment for non-cash items					
Depreciation	11	50,632	47,291	50,632	47,291
Impairment of fixed assets	11	593	458	593	458
Loss on disposals of fixed assets	11	940	2,530	940	2,530
Share of operating (surplus) /deficit in JV's	12,22	(70)	813	-	-
Receipt of donated assets		(1,250)	-	(1,250)	-
Non-cash pension credits	21	(168,575)	(37,579)	(168,575)	(37,579)
Decrease in stock	13	21	7	21	7
Decrease/ (increase) in debtors	14	2,744	(1,304)	4,026	(1,662)
(Decrease)/ increase in creditors	17,18	(8,602)	4,239	(9,414)	8,805
(Decrease)/ increase in other provisions		(724)	1,416	(724)	1,416
Adjustment for investing or financing activities					
Capital grant income	3,5	(8,467)	(9,885)	(8,467)	(9,885)
Investment income	6	(11,707)	(9,670)	(11,544)	(9,622)
Interest payable	9	11,693	11,865	11,693	11,865
New endowments	23	(2,129)	(1,175)	(2,129)	(1,175)
Gain on disposal of non-current investments	12	(7,115)	(675)	(3,184)	(675)
(Gain)/loss on current investments	12,15	(36,923)	5,624	(36,923)	5,624
Net cash inflow from operating activities		1,839	30,314	2,683	33,838
Cash flows from investing activities					
Capital grant receipts		9,763	6,797	9,763	6,797
Investment income	6	11,707	9,670	11,544	9,622
Decrease/ (increase) in deposits	15	106,672	(31,012)	106,672	(31,012)
Payments made to acquire fixed assets	11	(53,740)	(56,734)	(53,740)	(56,734)
Non-current investment acquisitions	12	(3,295)	(6,632)	(3,295)	(6,632)
Proceeds from sale of fixed assets		769	197	769	197
Non-current investment disposal proceeds	12	1,553	1,504	1,553	1,504
Net cash inflow/ (outflow) from investing activities		73,429	(76,210)	73,266	(76,258)
Cash flows from financing activities					
Interest paid	9	(12,160)	(12,325)	(12,160)	(12,325)
Endowment cash received	7	2,129	1,175	2,129	1,175
Repayments of amounts borrowed	17,18	(2,259)	(2,733)	(2,259)	(2,733)
New unsecured borrowings	18	6,242	-	6,242	-
Net cash outflow from financing activities		(6,048)	(13,883)	(6,048)	(13,883)
Increase/ (decrease) in cash and cash equivalents in the year		69,220	(59,779)	69,901	(56,303)
Cash and cash equivalents at beginning of the year		36,586	96,365	33,135	89,438
Cash and cash equivalents at end of the year	16	105,806	36,586	103,036	33,135

The Notes on page 55 to 92 form part of these financial statements

# Notes to the Financial Statements

## Year ended 31 July 2024

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### 1. Statement of Principal Accounting Policies

#### Basis of preparation

This consolidated financial information has been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, the Financial Reporting Standard (FRS 102) and the Charities Act 2011. The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial information is prepared in accordance with the historical cost convention (modified by the revaluation of land and buildings and the measurement of certain financial instruments at fair value).

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

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

- The Council has reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements.
- After reviewing these forecasts, the Council is of the opinion that, taking account of severe but plausible downsides, such as reduction in tuition fee income and cost inflation, the Group and parent Institution will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, Council is confident that the Group and parent Institution 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 has prepared the financial statements on a going concern basis.

#### Basis of consolidation

The consolidated financial information consolidates the financial statements of the Institution, and its subsidiary undertakings University College Cardiff Consultants Limited and International Learning Exchange Programme Limited for the financial year to 31 July. It does not include those of the University Students' Union, or the Cardiff Partnership Fund Limited as the Council does not exercise control over their financial and operating activities.

Uniform accounting policies are adopted throughout the Group. Joint ventures are accounted for using the equity method.

#### Recognition of income

Tuition fee income is stated gross, apart from expenditure that is a discount (including prompt payments) or fee waivers and is credited to the Consolidated Statement of Comprehensive Income. Bursaries and scholarships (including those administered by third parties) are accounted for gross as expenditure and not deducted from income.

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

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

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

#### Grant funding

Grant funding including funding council block grants, research and furlough grants from government sources and grants (including research grants) from non-government sources are recognised as income when the performance related conditions have been met and the Institution has become entitled to the income. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

#### Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the Institution is entitled to the funds and is retained within the separate restricted reserve until such time that it is utilised in line with such restrictions.

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

Investment income and movements in fair value of endowments are recorded in income in the year in which they arise and as either restricted or unrestricted income according to the terms of the endowment.

restrictions applied to the individual endowment funds.

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



**1. Statement of Principal Accounting Policies (continued)**

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 Institution.
3. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Institution has the power to use the capital.
4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

**Capital grants**

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

**Provision for doubtful debts**

Provision is normally made for individual debts where recovery is thought to be in doubt based the ageing of the debt past its due date, other known circumstances relating to the individual debtor, such as referred to debt collection agency, and post year end recovery of debts. Any un-provided debts are deemed as recoverable.

**Pension schemes**

The three principal defined benefit pension schemes for the Institution's staff are the Universities Superannuation Scheme (USS), the Cardiff Institution Pension Fund (CUPF), and the Local Government Pension Scheme (LGPS). The schemes are funded defined benefit schemes. The funds are actuarially valued every three years by a professionally qualified actuary using either the aggregate method or the attained age method with the rates of contribution payable being determined by the scheme's trustees on the advice of the actuary.

**Universities Superannuation Scheme**

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme.

Because the scheme is now in a surplus position and deficit recovery contributions are no longer required, the amount credited to the profit and loss account represents the release of the deficit recovery liability. Expenses related to the scheme are recognised through the profit and loss account.

**Defined contribution plan:**

A defined contribution plan is a post-employment benefit plan under which the Institution 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 Consolidated Statement of Comprehensive Income in the periods during which services are rendered by employees.

**Defined benefit plan:**

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the Institution'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 Institution. The Institution 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 Institution is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

In addition, the National Health Service (NHS) Pension Scheme is in operation for certain staff. The NHS scheme is an unfunded defined benefit scheme, with pension benefits being paid out of contributions received in the year and contribution.

rates determined by HM Treasury. This is accounted for as a defined contribution scheme. To comply with The Pensions Act 2008, the Institution also uses the NEST defined contributions pension scheme for eligible non-contractual workers.

# Notes to the Financial Statements

## Year ended 31 July 2024

### 1. Statement of Principal Accounting Policies (continued)

#### 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 Institution. Any unused benefits are accrued and measured as the additional amount the Institution expects to pay as a result of the unused entitlement.

#### Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into GB Sterling, the functional currency of the Institution, at year-end rates and the resulting exchange differences are included in the determination of the deficit or surplus for the year.

#### 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.

#### Fixed assets

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Freehold and Long Leasehold property assets in existence on the transition to the FRS102 (1<sup>st</sup> August 2014) were measured on the basis of deemed cost, being market fair value or deemed cost of replacement.

The difference between the revalued amount and historical cost is credited to a revaluation reserve.

An amount equal to the depreciation in excess of that on the historical cost basis is transferred from the revaluation reserve to retained earnings.

#### Land and buildings

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

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, in years, as follows:

Academic buildings and listed buildings	50
Pre 1990 residence sites	25
Post 1990 and Talybont North residences	50
Residential Houses	50

Semi-permanent buildings	25
New UHW site buildings	50
Old UHW site buildings	25
Refurbishments	15

Leasehold buildings are depreciated over the shorter of the lease term or the expected useful lives shown above.

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

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

Componentised items are depreciated on a straight-line basis over their expected lives, in years, as follows:

Component	Life
Building shell	20-50
Refurbishment	15
Mechanical and engineering services	10-25
Fit out	10-50

#### Plant & Equipment

Plant and equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition unless purchased as part of a new build or major building infrastructure refurbishment.

All other equipment is capitalised, with the exception of equipment funded from Research Grants which costs under £50,000 which is also written off in the year of acquisition.

Capitalised plant and equipment are stated at cost less accumulated depreciated and impairment losses over their expected useful life of between four and ten years, for equipment, as appropriate.

Assets under construction are not depreciated until brought into use.

Fully depreciated equipment is written off once the asset is no longer in use or no longer in existence.

**1. Statement of Principal Accounting Policies (continued)**

Social Science Research Park (SBARC|SPARK) building

The University's Social Science Research Park (SBARC|SPARK) provides many opportunities for the University to provide its core services.

