

2023



Swansea
University
Prifysgol
Abertawe

ANNUAL REVIEW

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CHAIR'S INTRODUCTION

On behalf of the University Council, I would like to begin this introduction to our Annual Review by thanking the Senior Leadership Team and all our University staff for their continued commitment and hard work ensuring that our University continues to deliver its strategic ambitions, to enhance its reputation nationally and internationally, and to become more sustainable in what is an increasingly competitive and challenging Higher Education sector.

The student experience remains central to our strategic goals, and engaging with students and having a close relationship between the University and the Students' Union is crucial to ensuring that student voices are genuinely heard and listened to at Swansea. In the current climate, we realise, more than ever, how much is at stake for students choosing a university. We continue to place our students at the heart of all we do, and to strive to provide a positive and memorable experience for all our students. Following the challenges of the Covid-19 pandemic in previous years, it has been wonderful to see the return of so many events that are integral to the student experience, including Varsity, in-person Graduation Ceremonies, and the Summer Ball. Working with our Students' Union, we have also sought to support students through the launch of a new student app for current students which enables them to access all the essentials of student life in one place, and, following the introduction of a new January entry point, we are now holding a January Refreshers' Fayre to align with the traditional freshers' event in September to support new and returning students and to provide them with an opportunity to re-engage with the Students' Union. We are also continuing to improve our campus including new facilities at our Swansea Bay Sports Park for staff and students, and the redevelopment of Fulton House as a hub for student life.

I would also like to take this opportunity to thank members of the University Council and its committees for their commitment and contribution to the University. I was appointed as Chair of Council in December 2019 and will step down from this role on 31 December this year. My time as Chair has undoubtedly been marked not only by the sweeping effects of the pandemic and by changes across the sector

as a whole but also, in particular here at Swansea, through changes aimed at improving, enhancing and embedding good governance both at Council and across all elements of our University. These changes have sought to highlight the importance of an open and transparent culture and the critical need to engage in full and frank debate across many issues of concern to all at the University. This has helped to ensure that we have been able to respond to the challenges which face the sector generally and in particular our University over recent years. I am confident that, as a result, the University, its staff, students and all stakeholders are in the strongest possible position to continue to respond to future opportunities in the coming years.

It has been a great privilege and honour to have served Swansea University (where my parents studied from 1948-51) for the past seven years. What has struck me more than anything throughout my term is to have seen, how during extraordinary times, the University has become more of a community than ever – it has been remarkable how we have not just adapted, but thrived, and this is all down to each and every member of staff working together and with students, alumni and indeed all stakeholders fully committed to ensure that our University is best placed to build on its past and prepare for the future. I am confident that the University will continue to thrive as a world-class teaching and research institution with student wellbeing at its core. I will be succeeded as Pro-Chancellor and Chair of Council by Gai Ashmore, who is currently serving as the University Treasurer and Chair of the Finance and Strategy Committee. I wish Gai all the best in his new role and I am sure you will all support him as fully and strongly as you have me in my tenure.

Mr Bleddyn Phillips, Chair of Council

27 November 2023



VICE-CHANCELLOR'S INTRODUCTION

For many of us, both within the Higher Education sector and beyond, this year has been characterised by a challenging external backdrop. Steep inflationary rises and the attendant pressure on cost of living has impacted our students and staff, along with our institutional operations. Within our sector, we have also managed the cessation of European Structural Funding and uncertainty over the UK's association to Horizon Europe, one of the world's largest research and innovation funding schemes.

At Swansea University, this period has also been characterised by the resilience of our staff community, so many of whom have worked to ensure the continuation of our University's core purpose; our learning and teaching, our student experience, our research, our enterprise, and our civic mission. I remain incredibly proud that, within an ever-shifting sectoral context, our shared commitment to our mission and to excellence have endured.

We remain committed to providing an outstanding experience to our students, both in terms of the quality of our teaching and the support and opportunities afforded them during their time with us. Conscious of the complex needs of a student cohort that faced the most damaging social and educational impacts of the pandemic, this year we have prioritised supporting the wellbeing, health and safety of our student community. Our decision to provide additional investment to our Students' Union enabled the extension of our free breakfast scheme for students facing financial hardship. New and simplified access points for our mental health and disability support services, the establishment of a new, dedicated Safeguarding Team, and the implementation of an institutional Suicide Safer Strategy have all strengthened our ability to respond to the needs of our current cohort and those of the future.

We have also continued to offer our students the opportunities which we know will contribute to a transformative Higher Education experience. Our HEFCW-funded GO Wales (Career Boost) programme has helped to maximise the potential of our students, who may otherwise face barriers to employment post-study, and it has been heartening to see opportunities for student exchange and travel abroad activity, funded by both the Taith and Turing schemes, being taken up in increasing numbers following their cessation during the pandemic. We were delighted to see our efforts to add real value to our students' lives recognised in this year's Guardian University Guide, in which we were ranked 26th overall and 15th in the UK for course satisfaction.

Despite the challenges related to the UK's access to European research funding streams post-Brexit, our research community has demonstrated considerable resilience in securing the external funding which is critical to our ability to address the challenges of today and tomorrow, through innovation and discovery. Our active research portfolio grew substantially, from £366m across 1,197 projects in 2022, to 1,441 projects valued at £482m in 2023, based on a significant increase in research awards secured from UK Government and charitable bodies. Crucially, we have also seen a 5% increase in the number of female staff members successfully securing research awards. This reflects our continued commitment to gender equality, with the proportion of female professors across our University having doubled from 13% in 2014, to 26% today. We are aware that there is much more to do in this space, but are pleased to be progressing purposefully.

As an institution founded by industry and for industry, we have retained our focus on enterprise and cross-sector collaboration. In addition to drafting our institution's first Enterprise Strategy, encompassing student

enterprise, commercialisation and partnerships, we also achieved a £3m increase in Collaborative Research Project income as measured through the HE-BCI (Higher Education Business & Community Interaction) survey. We are proud of our record for start-up creation, with 51 businesses started to date, and were delighted to be selected as the host of the 2022 International Enterprise Educators Conference, reflecting our global standing as an industry-focused institution.

We have retained our international outlook and our continued commitment to teaching the next generation of global citizens. This year, we have actively explored new partnerships in China, Mauritius and other regions to enhance our offering internationally. We have also been ranked 307th in the world within the 2024 QS World University ranking, representing a climb of 118 places since last year; the largest climb of any institution in the top 500, and a fantastic reflection of our work to ensure that both Swansea and Wales are recognised on the global stage.

Closer to home, we have not lost sight of our distinct role within our region, nor of the strong sense of civic mission which shapes our University. We continue to invest in improvements to our campus to enhance the student experience (such as the ongoing refurbishment of the historic Fulton House) and to strengthen our provision to the local community. Our investment in Swansea Bay Sports Park, including new pitches and facilities and the continued development of a new Swansea Bay City Deal-funded building on Sketty Lane to support the development of health, wellbeing and sports technologies, support our vision of participation in sport and wellbeing activities by all. The installation of equipment to harness solar and wind energy across both of our campuses has also enabled us to continue our journey towards net zero operations.

Finally, during a year marred by geopolitical uncertainty and conflict, we have been proud to play our part in supporting students and colleagues facing unimaginable circumstances across the world. In November, we signed a partnership agreement with Petro Mohyla Black Sea National University in Ukraine and have been pleased to offer our support by sending equipment and hosting a number of their staff and students in Swansea over this academic year. We have also continued to offer daily free English language classes for refugees and those seeking asylum in the UK, as well as developing a programme of Sanctuary Scholarships, in line with our intent to become a University of Sanctuary in 2024.

So much of our activity this year has been grounded in our unwavering belief that we can change our world for the better, whether by conducting the groundbreaking research which will impact our lives in myriad ways or by supporting the next generation – both here in Swansea and beyond – as they navigate the challenges of our time. I am proud to reflect on the many ways in which our community of staff and students has not only demonstrated its own resilience but, crucially, has also contributed significantly to supporting that of others around the world.



Professor Paul Boyle, Vice-Chancellor


27 November 2023

FACTS AND FIGURES


STUDENT NUMBERS

17,573	7,027
UNDERGRADUATES	POSTGRADUATES
19,032	5,570
HOME	OVERSEAS

STUDENT OUTCOMES

76% 
OF STUDENTS ARE SATISFIED (NSS 2023)

83%
ACHIEVED A FIRST OR 2:1 DEGREE (21-22)

78.1% 
HAD A POSITIVE GRADUATE OUTCOME (Times Good University Guide 2023)

SUSTAINABILITY RANKINGS

 **101-200th**
(THE World University Rankings 2023)

 **4th IN THE UK
11th WORLDWIDE**
(THE World University Rankings 2023)

 **13th IN THE UK
36th WORLDWIDE**
(THE World University Rankings 2023)

 **3rd IN THE UK
38th WORLDWIDE**
(THE World University Rankings 2023)

 **321-340th**
(THE World University Rankings 2023)

13th IN THE UK 
(People and Planet University League 2022/23)

RESEARCH EXCELLENCE

86% 
WORLD LEADING AND INTERNATIONALLY EXCELLENT RESEARCH
£67m RESEARCH INCOME

UK RANKINGS

42nd 
(The Times Good University Guide 2023)

26th 
(Guardian University Guide 2023)

40th 
(Complete University Guide 2024)

WORLD RANKINGS

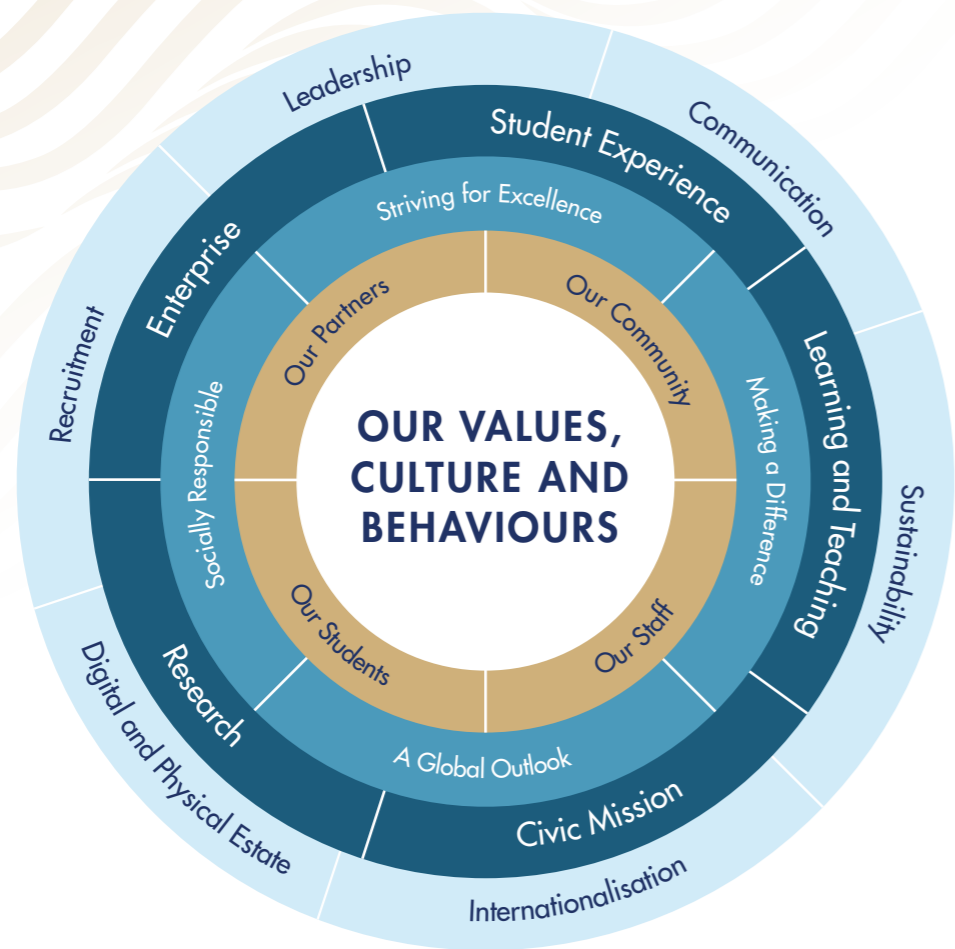
 **RANKED 307 GLOBALLY FROM THE WORLD'S TOP UNIVERSITIES**
(QS World University Rankings 2024)

 **251-300th**
(THE World University Rankings 2023)

FINANCE

£41m **10%**
EBITDA EBITDA AS A % OF INCOME

£50m **12%**
NET OPERATING CASHFLOW NET OPERATING CASHFLOW AS A % OF INCOME



OUR STRATEGIC VISION AND PURPOSE

Our Strategic Vision and Purpose sets out the high-level priorities for our University. It was developed in 2020, following extensive engagement with our staff, student and alumni community and stakeholders in the region. Since then, we have worked to embed the principles and commitments enshrined within the *Strategic Vision and Purpose* across our operations and activity, by establishing new cross-University committees and developing a range of supporting strategies and implementation plans. This document now also frames our annual approach to setting our institutional targets and priorities.

Our Vision

We are, and will continue to be, a principled, purposeful, and resilient University that balances excellent teaching with world-leading research and innovation in an open environment which enables our students and colleagues to excel. While we are valued globally as a trusted partner, we are deeply committed to our region and are proud to be a University for Wales.

Our Strategy

Our community of colleagues, students, partners, and stakeholders is characterised by the distinct values, culture and behaviours that lie at our core.

The commitment of our community underpins the five key pillars of our University – our civic mission, student experience, learning and teaching, research and enterprise. Each of these is marked by our commitment to making a difference, to being socially responsible, to striving for excellence, and to maintaining a global outlook that enables us to be a community University with international reach and reputation.

Our work is enabled by strong leadership and robust governance, effective communication, and a commitment to financial and environmental sustainability. It is built upon our digital and physical infrastructure, our internationalisation strategy, and our approach to recruiting talented and enthusiastic colleagues.



Our commitments

The document highlights our key commitments:

- The climate crisis remains society's biggest threat. We will align our work to the Sustainable Development Goals and will be a carbon-zero university by 2040 (NB: we have since strengthened this commitment with a new end-date of 2035)
- We will further widen and deepen access to education, promoting lifelong, inclusive, and equitable learning opportunities
- We will deliver innovative, digitally supported approaches to teaching that are developed in partnership with our students, and which help to embed interdisciplinary thinking across our programmes
- We will extend our global reach and reputation, becoming a preferred partner for international research, teaching and enterprise collaborations, and moving up the international rankings year on year
- We will work with our partners to make the Swansea Bay City Region the sporting and wellbeing capital of Wales
- We will strengthen our position as one of the UK's leading, impact-driven, research-intensive institutions, excelling at interdisciplinary and collaborative research, and will establish the first Institute for Advanced Studies in Wales
- We will close the gender pay gap and will confront the structural and operational reasons for it and the low proportion of female professors

- We will develop and implement a whole institution approach to tackling racial inequality.

Key pillars and enablers

Our Strategic Vision and Purpose is underpinned by five pillars, each with their own strategies approved or in development. The five pillars encompass

- Our Civic Mission
- Our Student Experience
- Our Learning and Teaching
- Our Research
- Our Enterprise

Our strategy is supported by a number of enablers, including:

- Effective leadership and governance
- Financial and environmental sustainability
- Investing in our digital and physical estate
- Open, honest and transparent communication
- Strong recruitment, welcoming fresh and diverse perspectives and experiences to our community

In 2023, we developed our institution's first Enterprise strategy, which reflects our unique heritage as a university founded by industry and for industry. In the same year, we also published our institutional Digital Strategy, our Culture, Creativity and Arts Strategic Framework, and our *Camu Ymlaen*: Welsh Language, Heritage and Culture Strategy. Our Civic Mission Strategy is in development and will be published later in 2023.

Our people and values

Our people are our most important asset and they define our University. We are a principled organisation and understand that our daily behaviours matter. We believe in each other, we support one another, we celebrate each other's achievements, and we hold each other to account.

We respect our colleagues, treating others as we expect to be treated, and we work as one university, recognising that every colleague and each student contributes to our success.

We believe in the value of flexibility, collegiality and creating time to think in pursuit of intellectual stimulation, originality, and impact. We work together in a professional and caring environment that enables us to exceed expectations for the benefit of all. We are committed to providing an environment where our colleagues can fulfil their potential and we strive to give underrepresented groups a platform to voice their experiences with the community.

We recognise that we are a cultural and economic anchor institution within our community, with a distinct role to play in driving regional development and promoting health and well-being, and we are proud to be a beacon for Welsh heritage, language, and culture.



OUR STAFF COMMUNITY

Our Strategic Vision and Purpose document sets out a range of priorities relating to our People, Values, Culture and Behaviour, including:

- **Championing a sector-leading approach to equality, diversity and inclusion, closing the gender pay gap and increasing the proportion of female professors**
- **Working with our community to find more ways to reward and recognise colleagues, and to encourage their personal and career development**
- **Implementing a health and wellbeing strategy to ensure that we enable our colleagues to thrive and to flourish**
- **Speaking up against, and confronting the causes of, discrimination, ensuring that the voices of under-represented groups are heard**

In 2023, we established a People and University Culture Strategy Committee to support the implementation of these priorities. Co-chaired by the Vice-Chancellor and the Registrar and Chief Operating Officer the Committee is working to develop an overarching People and University Culture Strategy, to ensure that our People Priorities and their associated outcomes are aligned to our University's strategic priorities and are delivered in an effective and coordinated manner.

Equality, Diversity, and Inclusion

Swansea University is one of just 28 UK universities, and currently the only university in Wales, to hold an Athena Swan Silver Institutional Award in recognition of our commitment to advancing gender equality. Each of our eligible academic departments holds an Athena Swan award, with four Silver and seven Bronze awards across our University. Three of our colleagues have become trained Athena Swan Panel reviewers and make up three of the six panel reviewers from Welsh universities.

At present, 42% of our senior colleagues are female and we are proud to have more than tripled the representation of females at director level since 2016.

While there is further progress to be made, the number of female professors at the University has more than doubled since 2014, comprising a 13% increase in female representation in the professorial community during this period, from 13% to 26%. Females currently represent 56% of the membership of our University's Senior Leadership Team.

This year we were also proud to have achieved our highest ever ranking for participation in the Stonewall Workplace Equality Index (12th), being ranked first in the UK among all Education Sector entrants.

Reward and Recognition

We continued to commit to paying the Real Living Wage in 2022/23 to ensure that the pay of all colleagues, especially those on the lowest salaries, meets the real costs of living rather than the UK's legal minimum level.

During 2022/23, we were pleased to support the promotion of 66 academic colleagues. We continued to offer interventions to support colleagues who are traditionally underrepresented within academic promotion processes (such as females and colleagues from ethnic minorities), including by holding workshops and providing mentorship tailored to specific communities.

In recognition of a sectoral over-reliance on quantitative metrics within academic promotion processes, and in line with our University's commitment to the principles enshrined within the Declaration on Research Assessment (DORA), in 2022/23 we commenced a review of our existing Academic Career Pathways, which shape our approach to academic performance assessment. Our new framework, which is currently in the development and piloting stage, will launch formally in 2024/25 and will embed the responsible use of metrics as standard and ensure a more holistic approach to academic performance across our University.

Confronting Discrimination

In 2022/23, we engaged in the HEFCW-funded Race Access and Success collaborative enhancement programme to progress race equality within Higher Education. Through this programme, we gained a fuller understanding of our institutional approach to race equality and diversity and are currently developing evidence-informed action plans to continue this important work.

We remain committed to submitting an institutional application for the Race Equality Charter in 2024. This year, we commissioned two external organisations to undertake a consultation process with staff and students to understand experiences in relation to race and ethnicity. The research will generate practical recommendations to address areas of concern and will equip us to take positive steps towards providing equitable and inclusive experiences for all.

We also renewed our Victim Support Hate Crime Charter and were awarded a Hate Crime Charter Trustmark by Victim Support.

Over the year, we were also pleased to celebrate a range of events to promote diversity within our community. These included marking Holocaust Memorial Day, LGBT+ History Month, International Women's Day, Black History Month and a number of interfaith events. Swansea University also has an active Staff Carers Network, and we are a member of Employers for Carers, which offers access to a range of resources that help us to support those staff who balance work with caring responsibilities.

Developing our Leaders

Effective leadership at all levels supports our ability to deliver as an institution, and we have therefore committed to investing in leadership development across the organisation. We are confident that this investment will not only improve performance but will also enable us to maintain and foster an inclusive culture, in which positive outcomes are delivered in a way that prioritises the health and wellbeing of our people, while ensuring that the contribution of each individual is recognised and rewarded fairly and appropriately.

During the 2022/23 academic year, we launched phase 1 of our new leadership development programme, focusing on providing our leaders and managers with the tools they need to run our University effectively. In that time, we have delivered a total of 51 sessions to over 500 leaders and managers across all areas of our institution. Feedback on these sessions has been extremely positive thus far and we have

further provided access to an online learning catalogue via LinkedIn Learning to all of our leaders and managers. To date, over 950 colleagues have actively used this resource.

Looking ahead, in 2023/24 we will be developing and launching a suite of development sessions and accompanying tools to support our people to lead and deliver change across the organisation.

HR Excellence in Research Award

We are proud to have achieved successful reaccreditation of our HR Excellence in Research award in 2022/23, which underlines our continued commitment to enhancing the careers of our valued community of researchers.





OUR LEARNING, TEACHING AND STUDENT EXPERIENCE

Our students, and their diverse experiences, needs and ambitions, shape the environment that we seek to foster at Swansea University. We are committed to providing outstanding learning and teaching and an exceptional student experience, by working in partnership with our students and our Students' Union to take students' needs and expectations into account in our decision-making. We take pride in our commitment to student mental health and wellbeing and the strength of our student support services. This year, we have commissioned a number of reviews of these services to ensure that we continue to strive for excellence and maintain our strong reputation for the quality of our student experience.

Our key priorities for the student experience include:

- To ensure that the wellbeing of our students is the foundation of our student experience
- To create more opportunities for our students to experience a work-based placement and to acquire skills and experience that help them to make a difference to our society
- To provide more international mobility opportunities for students (see pages 20–21)

In 2022/23 we continued to demonstrate our commitment to providing a Higher Education experience that is tailored to the learner of today. We launched our new MySwansea app, which provides students with an easy access point to study and life essentials, including timetables,

campus maps and their online learning portal. In January 2023, we held our 'refresher' event; an opportunity to support both our January entry students and the wider student cohort. We also introduced a minimum standard for education best practice across our teaching community and established a new Student Gateway project focused on improving and enhancing students' access to services, support, and facilities.

We have further enhanced our data provision to support evidence-led decision making with the introduction of new Graduate Outcomes dashboards (which support improvements in our Graduate Outcomes rankings) and have reviewed and improved a number of key student-focused policies, including for Extenuating Circumstances, Academic Integrity and Personal Tutoring.

Governance, particularly in relation to learning and teaching, has been a point of specific focus in 2022/23, as we continue to embed changes following our restructure from seven Colleges to three Faculties in 2021. This has resulted in a realignment and renaming of existing committee structures. For example, we have established the University Education Committee, which is supported by two informal bodies; the Student Advisory Forum and the University Education Forum. This approach mirrors the structures within our three Faculties and provides enhanced integration and communication across our University. The realignment of these governance structures supports ongoing monitoring, reviewing and enhancement of our learning and teaching provision.

In common with the sector as a whole, emerging from the Covid-19 pandemic has presented us not only with a range of challenges, but also with opportunities to review and enhance our provision and approaches in a sustainable and evidence-based manner. We have launched a refreshed approach to Student Experience Action Planning, with an initial focus on the National Student Survey and other student feedback outcomes. From the emerging data, it is clear that we are facing challenges relating to both Academic Integrity and Academic Misconduct, in part due to assessment changes undertaken in response to the impacts of Covid-19. An enhancement project is now underway to improve our University's approach to Academic Integrity. Similarly, a project team are reviewing approaches to the management of student extenuating circumstances, to provide an enhanced approach to support the students of today.

We continue to seek opportunities to expand our University's offering internationally and to provide choice to students within an increasingly competitive international marketplace. Our January entry point, established across select programmes during the pandemic to provide students with greater flexibility, has continued to prove a popular choice for some international students this year. As outlined on pages 20–21, we have also explored a number of potential partnerships and opportunities over the past 12 months, utilising our well-established internal approval processes and working closely with Universities UK and the Quality Assurance Agency's Quality Evaluation and Enhancement of TNE Scheme, to protect our academic standards and the reputation of our University.