The SBARC|SBARK building is 11,604 m<sup>2</sup>. Approximately 15% of this space is allocated to university start-ups, spin-outs, researchers and other stakeholders, providing support for inter-disciplinary co-location and collaboration, rented out on short term lease agreements. These stakeholders have been selected on the basis that they contribute towards Cardiff University's ability to deepen its partnerships with industry and other organisations, generating economic and social value through innovation, which is aligned to the University's strategy for Research and Innovation. The building is at the heart of the University Campus and this space is held to support the University's aims, rather than for

commercial rent or capital appreciation. Accordingly, the whole building is accounted for as a fixed asset and is held at depreciated cost.

The activities are all hugely beneficial to the University in respect of enhancing its reputation, promoting the services available being the provision of world-class and world-recognised social sciences research, to foster and develop partnerships through a range of innovation, enterprise and engagement activities and events, to support the wider regional economy, and to enhance the breadth and volume of research opportunities for students and student entrepreneurs.

**Investments**

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

Joint ventures are carried at cost less impairment in the Institution's financial statements.

Current asset investments are held at fair value with movements recognised in the total comprehensive income for the year.

**Stocks**

Stocks held are building materials, medical/bioscience consumables, and trading consumables of the Estates Works Unit, College of Biomedical and Life Sciences and Catering, respectively. They are valued at the lower of cost or net realisable value.

**Cash and cash equivalents**

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

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

**Maintenance of premises**

The Institution has a rolling maintenance plan which is reviewed on an annual basis. The cost of routine corrective maintenance is charged to the statement of comprehensive income.

**Taxation status**

The Institution is a registered charity within the meaning of Chapter 1 Section 3 of the Charities Act 2011 and as such is a charity within the meaning of Section 6 to the Finance Act 2010. Accordingly, the Institution 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 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 for public benefit.

All subsidiary companies are liable to Corporation Tax and Value Added Tax (VAT). The Institution's principal activities are exempt from VAT, but certain ancillary supplies and services are liable to VAT at various rates. Expenditure includes irrecoverable VAT charged by suppliers to the Institution. The Institution does not have to pay Stamp Duty Land Tax when buying and leasing a property.

**Provisions**

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

**Financial instruments**

The Institution has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments for its consolidated and Institution financial statements.

**(i) Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for

**1. Statement of Principal Accounting Policies (continued)**

objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the total comprehensive income for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the total comprehensive income for the year.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the surplus or deficit, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**(ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the

facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

**Reserves**

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

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

The bond repayment fund, a designated reserve, was created in 2019/20 for the purpose of being able to give a reasonable likelihood of being able to meet the bond repayment of £400m, due on 7 December 2055 (note 24).

**Significant estimates and judgements**

Significant estimates and judgements used in the preparation of this financial information were as follows:

**(i) Recoverability of debtors**

The normal accounting policy for the assessment of recoverability of debtors and the subsequent doubtful debt impairment provisioning regarding the collection of students fees and Commercial and Research debt has been applied.

Students have been required to clear their current fees before progressing to another academic year. For students who have completed their course but have fees outstanding their full certification is withheld until their fee debt is cleared, in line with Institution Tuition fee policy.

# Notes to the Financial Statements

## Year ended 31 July 2024

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### 1. Statement of Principal Accounting Policies (continued)

We continue to monitor closely overseas debt and act as appropriate.

#### Estimate

##### *Tuition fee debt*

The year-end tuition fees doubtful debt impairment provision is assessed on the basis of all overdue debt by fee debtor category regardless of aged profile, with particular categories attributing more risk than others.

The resulting aggregated debt impairment provision is reduced by subsequent fee settlements received after 31 July 2024 from debtors within these same categories. All other tuition fee debt is deemed recoverable.

Tuition fee debt at 31 July 2024 was £6.1m (2023: £4.2m) (see Note 14). After applying our debt impairment policy, the doubtful debt impairment provision is £5.0m (2022: £4.2m) after assessment of receipts received after 31<sup>st</sup> July 2024.

##### *Commercial and Research Debt*

General debt impairment assessment policies have been applied, with the exception of overseas embassies whereby debt over 91 days overdue is subject to impairment provision (normally provided on 181 days overdue).

Overall, Commercial and Research debt at 31 July 2024 was £15.7m (2023: £16.2m) (see Note 14).

After applying the doubtful debt impairment policy, £0.5m is assessed at risk (2023: £1.5m) and subject to doubtful debt impairment provision.

##### *(ii) Leasehold Property Dilapidations*

The Institution has recognised its future estimated obligation to return short term leasehold properties to their original state on the termination of the lease arrangement, based on the current market works cost estimate provided by a professional property surveyor on assessing the current status of each relevant building.

As at the 31 July 2024, it is assumed that the Institution will exit each lease on the relevant date as there are no plans or indications to counter this view.

The resulting estimated provision(s) will be subject to future annual review for both relevance, i.e. future

plans to exit or renew, and to the application of inflation, based on relevant industry cost price indexation data.

Future cost inflation fluctuations will be recognised in the Statement of Comprehensive Income and Expenditure as a repairs and maintenance cost.

##### *(iii) Retirement benefit obligations*

##### *Estimate – CUPF and LGPS*

The Institution operates its own scheme, Cardiff University Pension Fund (CUPF) and participates in a Local Government Pension Scheme (LGPS); both are defined benefit schemes. Actuarial valuations of the schemes are carried out as determined by the trustees at intervals of not more than three years.

Pension costs under FRS 102 are assessed in accordance with the advice of independent actuaries based upon latest actuarial valuations and assumptions determined by the actuaries.

The assumptions are based upon information supplied to the actuaries by the Institution, supplemented by discussions between the actuary and management, where relevant. The assumptions are documented in Note 25.

As at 31 July 2023, the LGPS fund, under FRS102 accounting treatment, resulted in a pension asset. The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2024 the surplus recognised as an asset in the statement of financial position is £nil (2023: £nil).

##### *Estimate - USS*

At 31 July 2023, the institution's balance sheet included a liability of £165,245k 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 £165,245k was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 25.

# Notes to the Financial Statements

Year ended 31 July 2024

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## 1. Statement of Principal Accounting Policies (continued)

### Judgement - USS

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.

### (iii) Research Income Recognition

All research grants are considered to have a performance condition. The type of performance condition is determined by reviewing the research grant's contract. For the majority of research grants, income is recognised in accordance with the level of service as established by the pre agreed project spending budgets, and where actual spend profiles differ from budgeted spend profiles the income is recognised in line with the actual spend. For some research grants, the level of service is tied to a milestone being met; as a result, the revenue for these grants is recognised on a cash received basis.

## Notes to the Financial Statements

Year ended 31 July 2024

### 2. Tuition Fees and Education Contracts

#### Consolidated and Institution

	2024 £'000	2023 £'000
UK and European Union Undergraduate	161,606	151,049
UK and European Union Postgraduate	11,041	12,215
Overseas (including part-time)	114,334	106,126
Part Time (UK and European Union)	5,502	5,797
	292,483	275,187
Education contracts	16,802	16,620
Research training support grants	11,971	11,824
Non-credit bearing fees	7,029	6,986
	328,285	310,617

### 3. Funding Body Grants

#### Consolidated and Institution

	2024 £'000	2023 £'000
Recurrent grant	70,802	75,794
Specific grants	4,363	6,877
Capital grants - buildings	1,605	3,282
Capital grants - equipment	6,443	4,246
	83,213	90,199

### 4. Research Grants and Contracts

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Research Councils	47,681	43,079	47,681	43,079
UK-based charities	22,187	24,628	22,187	24,628
UK Government bodies	32,962	43,247	33,062	43,252
UK Industry	8,539	7,138	8,539	7,138
European Commission	5,589	7,197	5,589	7,197
Overseas	7,506	6,423	7,506	6,423
Other grants and contracts	2,036	1,912	2,036	1,912
	126,500	133,624	126,600	133,629

## Notes to the Financial Statements

Year ended 31 July 2024

### 5. Other Income

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Other services rendered:				
UK Central Government	18,908	23,592	19,124	23,353
UK Health Authorities	10,722	8,212	10,722	8,212
UK Industry	895	1,103	895	1,103
European Union	1,669	1,815	1,669	1,815
Overseas	47	91	47	91
UK Universities	856	596	856	596
Other Sources	7,916	7,293	9,565	9,534
Total other services rendered	41,013	42,702	42,878	44,704
Residences, catering and conferences	31,593	29,685	31,593	29,685
Exempt VAT recoverable	1,103	559	1,103	559
Other capital grants	419	2,357	419	2,357
Other income	21,058	15,571	7,905	4,425
	95,186	90,874	83,898	81,730

### 6. Investment Income

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Income from investments	10,163	8,292	10,000	8,245
Income from endowment investments (Note 23)	1,544	1,378	1,544	1,377
	11,707	9,670	11,544	9,622

### 7. Donations and Endowments

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
New endowments (Note 22)	2,129	1,175	2,129	1,175
Donations with restriction	23	-	23	-
Unrestricted donations	2,025	222	2,341	222
	4,177	1,397	4,493	1,397



## Notes to the Financial Statements

Year ended 31 July 2024

### 8. Staff Costs

#### Consolidated and Institution

	2024 £'000	2023 £'000
<b>Staff costs:</b>		
Wages and salaries	299,132	274,178
Social security costs	30,984	28,879
Other pension costs	43,021	43,033
	373,137	346,090

The above figures exclude payments made to staff on behalf of the National Health Service.

#### Consolidated and Institution

	2024 FTE	2023 FTE
<b>Average staff numbers by major category:</b>		
Clinical and non-clinical academic and academic related	4,791	4,712
Technical services	203	217
Administrative support	1,026	1,005
Operational services	233	237
	6,253	6,171

### Key management personnel compensation

The Institution considers that key management personnel are the 17 individuals (2022: 12) who serve as members of the University Executive Board having authority and responsibility for planning, directing, and controlling the activities of the Institution. Staff costs include compensation paid to key management personnel.

	2024 £'000	2023 £'000
Key management personnel compensation	2,371	2,305

A list of current members of University Executive Board is publicly available on our website: [www.cardiff.ac.uk/about/organisation/University-executive-board](http://www.cardiff.ac.uk/about/organisation/University-executive-board)

### Compensation for loss of office to higher paid employees

Compensation payments of £43k were made to higher paid employees in year (2023: £45k).

# Notes to the Financial Statements

Year ended 31 July 2024

## 8. Staff Costs (continued)

### Other higher paid staff

The remuneration of higher paid staff (excluding the Vice Chancellor) reflected in the ranges below exclude employer pension contributions, bonuses, and compensation for loss of office but include payments made on behalf of the NHS in respect of its contractual obligation to Institution staff under separate NHS contracts of employment. These payments are excluded from the Institution's Income and Expenditure account. Of the 176 staff earning in excess of £100,000 in 2024 (2023: 167), 48 (2023: 45 Restated) include such payments on behalf of the NHS.

	2024 NHS No.	2024 Other No.	2024 Total No.	2023 NHS No.	2023 Other No.	2023 Total No.
Salary Band						
£100,000 - £104,999	-	21	21	-	27	27
£105,000 - £109,999	1	27	28	-	24	24
£110,000 - £114,999	-	20	20	-	16	16
£115,000 - £119,999	2	11	13	1	13	14
£120,000 - £124,999	2	14	16	2	5	7
£125,000 - £129,999	4	1	5	4	9	13
£130,000 - £134,999	3	6	9	4	5	9
£135,000 - £139,999	6	3	9	3	6	9
£140,000 - £144,999	4	6	10	3	4	7
£145,000 - £149,999	1	5	6	4	2	6
£150,000 - £154,999	1	4	5	1	3	4
£155,000 - £159,999	2	2	4	5	-	5
£160,000 - £164,999	1	2	3	3	-	3
£165,000 - £169,999	5	-	5	4	4	8
£170,000 - £174,999	2	1	3	1	1	2
£175,000 - £179,999	1	2	3	-	2	2
£180,000 - £184,999	2	1	3	5	-	5
£185,000 - £189,999	4	-	4	-	-	-
£190,000 - £194,999	4	-	4	3	1	4
£195,000 - £199,999	1	-	1	-	-	-
£200,000 - £204,999	-	2	2	-	-	-
£205,000 - £209,999	-	-	-	1	-	1
£210,000 - £214,999	-	-	-	1	-	1
£215,000 - £219,999	-	-	-	-	-	-
£220,000 - £224,999	1	-	1	-	-	-
£225,000 - £229,999	1	-	1	-	-	-
	48	128	176	45	122	167

# Notes to the Financial Statements

Year ended 31 July 2024

## 8. Staff Costs (continued)

Emoluments of the Vice Chancellor	2024 £'000 Current	2024 £'000 Former	2023 £'000 Former
Salary	267	26	301
Bonus	-	-	56
Benefits-in-kind	30	9	20
	297	35	377
Pension Death in Service Enhanced Opt-out contribution only	45	2	19
	342	37	396

The benefits-in-kind received by the Vice Chancellor are as follows (£000s):

Private medical insurance	2	-	1
Permanent accommodation	28	9	19
Services supplied	2	-	-

The remuneration of the current Vice-Chancellor is set through the Senior Salary Review Process by the Remuneration Committee, which comprises of independent lay members of Council. The Vice-Chancellor's base salary is also reviewed in line with national pay awards for the Higher Education sector.

The Chair of Council presents performance assessments to the Remuneration Committee for inclusion in the Senior Salary Review process. The Remuneration Committee make the final decision on the rewards given for comparable performance assessments. The Vice Chancellor's salary, in line with the Senior Salary Review, is also assessed against equity and market concerns.

The Vice Chancellor's performance is reviewed according to a number of factors including, but not limited to:

- the Vice-Chancellor's leadership, management, and academic experience within the higher education sector.
- the breadth of leadership and financial responsibilities for the University.
- The performance of the University according to the strategy and agreed metrics.

The former Vice-Chancellor was in post for a short period during the financial year, the former Vice Chancellor was not employed during the performance assessment, therefore they were not considered and did not receive any additional payment.

In the current year, the new vice chancellor commenced their post part way through the financial year. Resulting in 2 Vice-chancellors being remunerated in the period, their employment did not overlap.

The current Vice-Chancellor's full-time equivalent basic salary is 6.7 times the median pay of all staff, the former Vice-Chancellor's full-time equivalent basic salary is 7.3 times (2023: 7.0 times) the median pay of all staff, where the median pay is calculated on a full-time equivalent basis for the salaries and wages paid by the Institution.

The current Vice-Chancellor's full-time equivalent total remuneration is 7.4 times the median total remuneration of all staff, the former Vice-Chancellor's full-time equivalent total remuneration is 7.5 times (2023: 8.7 times) the median pay of all staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Institution.

As per HEFCW Accounts Direction, remuneration includes personal service companies that are deemed by the Institution to be employees under HMRC Intermediary Regulations (IR35) and paid through payroll and reported to HMRC via "Real-time Information" (RTI) reporting.

## Notes to the Financial Statements

Year ended 31 July 2024

### 9. Interest and Other Finance Costs

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bond interest & finance costs	11,582	11,588	11,582	11,588
Bank loan interest	111	277	111	277
	11,693	11,865	11,693	11,865
Net charge on pension schemes (Note 21)	1,070	798	1,070	798
Unwind of discount on USS pension provision (Note 21)	3,270	6,584	3,270	6,584
	16,033	19,247	16,033	19,247

# Notes to the Financial Statements

Year ended 31 July 2024

## 10. Analysis of Expenditure by Activity

Consolidated	Staff costs	Other operating expenses	Interest Payable	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Academic departments	223,925	50,610	-	274,535	265,198
Academic services	21,289	17,619	-	38,908	38,414
Research grants and contracts	52,804	34,467	-	87,271	90,532
Other services rendered	16,335	24,018	-	40,353	41,888
Residences, catering and conferences	5,441	14,614	111	20,166	20,385
Premises	8,397	47,996	-	56,393	51,573
Administration and central services	45,561	30,080	-	75,641	69,252
Other expenses	9,506	15,219	11,582	36,307	24,515
Pension fund adjustments	(10,121)	-	4,340	(5,781)	(10,132)
	373,137	234,623	16,033	623,793	591,625
Depreciation (note 11)				50,632	47,291
Staff costs – Decrease in USS pension scheme provision (note 21)				(162,794)	(27,447)
Staff costs – Voluntary Severance Scheme				-	-
Total per Statement of Comprehensive Income and Expenditure				511,631	611,469
Institution	Staff costs	Other operating expenses	Interest Payable	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Academic departments	223,925	50,610	-	274,535	265,198
Academic services	21,289	17,619	-	38,908	38,414
Research grants and contracts	52,804	34,467	-	87,271	90,532
Other services rendered	16,335	24,016	-	40,351	41,784
Residences, catering and conferences	5,441	14,614	111	20,166	20,385
Premises	8,397	47,996	-	56,393	51,573
Administration and central services	45,561	30,080	-	75,641	69,252
Other expenses (see Page 69)	9,506	3,975	11,582	25,063	16,164
Pension fund adjustments	(10,121)	-	4,340	(5,781)	(10,132)
	373,137	223,377	16,033	612,547	583,170
Depreciation (note 11)				50,632	47,291
Staff costs – (Decrease)/Increase in USS pension scheme provision (note 21)				(162,794)	(27,447)
Staff costs – Voluntary Severance Scheme				-	-
Total per Statement of Comprehensive Income and Expenditure				500,385	603,014