Mental Health and Wellbeing

We commissioned an external review of our Student Mental Health and Wellbeing Services which was completed in August 2022. The review provided 28 recommendations centred on improved policies and processes, prevention and joined-up working. We have made considerable progress in acting upon these recommendations in 2022/23, with further progress towards completion planned within the next academic year.

This year, we reviewed the scope and responsibilities of our University's Health and Wellbeing Board, which is responsible for embedding the Health and Wellbeing strategy across our University's systems, culture, and processes. To better reflect its whole-University remit, the Board has been repositioned, such that it is now chaired by the Pro-Vice-Chancellor for Education and therefore reports directly to the Senior Leadership Team.

We also updated our Student Mental Health Policy to reflect our continued strategic focus on, and commitment to, mental health within an ever-changing student landscape. The new policy incorporates a whole-University commitment to mental health, highlighting both our legal obligations and our responsibilities at all stages of the student journey, from application and beyond. In December 2022, our Student Services team also embarked on the development of a new Fitness to Study Policy and Procedure, which we anticipate will launch later in 2023.

In respect of the support services that we are proud to provide to our students during our time with us, we are conscious of ever-growing demand and the need to increase our provision in response. Overarching services such as Faith, Community Liaison, Equalities, International Advice, Money Advice and Welfare Advice have experienced a 60% increase in demand as compared to last year. Our Wellbeing and Disability Service alone has seen a 46% increase in initial referrals since 2021/22. This year, we were pleased to be able to increase the number of student appointments available year on year; by 15% for mental health and counselling, 8% for neurodiversity and disability and 5% for Specialist Mentoring and Study Skills. In total, our Service has delivered almost 13,500 appointments within this academic year.

Improvements have also been made to ensure that a high standard of service is delivered to all students and that the service remains available for new student referrals during periods of peak demand. We have:

- Created a new, single point of access for students seeking support for mental health and disability
- Reviewed and strengthened the triage criteria to manage referrals for mental health
- Prioritised and increased availability of appointments for students triaged as high risk by 50%

- Introduced a more robust management structure
- Improved relationships with public sector bodies such as the NHS, Social Services, and the police
- Relunched online mental health resources for students via Togetherall, the Feeling Good App and Myf Cymru

To support service delivery, we utilised HEFCW Better Mental Health funding to finance key projects, including additional counselling provision to support demand, a peer buddying project for autistic students, and a health and wellbeing promotional campaign.

In December 2022, our Suicide Safer Strategy was implemented and focuses on four key areas: Promotion, Prevention, Provision and Postvention, encompassing:

- Service delivery improvements across mental health and wellbeing services as highlighted
- Suicide prevention work and staff training delivered by Papyrus Youth Suicide Prevention (supported by HEFCW Better Mental Health funding)
- Better signposted and more consistent Welsh language medium support and resources
- Development of a Trusted Contacts Policy
- Development of a Students of Concern procedure
- Reconfiguration and expansion of the University Incident Management Team for Out of Hours provision including death of a student protocols
- Introduction of a Serious Incident Internal Review procedure to ensure that any serious incident informs our understanding, knowledge, and support provision
- Enhanced Chaplaincy resource

The Welfare Team has also developed a Student Sexual Misconduct Policy which outlines our University's response to sexual misconduct and provides information about the support available for reporters of sexual misconduct and responders to allegations of sexual misconduct. Our recently appointed Sexual Violence and Culture Change Project Officer is currently creating Terms of Reference and Membership for an internal taskforce with a remit to develop and guide an institutional approach to tackling sexual violence.

Safeguarding

Following an external review of our Safeguarding arrangements, we have made significant progress in implementing its recommendations. Crucially, we have appointed a University Council-level Champion who is now involved in promoting our University's Safeguarding and Prevent Activities.

In 2022/23, we introduced a dedicated Safeguarding Team led by the Head of Safeguarding, who is our University's Principal Safeguarding Officer and who will lead and coordinate Safeguarding arrangements, including Prevent and the cross-University Safeguarding Forum which will be re-established for 2023/24.

Our Safeguarding Policy and its surrounding landscape have been reshaped to increase policy coverage and improve clarity regarding governance and accountability. Our Prevent Policy was updated and ultimately approved in November 2022, while our Safeguarding Policy was updated and ultimately approved in July 2023.

Skills and Mobility Opportunities

We are proud to continue to offer a range of support which ensures that our students realise their full potential and can make the most of their time with us.

Our Centre for Academic Success (CAS) supports students to develop their academic study skills through a range of self-selected courses, workshops, 1:1 appointments and embedded-in-module provision.

CAS has operated a successful Peer Assisted Study Skills (PASS) programme since 2019. This programme identifies modules with traditionally lower than average student progression rates and trains students from previous cohorts to be student leaders; a role which facilitates weekly skills sessions on techniques to help successfully meet module requirements. These student leaders do not teach content but rather facilitate discussion and exploration around methods to enhance study habits. We have now expanded this programme across each of our three Faculties, with 16 student leaders running sessions and gaining experience and confidence from their positions and the feedback and mentoring which CAS offers.

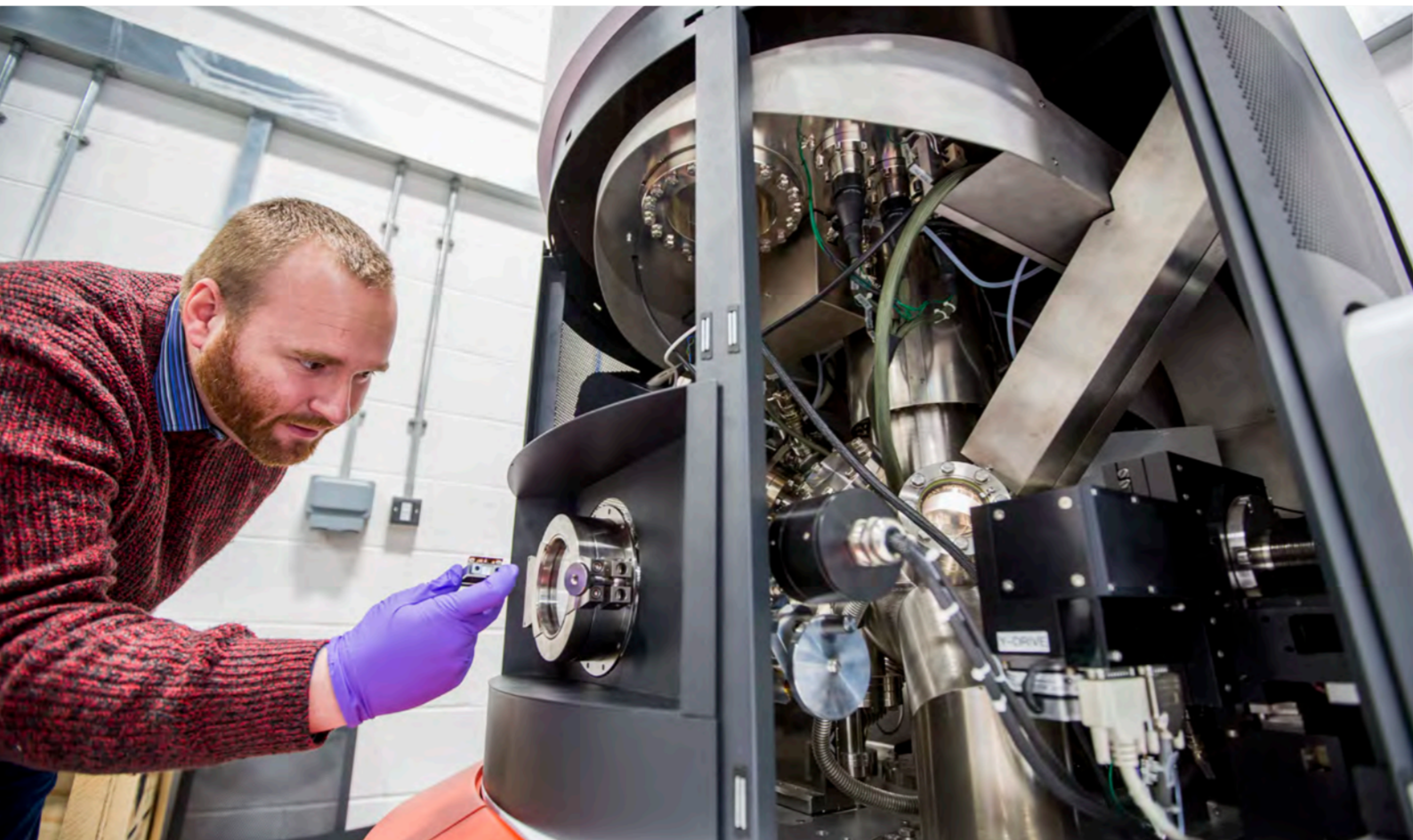
In addition to PASS, CAS also offers postgraduate students the opportunity to apply for paid, part-time peer mentoring positions covering aspects of academic writing and maths and statistics. Several of these advisors have ultimately progressed into formal teaching positions within our University following successful completion of their PhD, and have reported that the experience to offer feedback on these skills has significantly contributed to their teaching and marking practices.

Our Swansea Employability Academy (SEA) helps students to gain as much experience as possible within a work environment to help develop their soft skills and to put their studies into practice. The Academy manages internships with industry, including Santander-funded internships, and all student and graduate interns are paid at least the Living Wage Foundation rate. In partnership with the Students' Union, the Academy also offers funding for clubs and societies to create and host employability themed events that engage students with employers and alumni.

In January 2023, SEA launched the new HEFCW-funded GO Wales programme, known to students as 'Career Boost'. The programme focuses on students who identify as experiencing barriers to recruitment such as care leavers, care givers and disabled students. From August 2023, SEA is also bringing the popular Graduate Support Programme (GSP) in-house, following two years of HEFCW/Welsh Government Covid-19 response funding.

SEA continues to achieve significant external recognition as finalists at the 2023 AGCAS Awards for Excellence and 2023 ISE Awards, winning the 2022 Wales Technology Award for Academia and Industry Collaboration, as well as securing the prestigious AGCAS Quality standard for 2023-2026.

In line with our civic mission, our University is also proud to support learners facing unimaginable circumstances across the world. This year, our English Language Training Services (ELTS) team has worked to support our partner institution in Ukraine through providing structured sessions, and is currently offering daily, free English language classes for refugees and asylum seekers.



OUR RESEARCH AND ENTERPRISE

This year, our Research and Enterprise activity has focused primarily on supporting researchers to achieve their full potential at all career stages and facilitating connections with funders and research users within industry, public and third sector organisations.

Through externally funded research income and Quality Related (QR) funding, we have continued to build upon our existing research strengths, taking advantage of emerging opportunities and positioning ourselves within the UK's top 20 for research income. Our curiosity-driven and sustainability-focused research and innovation activity is helping to address the net zero challenge, tackle climate change, build a connected and inclusive society, enhance health and wellbeing, and embrace the richness of place and culture.

To support this activity, it is vital that we continue to position ourselves competitively to secure the external funding which is critical to our ability to maximise our research impact. Some of the highlights within this space from this year are as follows:

- Our total research and innovation awards portfolio has grown significantly year on year, and now stands at 1,441 live projects valued at £482.2m

- In 2022/23, our research and innovation community secured £72.9m in funding awards, representing a 7% increase since 2021/22 and a 108% increase since 2012/13
- In 2022/23, we submitted more grant proposals (979) and at a greater value (now £301.2m) than the previous year
- While European Union funding has fallen significantly following the UK's departure from the EU, we have increased the level of funding we receive from UK Government (now £24.9m) and charitable bodies (now £6.7m) year on year, and have maintained funding levels from Research Councils, industry and commerce and UK Health and Hospital Authorities
- We were particularly pleased to see a marked increase in Medical Research Council funded grants this year, totalling £6.1m
- Crucially, the proportion of research awards secured by female staff and staff from minority ethnic groups has continued to increase in 2022/23 and now stands at 42% and 15% respectively.

Research Governance

Effective research governance underpins our ability to deliver high-quality and trusted research impact. This year, the Research Governance team has supported 24 projects that required Health and Social Care sponsorship, facilitated four Quality Assurance monitoring site support visits, signed off five research grants plus four research projects for the Ministry of Defence, and distributed 34 Local Information Packs to NHS Trusts to confirm capacity and capability for project collaboration. The team introduced a new online sponsorship portal and currently support monthly contact clinics at both University campuses. Our Sponsorship Oversight Committee has also been expanded this year, to incorporate consultees with expertise to cover Medical Devices, Mental Capacity Act and Data Management.

Research support

Our Research, Engagement and Innovation Services team has supported 253 contracts across Faculties and Professional Services Units this year and continues to offer face-to-face contracts surgeries and regular training sessions. In addition, the team has contributed to critical work on the legislative and governance agenda as it relates to research contracts, such as Export Controls and Trusted Research.

In 2022/23, over 25 research and innovation-focused training sessions, workshops and events were delivered to 601 registered participants and a suite of 15 additional training videos were developed and promoted across the research community via the staff intranet.

Horizon Europe

With the uncertainty surrounding the UK's association to Horizon Europe, we have supported our researchers to successfully apply for European funding via Horizon Europe, making use of the UKRI guarantee fund to draw down funding of over £5m. For example, an MSCA Post-Doctoral Fellowship award, led by Dr Hadi Madineh, was successful in securing £201k for a new and ultra-sensitive mass sensor for the detection of a biomarker for liver cancer.

Research Culture

As part of our ongoing commitment to Research Integrity, a new Research Culture Manager is working with colleagues to identify the practice, policy and performance that will support a positive research culture and ensure that the research system at Swansea University comprises talented and diverse people with appropriate skillsets. The role supports our participation in the UKRI-funded Open Research Programme, our University's application to the UKRN, Athena Swan, Technician Commitment and the Research Concordat.

QS World Rankings

We delivered our best-ever performance in the QS World University Rankings 2024, with Swansea University climbing 118 places to 307th, placing us among the top 21% of Higher Education providers in the world. In particular, we have focused on raising awareness of the scale and excellence of research taking place in Swansea over the last year, which has supported an increase in our academic research reputation, a key metric within the international ranking.

Innovation development and Knowledge Exchange (KE)

As an institution, we have remained adept at maximising large and strategic investments captured through the 'dual funding' system to add value to small and large businesses, both within our region and beyond. With the support of the HEFCW Research Wales Innovation Fund (RWIF), we continue to provide core knowledge exchange services and mobilise a range of sector specific projects offering tailored support for industries.

Knowledge Transfer Projects (KTP) and Smart Partnerships (SP)

We have a growing pipeline of knowledge exchange projects, including one Knowledge Transfer Project (KTP) completed, two ongoing Management KTPs, three KTPs in submission and four KTPs in development. Additionally for this year, two Smart Partnership (SP) projects have been completed, four SPs are ongoing, three SP applications were submitted and four are in development.

Business and Community Interaction

In 2022/23, we secured a £3m increase in Collaborative Research Project income as measured through the HE-BCI (Higher Education Business & Community Interaction) survey. This now stands at £55.5m (including match funding), which represents the highest level of formal externally funded Collaborative Research in Wales. Overall Swansea University's total HE-BCI income has increased by a further £2m to £86.5 million (including match funding); our highest ever total and a continuation of our upward trend.

Impact Acceleration Accounts

In 2022/23, our Impact Acceleration Account (IAA) secured multiple IAAs totalling more than £3.8m, to support a portfolio of activities across a range of UKRI Councils, including EPSRC, MRC, AHRC and ESRC. These activities include: early-stage engagement with users of research; advancing the reach and depth of our institutional impact; stimulating ideas and demonstrating proof of benefit; supporting commercial routes to market, and; making the most of potential collaborations through seconding staff into and from partner organisations.

Swansea University LINC

The Swansea University LINC network celebrated its fifth anniversary this year. This externally-facing network provides a wide range of stakeholders with access to research and innovation expertise, facilities and equipment, and information on funding for knowledge exchange. The network has supported seven events this year, bringing the total since its launch to 28, with 2,800 registrations. To date, a total of 1,142 members have signed up to the network from 587 organisations.



Enterprise, Intellectual Property and Commercialisation

The institution's first Enterprise strategy has been developed this year, which includes supporting the development of activities around student enterprise, intellectual property (IP) protection and commercialisation, and partnerships. We are currently scoping the delivery plan, which will be presented, alongside the strategy, to University Council for approval in autumn 2023.

In 2022/23, we also undertook a review of our IP policies (relating to staff, students, consultancy, and conflict of interest), an audit report of our IP assets and opportunities, and an improvement in IP governance, management processes and systems, following an internal audit.

Research Wales Innovation Fund (RWIF)

We have significantly strengthened our overall approach to the development of our innovation and engagement agenda, in partnership with other universities in Wales through the targeted allocation via the HEFCW RWIF provision. Via RWIF capacity grants, over 150 projects have been funded in the three-year programme within a total programme value of £7.9m. In addition, our annual RWIF allocation will exceed £3m for the first time next year.

Wales Innovation Network (WIN)

Swansea University was awarded £368k via the Wales Innovation Network in the last year and has delivered on all six of the projects funded, while collaborating on a further 25 WIN-approved projects. Additionally, we were awarded funding through the All-Wales Policing Academic Collaboration: *Police understanding and application of the concept of vulnerability in responding to the needs of sex workers in Wales*. Swansea and Cardiff Universities also collaborated on a successful joint UKRPIF bid with Birmingham University and the Global Centre for Rail Excellence.

Student Enterprise

Swansea University ranked 2nd in Wales for start-up creation (HEBCI 21/22) and achieved every Welsh Government Youth Entrepreneurship Grant KPI this year, including overseeing the start-up of 51 businesses. We hosted and jointly sponsored the prestigious International Enterprise Educators Conference in September 2022 and supported 17 Students from the Faculty of Science and Engineering who were selected to partake in the annual *Invent for the Planet* hackathon in April 2023. Competing against 350 scholars representing 24 universities across the globe, our student team were awarded first place for their innovative water pump solution to provide clean water and sanitation.





OUR INTERNATIONAL UNIVERSITY

We continue to work towards our International Strategy 2020–2025 commitments, focusing on growing our international student numbers, strengthening our international strategic partnerships, growing our global research networks, and achieving a stronger global profile. These goals dovetail with our core commitment to extend our global reach and reputation, becoming a preferred partner for international research, teaching and enterprise collaborations, and continuing to improve our placement within the international rankings year on year.

The three pillars which represent our international ambitions are:

- **Global graduates:** increasing our international student enrolments by 800 by 2025, and giving every Swansea student the opportunity to undertake a global experience

- **Global partnerships:** creating a dynamic global footprint by strengthening partnerships with higher education institutions around the world

- **Global reputation:** becoming a QS world top 350 university

The Higher Education sector as a whole continues its recovery from the aftershocks of recent global events and domestic and international policy changes. While the most immediate impacts of the Covid-19 pandemic are receding, longer-term effects are still being experienced in large markets such as China, where regional mobility is an emerging trend that holds wider international implications.

Competition for staff, students and funding remains a major consideration, as are evolving student expectations. The changing ways in which education can be delivered and the increasing range of options for students represent both challenges but also promising opportunities for us. This year, we have also faced the impact of domestic

policy decisions within the UK, as the impact of Brexit becomes more defined, and the issue of immigration becomes increasingly divisive.

In spite of a challenging external backdrop, our University has continued to make significant progress in respect of the internationalisation agenda this year.

Global Graduates

We continue to deliver opportunities for every student to develop competencies and intercultural communication skills through travel abroad, supported by funding from the Welsh Government's Taith scheme (£740k, inbound and outbound), the UK government's Turing scheme (£473k, outbound only), and EU Erasmus funding (£210k).

Despite a difficult period following the Covid-19 pandemic and the ongoing effects of Brexit, we are pleased that student mobility has performed strongly this year. Students have participated in mobility opportunities in 19 countries this year, and the number of outbound students is back to 74% of pre-Covid-19 numbers. More than



500 students have taken advantage of mobility opportunities this year through initiatives such as Year Abroad, Semester Abroad, Summer School, field courses and Medical Electives.

Inbound visiting and exchange student numbers are climbing steadily, although these too are affected by Brexit and the end of the UK's participation in the Erasmus+ programme. In 2022/23, we welcomed 231 inbound exchange and visiting students on Academic Year and Semester Abroad programmes. This includes 22 visiting students from our partnership with Petro Mohyla Black Sea National University, established through Universities UK's Twinning Scheme to support students and staff affected by the war in Ukraine. Looking ahead, we aim to incentivise more students to come to our University with Taith funding, which supports inbound mobility to Welsh Higher Education institutions.

In terms of degree-seeking international recruitment, diversification continues to drive our international recruitment strategy. International students at Swansea University consistently represent more than 90 different countries and our international student recruitment continued to perform strongly in 2022/23, increasing 29% on the previous year. The College, Swansea University plays an increasingly significant role in pipeline growth, with close alignment to our

international ambitions. The January enrolment window, opened during the pandemic, continued to perform well, paving the way for us to explore further in-year entry points.

This year has also seen the first full cycle of recruitment-related international travel with visits undertaken to all of our priority markets including China, for the first time since 2019. Staff have attended recruitment events and met students and other key stakeholders in person and have delivered in-country agent training events and successful international alumni events. In Swansea, we were delighted to hold an in-person conference for our key partners for the first time since 2019.

Global Partnerships

This year saw us build on the Transnational Education (TNE) activity advanced in 2021/22. Several significant TNE projects are underway. We resubmitted a proposal for a Joint Education Programme with Dalian Maritime University in Law to the Chinese Ministry of Education. We also submitted a fully developed proposal for a Joint Education Institute developed with Nanjing Tech University to deliver degrees in Engineering. If approved, these projects will significantly enhance Swansea's TNE presence in China.

This year, we also launched a new project with a private provider in Mauritius to develop and deliver a top-up and an undergraduate degree and professional development in Nursing. While this project remains in its nascent stages, there are several future opportunities linked to this project which we will continue to explore.

The reopening of borders in the wake of Covid-19 has reinvigorated international relationships, with visits undertaken to academic partners in China, France and the USA this year. We were also pleased to host a number of inward visits from academic partners in the USA, Canada, China, France, and Vietnam. Our longstanding partnership with Université Grenoble Alpes has expanded to include a workstream on micro-electronics and semiconductors research. We are also developing, as part of a successful European consortium, an Erasmus Mundus-funded collaborative doctorate in Sports Ethics and Integrity.

In addition to the students from Petro Mohyla Black Sea National University who we have welcomed to Swansea, in July 2023 we were honoured to welcome four of their academic staff to Swansea for three weeks to strengthen academic relationships.

Global Reputation

We achieved considerable success this year, in building our global reputation in the QS World Rankings 2024. Swansea University was the biggest climber of any institution in the top 500, improving by 118 places to 307 and meeting our target to achieve a world top 350 ranking by 2025. The largest driver of our improvement was our reputation metrics; we had the largest score increase for Academic and Employer Reputation of all UK institutions. Our improved ranking will positively affect our ability to recruit international students and to grow our global collaborations.

We continue to be active in the Jiangsu – UK 2020 research network along with several UK institutions and to seek new research networks for collaboration.

Looking ahead, we are committed to growing our global footprint by establishing an overseas presence in the Gulf States and Southeast Asia. We will enable more students to study abroad, will explore the creation of more entry points for degree-seeking students, and we will continue to build our transnational portfolio. Despite multiple global challenges, there are therefore exciting new opportunities on the horizon.

OUR DIGITAL INFRASTRUCTURE

In 2022/23, our Information Services and Systems (ISS) team has continued to respond to the ever – and faster – changing needs of our University and our community through the adoption of agile working practices and leveraging further commercial and industry–standard software solutions.

A digital business partner practice has been established to forge closer links across our institution, to enhance our digital profile and to meet the needs of our students and staff. The Business Partner team is aligned to the three Faculties and acts as the main point of contact for digital initiatives across our University.

Throughout the year, we have worked with our industry partners to develop a core network design for the soon-to-be-refreshed campus network for Singleton and Bay campuses. We will begin the implementation of the new network in early 2024. This long-term investment will provide our University with a secure, high-speed, and robust network that meets the needs of students, researchers, and the wider community.