## Notes to the Financial Statements

Year ended 31 July 2024

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### 10. Analysis of Expenditure by Activity (continued)

Other operating expenses include	2024	2023
External auditors' remuneration in respect of audit services	232	224
External auditors' remuneration in respect of audit-related services	2	2
External auditors' remuneration in respect of non-audit services	Nil	Nil
<b>Operating lease rentals</b>		
Land and buildings	2,404	2,905
Other	167	118

Other expenses include:

- a charge in staff costs of £1,870k (2023: credit of £4,560k) relating to the movement on the Employee Leave Accrual (Note 17)

# Notes to the Financial Statements

## Year ended 31 July 2024

### 11. Tangible Fixed Assets

#### Consolidated and Institution

	Land and Buildings			Equipment	Total
	Freehold £'000	Long leasehold £'000	Assets in the Course of Construction £'000	£'000	£'000
<b>Cost or valuation</b>					
At 1 August 2023	750,256	299,043	19,834	207,811	1,276,944
Additions at cost	20,778	6,676	8,884	20,334	56,672
Disposals	(565)	-	(440)	(50,254)	(51,259)
Projects completed	17,894	1,110	(19,004)	-	-
<b>At 31 July 2024</b>	<b>788,363</b>	<b>306,829</b>	<b>9,274</b>	<b>177,891</b>	<b>1,282,357</b>
Valuation (i)	369,206	229,472	-	-	598,678
Cost	419,157	77,357	9,274	177,891	683,679
At 31 July 2024	788,363	306,829	9,274	177,891	1,282,357
<b>Accumulated depreciation</b>					
At 1 August 2023	100,435	63,978	-	160,261	324,674
Charge for year	20,635	8,915	-	21,082	50,632
Eliminated on disposal	(107)	-	-	(50,210)	(50,317)
Impairments	90	142	-	361	593
<b>At 31 July 2024</b>	<b>121,053</b>	<b>73,035</b>	<b>-</b>	<b>131,494</b>	<b>325,582</b>
<b>Net book value</b>					
At 31 July 2024	667,310	233,794	9,274	46,397	956,775
At 31 July 2023	649,821	235,065	19,834	47,550	952,270

- (i) A full valuation of the Institution's Estate was carried out on 31 July 2014 by Cooke and Arkwright Chartered Surveyors in accordance with the RICS Valuation – Professional Standards January 2014 (the Red Book) to establish deemed cost. Of the total valuation of £609m, £557m was at fair value by depreciated replacement cost and £52m was at fair value.

Certain buildings have been funded from U.K. Treasury sources at a cost of £132m. Should these particular buildings be sold, the Institution would use the proceeds in accordance with the HEFCW Terms of Funding.

Land and buildings include non-depreciated land of £118m (2023: £116m).

Spend on capital projects incurred and completed in year is recognised in freehold additions rather than through assets in the course of construction.

An impairment of £593k has been recognised in the year.

# Notes to the Financial Statements

Year ended 31 July 2024

## 12. Non-Current Investments

	Consolidated			Institution		
	Investment in joint ventures	Other Investments	Total	Equity investment in joint ventures	Other Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2023	3,747	11,460	15,207	2,003	11,430	13,433
Additions	-	3,295	3,295	-	3,295	3,295
Disposals	-	(1,220)	(1,220)	-	(1,220)	(1,220)
Share of operating deficit in joint ventures	70	-	70	-	-	-
Balance at 31 July 2024	3,817	13,535	17,352	2,003	13,505	15,508

The Institution has investments in the following:

### Investment In Joint Ventures

#### **Compound Semiconductor Centre Limited**

Compound Semi-Conductor Centre Limited was a joint venture between Cardiff University and IQE (Europe) Ltd. As at 31st July 2023 the University recognised their share of net liabilities from the joint venture of £3.9m. Due to impairments this investment was held at nil value. On the 18th September 2023 Cardiff University exited the joint venture. The exit of the JV released the University from its share of net liabilities of £3.9m and entitles it to deferred consideration of £3.0m (included within debtors - see note 14), leading to a profit on disposal of £6.9m.

	£'000
<b>Consolidated Investment in CSC</b>	
Cost	2,885
Impairment	(2,885)
Closing balance 31 July 2024	-

#### **Consolidated Other provisions (Note 22)**

Share of net liability	(3,931)
Disposal of net liability	3,931
Closing balance	-

#### **Gain on sale of non-Current investment**

Consideration on sale (Note 14)	2,979
Gain on Mobius	205
<b>Institution gain recognised in SOCI</b>	<b>3,184</b>
Release of net liability (Note 22)	3,931
<b>Consolidated gain recognised in SOCI</b>	<b>7,115</b>

#### **Institution and Consolidated Long-term debtor**

Deferred consideration	2,979
Received by 31 July 2024	(255)
Due less than one year	(350)
<b>Due greater than one year (Note 14)</b>	<b>2,374</b>

#### **Cardiff Medicentre**

The Institution holds an investment of £2,003k (2023: £2,003k) representing an 89% shareholding in Cardiff Medicentre with Cardiff and Vale UHB holding the remaining 11%. This Group's total investment after its share of operating surpluses is £3,817k (2023: £3,747k). This interest is treated as a joint venture as the Institution has joint control with Cardiff and Vale UHB.



# Notes to the Financial Statements

Year ended 31 July 2024

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## Other Investments

### **University College Cardiff Consultants Limited (UC3)**

The results of UC3, a company limited by guarantee and registered in the UK, have been included by consolidation in the financial information. The company's principal activity is the commercialisation of the intellectual property and other outputs of research generated by the academic schools of the Institution. The company is also responsible for the Institution's interests through shareholdings in a number of spin-out companies arising from the Institution's research and other operations.

### **Mobeus**

The Institution made an original commitment (in 2016) to invest £10m in the Mobeus Equity Partners IV LP fund and another £15m in the Mobeus Equity Partners V LP Fund. Both funds contribute to the bond repayment fund for the repayment of the £400m bond capital in December 2055.

On 8 July 2024, the Mobeus Equity Partners IV LP fund was renamed as Mobeus 1 LP, and Mobeus Equity Partners V LP fund was renamed as Mobeus 2 LP.

In the year, additions to Mobeus 1 LP were £nil (2023: £263k) and divestments proceeds were £851k (2023: £829k), of which a gain of £705k was realised (2023: £539k). As at 31 July 2024, the investment fund is held at a net cost of £4,135k (2023: £4,985k).

In the year, additions to Mobeus 2 LP were £2,008k (2023: £6,369k) and divestment proceeds £370k (2023: £nil). As at 31 July 2024, the investment fund is held at a net cost of £8,007k (2023: £6,369).

Cash and cash equivalent balances relating to both Mobeus funds and Pantheon (see below) are combined to form part of the Bond Repayment Fund (Note 24).

### **Pantheon**

The Institution made a commitment (in 2023) to invest US\$6m in the Pantheon 2021 – Cardiff University fund. This fund contributes towards the bond repayment fund as per Mobeus above.

In the year, additions to the Pantheon fund were £1,287k.

### **Cardiff Partnership Fund Limited**

The Institution owns a 100% shareholding of £76k (2023: £76k) in the Cardiff Partnership Fund Limited, the holding company of the unincorporated Cardiff Partnership Fund Limited Partnership. This company is not consolidated on the basis that the Institution does not exercise control over the activities that rest with an independent board.

### **SETsquared Partnership**

In September 2021, the Institution joined the SETsquared Partnership, an Institution incubator network. This company is not consolidated.

### **International Learning Exchange Programme Limited ("ILEP")**

Following the UK Government's decision to withdraw from the Erasmus+ scheme, the Welsh Government announced a new learning scheme to continue to benefit staff and students from international exchanges in a similar way to Erasmus+, not just in Europe but also further afield. The scheme will run from 2022 to 2026. To safeguard transparency, the Institution agreed to operate the programme on behalf of the Welsh Government through a wholly owned subsidiary company. ILEP was incorporated on 22 June 2021 and commenced operations on 1 August 2022. The results of ILEP have been included by consolidation in the financial statements.