Our institutional Digital Strategy was approved by the Senior Leadership Team and University Council in March 2023, following several months of intensive student and staff engagement workshops. This led to the definition of 12 goals, 136 initiatives, and 85 projects on the IT Roadmap, which we will work to progress over the coming years.

In January 2023, we released the MySwansea app for students, with key features such as Canvas (our online student portal) notifications and module quick links, Outlook calendar integration, and student news and wellbeing support. Over 5,800 students have registered to use the app and, to date, more than 1,200 use it on a daily basis.

Our new IT Service Desk was also launched in January, aligned with industry–standard practices, to service students, staff,

and visitors to our University in both Welsh and English. Having received over 11,000 tickets, customer satisfaction levels are currently at 93% and the ISS Service Desk staff has resolved 73% of calls on first contact.

In collaboration with academic staff, a new research ethics review system was introduced in March 2023, processing over 600 ethics applications from postgraduate students and researchers to date.

We have also continued to accelerate the cyber–security programme, making significant progress towards a centrally managed cyber–security capability that protects, adds value, and enables our University to deliver our core mission. In February, the ISS team supported Swansea Materials Research and Testing (SMaRT) to achieve its Cyber Essentials Plus certification, a crucial step in enabling SMaRT to work securely with its partners and customers.

In keeping with our institutional commitment to the Trusted Research agenda, in June 2023, we created a Trusted Research Environment using Amazon Web Services (AWS). This enables our researchers to securely store and process confidential data, accessible only through Cyber Essentials–certified devices.

This summer, we commenced a significant programme of activity to modernise our Student Records, Finance and HR systems. These projects will deliver improved, streamlined processes, in addition to updated technology. We plan to develop and deliver these projects in a phased manner over the next three years.

Looking forward, we will continue to adapt in line with the needs of our customers, by focusing on IT that delivers for its users and by consolidating working practices and processes across our University. In particular, we will seek to address digital skills and confidence across our community while also exploring new opportunities within the digital space, including supporting the growing interest in e–sports.





OUR ESTATE

Our Estates Strategy is based upon six strategic pillars that seek to address challenges and opportunities in relation to our University estate.

To further support the objectives of the six pillars, a Master Planning process has been initiated at both our Singleton and Bay Campuses. The Master Planning process is due for completion in December 2023 and will seek:

- To retain our founding concept of a living, working academic campus.
- To provide a campus that supports our University's business plan and Estates Strategy objectives.
- To accommodate the continuing growth of both faculty and students at Singleton and Bay Campuses

Student Accommodation

In June 2023, we handed over all student accommodation at Hendrefoilan Student Village to its new owner, marking the completion of the first phase of our student accommodation strategy. We have also signed nomination agreements with two providers who will deliver high quality student accommodation in Swansea city centre. Work has now commenced on the second phase of this strategy, including an initial appraisal for student residential development on our Singleton campus.

We have initiated a number of key infrastructure projects during the course of the year, including:

Research and Innovation Space at Swansea Bay Sports Park

As part of the Swansea Bay City Deal Campuses Project, a proposed new building will provide dedicated research and innovation space to support the development, testing and evaluation of medical, health, wellbeing, and sports technologies. The design process for the 2000m² facility is underway, with a preferred concept to be taken forward ready for submission to planning in late 2023.

New Infrastructure at Swansea Bay Sports Park.

We have continued to invest in Swansea Bay Sports Park. A new modular changing facility currently under construction will support activity on the athletics track, infield, 3G and grass pitches and provide male, female, and disabled facilities for athletes and officials.

A new multi-purpose hall is supporting a wide range of student clubs and activities, including martial arts and table tennis, and work is progressing on a new fully flood-lit World Rugby and FIFA quality compliant 3G pitch, as well as enhancements to the grass pitches. We continue to invest in our world-class hockey facilities, with the introduction of a 300-seat stand, which will enable Swansea University to host international fixtures and events at the Sports Park.

CISM (Centre for Integrative Semiconductor Materials)

In 2023, our new £50m CISM facility on Swansea University's Bay Campus officially opened. This building has been created with the purpose of bringing together semiconductor and advanced materials platforms and processes to deliver new technologies and products.

CISM Research Institute's active group comprises staff from across our University's academic community, including from Physics, Engineering, Materials and Chemistry. The group organises and encourages mentoring and support programmes and continuously sees significant benefits from the strong industry connections developed over the last three years.

Simulation and Immersive Learning Centre

Work is also progressing on our Simulation and Immersive Learning Centre, a state-of-the-art simulation facility which will be situated on our Singleton Campus, with three further simulation and immersive learning suites also planned for our St. David's Park Campus. The Centre will host the largest installation of Immersive Wall technology and CAE simulation learning space technology in Europe, and we anticipate that it will open formally in autumn 2023.

Redevelopment of the listed Fulton House Building

Our plans to refurbish Fulton House and create a student hub at the heart of the Singleton Park Campus have now formally commenced. We have consulted stakeholders as part of the information-gathering phase of

the project, who will continue to be engaged as we progress into the concept and detailed design stages. We anticipate a phased programme of construction will commence during autumn 2024. The redevelopment of first floor spaces is currently underway with our catering partners Chartwells and is due for completion in autumn 2023.

Investing in our Heritage

While we continue to invest in a campus for the future, we remain committed to protecting the history and heritage of our existing estate. Activity during the past 12 months has focused on refurbishing the historic Abbey Building, addressing elements of the 1937 Library building and developing Conservation Plans for a number of our listed buildings; this has included the Abbey Fountains, which have now been sensitively restored to their former glory.





OUR SUSTAINABILITY

We are committed to shaping a more sustainable future for our community and the world.

We have pledged to have zero carbon campuses and vehicles (scope 1 & 2) by 2035, to no longer invest directly in fossil fuel companies, and to cut our supply chain and travel (scope 3) emissions by 50% between 2015 and 2035.

We have also pledged to make Swansea University a Nature Positive University.

Our plans are set out in our Sustainability and Climate Emergency Strategy (2021–2025) which commits us to actions across four key themes: The Climate Emergency, Our Natural Environment, Our Working Environment and Our Travel.

Through our quarterly Strategic Sustainability Committee, we monitor performance against our strategic commitments, scanning the horizon for opportunities to collaborate, enhance and expedite delivery. Established in 2022, the Committee is co-chaired by the Registrar and Chief Operating Officer and the Pro-Vice-Chancellor for Research and Innovation, with membership comprising key stakeholders, from academic and operational staff to student and staff representatives.

The Climate Emergency

We are promoting carbon literacy and awareness of the climate crisis, as well as the impacts of everyday actions on the climate. We were, for example, proud to be the first university in Wales to become a Refill

University, obviating the need for thousands of single use plastic bottles through the installation of hundreds of campus water refill stations.

Through our bespoke, award-winning SWell app, we have engaged more than 50% of our staff community and have encouraged behaviours to lower our individual and collective carbon footprints. To date, more than 400,000 positive actions have been completed, including using energy hungry appliances efficiently, reporting equipment faults and leaks, choosing sustainable and active travel methods, avoiding waste, and reducing our purchasing.

We have invested around £6m in decarbonisation projects in the last two years, and we are taking steps to become Electric Vehicle (EV)-friendly across both campuses. We have cut campus energy and fleet emissions by 34% and have set an Electric Vehicle and Charging Policy to ensure a 100% Zero Emission Fleet and the provision of electric charging infrastructure on campus. We have also reduced our carbon emissions from our fleet by 66% (since 2015) and now have 11 charging points across our campuses.

Overall, we have seen a 16% drop in CO₂e from electricity consumption since 2015/16, even against a backdrop of campus growth.

We were placed 13th in the 2022/23 People and Planet League of UK universities ranked by environmental and ethical performance and are 101st–200th in the world in the Sustainable Development Goal THE Impact League, with ambitions to be within the top 50 by 2027.

Having previously achieved the Carbon Trust Standard for year-on-year reduction of total waste, in May 2023 we became the first Welsh university to achieve the prestigious Zero Waste to Landfill certification.

Our Natural Environment

Our campuses are home to extensive green spaces including wildflower meadows and grasslands, which support a wide variety of wildlife.

We are proud to be a founding member of the Nature Positive Universities Alliance, launched in December 2022 at the UN Biodiversity Conference (COP15). Our membership underlines our commitment to protect these important green spaces but also goes further; looking at how our entire operations impact nature, from the food sold on our campuses to the equipment used in our labs and offices, to the energy consumed in our buildings and on our journeys.

Our working environment

We are taking steps to make our working environment more sustainable. We have installed 1,800 new roof solar panels across both campuses; three new novel horizontal wind turbines on the roof of our CISM building and have installed our first Air Source Heat Pump (ASHP) within our Haldane building, removing the need to heat the building using gas.

We have upgraded lighting systems across our Singleton Campus by installing over 7,500 LED lights with automatic lighting controls to reduce operating costs and carbon emissions. On our Bay Campus, LED lamps have also been installed to the external street lighting columns. More than ten of our buildings are rated environmentally excellent or better, including our Institute of Life Science Buildings 1 and 2, and The College, Computational Foundry and Engineering North on our Bay Campus. We have committed £2.4m to invest in more solar photovoltaics, building management system upgrades, and switching to LED.

We are also developing plans to pilot Fulton House Redevelopment against a sustainability refurbishment accreditation (RICS SKA or BREEAM).

In order for us to meet scope 3 targets, we need to consider how we operate within all spaces across our University estate, including our labs and workshops. LEAF (Laboratory Efficiency Assessment Framework) sustainable labs are the green standard for laboratories and the scheme is open to all labs on campus to help reduce their environmental impact. It is our goal that all of our University labs will be part of the LEAF programme, with the aim of achieving a bronze LEAF award by the end of the 2024–25 academic year.

Travel

In recognition of the impact that travel has on our carbon footprint, we are committed to providing schemes which encourage our staff and students to consider alternative transport, such as our highly successful Santander Bike Scheme and SWell Travel Buddy app. We were the first employer and university in Wales to be audited and be awarded a Cycle Friendly Employer (CFE) accreditation (Gold level since 2022). Our staff Cycle to Work scheme upper limit has been raised to £3,000 to offer better choice and discounts on bike purchases for the purposes of commuting to work. We offer discounted staff and student annual and term-time bus passes and run regular Travel Champion training across our University, including within the Students' Union, and bi-monthly student and staff bus and cycle user group forums. We also provide free lights and locks to students and provide security bike marking free of charge.

These practical steps mean that we are on course to meeting our ambitious target of becoming net zero, and no longer adding to the total amount of greenhouse gases in the atmosphere, by 2035. This goes some way to fulfilling our ambition to be an exemplary institution in terms of sustainability, in the region, nationally and internationally.

FINANCIAL REVIEW

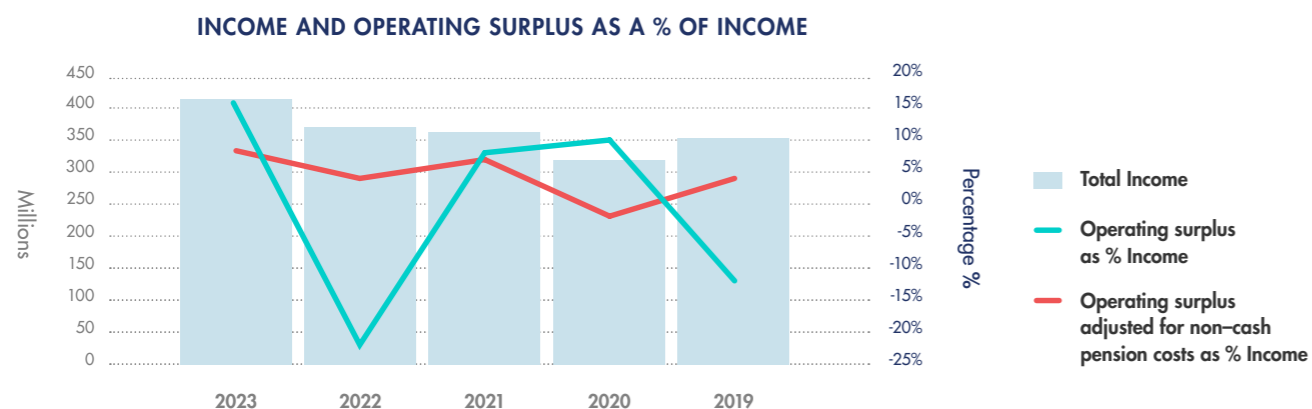
Highlights

	2023	2022		2023	2022
Operating surplus / (deficit)	£64m	(£78m)	Operating surplus / (deficit) as % income	16%	(22%)
Operating surplus / (deficit) excluding pension adjustments	£33m	£14m	Operating surplus / (deficit) excluding pension adjustments as % of income	8%	4%
Total comprehensive income	£83m	(£56m)			
EBITDA	£41m	£44m	EBITDA as % of income	10%	12%
Net cash flow from operating activities	£50m	£56m	Net cash flow from operating activities as % of income	12%	15%
Cash at the end of the year	£123m	£165m	Liquidity days	130	185

Scope of Financial Statements

These financial Statements consolidate Swansea University, its subsidiary undertakings and associated companies and have been prepared in accordance with Financial Reporting Standard 102 (FRS102) as interpreted by the 2019 edition of the *Statement of Recommended Practice: Accounting for further and higher education*.

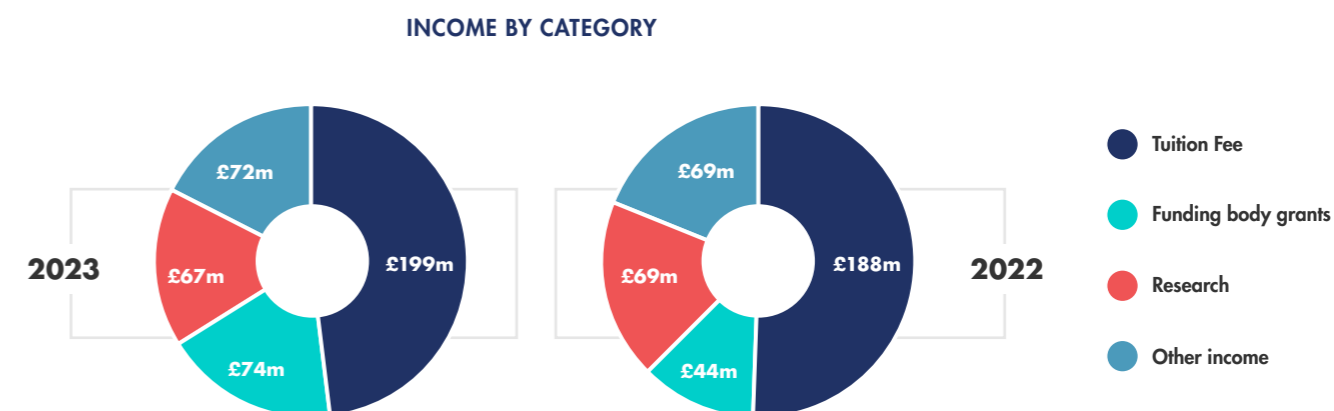
Overview



The challenges facing the higher education sector continued to affect the University during the financial year 31 July 2023. Despite this, Swansea University and its subsidiary undertakings retained an operating surplus of £32.8m in the year to 31 July 2023, before the change in the USS pension scheme provision, compared to a surplus of £14.0m for 2022.

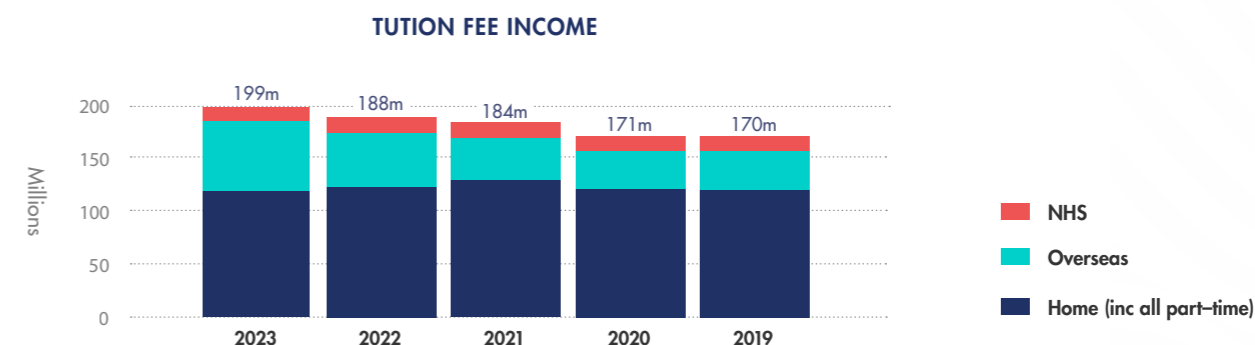
Income – increased by 12% to £413m

2022/23 saw income growth of £42.6m due to an increase in tuition fees and the release of capital grant income.



Tuition fee income increased by 6% to £198.9m.

Tuition fee income from full time overseas students increased by £14.3m for the year, whilst income from full time home students decreased by £4.7m. 2023 saw further growth in overseas students, the number of enrolments increasing by 14%, following the 33% increase in the prior year. This increase was largely driven by significant growth in overseas postgraduate taught students in the September entry point, enrolled in Business, Accounting and Finance. Like many in the higher education sector, the University saw an unexpected fall in the number of home undergraduate students progressing from one year of study to the next and a reduction in the number of home students choosing to go on to postgraduate study. The cost-of-living crisis is thought to have been a key factor in this and the effect that Covid-19 had on young people's education continues to impact on their university life.

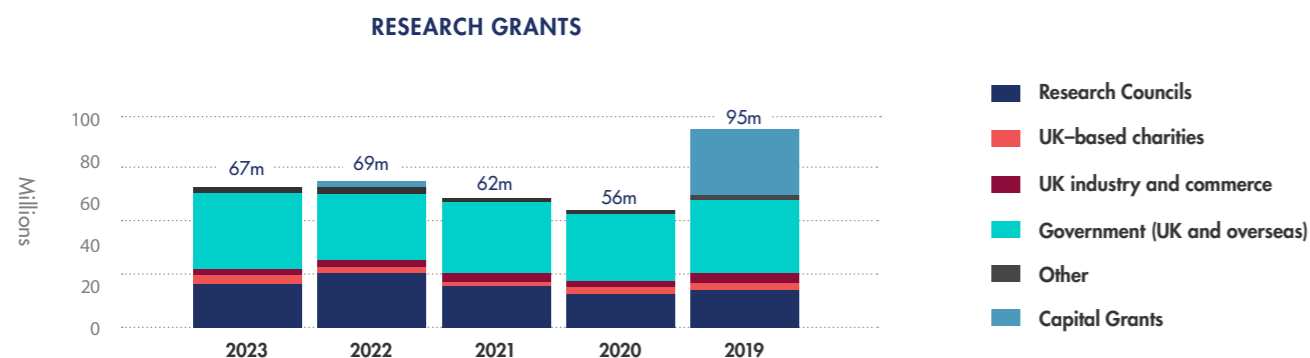


Funding body grants (excluding capital grant income) decreased by 7% to £38.2m.

Recurrent grants for teaching and research remained consistent with the prior year at £28.9m, whilst capital recurrent grants increased by £1.2m to £2.0m. During the year to 31 July 2023, £9.3m of non-capital specific grants were received to support projects such as student wellbeing and health, research and innovation, and the Welsh Language. £33.9m of capital funding was recognised as income in the year, including £29.9m relating to the new research building, the Centre of Integrated Semiconductor Materials (CISM).

Research income, excluding capital grants, remained stable at £66.7m.

The University continued to increase its research grant capture in 2023. Research grants received from UK and overseas Governments (excluding capital) increased by 14% to £36.2m which reflects the achievements in winning new grants in Health and Engineering along with significant spend with the ending of the EU Structural Funds programme. Income from Research Councils decreased in the year by 19% to £20.7m. This was comparable to the income recognised in 2021 with exceptionally high income in 2022, due to an Innovate UK project. Income from other funders remained comparable to the prior year.



Other income decreased by 2% to £66.1m.

Other Income includes income generated across the University not captured under the core headings of tuition fees, funding body grants, research, and investment income. Residential income received in the year totalled £22.8m, with catering income increasing in the year to £2.8m. Academic faculties generated £11.8m through collaboration, grant funding, events and other activities such as conferences and a further £2.7m from consultancy work. £5.1m of NHS income was received in respect of the Faculty of Medicine, Health and Life Sciences during 2023.

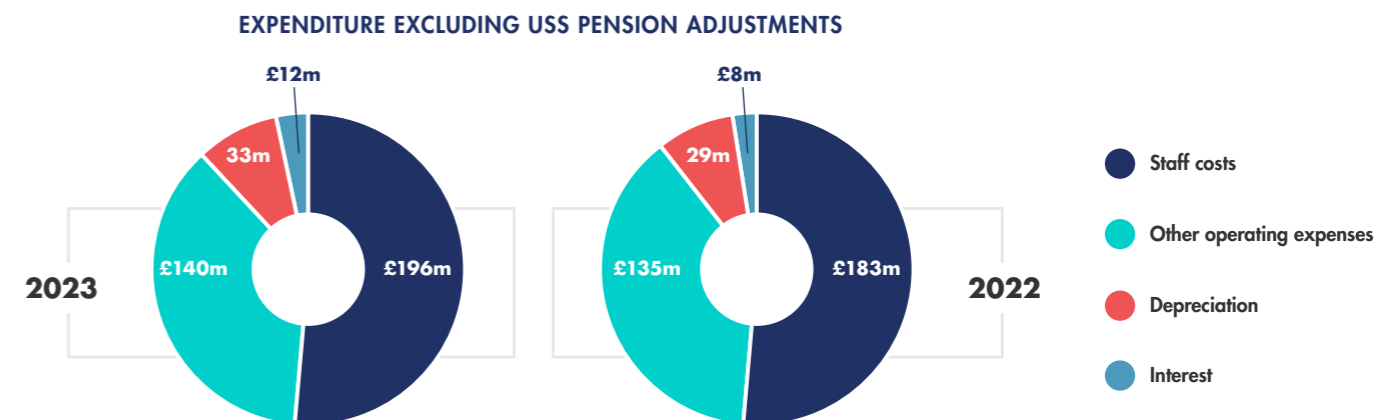
Included within other income is a £9.5m accounting adjustment in respect of the Bay Residences which is an annual release of the lease provision, and not a cash transaction.

Investment Income increased by 654% to £6.1m.

During the year the University took advantage of higher interest rates, placing two £25m fixed rate deposits for a period of one year at an average rate of 4.6%; this generated interest in the period to 31 July 2023 of £1.5m. University funds which are not directly invested or held in the current account are retained as a pooled investment with Royal London Asset Management. Due to changes in the financial market the returns on Royal London increased from £0.7m in 2022 to a return of £4.3m in 2023. Small returns were received on the endowment portfolio and on funds held in the current account.

Expenditure – increased by 7% to £380m

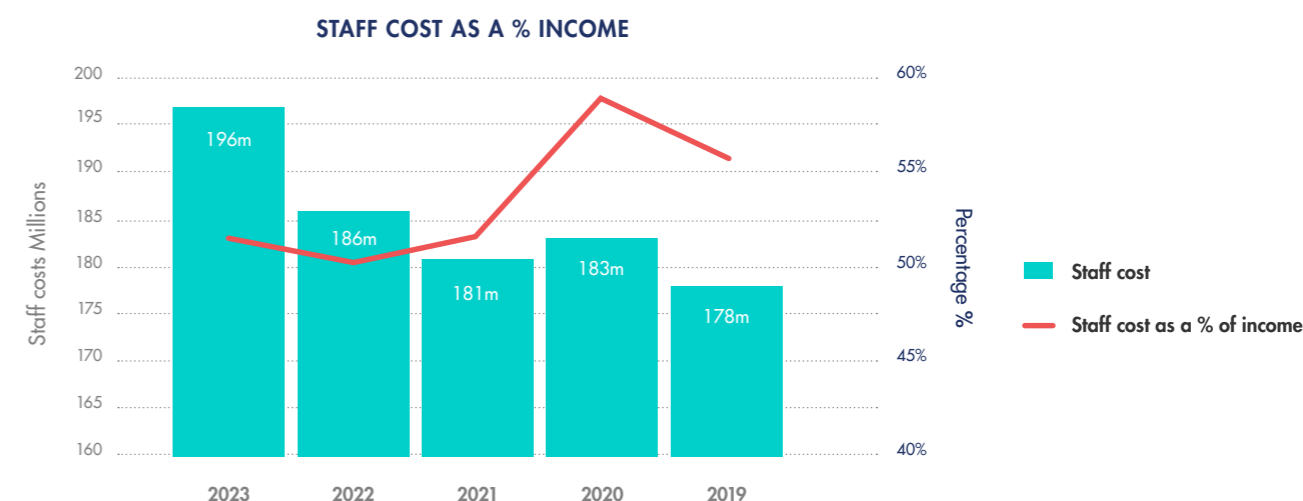
Expenditure in the year (excluding USS valuation adjustments) increased by £26.3m to £380.4m. Staff costs increased by 7.1% to £196.0m, whilst other operating expenditure increased by 4% to £140.2m.