**Notes to the Financial Statements**  
**Year ended 31 July 2024**

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**13. Stocks**

	Consolidated		Institution	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Residences and Catering	78	97	78	97
Maintenance	61	72	61	72
Academic Departments	129	120	129	120
	268	289	268	289

## Notes to the Financial Statements

### Year ended 31 July 2024

#### 14. Trade and other receivables

	Consolidated		Institution	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
<b>Amounts falling due within one year:</b>				
Trade Debtors:				
- Tuition fees	6,075	4,204	6,075	4,204
- Research grants & contracts	9,239	9,726	9,239	9,726
- Other Services	6,477	6,538	5,883	6,112
Less: Trade Debtors impairment provision (i)	(5,497)	(5,785)	(5,497)	(5,785)
Net Trade Debtors	16,294	14,683	15,700	14,257
Other Debtors	3,139	2,047	3,139	2,047
Amount due from subsidiary undertaking	-	-	1,690	1,914
Prepayments	8,524	5,969	7,971	5,643
Accrued Income				
- Research grants and contracts	21,668	28,501	21,668	28,501
- Other Income	9,657	10,349	9,066	10,421
Total Debtors	59,282	61,549	59,234	62,783
 Amounts falling due after more than one year:				
Compound semiconductor Centre Limited (ii)	2,374		2,374	
Total debtors	61,656	61,549	61,608	62,783

- (i) Further information regarding the judgements and estimates in relation to the impairment can be found in Note 1: Accounting Policies on Page 60 "Recoverability of debtors".
- (ii) The deferred consideration for the disposal of Compound Semiconductor Centre Limited has been recognised in amounts falling more than one year and will be paid in instalments up until January 2029.

## Notes to the Financial Statements

Year ended 31 July 2024

### 15. Current Investments

#### Consolidated and Institution

	Endowment Investments £'000 (Note 23)	Other Investments £'000	2024 Total £'000	2023 Total £'000
Short term investment in shares	-	184,914	184,914	162,130
Short term bonds	-	70,825	70,825	85,423
Other short-term investments	49,143	15,808	64,951	63,925
Short term deposits	-	-	-	78,961
	49,143	271,547	320,690	390,439

The increase in fair value of current investments in the year was £36,923k (2023: decrease of £5,624k).

The university has changed its investment strategy in terms of short-term deposits, and they are now deemed cash and cash equivalents in the current year (Note 16).

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at the time of placement.

### 16. Cash and Cash Equivalents

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Operational bank accounts	22,011	10,460	19,242	7,009
Cash-in-hand	8	9	8	9
Money market funds	3,880	11,539	3,880	11,539
Cash funds held by investment fund managers	45,816	11,813	45,816	11,813
Cash fund held within endowment funds	3,954	2,765	3,954	2,765
Short term deposits	30,137	-	30,137	-
	105,806	36,586	103,037	33,135

## Notes to the Financial Statements

Year ended 31 July 2024

### 17. Creditors: amounts falling due within one year

	Consolidated		Institution	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade creditors	13,329	20,936	13,263	20,891
Social security and other taxation	8,882	7,929	8,882	7,929
Sundry creditors	12,014	10,351	11,285	9,665
Deposits	139	187	139	187
Employees leave entitlement accrual	11,591	9,721	11,591	9,721
Accruals	29,531	27,166	29,436	27,032
Deferred income (see below)	83,250	89,589	81,757	88,883
Unsecured loans	-	-	-	-
Secured loans	700	2,259	700	2,259
	159,436	168,138	157,053	166,567

#### Deferred Income

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

	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Tuition Fees	6,097	9,761	6,097	9,761
Research grants and contracts	49,301	52,531	49,573	52,768
Other Income	25,796	26,327	24,031	25,384
Capital grant income	2,056	970	2,056	970
	83,250	89,589	81,757	88,883

# Notes to the Financial Statements

Year ended 31 July 2024

## 18. Creditors: amounts falling due after more than one year

Consolidated and Institution	2024 £'000	2023 £'000
Sundry Creditors	3,584	1,297
Unsecured loans (vi)	6,242	-
Secured loan	175	875
Public Bond (i)	294,216	294,084
Public Bond Tap (ii)	126,046	126,645
Total loans and long-term debt	426,679	421,604
	430,263	422,901

### Analysis of secured and unsecured loans

Due within one year or on demand (Note 17)	700	2,259
Due between two and five years	3,296	875
Due in five years or more	423,383	420,729
Due after more than one year	426,679	421,604
	427,379	423,863

Included in loans are the following:

Lender	Term	Secured/ Unsecured	Interest rate %	Borrower	2024 £'000	2023 £'000
Salix (vii)	2032	Unsecured	-	Institution	6,242	-
Lloyds Bank/Scottish Widows(iii)	2024	Secured	8.853	Institution	-	1,559
Royal Bank of Scotland (iv)	2025	Secured	See below	Institution	875	1,575
					7,117	3,134

- (i) The 39-year public bond of £300 million was issued in February 2016 and is repayable in full on 7<sup>th</sup> December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7<sup>th</sup> June and 7<sup>th</sup> December each year. The effective interest rate is 3.1%.
- (ii) A £100m bond tap was issued in February 2021 at a premium and is repayable in full on 7<sup>th</sup> December 2055. Interest is payable semi-annually at a coupon rate of 3.0% on 7<sup>th</sup> June and 7<sup>th</sup> December each year. The effective interest rate is 1.9%.
- (iii) Lloyds Bank originally advanced £17 million to the Institution to finance the cost of student residences. The loan is secured on Talybont South property and is repayable by 28 February 2024 on a reducing balance method. In 2013, Lloyds Bank transferred certain rights of the loan to Scottish Widows (part of the Lloyds Banking Group), however, Lloyds Bank act on behalf of Scottish Widows in the capacity of service provider.
- (iv) Royal Bank of Scotland originally advanced £14 million to the Institution to finance the cost of Talybont Court. The loan is secured on Talybont Court and is repayable by 1 October 2025 by equal instalments of £0.7m per annum. Interest is payable on the loan at 0.225% above Base Rate.
- (v) In July 2021, the Institution took out a 3-year unsecured Revolving Credit Facility with Lloyds Bank for £20m over three years. As at 31 July 2024, the facility had not been utilised.
- (vi) The University received a public benefit concessionary loan of £6.2 million in 2024 from Salix Finance Limited in partnership with the Welsh Government. The loan has a repayment period of seven years and is interest free where repayments will commence April 2026. Loan repayments appear twice annually in line with the repayment schedule, with repayments due until October 2032.

# Notes to the Financial Statements

Year ended 31 July 2024

## 19. Consolidated and Institution Reconciliation of Net Debt

	Consolidated	Institution
	£'000	£'000
Net debt 1 August 2023	387,277	390,728
Movement in cash and cash equivalents	(69,220)	(69,902)
Repayment of secured loans	(2,259)	(2,259)
Repayment of unsecured loans	6,242	6,242
Other non-cash changes (bond interest)	(467)	(467)
Net Debt 31 July 2024	321,573	324,342
Change in net debt	(65,704)	(66,386)

Analysis of net debt	Consolidated		Institution	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000

### Borrowings: amounts falling due within one year

Secured loans	700	2,259	700	2,259
Unsecured loans	-	-	-	-
(Note 17)	700	2,259	700	2,259

### Borrowings: amounts falling due after more than one year

Secured Loans	175	875	175	875
Unsecured loans	6,242	-	6,242	-
Public Bond	294,216	294,084	294,216	294,084
Public Bond Tap	126,046	126,645	126,046	126,645
(Note 18)	426,679	421,604	426,679	421,604

Less: Cash and cash equivalents	(Note 16)	(105,806)	(36,586)	(103,037)	(33,135)
Net debt		321,573	387,277	324,342	390,728

## Notes to the Financial Statements

### Year ended 31 July 2024

#### 20. Financial Instruments

The Institution has the following financial instruments which are all denominated in sterling:

	Note	Consolidated		Institution	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Financial assets at fair value through surplus or deficit investments in equity and listed bonds	16	320,690	311,478	320,690	311,478
		320,690	311,478	320,690	311,478
Financial assets that are debt instruments measured at amortised cost					
Trade receivables	14	16,294	14,683	15,700	14,257
Other receivables	14	5,513	2,047	7,203	3,961
Investments in short term deposits	15	-	78,961	-	78,961
		21,807	95,691	22,903	97,179
Financial liabilities measured at amortised cost					
Public Bond	18	294,216	294,084	294,216	294,084
Public Bond Tap	18	126,046	126,645	126,046	126,645
Loans	18	7,117	3,134	7,117	3,134
Trade creditors	17	13,329	20,936	13,263	20,891
Other creditors	17,18	15,737	11,835	15,008	11,149
Accruals	17	29,531	27,166	29,436	27,032
		485,976	483,800	485,086	482,935

#### 21. Pension Provision

##### Consolidated and Institution

	Obligation to fund deficit on USS Pension £'000	CUPF fund obligations (Note 25) £'000	LGPS fund obligations (Note 25) £'000	2024 Total Pension Provision £'000	2023 Total Pension Provision £'000
At 1 August 2023	165,245	15,087	-	180,332	233,452
Utilised in year	(5,721)	-	-	(5,721)	(12,814)
Additions/ (reductions)	(162,794)	(400)	(560)	(163,754)	(47,688)
Discount rate changes (Note 9)	3,270	510	560	4,340	7,382
At 31 July 2024	-	15,197	-	15,197	180,332

##### USS deficit

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 25, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provision basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

##### LGPS Fund

The actuary has estimated that the net pension asset/liability as at 31 July 2024 is an asset of £12,940k (2023: asset of £10,800k). The surplus is not recoverable in full, we have followed IAS19 to determine the economic benefit of the surplus that Cardiff University can recognise. For 2024 the surplus recognised as an asset in the statement of financial position is £nil (2023: £nil).