Staff costs (excluding the USS adjustment) increased by 7.1% to £196.0m.

Staff full time equivalent (FTE) numbers increased by 168 during 2023 following a decrease in the previous year. This was in all categories of staff except research which decreased by 5% to 481 FTE, due mainly to the ending of the EU Structural Funds programme.

Staff costs as a percentage of income (excluding capital grants) increased to 52% from 50% despite an increase in income. The average annual salary increased to £52.7k from £51.5k reflecting the national pay award and annual increments.



The **USS pension** charge or credit is calculated annually to reflect the estimated change in expected future contributions and is based on the valuation and discount rates on 31 July each year. This is an accounting adjustment and not a cash transaction.

The March 2023 valuation is not yet finalised so the results of the actuarial valuation on 31 March 2020 are reflected in these financial statements. At that valuation date, the value of the assets of the scheme was £66.5bn and the value of the scheme's technical provisions was £80.6bn indicating a shortfall of £14.1bn in the total scheme.

The University uses the published bond rates on 31 July each year to calculate its share of the deficit. The change in the bond rate on 31 July 2023 resulted in the University's share of the deficit reducing by £31.7m. This is shown as a credit (reduction to expenditure) in the Statement of Comprehensive Income in the year and follows an increase in 2022 of £93.5m.

The indications from the March 2023 valuation are that the scheme is now in a surplus position and the contributions payable by both the employer and employee are expected to decrease.

Non-Pay expenditure increased by 4% to £140.2m.

The largest non-pay costs for the University are consultancy and contracted services at £22.9m and premises costs at £21.5m, both decreasing during 2023 following increases the previous year. Within consultancy and contracted services, is the £1.3m grant to the Students Union, £3.8m for the soft FM contract and £4.3m of research spend. Spend on non-capitalised equipment also decreased during the year by 8%, to £14.9m. Scholarships, bursaries and prizes increased by 17% to £19.8m, with spend on student recruitment and advertising also increasing by 17% to £9.5m, following the changes to the global market. Significant increases in spend were a 31% increase in utilities to £10.1m and a 75% increase in travel costs to £7.3m as staff start travelling once again and in-person events recommenced.

OTHER OPERATING EXPENSES 2023



Balance Sheet

The University has a strong balance sheet with assets increasing during 2023 and liabilities decreasing.

Non-current assets increased by £9.3m, with £38.3m cash spent on capital additions in the year, offset by depreciation charged.

Current assets increased by £7.4m following the successful year and the resulting increase in cash. £50.0m of cash was placed in a 12-month investment resulting in a decrease of £41.3m in reportable cash but increasing investments by £49.9m.

Current liabilities decreased by £5.4m as the capital grant for the Centre of Semiconductor Materials (CISM) of £29.9m was released to the statement of comprehensive income during 2023 upon completion of the building, and accruals and trade creditors increased at year-end due to timing of payments.

Creditors falling due in more than one year decreased by £7.0m following loan repayments of £3.5m and the liability on the service concession reducing by £3.1m. Gains on both USS and the SUPS pension schemes resulted in a decrease of the pension provision of £54.0m.

Covenants

In order to satisfy the loan conditions, set out by the European Investment bank, the University must ensure compliance with the following covenants:

1. The ratio of Net Financial Indebtedness to Adjusted EBITDA shall not exceed 6.5:1
2. The ratio of Net Operating Cashflow or Debt Servicing Costs shall be at least 1.1:1
3. The ratio of Adjusted Financial Indebtedness to Revenues shall not exceed 85%
4. The University shall comply with any other condition which is set in respect of HEFCW.

At 31 July 2023 all the covenant conditions were met.

Capital Expenditure and Capital Grant Receipts

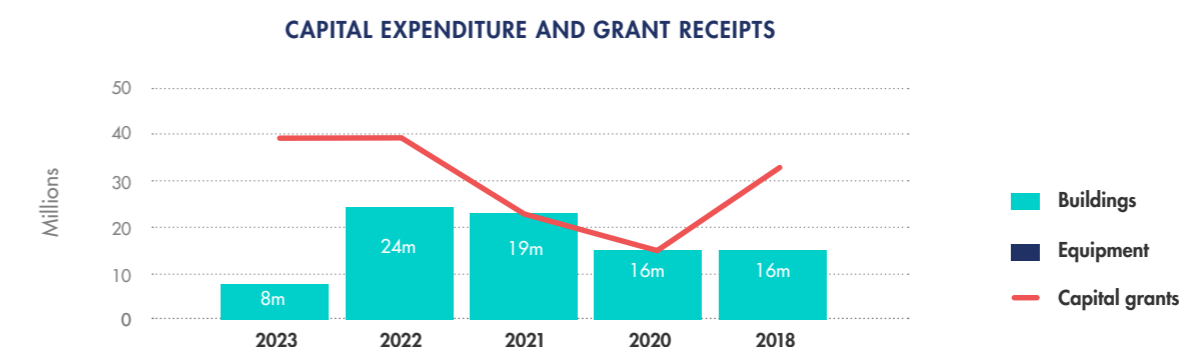
Capital expenditure remained consistent at £38.3m.

The Bay Campus continues to be expanded strategically with the opening of the new grant funded research building, the Centre for Integrative Semiconductor Materials (CISM). The Estates Strategy includes a focus on improving the quality of the facilities on the Singleton campus and 2023 has seen the opening of a Simulation Suite which supports learners within the clinical, health and social care programmes to immerse, reflect and develop through real world scenarios. Higher Education Research Capital Funding has been used to develop and upgrade Psychology facilities facilitating critical research on sleep to be undertaken, along with the creation of a

Hydra Simulation Suite which enables direction, monitoring and evaluation of social science experiments.

The University has continued its programme of work to deliver its Sustainability Strategy and used Salix funding for decarbonisation projects including installing LED lighting and solar PV panels.

During the year £11.6m was spent on purchasing equipment to support the operations of the University. £5.4m was spent on purchasing equipment for research projects with £0.9m spent as the upgrade on the digital infrastructure and network commenced.



Cash and Debt

Cash, including current investments, increased to £178.3m.

The University's financial strategy is to generate sufficient cash to provide resilience, create the necessary levels of working capital and to enable investment in the estate and infrastructure projects.

Despite a higher surplus in the year, the cash generated from operating activities (after adding back capital grants and excluding non-cash transactions) reduced from £56.2m in 2022 to £49.6m in 2023. The increase in creditors of £22.9m at year-end reduced the operational decrease in the cash balance.

The University funded £30.2m of the capital expenditure from its' cash reserves and used £8.8m of cash to service its' borrowing and other financing arrangements.

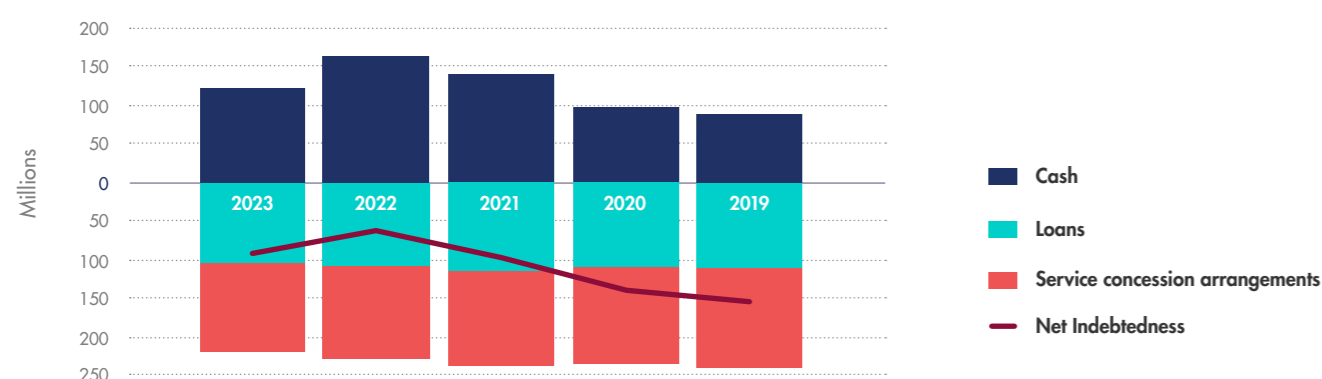
Net indebtedness increased by £34.8m to £97.1m.

Loan repayments of £3.5m were made during the year reducing the loans outstanding to £104.4m. The service concession arrangement debt on the residences reduced to £116.0m at 31 July 2023 following the unwinding of the lease liability (£3.1m).

However, cash decreased by £41.4m in the year, following the £50.0m deposit, resulting in the significant increase in net indebtedness.

The University received a loan of £2.3m from Salix Finance Ltd for decarbonisation projects. This loan is at 0% interest and is repayable over eight years.

CASH, DEBT AND NET INDEBTEDNESS



Pension Provisions

The University is a member of the Universities Superannuation Scheme (USS) which provides pensions for academic and professional staff. At the last triennial valuation in March 2020 the scheme had a deficit of £14.1bn. During the year, the deficit allocated to the University increased from £43.0m to £134.3m. £7.4m was paid in deficit contributions at a rate of 6.2% of pensionable payroll and interest charged in the year increased to £4.5m following the increase in the discount factor in July 2022. £31.7m was credited, decreasing

the provision, following the change to the discount factor used (high quality corporate bond rate).

The University also operates a CARE scheme, Swansea University Pension Scheme (SUPS) for non-academic employees, which is closed to new entrants. During the year the SUPS deficit decreased from £36.6m to £17.2m as an £18.6m net actuarial gain in comprehensive income was recognised.

Future outlook and going concern

The primary objective of the University's Financial Strategy remains the generation of sufficient cash resources to deliver its strategic objectives and ensure long term financial sustainability. This is proving to be a critical factor in the University's ability to sustain itself in an environment of ongoing uncertainty.

The external context in which universities are now operating is becoming increasingly challenging. Student recruitment continues to prove difficult to predict, particularly from overseas markets, but the sector also saw an unexpected reduction in the number of students progressing from one year of study to the next in 2022/23, undoubtedly reflecting ongoing impacts from Covid-19 and the challenge that cost of living pressures pose for students.

At the same time, the value of the home undergraduate tuition fee continues to be eroded by inflation and is now worth closer to £6,000 in real terms. Whilst Swansea, like many other universities, has become more efficient, the recent inflationary pressures on both pay and non pay are exacerbating an already unsustainable position.

Despite this challenging external context, the University has produced a strong financial result for 2022/23, generating an operating surplus (before USS pension adjustments) of £32.8m and net cashflow from operating activities of £49.6m resulting in £123.3m of cash at the year-end plus an additional £50m on fixed term deposit until December 2023.

This has been achieved by regularly reviewing and restating the financial forecasts in light of actual performance and working closely with colleagues across the University to manage expenditure. We have also been closely monitoring cashflow and covenants to ensure the University is maintaining sufficient cash reserves and meeting its covenant conditions.

Our enrolments for 2023/24 are expected to meet the overall forecast with continued growth in postgraduate overseas students and the home postgraduate numbers also looking strong. This will help to mitigate what will probably be a shortfall in home undergraduates. Applications for our January entry programmes are currently exceeding forecasts, so we expect overall tuition fee income to be achieved.

Whilst the formal national negotiations for the 2023/24 pay award have ended and an overall increase of 5% has been implemented, the national trade unions remain dissatisfied and further strike action remains a possibility.

The volatility of the accounting for the USS pension continues to distort the financial results for universities. The change in the bond rate on 31 July 2023 resulted in the University's share of the deficit reducing by £31.7m. This is shown as a credit (reduction to expenditure) in the Statement of Comprehensive Income in the year and follows an increase in 2022 of £93.5m.

The outcome of the USS Triennial Valuation 2023, whilst still to be finalised, provides further positive news for both employers and employees. The reduced contribution levels will create some headroom and opportunity for the University and it is hoped that the reinstatement of benefits and reduced contributions will be welcomed

by affected staff. However, it is also likely to lead to another significant accounting adjustment on the 2023/24 Financial Statements.

Non pay costs continue to be under pressure, the University seeing, for example, a 31% increase in utilities costs in 2022/23 compared to 2021/22. The University has already taken steps to reduce the cost of, and demand for, energy through a range of decarbonisation and related projects, and more are planned as part of the University's commitment to achieving Net Zero by 2035.

The University is still planning significant investment in the estate and IT infrastructure to ensure the campuses remain attractive places to work and study, with £120m currently earmarked from our cash reserves to fund capital investment to 2028.

The need for good quality, reasonably priced student accommodation, on Singleton campus, in particular, will inform the further development of the Student Accommodation Strategy. We have seen students become increasingly price sensitive and we expect this to result in lower levels of occupancy in 2023/24, and potentially into the medium term.

Despite the positive outcome for 2022/23, the creation of a financially sustainable five-year forecast continues to be a challenge. The University has developed a Financial Sustainability Programme which identifies a range of activities which it is expected will deliver income growth and cost savings over the next three years. These range from the continued development of overseas partnerships and on-line delivery of programmes to a comprehensive review of the University's Professional Services, as well as an organisational approach to limiting non-pay spend.

There is a formal governance process in place to monitor the delivery of the required cost savings and the Ymlaen programme, which was initiated to focus on delivering a step change in organisational effectiveness and embedding a culture of continuous improvement, will support the operational delivery.

Notwithstanding the University's confidence in this Programme, we have undertaken scenario modelling which has stress tested a range of key risks to see what the impact would be on the University's financial position and discussed these with Council and its relevant sub committees.

Having reviewed the underlying strategies, financial forecasts and scenario modelling, the University is confident that it has adequate resources to continue in operation and to meet its future obligations for the next 12 months and will continue to do so for the foreseeable future. For this reason, it continues to adopt the going concern basis for preparing the financial statements.

Sarah Jones *Goi Ashmore*

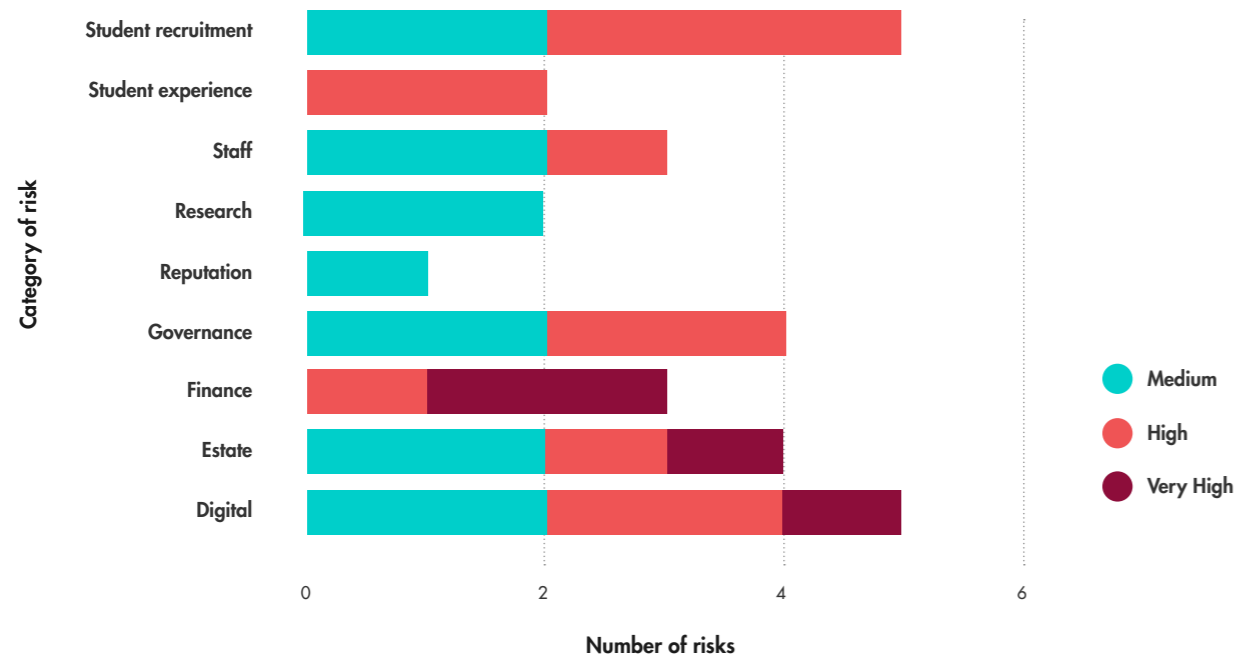
Sarah Jones,
Chief Financial Officer

Goi Ashmore,
Treasurer

PRINCIPAL RISKS AND UNCERTAINTIES

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

All risks are assigned to a category to allow analysis and comparison. The number of risks currently on the University Risk Register in each category and by risk score is summarised below. The distribution of risks continues to reflect the uncertainties that exist in the external environment including the geo-political issues and the ongoing impact of high inflation on the University, staff and students.



The table below identifies the highest-ranking risks from the University register according to residual risk score.

Strategic Risk	Main mitigations
Financial sustainability Inability to deliver forecast income and expenditure resulting in failure to create surpluses required for investment and to deliver the University strategy	<ul style="list-style-type: none"> • Monthly budget reporting and monitoring and quarterly reforecasting • Detailed financial assessment and stress testing of inherent risks • Financial Sustainability Programme being implemented • Monitoring of covenants
University student accommodation Reduced student demand for university owned/contracted accommodation leads to reduced occupancy levels	<ul style="list-style-type: none"> • Ongoing monitoring of vacant rooms, location, pricing • Modelling of financial impact and identification of mitigating actions • Review of longer term student accommodation strategy
Cyber security A breach or incident results in harm to the University	<ul style="list-style-type: none"> • Significant multi-year investment agreed as part of Digital Foundations Project • All cyber processes and policies under review • Cyber awareness programme implemented
International student recruitment Impact of external factors such as UK government policy changes, increased competition and internal factors such as over-reliance on a limited number of markets lead to inability to meet forecast international numbers, resulting in reduced financial sustainability	<ul style="list-style-type: none"> • Implementation of the International Strategy • Exploration of new Trans National Education opportunities to deliver in-country programmes • Identification of new markets for the development of an enhanced overseas presence • Monitoring and review of performance of existing markets
Student experience – well being services Unable to meet the demand resulting in impacts on student support services and student experience	<ul style="list-style-type: none"> • Continued review and response to student feedback • Recommendations of independent review implemented • Increased resources provided

Strategic Risk	Main mitigations
<p>Student experience – learning and teaching Poor teaching quality, student:staff ratios, learning environment and support services lead to poor student experience</p>	<ul style="list-style-type: none"> • Learning and Teaching Strategy being implemented • NSS Recovery Plan being led by the Pro-Vice-Chancellor Education • Gateway to Student Services project under development • Graduate Outcomes project established
<p>Home student recruitment Increased competition and changing student behaviours lead to inability to meet forecast student numbers</p>	<ul style="list-style-type: none"> • Review by the UK Recruitment Strategy Board • Maintain and develop Clearing Strategy and campaign through Clearing Steering Committee • Engagement with FE Colleges as part of Diversification project
<p>Staff morale – impact of change Significant change programme and workload pressures lead to reduced staff morale</p>	<ul style="list-style-type: none"> • People and Culture Committee established • Updated Health and Wellbeing offer • Agile Working Policy and guidance introduced • Regular communication to staff via various forums • Recognition of staff efforts • Implementation of a Leadership Development programme to support leadership capacity and capability



PUBLIC BENEFIT STATEMENT

Swansea University has been a registered charity (no.1138342) since October 2010. Our constitutional framework is defined in our Charter and Statutes and Article three of the Supplemental Charter highlights our University's objectives "to advance learning and knowledge by teaching and research, and to engage in activities to promote and contribute to cultural, social and economic development within Wales and beyond."

We are, and will continue to be, a principled, purposeful, and resilient University that balances excellent teaching with world-leading research and innovation in an open environment which enables our students and colleagues to excel. While we are valued globally as a trusted partner, we are deeply committed to our region and are proud to be a University for Wales.

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

Our *Strategic Vision and Purpose* (2020) is underpinned by five strategic pillars, each with their own strategies, which are summarised below. Our *Strategic Vision and Purpose* also recognises that the climate crisis remains society's biggest threat. Consequently, we align our work to the Sustainable Development Goals (SDGs) and have committed to being a carbon-zero university by 2035. (Our approach to sustainability and achieving Net Zero is highlighted on pages 26–27.)

Our Civic Mission

We are proud to belong to the City of Swansea, the wider Swansea Bay City Region and to Wales, and we celebrate that heritage. With campuses in three local authority areas, we recognise that our University is the region's university, and that we have a responsibility to work with and for our community and Wales. Our values align with the goals and principles of the Wellbeing of Future Generations (Wales) Act 2015, and we seek to deliver local solutions to the global challenges that affect us all.

While our civic mission is rooted in our immediate region, it extends to the impact we seek to make in communities worldwide. We attract colleagues and students to Swansea from all over the world and we are committed to ensuring that the education and experiences we provide and the research we pursue are relevant both locally and internationally. Above all, we seek to work in genuine, open, and equitable partnership, and to learn as much from others as we can.

Our Civic Mission work also can be seen in our Research and Enterprise, our Learning and Teaching, and our Student Experience, described on pages 12–19.

We are an anchor institution that plays an active part in the life of the region. We have strong links with other anchor institutions and major employers, including Health Boards, local authorities, and private and third sector organisations, and we have effective partnerships with

further education colleges and schools. We have invested significantly in the infrastructure needed to support skills and innovation and are a key partner in the Swansea Bay City Deal.

We contribute to the cultural life of our community through our Taliesin Theatre and Great Hall, the Egypt Centre, our South Wales Miners' Library and Richard Burton Archives, and the International Dylan Thomas Prize. We also partner with the city and local sports teams to provide sports facilities shared with the community and have an ambition to establish Swansea city and our University as the champions of sport in Wales. In July, we signed the Armed Forces Covenant in recognition of the value that serving personnel, veterans and military families contribute to our University and the country.

We are also proud that in June 2023, our staff member Dr Lella Nouri received an award from the Ethnic Minority Welsh Women Achievement Association (EMWWAA) for her involvement in community activity to counter hate messages.

Our Student Experience

Our students, and their diverse experiences, needs and ambitions, shape the environment that we seek to foster at Swansea University. We take their needs and expectations into account in our decision-making and take pride in our consistently strong reputation for the quality of our student experience, the strength of our student support services, and our commitment to student mental health and wellbeing. In partnership with our Students' Union, we will work to ensure that every student who makes Swansea their home experiences the best of us.

Our CampusLife team continues to support our students with impartial, non-judgemental advice and support, and throughout the year have administered the Student Hardship Fund, delivered the Listening Service, and supported students with a range of services.

The WhatUni Awards 2023 results, voted for by over 35,000 students at over 80 universities across the UK, ranked Swansea University 6th in the Student Life Category and 11th in the Student Support Category, and in April 2023 the Complete University Guide named Swansea the safest city for students in Wales (and top 10 in England and Wales).

Our students make a significant contribution to local society through volunteering and outreach programmes, and they are part of our international community. Our aim is to produce global citizens who will go out into the world and make a difference. During the year, our student volunteering charity, Discovery, supported 127 volunteering opportunities for 510 student volunteers who worked with people across our community: older people; disabled adults and children; refugees and asylum seekers; exploited women; people experiencing isolation and loneliness, and students with additional needs.

(Further information about our Student Experience is outlined on pages 12–15.)

Our Learning and Teaching

The sharing of knowledge to nurture independent, critical thinking is fundamental to our purpose. It enables our students to be resilient in the face of global challenges and to adapt to the changing world of work. We celebrate our Welsh heritage and are proud to be part of a bilingual nation. We respect students' rights to study through the medium of Welsh and continuously seek to expand our range of opportunities for them to do so. We also work to maintain our status as a community that balances research and teaching excellence.