## Notes to the Financial Statements

Year ended 31 July 2024

### 22. Other Provisions

Consolidated	Share of net liability in joint venture £'000	Leasehold Property Dilapidations £'000	Marking Assessment Boycott £'000	Other	2024 Total £'000	2023 Total £'000
As at 1 August	(3,931)	(1,796)	(1,726)	-	(7,453)	5,069
Additions / (Reductions)	3,931	500	1,004	(780)	4,655	2,384
<b>Closing balance as at 31 July</b>	<b>-</b>	<b>(1,296)</b>	<b>(722)</b>	<b>(780)</b>	<b>(2,798)</b>	<b>7,453</b>

Increase in share of net liability in joint venture represents the Group's share of operating deficit in the year of Compound Semiconductors Centre Limited – see Note 12.

The University as a whole is subject to a number of legal claims and other matters, the outcomes of which are uncertain and may give rise to liabilities or other adverse consequences which cannot currently be quantified.

Institution	Leasehold Property Dilapidations £'000	Marking Assessment Boycott £'000	Other £'000	2024 Total £'000	2023 Total £'000
As at 1 August	(1,796)	(1,726)	-	(7,453)	2,106
Additions / (Reductions)	500	1,004	(780)	4,655	1,416
<b>Closing balance as at 31 July</b>	<b>(1,296)</b>	<b>(722)</b>	<b>(780)</b>	<b>(2,798)</b>	<b>3,522</b>

Provision for Leasehold Property dilapidations recognised as per Note 1 Page 61.

### 23. Endowment reserves

#### Consolidated and Institution

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2024 Total £'000	2023 Total £'000
Capital opening balance	2,692	22,719	25,411	1,494	26,905	26,754
Accumulated income	1,570	14,876	16,446	2,895	19,341	18,815
	4,262	37,595	41,857	4,389	46,246	45,569
New endowments	-	1,248	1,248	881	2,129	1,175
Income for year	132	1,194	1,326	143	1,469	1,338
Expenditure	(120)	(546)	(666)	(153)	(819)	(776)
	12	648	660	(10)	650	562
(Decrease) in market value	387	3,319	3,706	366	4,072	(1,060)
<b>Closing balance</b>	<b>4,661</b>	<b>42,810</b>	<b>47,471</b>	<b>5,626</b>	<b>53,097</b>	<b>46,246</b>
Represented by:						
Capital	2,934	25,914	28,848	1,578	30,426	26,905
Accumulated income	1,727	16,896	18,623	4,048	22,671	19,341
	<b>4,661</b>	<b>42,810</b>	<b>47,471</b>	<b>5,626</b>	<b>53,097</b>	<b>46,246</b>

# Notes to the Financial Statements

Year ended 31 July 2024

## 23. Endowment reserves (continued)

	Unrestricted Permanent £'000	Restricted Permanent £'000	Total Permanent £'000	Restricted Expendable £'000	2024 Total £'000	2023 Total £'000
<b>Analysis by type of purpose:</b>						
Appeal Fund	-	107	107	-	107	95
Chairs	-	15,372	15,372	-	15,372	14,070
Lectures	-	1,248	1,248	-	1,248	1,117
Hardship Funds	12	2,841	2,853	1,195	4,048	2,919
Scholarships	-	11,803	11,803	616	12,419	10,193
Prizes	-	3,550	3,550	46	3,596	3,253
Research	-	1,860	1,860	2,984	4,844	4,235
General	4,649	6,030	10,679	783	11,462	10,364
	4,661	42,811	47,472	5,624	53,096	46,246
<b>Analysis by asset:</b>						
Current asset investments						
- investment units					49,143	43,482
Cash & cash equivalents					3,953	2,764
					53,096	46,246

## 24. Bond repayment fund

Cardiff University's 39-year public bond of £300m, issued in February 2016, along with the subsequent £100m tap issued in February 2021, will be redeemed at their principal amounts of £400m on 7 December 2055 and the Institution will have to repay this sum on that date.

In July 2019 Council approved the creation of a Bond Repayment Fund (BRF) which has as its sole objective to deliver £400m in cash in 2055.

The bond repayment fund forms part of the unrestricted funds in the statement of financial position.

The Institution has, to date, invested £58.4m (2023: £58.7m) on a total return basis to generate the repayment.

Total fund value	2024 £'000	2023 £'000
Cash held for investment	975	2,017
Current investments	61,253	52,342
Non-current investments	13,428	11,354
	75,656	65,713

# Notes to the Financial Statements

Year ended 31 July 2024

## 25. Pension Schemes

Different categories of staff were eligible to join one of six different schemes:

- (i) Universities Superannuation Scheme (USS)
- (ii) Cardiff University Pension Fund (CUPF)
- (iii) Local Government Pension Scheme (LGPS)
- (iv) Cardiff University Pension Scheme (CUPS)
- (v) National Health Service Scheme (NHSPS)
- (vi) NEST workplace pension scheme

The nature of the schemes above are detailed below.

**Cardiff University Pension Scheme** is a new Defined Contribution Scheme effective from 1 January 2022 in co-ordination with the closure of the CUPF DB scheme to new members,

The tender for a DC Scheme to be available for new members was undertaken and Legal and General appointed to provide the scheme. The DC scheme allows members flexibility in contribution rates and a member could choose to contribute 0%, but still benefit from Institution contributions into the scheme. Any flexibility which allows members to pay zero or very low contributions may result in some members who have previously opted out of pension scheme to opt in. The additional benefits of life insurance and income protection are available for members from 1st March 2022.

Elements of the DC scheme that are offered.

Institution 10% fixed Member 6.5% default, option to reduce to 4%,2%,0% Life Insurance 5x basic salary, Income Protection.

The **NHSPS** which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government. Scheme is a defined benefit public service pension scheme, which operates on a pay-as-you-go basis. A new reformed scheme was introduced on 1 April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1 April 2012 were within ten years of normal pension age to continue participating in the old 'final salary' NHS Pension Scheme arrangements (the 1995 and 2008 sections).

An HM Treasury pension scheme valuation for funding purposes was carried out as at March 2012. The Scheme Regulations have been changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate. The employers' contribution rate payable by the Institution during the year ended 31 July 20234 remained unchanged at 14.38% of total pensionable earnings.

**NEST** is a defined contributions pension scheme for eligible non-contractual workers.

	Consolidated		Institution	
The total pension cost for the period was:	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Universities' Superannuation Scheme (USS)	33,017	31,828	33,017	31,828
Cardiff University Pension Fund (CUPF)	7,139	9,059	7,139	9,059
Local Government Pension Scheme (LGPS)	150	230	150	230
Cardiff University Pension Scheme (CUPS)	1,228	651	1,228	651
National Health Service Pension (NHSPS)	1,475	1,538	1,475	1,538
NEST	12	11	12	11
	43,021	43,317	43,021	43,317
USS minimum funding guarantee adjustment	(162,794)	(27,447)	(162,794)	(27,447)
	(119,773)	15,870	(119,773)	15,870

# Notes to the Financial Statements

Year ended 31 July 2024

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## 25. Pension Schemes (continued)

### (i) The Universities Superannuation Scheme

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

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 £38,762k (2023: £31,828k) including Pension Choice, but excluding the impact of the change in the deficit recovery plan, as shown in note 21.

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note –, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions' basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

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

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

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

The deficit recovery contributions due within one year for the institution are £5,721k (2023: £12,814k).

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

#### CPI Assumption:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less:

1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030

#### Pension increases (subject to a floor of 0%):

CPI assumption plus 0.03%

#### Discount rate (forward rates):

Fixed interest gilt yield curve plus:

Pre-retirement: 2.5% p.a.

Post retirement: 0.9% p.a.

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

#### Mortality base table:

101% of S2PMA "light" for males and 95% of S3PFA for females

#### Future improvements to mortality:

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

## Notes to the Financial Statements

Year ended 31 July 2024

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### 25. Pension Schemes (continued)

The current life expectancies on retirement at age 65 are:

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

#### (ii) Cardiff University Pension Fund

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision. As at 1 January 2022, the fund was closed to new members.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 July 2022.