Our graduates work in an increasingly connected world that demands appreciation and understanding of other cultures and countries. We provide imaginative opportunities for our students to study and work abroad during their degree programmes, and to relate their learning to the challenges faced by communities around the world.

We are committed to widening and deepening access to education, promoting lifelong, inclusive and equitable learning opportunities. Our University is the lead partner in the HEFCW-funded South West Wales Reaching Wider Partnership and also funds and delivers the Step Up to Swansea University programme. Both programmes aim to increase participation in Higher Education by people from underrepresented groups and communities in southwest Wales.

We are proud to offer care experienced young people the opportunity to visit our University and take part in activities designed to raise educational aspirations and their awareness of university life. This year, we hosted a range of events for this group, including workshops, university tours, 1:1 visits, residential experiences and working with other care experienced young people and university students. We also run a two-day residential summer school each year, for young carers aged 15–18 years old.

Our Swansea Academy of Inclusivity and Learner Success (SAILS) also works to provide inclusive academic and pastoral support for our diverse student population. SAILS delivers a range of projects to enable individuals from all backgrounds to enter and transition into higher education; to stay at university and complete their studies; to progress from level to level, and to achieve the best degree outcomes they can.

We deliver a range of subject-specific outreach projects to support pupils, including in computing, Further Maths, and other STEM subjects at GCSE, A-level and beyond. We also provide progression pathways through foundation years in Engineering, Science, Arts & Humanities, and the School of Management for individuals unable to gain direct entry to the first year of a full-time undergraduate degree.

(Further information about our Learning and Teaching is outlined on pages 12–15.)

Our Research

Our research has impact because it is directed to meet the needs of our partners in industry, commerce, academia, and the public sector. It changes lives, drives innovation and regional growth, and is aligned to the UN Sustainable Development Goals. It impacts on our culture and society as well as on our health and wellbeing, our economy, and our planet. We drive policy change nationally and internationally.

We are at the leading edge in many areas including: advanced manufacturing and innovation in clean energy and the digital economy;

nanohealth, and the analysis of large-scale health data; labour market evaluation, terrorist use of the internet, and preserving our industrial heritage. We are exploring new ways to assess and mitigate the risks of the climate crisis and are working to protect the most vulnerable in our society and to enrich all our lives through our understanding of history and the arts.

Recent successes include a £15m award to a consortium of universities, including Swansea, to establish a new world-leading railway research and innovation centre in south Wales. We are also set to play a key role in a new platform designed to bring together UK strengths in the research of rare diseases to develop better and faster understanding, diagnosis, and treatment, through the £14m UK Rare Disease Research Platform established by the Medical Research Council and the National Institute for Health and Care Research.

Our Enterprise

We are an exceptionally collaborative and entrepreneurial university. We were founded by industry, for industry, and we remain true to the ambitions of our founders in that we work with industrial, commercial, and public sector partners for the benefit of our region and nation. We value our partnerships with anchor companies and SMEs in Wales – more than 40 companies are co-located with us on our campuses – and with the many organisations we collaborate with internationally.

We work in tandem with our partners to exchange knowledge and develop skills on an ethical and equitable basis. While we will lead collaborations, we will listen to our partners and will learn from them. Our role is to meet their needs, stimulate their growth and support their sustainable development as much as it is to push boundaries and innovate.

Our entrepreneurial approach adds value to the student experience, providing opportunities for our students to gain practical skills through placements, internships, and collaborative research projects.

Our University is among the leading academic institutions in the UK for generating spinout companies. The third annual Spotlight on Spinouts report, sponsored by the Royal Academy of Engineering, highlights Swansea's notable achievement in creating 48 spinouts since 2011. This success positions Swansea University among the leading ten universities in the UK, while also securing the top spot in Wales.

Demonstrating our commitment to developing our students' enterprise and entrepreneurship skills, a team of Swansea students won the 2023 Invent for the Planet competition run by Texas A&M University. Invent for the Planet is an Intensive Design Experience which engages students at different universities around the world and tasks them with solving some of the world's most pressing problems in just 48 hours. The Swansea team were tasked with developing an affordable and easy device that could provide safe drinking water, and developed a reverse-osmosis pump which could convert toxic river water into potable water for rural farming communities.

(Further information about our Research and Enterprise is outlined on pages 16–19.)

CORPORATE GOVERNANCE AND STATEMENT OF INTERNAL CONTROL

The University conducts its activities in accordance with both the Committee of University Chairs (CUC) Higher Education Code of Governance and Higher Education Senior Staff Remuneration Code, and in accordance with the Nolan principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty, and leadership).

The University is committed to the highest standards of openness, probity, and accountability, conducts 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 that are in the public interest.

CONSTITUTION AND POWERS

The University is an independent corporation, whose legal status derives from a Royal Charter originally granted in 1920. Its objects, powers and framework of governance are set out in its current Charter ('the Supplemental Charter'), approved by the Privy Council in 2007, and its supporting Statutes the latest amendments to which were

approved by the Privy Council in 2021. The University registered as a charity in October 2010 (1138342).

The Charter and Statutes require the University to have three separate bodies (Council, Senate, and Court), each with clearly defined functions and responsibilities, to oversee and manage its activities:

COUNCIL

The Council, which is established by the University's Charter, 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's membership, powers and duties are set out in Statute 5, which is available on the University's website. The Council is responsible for determining the strategic direction of the University, and for the finance, estates, investments, and general business of the University.

Lay members of Council serve for a period of four years but may be re-appointed for one further period of four years. The role of the Chair of Council, which can only be undertaken by a lay member, is separate from the role of the University's Chief Executive, the Vice-Chancellor. The staff members of Council are appointed through a fair and open election process.

Council members are required to make a declaration of interest on their appointment to Council, to review their declaration at least annually, and to update their declaration whenever there is a change. Declarations are reviewed by the Chair of Council, in accordance with the University's Declaration of Interest Policy and procedure, to ensure there are no potential or perceived conflicts, or, if there are, to ensure they are dealt with appropriately. The Secretary to Council maintains a register of interests for all members of Council, which is reviewed annually by the Governance and Nominations Committee. At the start of Council and Council Committee meetings, all members are asked to identify any specific items on which a declared interests may have a bearing and, if required, members do not take part in the relevant discussion or decision, and/or may leave the meeting at the appropriate point. Any declarations identified and member's participation in specific items is recorded in the minutes of the meeting. The Council has adopted the role description for the Secretary to Council, developed in response to the CAMM Review, which contains a clear statement of the Secretary's accountability for highlighting issues of independence or conflict to the Chair.

As the University is a registered charity, Council also acts as the Board of Trustees and members of Council are also Charity Trustees.

The Council normally meets at least four times a year and exercises its responsibilities through the executive management and standing committees set out below. Special meetings may be called at the request of the Chair if required. During 2022/23, the Council held five meetings, including one special meeting, that focused on governance, financial and regulatory matters. Three of the meetings were held in person, one was held as a hybrid meeting, and the special meeting was held remotely.

The Council comprises independent (described as lay), staff and student members appointed in accordance with the Statutes and Ordinances of the University. The membership of the Council shall not exceed 19 and the majority of Council members are non-executive lay members who are not members of staff or registered students of the University. The Council is committed to promoting equality and diversity and vacancies for lay members are advertised externally, with expressions of interest particularly welcome from under-represented groups. Applications are considered by the Governance and Nominations Committee and matched against the current skills and experience matrix. None of the lay members receive any payment, apart from the reimbursement of expenses, for the work they do for the University.



Members of the University Council who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Council meetings (expressed as the number of Council meetings attended out of a total of meetings the member was due to attend) is provided below.

Council Member	Category	Attendance
Mr Bleddyn Phillips, <i>Pro-Chancellor & Chair of Council</i> (until 31 December 2023)	Lay	5/5
Sir Roderick Evans, <i>Pro-Chancellor</i> (until 31 March 2025)	Lay	5/5
Mr Goi Ashmore, <i>Treasurer</i> (until 31 December 2023)	Lay	4/5
Professor Paul Boyle, <i>Vice-Chancellor</i> (until 25 July 2024)	Staff	5/5
Dr Kerry Beynon, <i>Co-opted lay member</i> (until 3 February 2024)	Lay	3/5
Mr Laurence Carpanini, <i>Co-opted lay member</i> (from 1 January 2023)	Lay	3/3
Professor Edward David, <i>Co-opted lay member</i> (until 3 February 2024)	Lay	4/5
Professor Kathryn Monk, <i>Co-opted lay member</i> (until 26 January 2026)	Lay	4/5
Dr Angus Muirhead, <i>Co-opted lay member</i> (until 20 March 2024)	Lay	4/5
Ms Elin Rhys, <i>Co-opted lay member</i> (until 3 February 2024)	Lay	5/5
Mrs Marcia Sinfield, <i>Co-opted lay member</i> (until 30 November 2024)	Lay	4/5
Professor Keshav Singhal, <i>Co-opted lay member</i> (until 30 November 2024)	Lay	3/5
Ms Anne Tutt, <i>Co-opted lay member</i> (until 5 July 2024)	Lay	4/5
Dr Mahaboob Basha, <i>Appointed by Staff</i> (from 1 July 2023)	Staff	2/2
Mr Heath Davies, <i>Appointed by Staff</i> (until 30 June 2023)	Staff	2/3
Mr Adam Jones, <i>Appointed by Staff</i> (from 1 July 2023)	Staff	2/2
Professor Sue Jordan, <i>Appointed by Staff</i> (until 30 June 2023)	Staff	3/3
Professor Michelle Lee, <i>Appointed by Senate</i> (from 1 July 2023)	Staff	2/2
Professor Nuria Lorenzo-Dus, <i>Appointed by Senate</i> (until 30 June 2023)	Staff	3/3
Dr Phatsimo Mabophiwa, <i>Appointed by Senate</i> (from 1 July 2023)	Staff	2/2
Mr Jonathan Davies, <i>Appointed by the Students' Union</i> (until 30 June 2023)	Student	3/3
Miss Abigail Egwuatu, <i>Appointed by the Students' Union</i> (from 1 July 2023)	Student	1/2
Mr Pablo Josiah, <i>President of Students' Union</i> (from 1 July 2023)	Student	2/2
Ms Esyllt Rosser, <i>President of Students' Union</i> (until 30 June 2023)	Student	3/3

CUC HIGHER EDUCATION CODE OF GOVERNANCE

The University is committed to high standards of corporate governance and to continuously improving its governance in line with best practice within the higher education sector. The University's governance structure has been developed to align with the principles and practices set out in CUC Higher Education Code of Governance. Council commissioned an Independent Effectiveness Review in 2023, which was undertaken by AUA Consulting. This Review concluded that the Council was conducting its activities in accordance with the HE Code, that significant assurance could be placed in the University's governance

arrangements, and that the conduct of this Review had demonstrated the University's commitment to continuous improvement in its governance arrangements in line with best practice as set out in the HE Code. Some improvement and enhancement opportunities were identified, and Council is considering how it might take these forward. In respect of the year ended 31 July 2023, the Council can report that there was no primary element of the Code of Governance with which the University's procedures was not consistent.

REVIEW OF GOVERNANCE OF THE UNIVERSITIES IN WALES

The Council formally adopted the Governance Charter for Universities in Wales and Commitment to Action published in September 2020 in response to the CAMM Review and is committed to implementing the recommendations identified. Building on the progress made in previous years, key developments in 2022/23 included:

- In relation to understanding culture, significant steps continue to be taken to enhance a positive organisation culture including becoming a signatory of the Technician Commitment to ensure visibility, recognition, career development and sustainability for technicians working in higher education and research in all disciplines, and a staff workload survey was undertaken in 2022, and a response plan has been developed which has introduced immediate actions and identified key tasks, a new People and Culture Committee has been established, and regular updates are being provided to Council. Ymlaen, the University's transformation programme, continues to focus on enabling the University to achieve its vision and ambitions through a series of projects where the outcomes are focussed on our people, service improvement, and embedding a culture of continuous improvement;
- In relation to stakeholder engagement, the University has continued to engage with its key internal and external stakeholders. During the year, a new Recognition Agreement has been agreed and a new Joint Consultative and Negotiating Committee has been established which further facilitates relations and joint working between the University and the Campus Unions. In addition, Council has established a new Council Joint Engagement Forum at which Trade Union representatives can raise issues with members of Council ahead of Council meetings replacing the informal meetings held previously by the Chair of Council. The Chair of Council continues to meet informally with the Students' Union's Full-Time Officers. Meetings of the University Court were held in October 2022 and March 2023 and Council has committed to undertaking a review of the University Court during the next year to ensure it provides an effective forum for the engagement of the wider community with the University;

- In relation to ensuring effective strategic oversight, the Senior Leadership Team agreed an Annual Plan for 2022/23 identifying 42 priority actions spanning the core themes for the University together with a suite of Institutional Objectives, to address in the current year which has been shared with Council together with progress reports which enable Council to more effectively scrutinise and monitor performance against the University's strategic plan;
- In relation to succession planning, the Governance and Nominations Committee which has oversight for succession planning has reviewed and made recommendations to Council on role descriptors for the Statutory Officer roles, arrangements for appointing a new Pro-Chancellor and Chair of Council and new lay members of Council, and Council Committee membership, and has also undertaken skills and experience gap analysis of Council to ensure it continues to have the necessary skills and experience to discharge its responsibilities;
- In relation to diversity and inclusivity, Council remains committed to promoting equality and diversity and during the year the Governance and Nominations Committee has reviewed the findings of best practice across the sector to ensure that Equality, Diversity and Inclusion is embedded within the decision-making structure, and is working to develop an EDI Action Plan which aligns with the guidance received from Advance HE, the CAMM Review, the CUC higher Education Code of Governance, and best practice from across the sector;
- In relation to governor development, a new board portal has been introduced to support Council and Council Committee members and the Council, through its Governance and Nominations Committee, has in place a structured induction process to support all new Council members, as well as ongoing internal and external training and support for serving members, which it continues to review to ensure it aligns with sector practice and any feedback and recommendations from the 2023 Independent Governance Effectiveness Review.

SENATE

The Senate, which is established by the University's Charter, is the academic authority of the University. The Senate's membership, powers and duties are set out in Ordinance 4, which is available on the University's website. Senate is chaired by the Vice-Chancellor and, from July 2022 to March 2023, its membership included the Provost, the Pro-Vice-Chancellors, Pro-Vice-Chancellors/Executive Deans, all professorial staff, Chairs and Deputy Chairs of the Boards of the Learning and Teaching Quality Committee and the Faculty Associate Deans, 14 elected non-professorial staff representatives and eight students appointed by the Students' Union. In March 2023, drawing on one of the outcomes of a review of the effectiveness of Senate undertaken during 2022, the membership of Senate was reviewed and updated to create a smaller, more focussed Senate. The new Senate membership includes the Vice-Chancellor (Chair), the Provost, the Pro-Vice-Chancellors and Pro-Vice-Chancellors/Executive Deans, Deputy Pro-Vice-Chancellors, Deputy Executive Deans, Faculty Associate Deans, Heads of Schools, Directors of Faculty Operations, Academic Services, Student Services and Academi Hywel Teifi, and student members together with 24 elected members drawn from the Professorial and non Professorial academic staff in the Faculties.

The Senate normally meets four times each year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Senate held five meetings, including one special meeting. Three were held as hybrid meetings, one was held in person, and the special meeting was held remotely. Senate's business focussed on implementing recommendations from the review of the effectiveness of Senate in relation to Senate's membership, remit, operations, visibility, and communications including reviewing the membership of Senate and introducing a new induction programme and handbook for Senate members; reviewing the University's quality assurance processes and framework and the Annual Governor's Quality Assurance Statement; reviewing the University's regulatory frameworks particularly in relation to assessment, marking and feedback; and the University's performance in league tables and rankings including NSS. Senate also received regular reports from its Education, Recruitment and Admissions, Research, Innovation and Impact, and Research Integrity, Ethics and Governance Committees created to assist it in discharging its responsibilities, and updates on a range of other matters including student recruitment, international projects, major initiatives, and the policy and sector landscape.

COURT

The Court, which is established by the University's Charter, is a large, mainly formal body which serves as a forum for the engagement of the wider community with the University. The Court's membership, powers and duties are set out in Ordinance 6, which is available on the University's website. The Court is chaired by the University's Chancellor and most of its members are from outside the University, representing the local community and other designated bodies with an interest in the work of the University. The membership also includes members of Council, representatives of the staff of the University (both academic

and non-academic) and the student body. The Court ordinarily meets once a year, however, due to the postponement of the previous year's meeting as a result of the Covid-19 pandemic, the Court met twice during 2022/23, on 4 October 2022 to consider the Annual Review and Financial Statements of the University for 2020/21 and on 28 March 2023 to consider the Annual Review and Financial Statements of the University for 2021/22. Both meetings were held in person.

ACCOUNTABLE OFFICER

The Vice-Chancellor is the chief executive and principal academic and administrative officer of the University and has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the formal financial memorandum between the University and HEFCW,

the Vice-Chancellor is the accountable officer of the University and in that capacity may be required to appear before the Public Accounts and Public Administration Committee of the Senedd Cymru alongside the Chief Executive of HEFCW.

SENIOR LEADERSHIP TEAM

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 for shaping the institutional ethos. Members of the Senior Leadership Team and the Directors of Professional Services all contribute in various ways to these aspects of the work, but ultimate authority

rests with the Council. The membership of the Senior Leadership Team, which is chaired by the Vice-Chancellor, includes the Provost, the Registrar and Chief Operating Officer, the Pro-Vice-Chancellors, Pro-Vice-Chancellors/Executive Deans, and the Chief Financial Officer. The Senior Leadership Team meets weekly and considers strategic and operational matters.

COMMITTEES

The Council has established four governance committees, at which much of its detailed work is initially handled: Audit, Assurance and Risk Committee; Finance and Strategy Committee; Governance and Nominations Committee; and Remuneration Committee. All of these committees are chaired by lay members of Council and have a majority of lay members. Senior officers of the University attend meetings as necessary. All Committees report their decisions to Council,

and are formally constituted, with their own terms of reference and membership approved by the Council on the recommendation of the Governance and Nominations Committee. The role of the Secretary to Council is defined in the University's Ordinances and the Secretary to Council also acts as the Secretary to most of the Committees of Council.

AUDIT, ASSURANCE AND RISK COMMITTEE

The Audit, Risk and Assurance Committee is responsible for advising and assisting Council in respect of the entire assurance and control environment of the University. Its key responsibilities are to ensure that the University complies with statutory, University and external regulatory requirements in relation to both its financial and non-financial activities and in respect of the issues within its terms of reference, and the Committee has the authority to make recommendations to the University, its organisational units, and its members.

The Committee is chaired by a lay member of Council. All members of the Committee and its Chair are appointed by Council on the

recommendation of the Governance and Nominations Committee. All members are independent of the University's management, although senior executives attend meetings as necessary, and, in line with HEFCW's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee. Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Dr Kerry Beynon, <i>Co-opted member and Chair of the Committee</i>	Lay	4/4
Professor Kathryn Monk, <i>Co-opted member of Council</i>	Lay	4/4
Mrs Marcia Sinfield, <i>Co-opted member of Council</i>	Lay	3/4
Ms Anne Tutt, <i>Co-opted member of Council</i>	Lay	4/4
Mrs Alison Vickers, <i>Co-opted lay member</i>	Lay	1/1

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Committee held four meetings, two of which were held as hybrid meetings and two were held remotely. The Committee's business focused on discussing with the External Auditors the nature and scope of the audit, and noting the annual Audit Plan and receiving progress reports on its implementation; discussing with the Associate Director – Internal Audit the scope of the internal audit plan, approving the plan and receiving reports on its implementation; receiving internal audit reports and monitoring the implementation of agreed audit based recommendations; reviewing the new Assurance Map; reviewing and receiving reports on the risk management arrangements, the risk

register and key risks; reviewing the effectiveness of the external and internal audit arrangements; reviewing HEFCW's Institutional Risk Letter; reviewing the External Auditors' management letter, the Internal Auditors' annual report, and the management responses, and approving the Committee's Annual Report to Council; and overseeing the University's policies related to ethical and other behaviours, and receiving reports on any actions taken under these policies. The Committee also met regularly with the External Auditors, the Associate Director – Internal Audit, the Registrar and Chief Operating Officer, and the Chief Financial Officer providing an opportunity for them to discuss any private matters.

FINANCE AND STRATEGY COMMITTEE

The Finance and Strategy Committee has oversight of and monitors the financial health of the University on behalf of the Council. Its key responsibilities are (i) to ensure the medium and long-term financial sustainability of the University through regular reviews of the University's financial position, (ii) to ensure the University operates a robust system of internal financial control, (iii) to monitor financial performance and compliance, (iv) to have financial oversight of all relevant strategies and (v) to play a critical role in applying test and challenge to all financial decisions. The Committee advises and makes recommendations to Council in respect of all financial matters.

The Committee is chaired by the University Treasurer. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. In line with HEFCW's Financial Management Code, there is no cross representation between the Audit, Assurance and Risk Committee and the Finance and Strategy Committee. Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Mr Goi Ashmore, <i>Treasurer & Chair of the Committee</i>	Lay	6/6
Professor Paul Boyle, <i>Vice-Chancellor</i>	Staff	5/6
Professor Edward David, <i>Co-opted member of Council</i>	Lay	5/6
Dr Angus Muirhead, <i>Co-opted member of Council</i>	Lay	5/6
Mr Bleddyn Phillips, <i>Pro-Chancellor & Chair of Council</i>	Lay	5/6
Mr Steve Smith, <i>Co-opted lay member</i>	Lay	5/6

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Committee held six meetings, including one special meeting. All the meetings were held in person with the exception of the special meeting which was held remotely. The Committee's business focussed on reviewing and recommending to Council the University's financial forecasts, business cases for

regional and global partnerships, and a revised Schedule of Financial Limits, and reviewing the Committee's terms of reference. In addition, the Committee considered information on the University's financial sustainability, the management of key financial risks, business planning processes, strategic investment priorities and opportunities, pension scheme arrangements, financial forecasts of the University's subsidiaries, the Students' Union Accounts, and TRAC reports.

GOVERNANCE AND NOMINATIONS COMMITTEE

The Governance and Nominations Committee reviews and advises Council on the University's governance arrangements, ensuring that the University pursues good practice and complies with external governance requirements. Its key responsibilities are (i) to ensure compliance with external governance requirements, (ii) to review the membership of Council and its Committees ensuring it has the necessary balance of skills and experience to enable it to fulfil its responsibilities, (iii) to review and make recommendations on changes to the University's governing documents, (iv) to review, advise and make recommendations on the recruitment and appointment of lay members of Council and its Committees, (v) to review, advise and make recommendations on succession planning, (vi) to oversee the induction, development and appraisal of Council members, (vii) to review

Council's Register of Interests and ensure a robust process is in place to identify any potential conflicts of interest and (viii) to review the diversity of Council and its Committees.

The Committee is chaired by the Chair of Council. All lay members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Mr Bleddyn Phillips, <i>Pro-Chancellor & Chair of Council & Chair of the Committee</i>	Lay	5/5
Professor Paul Boyle, <i>Vice-Chancellor</i>	Staff	5/5
Sir Roderick Evans, <i>Pro-Chancellor</i>	Lay	4/5
Professor Elwen Evans KC, <i>Appointed by Senate (until 31 May 2023)</i>	Staff	3/5
Professor Ryan Murphy, <i>Appointed by Senate</i>	Staff	5/5
Ms Eyllt Rosser, <i>President of Students' Union (until 30 June 2023)</i>	Student	2/4
Mr Pablo Josiah, <i>President of Students' Union (from 1 July 2023)</i>	Student	1/1
Ms Elin Rhys, <i>Co-opted member of Council</i>	Lay	3/5
Professor Keshav Singhal, <i>Co-opted member of Council</i>	Lay	5/5
Ms Anne Tutt, <i>Co-opted member of Council</i>	Lay	4/5

The Committee normally meets four times a year, however, special meetings may be called at the request of the Chair if required. During 2022/23, the Committee held five meetings, including one special meeting. All the meetings were held as hybrid meetings with the exception of the special meeting which was held remotely. The Committee's business focussed on reviewing succession planning arrangements and recommending to Council changes to the role descriptors for the Officer roles, the appointment process for, and the appointment of, a new Pro-Chancellor and Chair of Council, the re-appointment of the Vice-Chancellor, and the appointment of a new lay member of Council; reviewing and recommending to Council proposals for the 2023 Independent Governance Effectiveness Review; reviewing and recommending to Council changes to the terms of

reference and membership of Council Committees with particular reference to the skills and experience matrix; the establishment of, and the terms of reference for, a new Council Joint Engagement Forum; and amendments to the Ordinances and the procedure for the reporting of serious incidents to the Charity Commission. The Committee also amended the arrangements for reviewing the effectiveness of Council Committees and received reports on the incorporation of the Students' Union, best practice from across the sector in relation to Equality, Diversity, and Inclusion specifically in relation to increasing the diversity of board membership and the diversity of Council and Council Committees, the register of declarations of interest, and the appraisal process for the Chair of Council and Council Committees.

REMUNERATION COMMITTEE

The Remuneration Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code and publishes an annual report which is available on the University website. The Committee is responsible for determining the reward strategy of the University and the remuneration of the most senior staff of the University including the Vice-Chancellor. Its key responsibilities are (i) to develop an overall reward strategy and policy for senior employees of the University, (ii) to review and determine the remuneration, benefits and conditions of employment of the Senior Leadership Team taking account of affordability, comparative information on remuneration, benefits and conditions of employment in the University sector and elsewhere as appropriate, (iii) to agree an annual framework of work and (iv) to review and report to Council on progress through its annual report which is transparent and meets the requirements of good governance.

The Remuneration Committee is chaired by a lay member of Council and comprises independent lay members of Council who possess

relevant knowledge and expertise. All members of the Committee and its Chair are appointed by Council on the recommendation of the Governance and Nominations Committee. All members are independent of the University. The Director of Human Resources and the University Secretary attend all meetings and other senior executives attend meetings as necessary. The Vice-Chancellor is not in attendance for, and does not play a part in, the discussions and decisions of his own remuneration. The Committee submits regular updates to the Council.

Members of the Committee who served during the year ending 31 July 2023 and up to the Council meeting at which the financial statements were signed are listed below. Attendance at Committee meetings (expressed as the number of Committee meetings attended out of a total of meetings the member was due to attend) is provided below.

Committee Member	Category	Attendance
Dr Angus Muirhead, <i>Co-opted member of Council & Chair of the Committee</i>	Lay	4/4
Professor Edward David, <i>Co-opted member of Council</i>	Lay	4/4
Sir Roderick Evans, <i>Pro-Chancellor</i>	Lay	4/4
Professor Kathryn Monk, <i>Co-opted member of Council</i>	Lay	3/4
Mr Bleddyn Phillips, <i>Pro-Chancellor & Chair of Council</i>	Lay	4/4
Ms Elin Rhys, <i>Co-opted member of Council</i>	Lay	3/4

During 2022/23, the Committee held four meetings, three of which were hybrid meetings, and one was held remotely. The Committee's business focussed on reviewing and determining the remuneration, benefits and conditions of employment of new members of the Senior Leadership Team and senior staff positions; the Remuneration process for 2022 and 2023; approving the cost-of-living award for the Vice-Chancellor and noting the award for all other colleagues in accordance with the salary increases applied following 2022/23

pay negotiations conducted by UCEA on behalf of HEIs; approving a Remuneration Statement which is transparent, aligned with the recommendations of the Higher Education Senior Staff Remuneration Code and meets the requirements of good governance; noting Promotions via the Retention of Exceptional Talent procedure; and being actively involved in, and responsible for, the decision process for and any severance arrangements for grade 11 employees and for payments greater than £60,000.

STATEMENT OF INTERNAL CONTROL

The Council is responsible for ensuring there is a sound system of internal control to support the achievement of the University's aims, strategic objectives, and policies, while safeguarding the public and the funds and assets for which it is responsible. The system of internal control is risk-based and designed to manage, rather than eliminate the risk of failure to achieve strategic objectives and as such, the system provides reasonable, but not absolute, assurance against material misstatement or loss. Council acts in accordance with the responsibilities assigned to it in the University's Charter and Statutes, and the regulatory framework in which the University operates.

The key elements of the University's system of risk identification and effective risk management include:

- Linking the identification and management of risk to the achievement of institutional objectives through an on-going annual planning process;
- All risks, including governance, management, quality, reputational and financial are included within the University's Risk Register, which is managed and maintained by the University's Senior Leadership Team through a clearly articulated policy and approach. The Risk Register produces a balanced portfolio of risk exposure which focuses on the key risks;
- Evaluating the likelihood and impact of risks becoming a reality as part of that same process and establishing mitigating controls;
- Having review procedures which cover business, operational, compliance and financial risk;
- Embedding risk assessment and internal control processes in the ongoing operations of all units;
- Reporting regularly to the Audit, Assurance and Risk Committee, and then to Council, on internal control and risk;

- The Audit, Assurance and Risk Committee receives regular reports from internal audit and the internal audit plan is approved by the Audit, Assurance and Risk Committee;
- Reporting annually to Council the principal results of risk identification, evaluation and management review;
- Regular monitoring and review of the effectiveness of the internal control system processes and procedures is informed by the University's professional Internal Auditors giving rise to monitored action where necessary and appropriate.

The University's Senior Leadership Team has formal processes in place for evaluating and managing significant risks faced by the institution on an on-going basis. This involves identification of the types of risks through a top down and bottom-up approach at both corporate and departmental level, which are prioritised in terms of potential impact and likelihood of occurrence in accordance with an established and risk management policy.

Risks are monitored along with the associated controls and risk mitigation actions on an on-going basis by the Senior Leadership Team. The Audit, Assurance and Risk Committee receives the risk register and an update on risk at each of its meetings, the Finance and Strategy Committee receives the risk register and updates on relevant risks regularly, and appropriate reports and recommendations and the risk register are presented to the Council.

The University has a process for dealing with significant control issues, which involves immediate notification to the Chair of Council, Chairs of the Audit, Assurance and Risk Committee and the Finance and Strategy Committee and necessary senior staff, along with notification to HEFCW and the Charity Commission and any other relevant authority as appropriate depending on the nature of the issue. Please refer to page 36 for the principal risks and uncertainties, and mitigating actions.



ANNUAL PAY POLICY REPORT

Swansea University upholds a framework for the recognition and reward of all employees to support the University's vision and values.

The purpose of the Annual Pay Policy Statement is to set out the University's policies on a range of issues concerning the pay and remuneration of its workforce. The University's pay and grading policies, procedures, and practices are available to all employees.

In addition to complying with all accounting practices, which require a full annual remuneration report, in 2015

the Welsh Government published further expectations of transparency of remuneration for devolved public bodies in Wales. The Welsh Government specifically described the information to be included in an Annual Pay Policy Statement, alongside the Annual Financial Statements.

The University also ensures that the principles of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code, November 2021 are applied throughout their processes and practices, and presents a Senior Staff Remuneration report annually to demonstrate this to the Board of Governors

SENIOR STAFF

This is defined as the Vice-Chancellor and all members of the Senior Leadership team together with Grade 10A and Grade 11 (including Professional Services Directors and Professors).

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for determining the Reward Strategy of the University and for setting the remuneration and the terms and conditions for the Vice-Chancellor and members of their Senior Leadership Team. The Committee also receives reports allowing oversight of pay in all other areas of the University.

The recruitment, benefits and any proposed remuneration package including any annual pay increases to the Vice-Chancellor and other senior staff, is decided by the Remuneration Committee.

The Remuneration Committee is a standing Committee of Council, the governing body of the University, and its membership comprises six lay governors including the University's two Pro-Chancellors.

REPORTING OF SENIOR PAY

The salary of the Vice-Chancellor, together with anonymised data on salaries above £100K is published in the Annual Review and Financial Statements.

UK NATIONAL FRAMEWORK AGREEMENT

All employees on Grades 1 – 10 are paid on a UK nationally agreed scale, which is negotiated annually as part of collective pay negotiations between UCEA and the five Higher Education trade unions (UCU, UNISON, Unite, EIS and GMB) on behalf of a number of HE institutions in the UK.

In addition to any increases determined through the collective pay negotiations, all colleagues from grades 1–10 receive automatic incremental progression annually until they reach the top of their grade.

Any pay outside of this, is determined by benchmarking with similar institutions across the sector and by market conditions.

BENCHMARKING

The UCEA Senior Staff Remuneration survey and the XpertHR Salary Survey for Higher Education Staff is used for benchmarking salary proposals at recruitment and annual performance reviews.

The annual CUC survey of Vice-Chancellors' pay and conditions is also used when the Remuneration Committee is considering the Vice-Chancellor's remuneration package.

PERFORMANCE RELATED PAY

Grades 1 – 10: There are no performance related pay arrangements for colleagues on Grade 1 – 10 on the UK national pay spine, however as detailed above, the salary structure contains annual incremental progression to a maximum point within each grade.

Grade 10A, Grade 11 and SLT: Remuneration for colleagues at Grade 10A, Grade 11 and members of SLT is reviewed annually, using a fair and transparent process that reflects the performance of each individual, in the context of the University's performance. The level of awards is decided by the Remuneration Committee, taking into account relevant market data¹.

Vice-Chancellor: The Chair of Council is responsible for the remuneration process for the Vice-Chancellor, including determining performance and recommending a remuneration reward for the Vice-Chancellor to the Remuneration Committee.

The Remuneration Committee ensure that any pay increases for senior staff are implemented within the limit of a pre-defined affordable, budget.

¹Salaries of Clinical Academics are determined under separate arrangements within the NHS

EQUALITY

The University is committed to equality of opportunity relating to pay, salary and career progression for all staff, within a framework which is fair, transparent and consistent, as reflected in its pay and grading structures.

The University is an equal opportunities employer and has been a Real Living Wage employer since 1 April 2019, meaning that the pay of all our colleagues, especially those on the lowest salaries, meets the basic

cost of living in the UK and London as defined by the Living Wage Foundation.

The University regularly compares pay of diverse groups and monitors trends in the pay of those groups, which includes the annual reporting of the Gender Pay Gap. Annual reports of progress are reviewed by the Remuneration Committee on behalf of the Council of the University.

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF SWANSEA UNIVERSITY REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Swansea University ("the University") for the year ended 31 July 2023 which comprise the Group and University Statements of Comprehensive Income, Statements of Change in Reserves, Statement of Financial Position, and Group Statement of Cash Flow and related notes, including the accounting policies.

In our opinion the financial statements:

- Give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2023, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- Have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

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

Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the

University or to cease their operations, and as it has concluded that the Group and the University's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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

Our conclusions based on this work:

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

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

Fraud and breaches of laws and regulations – ability to detect

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

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

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

As required by auditing standards, and taking into account possible pressures to meet loan covenants, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that research income is not recognised in accordance with the relevant grant terms and conditions and the risk that Group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue journals posted to unusual account combinations.
- Verifying research income recognised is appropriate based on the underlying grant agreement and corresponding research expenditure.

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

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

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

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

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

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: compliance with higher education regulatory requirements of the Higher Education Funding Board of Governors for Wales, recognising the regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

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

Other information

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

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

- Based solely on that work, we have identified material misstatements in the other information; or
- In our opinion the information given on pages 2 to 52 (which constitutes the Trustees' Annual Report for the financial year) is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Council responsibilities

As explained more fully in its statement set out on page 57, the Council is responsible for: the preparation of the financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

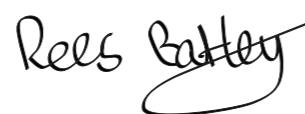
We are required to report on the following matters prescribed in the Higher Education Funding Council for Wales ("HEFCW") Audit Code of Practice (effective 1 August 2017) issued under the Further and Higher Education Act 1992 and in the Financial Management Code issued under the Higher Education (Wales)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

In our opinion, in all material respects:

- Funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- Income, where appropriate, has been applied in accordance with paragraph 145 of the HEFCW's Financial Management Code ("FMC");
- Funding Council grants have been applied in accordance with terms and conditions attached to them and used for the purposes for which they were received, including the Terms and Conditions of Funding 2022/23; and
- The requirements of HEFCW's Accounts Direction have been met.

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

This report is made solely to the Council in accordance with Section 4 of the Charters and Statutes of the University and in accordance with the section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.



Rees Batley
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

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

66 Queen Square

Bristol

BS1 4BE

27 November 2023

STATEMENT OF COUNCIL'S RESPONSIBILITIES IN RESPECT OF THE ANNUAL REVIEW AND THE FINANCIAL STATEMENTS

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

It is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the requirements of the Charities Act 2011. The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019, in accordance with the requirements of the Accounts Direction to Higher Education Institutions for 2022/23 issued by HEFCW.

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

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

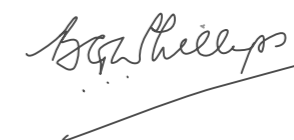
The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the

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

In preparing these Financial Statements, Council has taken reasonable steps to ensure that:

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

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



Mr Bleddyn Phillips, Chair of Council

27 November 2023

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

1. General Information

Swansea University is registered with the Higher Education Funding Council in Wales (HEFCW). The address of the registered office is:

Swansea University
Singleton Park
Swansea
SA2 8PP

Charity Number: 1138342

2. Statement of compliance

The Consolidated and University financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition).

They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by the Higher Education Funding Council for Wales (HEFCW), and the Terms and conditions of funding for higher education institutions issued by HEFCW.

The University is registered as a charity. The Financial Statements have been prepared in compliance with the Charities Act 2011.

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

3. Basis of preparation

The Consolidated and University financial statements are prepared in accordance with the historic-cost convention (modified by the revaluation of fixed assets and the measurement of certain financial instruments at fair value).

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the operational and financial review, which forms part of the Members of Council's report. This review also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities. The Members of Council have a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future.

Judgements made by management in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in accounting policy note 23.

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2022. Intra-group transactions are eliminated on consolidation.

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

Associates are accounted for using the equity method.

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

4. Going Concern

The University has identified a number of downside scenarios and considered the financial impact of these on its Statements of Comprehensive Income, Financial Position, Cash Flows and on its banking covenants for the going concern period, being 12 months from the date of approval of these financial statements.

The main risk that has been tested is the reduction in home and overseas student numbers against the 2023/24 and 2024/25 original forecasts, taking into account actual enrolments to October 2023 and anticipated enrolments in January 2024 and September 2024, based on current applications and market intelligence.

Other risks that have been considered include a further increase in the pay award for 2023/24, an increase in the cost of borrowing and the impact of inflation on non pay costs.

The outcome of this modelling, taking into account a range of mitigating actions, indicates that there is a risk that the University will breach at least one of its banking covenants at 31 July 2024. However, the modelling also shows that the University would have sufficient cash to repay the outstanding borrowing should that be necessary, and to continue to meet its other obligations and commitments over the going concern period.

Having considered the underlying assumptions of the downside scenarios, the proposed mitigations, and the financial impact of these, particularly in relation to the banking covenants, the Members of Council are confident that the University can manage its business risks and will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements

5. Exemptions under FRS 102

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

6. Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with

the share of the results of joint ventures and associates for the financial year to 31 July 2023.

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

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

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

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

7. Income recognition

Income from the sale of goods or services (exchange transactions) is credited to the Statement of Comprehensive Income when the amount of revenue can be reliably measured, the stage of completion at the end of the reporting period can be reliably measured, it is probable that the economic benefits associated with the transaction will flow to the University and when costs of services delivered or due to be delivered can be measured reliably.

Tuition Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income. Education contracts are recognised when the University is entitled to the income, which is the period in which the students are studying, or where relevant, when performance conditions have been met.

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

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

Grant funding

Government grants including Funding Council block grant and research grants from Government sources and other grants from non-government sources including research grants from non-government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and performance-related conditions have been met. Income received in advance of performance-related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Commercial research contracts are accounted for in line with the policy for income from the sale of goods or services (exchange transactions) above.

Other grants and donations received from non-government sources including research grants from non-government sources are recognised within the Statement of Comprehensive Income when the University is entitled to the income and the performance-related conditions have been met. Income received in advance of performance-related conditions is deferred within creditors in the Statement of Financial Performance and released to the Statement of Comprehensive Income in line with such conditions being met.

Capital Grants

Capital grants are recognised in income when the University is entitled to the funds subject to any performance-related conditions being met. Capital Government grants for land are to be accounted for in line with the performance model as per the policy for Government Grants above.

Donations and Endowments

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

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

Donations with no restrictions are recorded within the Statement of Comprehensive Income when the University is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

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

Donations of tangible assets are included within income. The income recognised is valued using a reasonable estimate of their gross value or the amount actually realised. Donated tangible assets are valued and accounted for as tangible assets under the appropriate asset category.

8. Accounting for retirement benefits

The three principal schemes for the University's staff are the Universities Superannuation Scheme (USS), the Swansea University Pension Scheme (SUPS), and the National Employment Savings Trust (NEST). SUPS was closed to new members from 1 January 2012 when new staff were invited to join NEST. The University also contributes to the NHS Pension Scheme.

USS and SUPS are defined-benefit schemes, which are externally funded and contracted out of the State Second Pension. Each fund is valued every three years by professionally qualified independent actuaries. NEST is a defined contribution scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities of each University, due to the mutual nature of the scheme. Therefore, the scheme is accounted for as a defined contribution retirement benefit scheme.

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

Defined Contribution Plan

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

Multi-employer schemes

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

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under defined benefit plans the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne in substance by the University. The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

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

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

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

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

Further detail is provided on the specific pension schemes in note 30 to the accounts.

9. 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 the service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of unused entitlement. Unused annual leave entitlement at 31 July is recognised as a creditor for administrative staff. There is no creditor for unused annual leave for academics as no obligation exists.

10. Finance Leases

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

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

11. Service Concession Arrangements

Fixed assets held under service concession arrangements are recognised on the Balance sheet at the present value of the minimum lease payments when the assets are brought into use with the corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The Bay Campus residences and Singleton residences are classified as Service Concession Arrangements.

12. 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.

13. Foreign Currency

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

14. Property Plant and Equipment

Property, plant and equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings

Land and buildings are capitalised at cost on initial recognition.

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

Land and Buildings in existence upon transition to FRS102 and the new HE SORP 2015, were revalued to fair value on the date of transition. These are measured on the basis of deemed cost, being the revalued amount at the date of the revaluation. 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 on an annual basis.

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

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

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives to the University of between 12 and 75 years.

No depreciation is charged on assets in the course of construction and depreciation is accelerated when there is a known demolition date.

Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years.

Equipment

Equipment costing more than £25,000 per individual item is capitalised in the year of acquisition. Equipment purchased as part of a package or replacement programme, with the total package costing more than £25,000 is also capitalised in the year

of acquisition. All other equipment is written off in the year of acquisition, unless there is a specific reason to capitalise.

Capitalised equipment is stated at cost and depreciated over its useful expected life. The useful expected life is three to five years except in exceptional circumstances where the useful life is deemed longer or shorter.

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

Vessels

Vessels are stated at cost and depreciated over their useful expected lives.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Borrowing costs

Borrowing costs are recognised as an expense in the Statement of Comprehensive Income in the period in which they are incurred.

Impairment

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

15. Heritage Assets

Works of art and other valuable artefacts are capitalised and recognised at the cost or value of the acquisition, where a cost or value is reasonably obtainable.

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

Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

16. Investments

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

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

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income.

17. Stock

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

18. 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.

19. Provisions, contingent liabilities, and contingent assets

Provisions are recognised in the financial statements when:

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

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

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of certain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

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

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

20. Accounting for Associates, Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

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

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

21. Taxation

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

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

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

22. Reserves

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

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

23. Critical accounting estimates and judgements

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

Retirement benefit obligations

The University operates its own scheme, Swansea University Pension Scheme (SUPS), which is a defined-benefit scheme (now closed to new members). Actuarial valuations of the scheme are carried out as determined by the Trustees at intervals of not more than three years.

Pension costs under the HE SORP and FRS102 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 University, supplemented by decisions between the actuary and management. The assumptions are documented in note 31.

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

As the University is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 30.



CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 July 2023

	NOTE	CONSOLIDATED YEAR ENDED 31 JULY 2023 £000	UNIVERSITY YEAR ENDED 31 JULY 2023 £000	CONSOLIDATED YEAR ENDED 31 JULY 2022 £000	UNIVERSITY YEAR ENDED 31 JULY 2022 £000
INCOME					
Tuition fees and education contracts	1	198,881	198,881	188,370	188,370
Funding body grants	2	74,176	74,176	43,857	43,857
Research grants and contracts	3	67,098	67,098	69,212	69,212
Other income	4	66,067	65,742	67,373	67,198
Investment income	5	6,124	6,124	812	812
Donations and Endowments	6	291	291	462	462
TOTAL INCOME		412,637	412,312	370,086	369,911
EXPENDITURE					
Staff costs	7	195,972	195,626	182,959	182,629
Change in expected USS contributions	7	(31,704)	(31,704)	93,537	93,537
Other operating expenses	9	140,183	139,831	134,938	133,999
Depreciation and amortisation	10/11	32,636	32,629	28,638	28,546
Interest and other finance costs	8	11,604	11,605	7,557	7,551
TOTAL EXPENDITURE	9	348,691	347,987	447,629	446,262
Surplus before other gains/(losses) and share of operating surplus/(deficit) of joint ventures and associates		63,946	64,325	(77,543)	(76,351)
Gain on disposal of tangible assets	10	226	226	-	-
Gain / (Loss) on investments	14/22	269	(1,351)	(291)	(1,013)
Share of operating profit / (deficit) in associate	14	77	(48)	(1,732)	(1,732)
SURPLUS / (DEFICIT) BEFORE TAXATION		64,518	63,152	(79,566)	(79,096)
Taxation		(20)	-	(15)	-
SURPLUS / (DEFICIT) FOR THE YEAR		64,498	63,152	(79,581)	(79,096)
Other Comprehensive Income					
Actuarial gain in respect of pension schemes	31	18,600	18,600	23,700	23,700
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		83,098	81,752	(55,881)	(55,396)
REPRESENTED BY:					
Endowment comprehensive income for the year	22	1	1	(198)	(198)
Restricted comprehensive income for the year	23	135	135	52	52
Unrestricted comprehensive income for the year		84,501	83,155	(54,703)	(54,218)
Revaluation reserve comprehensive income for the year		(1,539)	(1,539)	(1,032)	(1,032)
		83,098	81,752	(55,881)	(55,396)

All items of income and expenditure relate to continuing activities. The accompanying notes and policies on pages 68 to 95 form part of these financial statements.