Following consultation with members, a Deed of Amendment effecting the change to future benefits was executed by the Institution and the Trustees of the Fund. The change impacts the benefits accrued from an effective date of 1 January 2022. A summary of the changes to benefit accrual from this date is set out below:

The actual rate reduced from 80ths to 85ths.

Pension increases reduced in line with CPI inflation up to a maximum of 2.5% p.a.; and

The Normal Retirement Date increased from age 65 to age 66.

As these changes only impact benefits in relation to service from 1 January 2022, there is no impact on the Defined Benefit Obligation (DBO).

An estimated valuation of the defined benefit schemes was performed at 31 July 2022 by qualified actuary. The Fund deficit under FRS 102 has increased from £15.1m at 31 July 2023 to £15.2m at 31 July 2024.

Under the latest Schedule of Contributions dated 23 June 2023, the University contributes the following:

17.0% of pensionable earnings in respect of all active CARE members who have elected to participate in salary sacrifice.

10.5% of pensionable earnings in respect of all members who have not elected to participate in salary sacrifice.

18.0% of pensionable earnings in respect of Final Salary members who have elected to participate in salary sacrifice.

From 1 August 2023 until 31 July 2029, the University agrees to pay deficit contributions of £4,800,000 per annum.

The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

The actuary has made Guaranteed Minimum Pensions (GMP) equalisation allowance, and the result has been included with the scheme's' FRS102 disclosures.

The Virgin Media case, officially known as Virgin Media v NTL Pension Trustees II Limited (and others), involves a Court of Appeal ruling that confirmed any rule alterations to a contracted-out defined benefit (DB) pension scheme made without the necessary section 37 confirmation are void. This applies to both past and future service rights. As of 31 July 2024, the University has not conducted detailed investigations into the implications of this case. As the potential impact on the Defined Benefit Obligation (DBO) cannot be measured with sufficient reliability, no allowance for this case has been included in the DBO calculation for the year ended 31 July 2024. The University will review this matter again for the year ending 31 July 2025.

#### (iii) Local Government Pension Scheme

The pension fund is a defined benefit scheme, externally funded and is contracted out of the State Second Pension (S2P) pension provision.

The last formal triennial actuarial valuation of the schemes which have been concluded were performed by professionally qualified actuaries as at 31 March 2022.

# Notes to the Financial Statements

Year ended 31 July 2024

## 25. Pension Schemes (continued)

### Local Government Pension Scheme (continued))

Salary sacrifices of pension contributions is not permitted in the LGPS scheme.

An estimated valuation of the defined benefit schemes was performed at 31 July 2024 by qualified actuary. The FRS 102 disclosures set out in the tables below are based upon this updated valuation.

As at 31 July 2024, the LGPS fund FRS102 actuarial report resulted in a pension asset £12,940k (2023: £10,800k). The asset has not been recognised as such on the Statement of Financial Position, as there is no automated entitlement to a refund from the scheme. The £12,940k is eliminated by an additional asset valuation charge to Other Comprehensive Expenditure

### Assumptions relating to CUPF and LGPS

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	CUPF	LGPS	CUPF	LGPS
	At 31 July	At 31 July	At 31 July	At 31 July
	2024	2024	2023	2023
	% p.a.	% p.a.	% p.a.	% p.a.
Price Inflation (RPI)	3.15	n/a	3.15	n/a
Price Inflation (CPI)	2.80	2.60	2.75	2.60
Rate of increase in salaries	2.80	3.60	2.75	3.60
Rate of increase of pensions in payment	2.80	2.60	2.64	2.60
Increases to deferred pensions before retirement	2.80	2.60	2.75	2.60
Discount rate	4.95	5.00	5.15	5.10

Key non-financial assumptions relate to member life expectancy at the accounting date, based on actual mortality experience of members within the Funds carried out as part of the latest formal actuarial valuations (see above), and allow for expected future mortality improvements, the accounting assessments are based on the life expectancy of male and female members at age 65 in normal health as shown below.

	CUPF	LGPS	CUPF	LGPS
	At 31 July	At 31 July	At 31 July	At 31 July
	2024	2024	2023	2023
Pensioner – male	20.4	21.8	21.0	22.0
Pensioner – female	23.4	24.1	23.7	24.2
Non-pensioner (currently aged 45) – male	21.0	22.1	21.6	22.6
Non-pensioner (currently aged 45) – female	24.4	24.9	24.8	25.3

Funder membership data summary at last actuarial valuation

	CUPF	LGPS
	July 2022	March 2022
Active members	1,798	29
Deferred members	1,887	85
Pensioners and dependants	1,137	237

# Notes to the Financial Statements

Year ended 31 July 2024

## 25. Pension Schemes (continued)

	2024 CUPF	2024 LGPS	2023 CUPF	2023 LGPS
Scheme Assets and Liabilities	£m	£m	£m	£m
<b>The assets in the scheme at fair value were:</b>				
Equities	29.9	28.0	36.0	26.4
Property	-	2.4	-	2.7
Government bonds	-	3.3	-	3.4
Corporate bonds	20.3	2.9	18.7	2.9
Multi Asset Credit	-	2.1	-	2.1
Liability Driven Investments	87.8	-	57.0	-
Diversified Growth	48.7	-	62.8	-
Private Markets	26.5	-	24.7	-
Cash	1.6	1.7	2.4	1.3
Other	-	0.7	-	-
Scheme assets at fair value	214.8	41.1	201.6	38.8
Scheme liabilities at present value	(230.0)	(28.2)	(216.7)	(28.0)
Asset Ceiling	-	(12.9)	-	(10.8)
<b>Net pension asset/(liability) recorded within pension provisions (Note 21)</b>	<b>(15.2)</b>	<b>-</b>	<b>(15.1)</b>	<b>-</b>
<b>Analysis of the amount charged within Operating Surplus</b>				
<b>Operating cost</b>				
Current service cost	6.2	0.2	8.2	0.2
Past service cost	-	-	-	-
Administrative expenses	0.9	-	0.8	-
Total operating cost:	7.1	0.2	9.0	0.2
<b>Financing cost:</b>				
Interest expense on liabilities	10.9	1.4	9.3	1.1
Interest income on assets	(10.4)	(2.0)	(8.3)	(1.3)
Total financing cost:	0.5	(0.6)	1.0	(0.2)
<b>Total charge/(gain) within Operating Surplus before tax</b>	<b>7.6</b>	<b>(0.4)</b>	<b>10.0</b>	<b>-</b>
<b>Amounts recognised in Other Comprehensive Income:</b>				
Actuarial losses/(gains) from assets	(1.0)	(1.6)	42.4	(0.8)
Actuarial losses/(gains) on liabilities	4.9	0.1	(58.8)	(5.1)
Effect of asset ceiling as per IAS19 approach	-	2.1	-	6.7
<b>Total loss/(gain) to Other Comprehensive Income before tax</b>	<b>3.9</b>	<b>0.6</b>	<b>(16.4)</b>	<b>0.8</b>
<b>Analysis of movement in deficit:</b>				
Deficit at beginning of year	15.1	-	34.5	-
Contributions by the Institution - normal	(11.4)	(0.2)	(12.1)	(0.3)
Contributions by the Institution - additional	-	-	(0.9)	(0.7)
Operating cost	7.1	0.2	9.1	0.2
Financing cost	0.5	(0.6)	0.9	-
Loss/(Gain) recognised in Other Comprehensive Income	3.9	0.6	(16.4)	0.8
<b>Deficit at end of year</b>	<b>15.2</b>	<b>-</b>	<b>15.1</b>	<b>-</b>

# Notes to the Financial Statements

Year ended 31 July 2024

## 25. Pension Schemes (continued)

	2024 CUPF £m	2024 LGPS £m	2023 CUPF £m	2023 LGPS £m
<b>Changes to the present value of scheme liabilities:</b>				
Present value of scheme liabilities at start of the year	216.7	28.0	265.7	33.2
Current service cost	6.2	0.2	8.2	0.2
Past service cost	-	-	-	-
Interest expense on liabilities	10.9	1.4	9.3	1.1
Contribution by participants	0.2	-	0.2	-
Actuarial losses/(gains) on liabilities	4.9	0.1	(58.8)	(5.0)
Actual benefit payments	(8.9)	(1.5)	(7.9)	(1.5)
<b>Present value of scheme liabilities at the end of the year</b>	<b>230.0</b>	<b>28.2</b>	<b>216.7</b>	<b>28.0</b>
<b>Changes in the fair value of scheme assets:</b>				
Fair value of scheme assets at the start of the year	201.6	38.8	231.2	37.2
Interest Income on assets	10.4	2.0	8.3	1.3
Actuarial gains/(losses) on assets	0.9	1.6	(42.4)	0.8
Contributions by the Institution	11.4	0.2	13.0	1.0
Contributions by participants	0.2	-	0.2	-
Net benefits paid out	(8.9)	(1.5)	(7.9)	(1.5)
Expenses	(0.8)	-	(0.8)	-
<b>Fair value of scheme assets at the end of the year</b>	<b>214.8</b>	<b>41.1</b>	<b>201.6</b>	<b>38.8</b>

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

### Sensitivity of movement in key assumptions

The approximate impact of changing the key assumption on the present value of the funded defined benefit liabilities as at 31 July 2024 is set out below.