CONSOLIDATED AND INSTITUTION STATEMENT OF CHANGE IN RESERVES

Year ended 31 July 2023

	INCOME AND EXPENDITURE RESERVE			REVALUATION RESERVE	TOTAL
	ENDOWMENT £000	RESTRICTED £000	UNRESTRICTED £000	£000	£000
CONSOLIDATED					
AT 1 AUGUST 2021	7,505	-	168,639	43,654	219,798
Deficit from the income and expenditure statement	(167)	52	(79,466)	-	(79,581)
Other comprehensive income	-	-	23,700	-	23,700
Transfers between revaluation and income and expenditure reserve	-	-	1,032	(1,032)	-
Release of endowment and restricted funds spent in the year	(31)	-	31	-	-
AT 31 JULY 2022	7,307	52	113,936	42,622	163,917
AT 1 AUGUST 2022	7,307	52	113,936	42,622	163,917
Surplus from the income and expenditure statement	40	135	64,323	-	64,498
Other comprehensive income	-	-	18,600	-	18,600
Transfers between revaluation and income and expenditure reserve	-	-	1,539	(1,539)	-
Release of endowment and restricted funds spent in the year	(39)	-	39	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1	135	84,501	(1,539)	83,098
AT 31 JULY 2023	7,308	187	198,437	41,083	247,015
UNIVERSITY					
AT 1 AUGUST 2021	7,505	-	169,283	43,654	220,442
Deficit from the income and expenditure statement	(167)	52	(78,981)	-	(79,096)
Other comprehensive income	-	-	23,700	-	23,700
Transfers between revaluation and income and expenditure reserve	-	-	1,032	(1,032)	-
Release of endowment and restricted funds spent in the year	(31)	-	31	-	-
AT 31 JULY 2022	7,307	52	115,065	42,622	165,046
AT 1 AUGUST 2022	7,307	52	115,065	42,622	165,046
Surplus from the income and expenditure statement	40	135	62,977	-	63,152
Other comprehensive income	-	-	18,600	-	18,600
Transfers between revaluation and income and expenditure reserve	-	-	1,539	(1,539)	-
Release of endowment and restricted funds spent in the year	(39)	-	39	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1	135	83,155	(1,539)	81,752
AT 31 JULY 2023	7,308	187	198,220	41,083	246,798

CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

Year ended 31 July 2023

		CONSOLIDATED	UNIVERSITY	CONSOLIDATED	UNIVERSITY
		31 JULY 2023	31 JULY 2023	RESTATED 31 JULY 2022	RESTATED 31 JULY 2022
	NOTE	£000	£000	£000	£000
NON-CURRENT ASSETS					
Intangible assets	11	316	316	-	-
Tangible assets	10	473,112	473,029	464,629	464,550
Heritage assets	12	1,025	1,025	1,005	1,005
Investments	14	594	-	238	-
Investments in subsidiaries	14	-	700	-	1,929
Investments in associates	14	125	-	48	48
		475,172	475,070	465,920	467,532
CURRENT ASSETS					
Stocks	15	129	16	105	38
Trade and other receivables	17	53,763	53,920	55,009	55,289
Investments	17	54,941	54,941	5,029	5,029
Cash and cash equivalents		123,403	123,187	164,695	164,046
		232,236	232,064	224,838	224,402
Less creditors falling due within one year	18	(134,132)	(134,075)	(139,576)	(139,623)
NET CURRENT ASSETS		98,104	97,989	85,262	84,779
TOTAL ASSETS LESS CURRENT LIABILITIES		573,276	573,059	551,182	552,311
Creditors: amounts falling due after more than one year	19	(209,420)	(209,420)	(216,401)	(216,401)
PROVISIONS					
Pension provision	21	(116,841)	(116,841)	(170,864)	(170,864)
TOTAL NET ASSETS		247,015	246,798	163,917	165,046
RESTRICTED RESERVES					
Income and expenditure reserve – endowment reserve	22	7,308	7,308	7,307	7,307
Income and expenditure reserve – restricted reserve	23	187	187	52	52
UNRESTRICTED RESERVES					
Income and expenditure reserve – unrestricted		198,437	198,220	113,936	115,065
Revaluation reserve		41,083	41,083	42,622	42,622
TOTAL RESERVES		247,015	246,798	163,917	165,046

See note 34 for the detail of the restatement. The accompanying notes and policies form part of these financial statements.

The financial statements were approved by Council on 27 November 2023 and were signed on its behalf on that date by:



Professor P Boyle (Vice-Chancellor)



B. Phillips (Chair of Council)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 July 2023

		31 JULY 2023	31 JULY 2022
		£000	RESTATED £000
	NOTE		
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus / (Deficit) for the year before taxation		64,518	(79,566)
ADJUSTMENT FOR NON-CASH ITEMS			
Depreciation	10	32,556	28,638
Amortisation of intangibles	11	80	-
Impairment	14	-	772
(Loss)/gain on Investments		(269)	291
(Increase)/decrease in stock		(24)	19
Decrease in debtors		1,705	7,329
Increase in creditors		22,914	7,286
(Decrease)/increase in pension provisions		(35,423)	90,395
Share of operating deficit in associate		(77)	1,732
ADJUSTMENT FOR INVESTING OR FINANCING ACTIVITIES			
Investment income		(6,124)	(812)
Capital grant income		(35,942)	(5,969)
Interest payable		5,933	6,175
Endowment Income		(9)	(30)
(Gain) on the sale of tangible assets		(226)	-
CASH FLOWS FROM OPERATING ACTIVITIES INVESTMENT INCOME		49,612	56,260
Taxation		(20)	(15)
NET CASH INFLOW FROM OPERATING ACTIVITIES		49,592	56,245
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital grant receipts		8,122	24,362
Proceeds from sales of tangible assets		901	-
Payments made to acquire tangible assets		(38,309)	(39,142)
Payments made to acquire intangible assets		(396)	-
(Increase) in deposits		(50,000)	-
Investment income		4,606	812
		(75,076)	(13,968)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(2,961)	(3,117)
Interest element of finance lease and service concession arrangements		(2,972)	(3,058)
Capital element of finance lease and service concession arrangements		(6,495)	(6,407)
New endowments		9	30
New unsecured loans		2,300	120
Repayment of amounts borrowed		(5,817)	(5,713)
		(15,936)	(18,145)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(41,420)	24,132
Cash and cash equivalents at beginning of the year		164,695	140,563
Cash and cash equivalents at end of the year		123,275	164,695

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2023

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
1. TUITION FEES AND EDUCATION CONTRACTS				
Full-time home and EU students	120,329	120,329	119,004	119,004
Full-time international students	59,280	59,280	51,063	51,063
Part-time students	4,582	4,582	3,686	3,686
Educational contracts with the NHS and HEIW	14,602	14,602	14,537	14,537
Non-accredited course fees	88	88	80	80
	198,881	198,881	188,370	188,370

To generate the full-time home and EU tuition fee the University has spent £4,000k (2022: £3,800k) in relation to bursaries in accordance with the fee plan.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
2. FUNDING BODY GRANTS				
RECURRENT GRANTS				
HEFCW Teaching grants	9,563	9,563	8,884	8,884
HEFCW Research grants	19,328	19,328	19,845	19,845
HERC Capital grant	2,021	2,021	851	851
	30,912	30,912	29,580	29,580
SPECIFIC GRANTS RECEIVED IN YEAR				
Student Wellbeing & Health	1,250	1,250	986	986
Digital & Estates	–	–	6,348	6,348
Research & Innovation	5,929	5,929	2,706	2,706
Welsh Language	1,423	1,423	1,175	1,175
Other	741	741	1,257	1,257
Capital	33,921	33,921	1,805	1,805
	43,264	43,264	14,277	14,277
	74,176	74,176	43,857	43,857

Income from capital grants relates to £35,076k in respect of buildings (2022: £2,156k) and £866k in respect of equipment (2022: £500k). Within capital grants there is £29,920k relating to the build for the Centre for Integrated Semiconductor Materials, of which £28,883k was received in prior years and held on the balance sheet ahead of performance conditions being met during 2023 (2022: £0).

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
3. RESEARCH GRANTS AND CONTRACTS				
Research Councils	20,713	20,713	25,616	25,616
UK-based charities	3,563	3,563	2,520	2,520
UK industry and commerce	3,060	3,060	3,326	3,326
Government (UK and overseas)	36,625	36,625	35,001	35,001
Other	3,137	3,137	2,749	2,749
	67,098	67,098	69,212	69,212

Included within Government (UK and overseas) above is £400k, being the receipt of capital grants in the year (2022: £3,300k).

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
4. OTHER INCOME				
Residences, catering and conferences	26,252	26,252	28,273	28,273
Other services rendered	2,709	2,709	2,872	2,872
Income from service concession agreements	9,466	9,466	9,466	9,466
Other income	20,554	20,229	18,857	18,682
NHS income in respect of the College of Medicine	5,055	5,055	6,176	6,176
Research Council full-time Doctoral/Collaborative Training Award	2,031	2,031	1,729	1,729
	66,067	65,742	67,373	67,198

Included within other income is income from collaborations of £6,900k (2022: £7,000k), estates income of £1,300k (2022: £3,400k), and £900k sports centre income (2022: £800k).

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
5. INVESTMENT INCOME				
Investment income on endowments	145	145	67	67
Other Investment Income	5,979	5,979	745	745
	6,124	6,124	812	812

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
6. DONATIONS AND ENDOWMENTS				
New endowments	9	9	30	30
Donations with restrictions	196	196	53	53
Unrestricted donations	86	86	379	379
	291	291	462	462

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
7. STAFF COSTS				
The staff costs for the financial year were:				
Salaries	157,786	157,440	143,253	142,923
Social security costs	15,852	15,852	14,823	14,823
Other pension costs	22,334	22,334	24,883	24,883
TOTAL STAFF COSTS	195,972	195,626	182,959	182,629
CHANGE IN EXPECTED USS CONTRIBUTIONS	(31,704)	(31,704)	93,537	93,537

A further breakdown of pension costs has been included in Note 31, Pensions Schemes.

	2023 £000	2022 £000
TOTAL REMUNERATION OF THE VICE-CHANCELLOR		
Basic salary	323	297
Accommodation allowance	16	15
Employer pension contributions	20	17
	359	329

The Remuneration Committee is responsible for determining the Reward Strategy of the University and for setting the remuneration and the terms and conditions for the Vice-Chancellor and other senior members of staff.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits and conditions of employment in the University sector, and wider where appropriate. In determining the remuneration awarded, the Remuneration Committee considers the University's approach taken to recognising performance and refers to sector benchmarking information provided from the UCEA Senior Salary Survey. The Remuneration Committee ensures that it complies with the requirements of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code.

In December 2022, the Committee reviewed and approved the approach, considerations, and recommendations for remuneration for the Vice-Chancellor, taking account of the following:

- i. University Professorial Performance Curves;
- ii. Detailed performance and remuneration recommendations

As in previous years, the factors considered as part of the performance reward proposals included, but were not limited to:

- a) performance in support of the institution's strategic objectives in areas such as Research; Teaching; Innovation and Engagement; Leadership and Management; Partnerships and external relations internationally, nationally and locally; and Major initiatives and projects;
- b) the size and complexity of the institution;
- c) the nature of the HE markets and issues of recruitment and retention; and
- d) the institution's objectives in relation to the diversity of the workforce;

Data to support these indicators was drawn from:

- a) the Universities and Colleges Employer Association's Senior Staff Remuneration Survey;
- b) analysis of salary distributions.

Recognising the University's vision as a principled, purposeful and resilient University that balances excellent teaching with world-leading research and innovation in an environment which enables our students and colleagues to excel, alongside being valued globally as a trusted partner who is deeply committed to our region and proud to be a University for Wales, it is essential that the University offers a competitive remuneration package for its Vice-Chancellor role. This also recognises the number of University staff and students, and the diverse and complex nature of the organisation.

In considering the Vice-Chancellor's remuneration package, the Remuneration Committee considers the organisational context, alongside the Vice-Chancellor's performance (through a formal performance development review), general pay movement for all University staff, retention and any relevant market considerations, and is informed by internal benchmark data and salary benchmarking information with comparator universities. The Remuneration Committee receives feedback from the Chair of Council on behalf of all members.

Further information can be obtained from the Remuneration Statement 2023.

www.swansea.ac.uk/about-us/university-governance/corporate-information/remuneration-at-swansea-university

The Vice-Chancellor is enrolled in the enhanced opt out arrangement within the Universities' Superannuation Scheme (the USS).

The head of the provider's basic salary is 9.2 times the median pay of staff (2022: 8.6 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The head of the provider's total remuneration is 9.9 times the median total remuneration of staff (2022: 8.6 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University to its staff.

The median calculations include salaries part funded by the NHS.

HIGHER PAID STAFF

The number of staff with a basic salary over £100k per annum has been included below.

Remuneration of higher paid staff (excluding the Vice-Chancellor), excludes employer's pension contributions but including payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contracts of employment and which are reimbursed to the University by the NHS, was:

In 2023 there were 60 higher paid members of staff (2022: 52)

	CONSOLIDATED 2023 NUMBER	UNIVERSITY 2023 NUMBER	CONSOLIDATED 2022 NUMBER	UNIVERSITY 2022 NUMBER
£100,000 – £104,999	8	8	8	8
£105,000 – £109,999	5	5	8	8
£110,000 – £114,999	7	7	5	5
£115,000 – £119,999	6	6	6	6
£120,000 – £124,999	8	8	4	4
£125,000 – £129,999	5	5	4	4
£130,000 – £134,999	5	5	2	2
£135,000 – £139,999	1	1	2	2
£140,000 – £144,999	1	1	–	–
£145,000 – £149,999	–	–	1	1
£150,000 – £154,999	–	–	1	1
£155,000 – £159,999	3	3	2	2
£160,000 – £164,999	–	–	–	–
£165,000 – £169,999	1	1	3	3
£170,000 – £174,999	3	3	–	–
£175,000 – £179,999	2	2	1	1
£180,000 – £184,999	–	–	–	–
£185,000 – £189,999	1	1	2	2
£190,000 – £194,999	2	2	1	1
£195,000 – £199,999	1	1	1	1
£200,000 – £204,999	–	–	–	–
£205,000 – £209,999	–	–	–	–
£210,000 – £214,999	–	–	1	1
£215,000 – £219,999	–	–	–	–
£220,000 – £224,999	–	–	–	–
£225,000 – £229,999	1	1	–	–

	2023 £000	2022 £000
COMPENSATION FOR LOSS OF OFFICE PAYABLE TO HIGHER PAID STAFF:		
Compensation and severance paid to University higher paid staff	86	45
Number of University higher paid staff who received compensation or severance	1	1

AVERAGE NUMBER OF STAFF (INCLUDING SENIOR POST HOLDERS) EMPLOYED BY THE UNIVERSITY

The average number of staff employed by the University during the year expressed as FTE (full-time equivalents):

	2023 Number (FTE)	2022 Number (FTE)
Academic	1,135	1,085
Research	481	506
Management and specialist	1,071	987
Technical	184	153
Other	843	815
	3,714	3,546

KEY MANAGEMENT PERSONNEL

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the institution. Key management consists of the senior executive officers including the Vice-Chancellor, Registrar & Chief Operating Officer, Provost, three Pro-Vice-Chancellors, three Executive Deans and the Chief Financial Officer.

	2023 £000	2022 £000
Key Management Personnel	2,046	1,910

During September 2022 Professor Steve Wilks stood down as Provost with Professor Martin Stringer standing down as Pro-Vice-Chancellor at the same time. Professor Johann Sienz was appointed Interim Pro-Vice-Chancellor / Executive Dean for the Faculty of Science and Engineering in August 2022, replacing Professor Ken Meissner, until the permanent appointment of Professor David Smith in January 2023. Professor Elwen Evans stood down as Pro-Vice-Chancellor / Executive Dean in June 2023, being replaced by Professor Ryan Murphy acting as interim. During the year the number of Key Management Personnel decreased from 10 to 8.

	NOTE	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
8. INTEREST AND OTHER FINANCE COSTS					
Loan interest		2,961	2,962	3,117	3,111
Finance leases including service concession arrangements		2,972	2,972	3,058	3,058
Unwinding of USS discount factor		4,471	4,471	382	382
Net pension interest cost	31	1,200	1,200	1,000	1,000
		11,604	11,605	7,557	7,551

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
9. ANALYSIS OF EXPENDITURE BY ACTIVITY				
Academic departments	140,631	140,630	128,326	128,326
Academic services	35,088	35,087	30,465	30,465
Research grants and contracts	60,369	60,368	56,536	56,536
Residences, catering and conferences	25,093	25,094	27,714	27,714
Premises	40,920	40,920	37,878	37,878
Professional services	64,068	64,068	59,729	59,729
USS fund adjustments	(34,622)	(34,622)	91,296	91,296
Other	17,145	16,442	15,685	14,318
TOTAL EXPENDITURE	348,691	347,987	447,629	446,262

2023
£000

2022
£000

OTHER EXPENDITURE ABOVE INCLUDES:

Service concession arrangements	10,034	10,121
Restructuring costs	108	91

The voluntary exit scheme closed to new applicants during 2020-21. Minimal costs for loss of office of £108k (2022: £91k) were incurred in the year as the scheme was finalised.

CONSOLIDATED
2023
£000

CONSOLIDATED
2022
£000

OTHER OPERATING EXPENSES AS PER THE STATEMENT OF COMPREHENSIVE INCOME

Non-capitalised equipment	14,913	16,223
Consumables	6,960	6,004
Rent, Rates and leases	21,523	24,165
Repairs, refurbishment, maintenance and building costs	9,693	10,994
Heat, light, power and water	10,115	7,706
Scholarships, bursaries, prizes and fee contributions	19,772	16,878
Books, publications, periodicals & library services	4,357	4,019
Student Recruitment and advertising	9,496	8,115
Consultancy, Professional Services & agency	22,938	23,130
Travel and conference costs	7,296	4,180
Employee related expenditure	4,441	3,897
Subscriptions and contributions	2,442	2,678
Office expenses	1,543	1,484
Catering	1,343	1,262
Other expenses	3,351	4,203
	140,183	134,938

CONSOLIDATED
2023
£000

UNIVERSITY
2023
£000

CONSOLIDATED
2022
£000

UNIVERSITY
2022
£000

EXTERNAL AUDITORS REMUNERATION

Audit of the University and its subsidiaries	158	126	132	105
Audit related assurance services	15	15	31	31
Taxation compliance services	15	-	14	-
Taxation advisory services	21	21	5	5
TOTAL NON-AUDIT SERVICES	51	36	50	36

10. NON-CURRENT ASSETS – FIXED ASSETS – CONSOLIDATED

	Freehold land and buildings £000	Service concession arrangements £000	Fixtures, fittings and equipment £000	Vessels £000	Assets in the course of construction £000	Heritage assets £000	Total £000
COST							
At 1 August 2022	378,402	161,050	65,848	1,566	34,294	1,005	642,165
Additions	–	3,424	9,233	–	29,056	20	41,733
Transfers	48,027	–	4,220	–	(52,247)	–	–
Impairment	–	–	–	–	–	–	–
Disposals	(850)	–	–	–	–	–	(850)
At 31 July 2023	425,579	164,474	79,301	1,566	11,103	1,025	683,048
CONSISTING OF VALUATION AS AT:							
31 July 2014	41,083	–	–	–	–	–	41,083
Cost	384,496	164,474	79,301	1,566	11,103	1,025	641,965
	425,579	164,474	79,301	1,566	11,103	1,025	683,048
ACCUMULATED DEPRECIATION							
At 1 August 2022	75,590	52,848	47,894	199	–	–	176,531
Charge for year	13,430	7,063	12,001	62	–	–	32,556
Disposals	(176)	–	–	–	–	–	(176)
At 31 July 2023	88,844	59,911	59,895	261	–	–	208,911
CARRYING AMOUNT							
At 31 July 2023	336,735	104,563	19,406	1,305	11,103	1,025	474,137
At 1 August 2022	302,812	108,202	17,954	1,367	34,294	1,005	465,634

NON-CURRENT ASSETS – FIXED ASSETS – UNIVERSITY

	Freehold land and buildings £000	Service concession arrangements £000	Fixtures, fittings and equipment £000	Vessels £000	Assets in the course of construction £000	Heritage assets £000	Total £000
COST							
At 1 August 2022	378,402	161,050	64,618	1,566	34,294	1,005	640,935
Additions	–	3,424	9,223	–	29,056	20	41,723
Transfers	48,027	–	4,220	–	(52,247)	–	–
Disposals	(850)	–	–	–	–	–	(850)
At 31 July 2023	425,579	164,474	78,061	1,566	11,103	1,025	681,808
CONSISTING OF VALUATION AS AT:							
31 July 2014	41,083	–	–	–	–	–	41,083
Cost	384,496	164,474	78,061	1,566	11,103	1,025	640,725
	425,579	164,474	78,061	1,566	11,103	1,025	681,808
ACCUMULATED DEPRECIATION							
At 1 August 2022	75,590	52,848	46,743	199	–	–	175,380
Charge for year	13,430	7,063	11,995	62	–	–	32,550
Disposals	(176)	–	–	–	–	–	(176)
At 31 July 2023	88,844	59,911	58,738	261	–	–	207,754
CARRYING AMOUNT							
At 31 July 2023	336,735	104,563	19,323	1,305	11,103	1,025	474,054
At 1 August 2022	302,812	108,202	17,875	1,367	34,294	1,005	465,555

A full valuation of the University's land and property was carried out on 31 July 2014 by qualified chartered surveyors in accordance with the RICS valuation – Professional Standards 2014 (the Red Book). Under FRS 102 paragraph 35.10, the University has elected to measure land and property at fair value at the transition date of 31 July 2014 and use the fair value as the deemed cost on that date. The properties are being depreciated from the valuation date. As the assets are depreciated or sold, an appropriate transfer is made from the revaluation reserve to the Income and expenditure reserve. Analysis of the land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption.

At 31 July 2023, freehold land and buildings included £16,500k (2022: £16,500k) in respect of freehold land which is not depreciated.

Following review of tangible assets, no impairment was considered necessary in 2023 (2022: £0)

11. INTANGIBLE ASSETS

Consolidated and University

	SOFTWARE £000	ASSETS UNDER DEVELOPMENT £000	TOTAL £000
COST			
As at 1 August 2022	–	–	–
Additions	240	156	396
Transfers	–	–	–
As at 31 July 2023	240	156	396
AMORTISATION			
As at 1 August 2022	–	–	–
Charge for the year	80	–	80
As at 31 July 2023	80	–	80
NET BOOK VALUE			
As at 31 July 2023	160	156	316
As at 31 July 2022	–	–	–

The software additions in the year relate to the University's "Service Now" Platform. Software is amortised on a straight line basis over its useful economic life. The assets under development additions relate to the design and implementation of a software platform to support network developments. Assets under development are not amortised.

12. NON-CURRENT ASSETS – HERITAGE ASSETS

Heritage assets included on the Statement of Financial Position refer largely to the University's Art Collection. There are also other heritage assets which due to their nature we are unable to value and therefore have not been included.

The Egypt Centre holds the Wellcome Collection which includes Egyptian antiques and artefacts. These assets are unique and not replaceable. The Egypt Centre is a recognised museum, accredited by the Arts Council and a recognised ACCES partner. It aims to collect, interpret and care for Egyptian archaeological material and documents and preservation is critical to their work. All policies in place are reviewed by the Arts Council. The Wellcome Collection is available to view by all University staff and students, local schools as well as the wider general public.

The picture and art collection is recognised on the Statement of Financial Position under Heritage Assets, was valued in 2008 by an independent valuer and has been taken as deemed cost on transition. The majority of this art collection can be viewed around the University.

The University also holds a silver collection which includes but is not limited to competition cups, bowls and vases dating between the 1950s and 1980s. No price can be attributed to this collection, hence they are not held on the Statement of Financial Position. The collection is stored securely but can be available for inspection upon request.

The University also holds Dylan Thomas manuscripts which were purchased out of University funds.

13. SERVICE CONCESSION ARRANGEMENTS

The University has six Service Concession Arrangements in the Statement of Financial Position.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT ASSETS

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2023 is £104,563k (1 August 2022 £108,202k).

The reduction of £3,638k is as a result of £7,063k of depreciation less the addition of £3,424k which occurred following the additional guarantee given on the three Bay Campus residences, increasing the occupancy guarantee from 50% to 100% for one academic year only.

MOVEMENT IN SERVICE CONCESSION ARRANGEMENT LIABILITIES

The total liabilities relating to service concession arrangements included in the Statement of Financial Position as at 31 July 2023 were £115,961k (1 August 2022 £119,032k). Liabilities were reduced by £6,495k during the year following repayment and accounting adjustments. Additional occupancy guarantees were given in the year in relation to the three Bay Campus residences increasing the liability by £3,424k, reducing the overall reduction in the liability to £3,070k.

FUTURE COMMITMENTS

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

£'000	PAYABLE IN 1 YEAR	PAYABLE IN 2-5 YEARS	PAYABLE IN >5 YEARS	TOTAL
Liability repayments	6,584	13,625	95,752	115,961
Finance charge	2,881	10,543	35,104	48,528
	9,465	24,168	130,856	164,489

Prior to conversion of the Financial Statements to reflect FRS102, the University had entered into the following leases which were previously held off the Statement of Financial Position. These leases have now been brought onto the Statement of Financial Position as Service Concession Arrangements. The notes below give more information on these arrangements:

GWALIA RESIDENCES

Gwalia Phase 1 – A 30-year lease was entered into in 2004 to build three new blocks of accommodation with 272 units. The occupancy guarantee is 100%. Gwalia Phase 2 – A 30-year lease was entered into in 2010 comprising of 351 units with the lower floors shelled for University activities. The occupancy guarantee is 100%.

BAY RESIDENCES – PHASE 1A

In September 2015, the University commenced a 45-year contract with a third party provider for the provision and maintenance of phase 1a of the student accommodation on the Bay Campus, providing 899 rooms for 923 students. In February 2018, the third party, with the University's consent, entered into a transaction to transfer the contract to another third party. Under the terms of the new agreement, the lease was extended to 2062. The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position. The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,485k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30 March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1B

In January 2016, the University commenced a 45-year contract with a third party provider for the provision and maintenance of phase 1b of the student accommodation on the Bay Campus, providing 545 single rooms. In February 2018, the contract was transferred to another third party and the lease was extended to 2062.