In each case, only the assumption mentioned is altered; all other assumptions remain the same. The sensitivity table is based on an illustrative percentage change; however, the estimates could vary by greater, and possibly material, amounts either individually or in combination.

CUPF	Funded Defined Benefit Liability (£m)		
	+0.1% p.a.	Base figure	-0.1% p.a.
Discount Rate assumption	226.2	230.0	233.8
Rate of general increase in salaries	233.5	230.0	226.5
Post-retirement Mortality assumption	- 1 year	Base figure	+1 Year
	236.1	230.0	223.9
LGPS	+0.1% p.a.	Base figure	-0.1% p.a.
Discount Rate assumption	27.9	28.2	28.6
Rate of general increase in salaries	28.2	28.2	28.2
Rate of increase to pensions and rate of revaluation of pension accounts	28.5	28.2	27.9
Post-retirement Mortality assumption	- 1 year	Base figure	+1 Year
	28.9	28.0	27.5



## Notes to the Financial Statements

Year ended 31 July 2024

### 26. Capital Commitments

Consolidated and Institution	2024 £'000	2023 £'000
Commitments contracted	19,437	19,988

### 27. Operating Lease obligations

Consolidated and Institution

Future minimum lease payments due	Land and buildings £'000	Other £'000	Total 2024 £'000	Total 2023 £'000
Not later than one year	2,042	87	2,129	2,833
Later than one year and not later than 5 years	5,583	66	5,649	8,409
Later than five years	29,271	6	29,277	27,207
Total lease payments due	36,896	159	37,055	38,449

Land and building leases are held in respect of office premises and car parking facilities. Other leases comprise vehicle and other equipment leases.

# Notes to the Financial Statements

Year ended 31 July 2024

## 28. Related Party Transactions

All transactions involving organisations in which a member of the Council may have an interest are conducted in accordance with the Institution's financial regulations and normal procurement procedures. The Institution maintains a Register of Interests of members of Council and senior officers.

The list below represents the trading transactions and year-end close balances with organisations of which the relevant Council member or senior officer holds a position of influence in both the related party and the Institution.

Organisation	Charity/ company number	Description	Location	Council member or senior officer	Income £'000	Expenditure £'000	Debtor £'000	Creditor £'000
Cardiff & Vale University Health Board	1056544	Enhance and support the services provided by the University Health Board	Cardiff, Wales, UK	RANKIN, SUZANNE MS	4,844	7,582	1,513	1
Cardiff Business Club	00568821	Connecting organisations and sharing inspiration via our members and our world class speakers	Cardiff, Wales, UK	XAVIER-PHILLIPS, AGNES MS	-	2	-	-
Cardiff City Council	N/A	Governing body for Cardiff	Cardiff, Wales, UK	MORGAN, CLAIRE MS	186	311	1	-
Cardiff Union Services Limited	02287517	Promote the social and educational welfare of Cardiff University by providing services and facilities to them	Cardiff, Wales, UK	FLORES ACUNA, ANGIE	-	6,676	-	-
Cardiff University Students' Union Limited	07328777	The advancement of education of students at Cardiff University	Cardiff, Wales, UK	FLORES ACUNA, ANGIE OWEN, DEIO	16	-	-	-
Council for British Research in the Levant	3566646	Advance public education through conducting, supporting, and promoting scholarly research in the humanities, social sciences, and related subject areas in the Levant, and the dissemination of the useful results of the research	London, England, UK	SHAKESHAFT, JOHN C	3	-	-	-
Digital Health & Care Wales/NHS Wales	N/a	Making digital a force for good in health and care	Cardiff, Wales, UK	SELWAY, DAVID	1	-	-	-
Institute of Cancer Research (ICR)	00534147	Cancer research institute	London, England, UK	SHAKESHAFT, JOHN C	1	15	-	-

# Notes to the Financial Statements

Year ended 31 July 2024

Organisation	Charity/ company number	Description	Location	Council member or senior officer	Income  £'000	Expenditure  £'000	Debtor  £'000	Creditor  £'000
Medical Schools Council	08817383	Promote, encourage, and develop Medical Schools in the United Kingdom and thereby advance education for the public benefit, in particular medical education, research and training	London, England, UK	RILEY, PROF STEPHEN	-	48	-	-
Quality Assurance Agency	03344784	Safeguards the value of qualifications for students and learners, and protects and promotes the reputation of higher education	Gloucester, England, UK	MORGAN, CLAIRE MS	-	52	-	-
S4C	03418713	Welsh language free-to-air public broadcast television channel	Cardiff, Wales, UK	JONES, CHRISTOPHER	3	-	-	-
Tata Steel UK	02280000	Manufacture of basic iron and steel and of ferro-alloys	London, England, UK	WEAVER, DR ROBERT	49	-	28	-
U.M Association Limited	02731799	Insurance intermediary and mutual management service provider	London, England, UK	XIBERRAS, DARREN MR	20	1,143	-	-
Welsh Wound Innovation Centre	08760652	Other research and experimental development on natural sciences and engineering	Cardiff, Wales, UK	RANKIN, SUZANNE MS	180	-	100	-

## Notes to the Financial Statements

Year ended 31 July 2024

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### 28. Related Party Transactions (continued.)

The Institution has taken advantage of Paragraph 33.1A of FRS 102 in that disclosures need not be given for transactions that have taken place between the parent and its wholly owned subsidiaries.

#### Trustee remuneration and expenses

No trustee received any remuneration or waived payment from the Institution during the year (2023: none).

The amounts in the table below represent payments made to trustees for travel and subsistence costs incurred in attending Council, committee meetings and charity events in their official capacity. Not all trustees have claimed expenses in the year or prior year. Where trustees are also employees of the Institution, expenses claimed in their capacity as an employee are not included.

	2024 £'000	2023 £'000
Expenses paid to 8 trustees in the year (2023: 6)	4	5

### 29. Post Balance Sheet Events

No post balance sheet events to disclose.

# Notes to the Financial Statements

Year ended 31 July 2024

## 30. US Department of Education Financial Responsibility - Supplemental Schedule

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

The amounts presented within the schedules have been:

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

The schedules set out how each amount disclosed has been extracted from the financial statements.

The accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

### Primary Reserve Ratio

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	Line item - related disclosures	Expendable Net Assets	£'000	£'000	£'000	£'000
51	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		801,690		631,110
51	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		53,164		46,406
51	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	956,775		952,270	
51	Note of the Financial Statements - Statement of Financial Position - Property, plant, and equipment - pre-implementation	Property, plant, and equipment - pre-implementation		880,709		899,332
51	Note of the Financial Statements - Statement of Financial Position - Property, plant, and equipment - post-implementation without outstanding debt for original purchase	Property, plant, and equipment - post-implementation without outstanding debt for original purchase		66,792		39,135
51	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		9,274		19,834
51	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities		15,197		180,332
51	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	430,263		422,901	
51	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation		430,263		422,901
51	Statement of Financial Position - Term endowments	Term endowments with donor restrictions		5,625		4,389
51	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		47,471		41,857

# Notes to the Financial Statements

Year ended 31 July 2024

## 30. US Department of Education Financial Responsibility - Supplemental Schedule (continued)

### Primary Reserve Ratio (continued)

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	Line item - related disclosures	Total Expenses and Losses	£'000	£'000	£'000	£'000
65	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		673,858		654,207
65	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		202,128		46,683
65	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)		36,923		(5,624)
65	Statement of Activities - Pension related changes other than periodic pension	Pension-related (credits)/ changes other than net periodic costs		165,135		53,120

### Equity Ratio

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	Line item - related disclosures	Modified Net Assets	£'000	£'000	£'000	£'000
51	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		801,690		631,110
51	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		53,164		46,406
Page	Line item - related disclosures	Modified Assets			£'000	£'000
51	Statement of Financial Position - Total Assets	Total Assets		1,462,548		1,456,340

### Net Income Ratio

			Year ended 31 July 2024		Year ended 31 July 2023	
Page	Line item - related disclosures		£'000	£'000	£'000	£'000
50	Statement of Changes in Reserves - total of movement shown for Income & Expenditure Reserve and Revaluation Reserve	Change in Net Assets Without Donor Restrictions		170,580		28,180
65	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		642,310		635,704