The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position.

The University has a 50% annual occupancy guarantee amounting to committed annual payments of £823k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30 March preceding the September term. The University, furthermore, has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

BAY RESIDENCES – PHASE 1C

On 15 December 2015, the University entered into a 45-year contract with a third party provider for the provision and maintenance of phase 1c of the student accommodation on the Bay Campus, providing 538 single rooms. The assets and liabilities relating to this scheme are recognised on the University's Statement of Financial Position. The University has a 50% annual occupancy guarantee amounting to committed annual payments of £1,056k recorded within Other Comprehensive Income.

The University has the exclusive right over all accommodation units to nominate occupation by students until the 30th March preceding the September term. The University further has the right to nominate occupation units of accommodation over the summer period (subject to prior discussions with the third party). At the end of the 45-year contract, the University has the option to acquire the residences for a nominal £1.00 option fee.

THE COLLEGE ACADEMIC BUILDING

On 8 September 2017, the University entered into a 20-year contract with a third party provider for the provision and maintenance of an Academic Building.

The University has guaranteed 35% of the building amounting to committed gross annual payments of £357k. The University has exclusive rights over the allocated 35% of the building and controls the use within this area.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
14. NON-CURRENT INVESTMENTS				
Investment in associates	125	–	48	48
Investment in subsidiaries	–	700	–	1,929
Other investments	594	–	238	–
	719	700	286	1,977

INVESTMENT IN ASSOCIATE

The Institution holds the following 50% investments in both Swan Global Education LLP (2022: 50%) and Wales National Pool Swansea (2022: 50%). The investments are accounted for at cost less impairment in the Institution financial statements and using the equity method in the consolidated financial statements.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
At 1 August 2022	48	48	1,780	1,780
Additions	–	–	–	–
Disposals	–	–	–	–
Share loss / (profit) retained by associate	77	(48)	(1,732)	(1,732)
AT 31 JULY 2023	125	–	48	48

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
INVESTMENT IN SUBSIDIARY				
At 1 August 2022	–	1,929	–	1,929
Additions	–	35	–	772
Disposals	–	–	–	–
Impairment	–	(1,264)	–	(772)
AT 31 JULY 2023	–	700	–	1,929

The £35k investment relates to the 100% owned subsidiary entity SU Pathway College Ltd.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
OTHER INVESTMENTS				
At 1 August 2022	238	–	288	–
Additions	–	–	–	–
Disposals	–	–	–	–
Impairment/Reversals	54	–	8	–
Revaluations	302	–	(58)	–
AT 31 JULY 2023	594	–	238	–

OTHER INVESTMENTS CONSIST OF:

At fair value:				
Market securities	207	–	123	–
At cost less impairment:				
Group investments in spin outs	387	–	115	–
	594	–	238	–

Details of investments in which the consolidated group and University hold 20% or more of the nominal value of any class of shares are as follows:

COMPANY	REGISTERED OFFICE	PRINCIPAL ACTIVITY	HOLDING	STATUS
Gower Innovations Ltd	Swansea University, SA2 8PP	Other manufacturing not elsewhere classified	Ordinary shares	20%
Refiex Ltd	Azets, SA7 9FS	Dormant	Ordinary shares	20%
Trameto Ltd	Villa House 7 Herbert Terrace Penarth CF64 2AH	Manufacture of electronic components	Ordinary shares	23%
Haemomoetrics Ltd	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
ProGnomics Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Semitechnologies Ltd	Azets, SA7 9FS	Other research and experimental development on natural sciences and engineering	Ordinary shares	20%
Bay Campus Developments LLP	Swansea University, SA2 8PP	Dormant	Partner	50%
WNPS	Wales National Pool SA2 8QG	Operation of sports facilities	Guarantee	50%
Swan Global Education	The Lambourn Wyndyke Furlong Abingdon Oxfordshire OX14 1UJ	Educational	Partner	50%
Swansea Materials Research and Testing	Swansea University, SA2 8PP	Other research and experimental development on natural sciences and engineering	Ordinary shares	100%
Swansea Innovations	Swansea University, SA2 8PP	Management consultancy activities other than financial management	Ordinary shares	100%
SU Developments	Swansea University, SA2 8PP	Dormant	Ordinary shares	100%
SU Pathway College Ltd	Swansea University, SA2 8PP	Combined facilities support activities	Ordinary shares	100%

Investments in subsidiary companies are measured at transaction price (including transaction costs) and considered annually for impairment.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
15. STOCK				
General consumables	37	16	58	38
Work in progress	92	–	47	–
	129	16	105	38

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
16. CURRENT INVESTMENTS				
Short-term investments in shares	1,822	1,822	1,889	1,889
Short-term bonds	2,659	2,659	2,429	2,429
Other short-term investments	223	223	511	511
Short-term deposits	50,237	50,237	200	200
	54,941	54,941	5,029	5,029

The increase in fair value of short-term deposits in the year was £49,912k (2022: increase of £240k). This increase is due to two new large deposits held with Lloyds (£25,000k) and Barclays (£25,000k).

Deposits are held with banks and building societies 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.

At 31 July 2023, the weighted average interest rate of these fixed deposits (excluding the two new £25,000k deposits) was 1.5% (2022: 1.6%).

The average interest rate of the two new £25,000k deposits was 4.65% (2022: nil). The fair value of these deposits was not materially different from their book value.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
17. TRADE AND OTHER RECEIVABLES				
Amounts falling due within one year:				
Net trade debtors	9,795	9,766	12,196	12,126
Research grant claims receivable	7,666	7,666	5,798	5,798
Accrued income – Research grants	19,107	19,107	21,343	21,343
Prepayments and accrued income	17,195	17,362	15,672	16,022
Amounts due from group undertakings	–	19	–	–
	53,763	53,920	55,009	55,289

Included within research grant claims receivable is £2,828k of retentions which are receivable between 1st August 2023 and 31st July 2024.

See note 34 for the detail of the restatement.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank overdraft	128	–	–	–
Unsecured loans	6,077	6,077	5,817	5,817
Service concession arrangements	6,584	6,584	6,495	6,495
Trade payables	19,554	19,590	8,412	8,415
Social security and other taxation payable	5,008	5,001	5,592	5,585
Accruals and deferred income	96,781	96,666	113,260	113,154
Amounts due to group undertakings	–	157	–	157
	134,132	134,075	139,576	139,623

ACCRUALS AND DEFERRED INCOME

Included with accruals and deferred income are the following items which have been deferred:

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED RESTATED 2022 £000	UNIVERSITY RESTATED 2022 £000
Research grants received in advance	29,001	29,001	29,335	29,335
Funding Council grants received in advance	3,121	3,121	4,198	4,198
Capital grants received in advance	–	–	28,883	28,883
Other accruals	64,659	64,544	50,844	50,738
	96,781	96,666	113,260	113,154

See note 34 for the detail of the restatement.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				
Service concession arrangements	109,377	109,377	112,537	112,537
Income in advance	1,679	1,679	1,723	1,723
Unsecured loans	98,364	98,364	102,141	102,141
CREDITORS DUE AFTER MORE THAN ONE YEAR	209,420	209,420	216,401	216,401

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
20. ANALYSIS OF UNSECURED LOANS				
Due within one year or on demand	6,077	6,077	5,817	5,817
Due within one and two years	6,340	6,340	6,046	6,046
Due within two and five years	19,723	19,723	18,459	18,459
Due in five years or more	72,301	72,301	77,636	77,636
TOTAL UNSECURED LOANS REPAYABLE BY 2044	104,441	104,441	107,958	107,958

CONTINUED

Included in the loans are the following:

LENDER	AMOUNT £000	INTEREST RATE	TERM	BORROWER
European Investment Bank	8,333	Fixed 2.576%	June 2033	University
European Investment Bank	9,167	Fixed 2.423%	January 2034	University
European Investment Bank	7,367	Fixed 3.843%	August 2034	University
European Investment Bank	7,388	Fixed 3.964%	January 2035	University
European Investment Bank	7,891	Fixed 4.132%	August 2035	University
European Investment Bank	56,004	Fixed 2.698%	April 2044	University
Sure Loan	5,869	Fixed 0.550%	March 2031	University
Salix	2,420	Fixed 0%	April 2031	University
TOTAL	104,441			

OBLIGATION TO FUND DEFICIT ON USS £000	SUPS PENSION SCHEME PROVISION £000	TOTAL PENSION PROVISIONS £000
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21. PROVISIONS FOR LIABILITIES

CONSOLIDATED AND UNIVERSITY

AT 1 AUGUST 2022	134,264	36,600	170,864
Utilised in year	(7,389)	(800)	(8,189)
Pension revaluation	–	–	–
Additions / (reductions)	(27,234)	(18,600)	(45,834)
AT 31 JULY 2023	99,641	17,200	116,841

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in Note 31.

See note 31 for further information on the SUPS and USS pension scheme.

22. ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	Expendable endowments £000	2023 Total £000	2022 Total £000
BALANCES					
AT 1 AUGUST 2022					
Capital	4,143	1,669	651	6,463	6,674
Accumulated income	730	62	52	844	831
	4,873	1,731	703	7,307	7,505
New donations and endowments	–	–	9	9	30
Transfer of Endowments	(25)	–	25	–	–
Investment income	98	–	20	118	44
Expenditure	(23)	–	(16)	(39)	(31)
(Decrease) in market value of investments	(55)	(32)	–	(87)	(241)
AT 31 JULY 2023	4,868	1,699	741	7,308	7,307
Represented by:					
Capital	4,063	1,637	685	6,385	6,463
Accumulated income	805	62	56	923	844
	4,868	1,699	741	7,308	7,307

ANALYSIS BY TYPE OF PURPOSE

Lectureships	21	21
Scholarships and bursaries	3,095	3,076
Research support	299	297
Prize funds	875	877
General	3,018	3,036
	7,308	7,307

ANALYSIS BY ASSET

Current asset investments	4,941	5,029
Bank Balance – University	2,367	2,278
	7,308	7,307

The institution has the following individually material endowments:

The University holds over 177 endowments, comprising of permanent and expendable funds. Each endowment has its own specific restriction with spend being controlled by the allocated Budget Managers. The University has one significant endowment worth over £1,000k, being the general endowment fund. This is a permanent endowment holding £1,300k of endowed funds, currently valued at £1,900k within the portfolio. Being a general endowment, any income earned is released back to the University for non-specific purposes. All other endowments are not significant but have specific purposes attached to them.

Capital Grants Unspent £000	Donations £000	2023 Total £000	2022 Total £000
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23. RESTRICTED RESERVES

Reserves with restrictions are as follows:

CONSOLIDATED AND INSTITUTION

BALANCES

AT 1 AUGUST 2022	–	52	52	–
New restricted donations	–	196	196	53
Investment Income	–	–	–	–
Expenditure	–	(62)	(62)	(1)
Total restricted comprehensive income for the year	–	–	–	–
AT 31 JULY 2023	–	187	187	52

ANALYSIS OF OTHER RESTRICTED FUNDS / DONATIONS BY TYPE OF PURPOSE:

Scholarships	60	11
Hardship	59	27
Campus and sports facilities	1	3
General	67	11
	187	52

At 1 August 2022 £000	Cash Flows £000	At 31 July 2023 £000
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24. CASH AND CASH EQUIVALENTS

CONSOLIDATED

Cash and Cash equivalents	164,695	(41,164)	123,531
Bank overdraft	–	(128)	(128)
	164,695	(41,292)	123,403

	2023 £000
25. CONSOLIDATED RECONCILIATION OF NET DEBT	
NET DEBT 1 AUGUST 2022	62,295
Movement in cash and cash equivalents	(41,164)
Other non-cash changes	75,868
NET DEBT 31 JULY 2023	96,999
CHANGE IN NET DEBT	34,704
	2023 £000
ANALYSIS OF NET DEBT:	
CASH AND CASH EQUIVALENTS	123,531
	2022 £000
BORROWINGS: AMOUNTS FALLING DUE WITHIN ONE YEAR	
Unsecured loans	6,077
Bank overdraft	128
Service concession arrangements	6,584
	5,817
	–
	6,495
	12,312
BORROWINGS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	
Service concession liabilities due after one year	109,377
Unsecured loans	98,364
	112,537
	102,141
	214,678
NET DEBT	96,999
	62,295

	NOTE	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
26. FINANCIAL INSTRUMENTS					
FINANCIAL ASSETS					
Financial assets at fair value through Statement of Comprehensive Income		207	–	123	–
Financial assets that are equity instruments measured at cost less impairment					
Other investments		387	–	115	–
	14	594	–	238	–
Financial assets that are debt instruments measured at amortised cost					
Cash and cash equivalents		123,403	123,187	164,695	164,046
Other investments	16	54,941	54,941	5,029	5,029
Trade receivables	17	12,330	12,301	14,460	14,390
Other receivables	17	7,666	7,666	5,798	5,798
		198,340	198,095	189,982	189,263
FINANCIAL LIABILITIES					
Financial liabilities measured at amortised cost					
Bank overdrafts	18	128	–	–	–
Loans	20	104,441	104,441	107,958	107,958
Service concessions	17/18	115,961	115,961	119,032	119,032
Trade Creditors	18	19,554	19,590	8,412	8,415
		240,084	239,992	235,402	235,405

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
27. CAPITAL AND OTHER COMMITMENTS				
A provision has not been made for the following capital commitments at 31 July 2023:				
Capital commitments	16,985	16,985	3,641	3,641
	16,985	16,985	3,641	3,641

The significant increase in capital commitments has resulted from the new commitment for the digital foundations works which commenced during 2023 (£13,463k).

Commitments relating to buildings remained stable at £3,522k, with the only significant buildings capital commitment totalling £1,630k for works on Fulton House across a number of suppliers.

	£000	£000	£000	£000
28. CONTINGENT LIABILITIES				
Guarantees				
To Lloyds for SMaRT Ltd	–	500	–	500
	–	500	–	500

The University is acting as guarantor for Swansea Materials Research and Testing Limited in relation to the £500k overdraft facility only. The University believe there is only a limited possibility of the guarantee being paid as Swansea Materials Research & Testing Limited is a wholly-owned subsidiary controlled by senior University staff members. The extent of the guarantee being required will depend on the current overdraft in the subsidiary. If paid, there is unlikely to be any reimbursement for this contingent liability.

The University is a member of UMAL, a company limited by guarantee, formed to provide a mutual association for covers. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro-rated share. The potential for a shortfall and the value of a shortfall in any given year is unknown. There is not likely to be any possibility of reimbursement if this guarantee is called upon.

The Institution has given written undertakings to support the subsidiary companies for a period of 12 months from the date of approval of these financial statements.

	2023 Land and Buildings £000	2022 Land and Buildings £000

29. LEASE OBLIGATIONS		
Total rentals payable under operating leases:		
PAYABLE DURING THE YEAR		
Payable during the year	1,282	1,190
Future minimum lease payments due:		
Not later than 1 year	920	1,088
Later than 1 year and not later than 5 years	2,629	2,472
Later than 5 years	5,195	4,599
TOTAL LEASE PAYMENTS DUE	8,744	8,159

No new leases were negotiated during 2023, with just the car parking lease at the Bay Campus currently being re-negotiated for 2024. Two leases were terminated in the year, with the leased space being handed back.

During the year, the University was tenant on three significant leases, The College, a University joint venture company, Bay Campus Car Park and a unit within Baglan Energy Park. The lease with The College, which is within a building on the Bay Campus, runs until 2038 with the Baglan unit lease continuing until 2027.

Total rentals receivable under operating leases:

The University leases out small areas of space on both Singleton and Bay Campus. Leases include a dental surgery, a doctors surgery, retail units for the Students' Union, laboratory space to Swansea Materials Research and Testing Ltd, a wholly owned subsidiary company, and lab space for Natural Resources Wales. The University also leases out small areas and offices to companies working alongside the University. The terms and break periods differ for each lease with leases for small spaces frequently being renewed. The University does not hold any investment properties as part of its portfolio as rental areas are minor areas within larger buildings.

	2023 Land and Buildings £000	2022 Land and Buildings £000
CONSOLIDATED AND INSTITUTION		
Future minimum lease payments due:		
Not later than 1 year	345	369
Later than 1 year and not later than 5 years	988	1,087
Later than 5 years	1,196	1,404
TOTAL LEASE PAYMENTS DUE	2,529	2,860

There were no contingent rents receivable during 2022/23 (2021/22: £0).

30. EVENTS AFTER THE REPORTING PERIOD

There are no events to report which have occurred after 31 July 2023

31. PENSION SCHEMES

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

- Universities' Superannuation Scheme (USS)
- Swansea University Pension Scheme (SUPS) – Closed to new members 31 December 2011
- National Employment Savings Trust (NEST) – from 1 January 2012

The University also contributes to the NHS Pension Scheme for a number of its employees.

USS and SUPS are both defined-benefits schemes. The assets of both schemes held in separate trustee-administered funds. NEST is a defined-contribution scheme.

	CONSOLIDATED 2023 £000	UNIVERSITY 2023 £000	CONSOLIDATED 2022 £000	UNIVERSITY 2022 £000
STATEMENT OF COMPREHENSIVE INCOME – NET PENSION COST				
USS	25,733	25,733	23,329	23,329
USS pension deficit charge	(31,704)	(31,704)	93,537	93,537
SUPS	1,268	1,268	1,270	1,270
Other	1,383	1,383	1,204	1,204
	(3,320)	(3,320)	119,340	119,340

OTHER COMPREHENSIVE INCOME – ACTUARIAL GAIN IN RESPECT OF PENSION SCHEMES

SUPS	18,600	18,600	23,700	23,700
	18,600	18,600	23,700	23,700

STATEMENT OF FINANCIAL POSITION – PENSION SCHEME LIABILITY (NOTE 21)

USS	99,641	99,641	134,264	134,264
SUPS	17,200	17,200	36,600	36,600
	116,841	116,841	170,864	170,864

(I) THE UNIVERSITIES' SUPERANNUATION SCHEME

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

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

The total cost charged to the Consolidated Statement of Comprehensive Income is £25,733k (2022: £23,329k) including PensionChoice, but excluding the impact of the change in the deficit recovery plan, as shown in note 7.

Deficit recovery contributions due within one year for the institution are £7,389k (2022: £2,624k).

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

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

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

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles. (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

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

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

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

The current life expectancies on retirement at age 65 are:

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

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount Rate	5.49%	3.33%
Pensionable salary growth	5.10%	1.11%

The employers' contribution rates are as follows:

EFFECTIVE DATE	RATE
1 October 2019 to 30 September 2021	21.10%
1 October 2021 to 31 March 2022	21.40%
1 April 2022 to 31 March 2024	21.60%
1 April 2024 to 30 April 2038	21.40%

SENSITIVITY ANALYSIS

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

	APPROXIMATE IMPACT ON PROVISION £000
0.5% pa decrease in discount rate	3,738
0.5% pa increase in salary inflation over duration	3,765
0.5% pa increase in salary inflation year 1 only	470
0.5% increase in staff changes over duration	3,698
0.5% increase in staff changes year 1 only	466

(II) NHS PENSION SCHEME

The Institution also participates in the NHSPS which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the Government.

The NHS Pension 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 contribution rate payable by the Institutions during the year ended 31 July 2018 salaries, was equal to 14.3% of the total pensionable in accordance with the conclusion of the Government Actuary's report on the scheme.

(III) SWANSEA UNIVERSITY PENSION SCHEME

(RETIREMENT BENEFITS) DISCLOSURE FOR THE ACCOUNTING PERIOD ENDING 31 JULY 2023

The University operates a final-salary defined-benefit pension scheme that non-academic employees of the University can participate in, called the Swansea University Pension Scheme (SUPS). The scheme is externally funded and is contracted out of the State Second Pension (S2P) of pension provision.

The last formal triennial actuarial valuation of the scheme was performed as at 1 August 2022 by a professionally-qualified actuary. The following are based on the results of the 1 August 2022 triennial valuation projected forward with allowance for benefit accrual, expected investment return and actual cashflows and have been adjusted for FRS102 assumptions detailed below.

During the accounting period, the University paid contributions to the pension scheme at the rate of 23.2% of pensionable salaries in respect of the future accrual of benefits, death in service premiums and expenses.

ASSUMPTIONS

The financial assumptions used to calculate scheme liabilities under FRS 102 are:	AT 31 JULY 2023	AT 1 AUGUST 2022
Price Inflation (RPI)	3.4%	3.3%
Price Inflation (CPI)	3.0%	2.9%
Rate of increase in salaries	3.3%	3.2%
Rate of increase of pensions in payment for SUPS members	3.4%	3.3%
Increases to deferred pensions before retirement	3.0%	2.9%
Discount rate	5.1%	3.4%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65 and non pensioners who are currently aged 45.

	AT 31 JULY 2023	AT 1 AUGUST 2022
Pensioner – male	19.6	20.1
Pensioner – female	22.0	22.4
Non-pensioner (currently aged 45) – male	20.5	21.1
Non-pensioner (currently aged 45) – female	23.1	23.5

Scheme assets and expected rate of return for SUPS

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward-looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

	FAIR VALUE AS AT 31 JULY		
	2023	2022	2021
THE ASSETS IN THE SCHEME WERE:	£M	£M	£M
Equities	37.4	53.9	54.8
Corporate bonds	7.8	7.9	8.1
Property	1.5	2.0	7.5
GARS Fund	12.2	13.5	14.6
Other	37.6	31.2	36.8
Total	96.5	108.5	121.8

The tables below include the disclosures for the Swansea University Pension Scheme.

	YEAR ENDED 31 JULY 2023 £000	YEAR ENDED 31 JULY 2022 £000
ANALYSIS OF THE AMOUNT SHOWN IN THE BALANCE SHEET FOR SUPS		
Scheme assets	96,500	108,500
Scheme liabilities	(113,700)	(145,100)
DEFICIT IN THE SCHEME – NET PENSION LIABILITY RECORDED WITHIN OTHER COMPREHENSIVE INCOME	(17,200)	(36,600)
Current service cost	(1,600)	(2,200)
Past service costs	–	–
TOTAL OPERATING CHARGE	(1,600)	(2,200)

	YEAR ENDED 31 JULY 2023 £000	YEAR ENDED 31 JULY 2022 £000
ANALYSIS OF THE AMOUNT CHARGED TO INTEREST PAYABLE/CREDITED TO OTHER FINANCE INCOME FOR SUPS		
Interest cost	(4,900)	(3,100)
Expected return on assets	3,700	2,100
Interest on net deficit	–	–
NET CHARGE TO OTHER FINANCE INCOME	(1,200)	(1,000)

ANALYSIS OF OTHER COMPREHENSIVE INCOME FOR SUPS		
(Loss) on assets	(13,900)	(14,400)
Gain on liabilities	32,500	38,100
TOTAL OTHER COMPREHENSIVE INCOME BEFORE DEDUCTION FOR TAX	18,600	23,700

	YEAR TO			
	31 JULY 2023	31 JULY 2022	31 JULY 2021	30 JULY 2020
HISTORY OF EXPERIENCE GAINS AND LOSSES – SUPS				
DIFFERENCE BETWEEN ACTUAL AND EXPECTED RETURN ON SCHEME ASSETS:				
Amount (£000)	(13,900)	(14,400)	14,100	1,000
% of assets at end of year	-14.4%	-13.3%	11.6%	0.9%
EXPERIENCE (GAINS)/LOSSES ON SCHEME LIABILITIES:				
Amount (£000)	(32,500)	(38,100)	1,500	11,800
% of liabilities at end of year	-28.6%	-26.3%	0.8%	6.5%

	31 JULY 2023 £000	31 JULY 2022 £000
CUMULATIVE ACTUARIAL LOSS RECOGNISED AS OTHER COMPREHENSIVE INCOME FOR SUPS		
Cumulative actuarial losses recognised at the start of the year	(6,400)	(37,400)
Cumulative actuarial losses recognised at the end of the year	12,200	(6,400)

ANALYSIS OF MOVEMENT IN (DEFICIT) FOR SUPS		
DEFICIT AT BEGINNING OF YEAR	(36,600)	(61,200)
Contributions or benefits paid by the University	4,500	4,500
Current service cost	(1,600)	(2,200)
Past service cost	–	–
Admin costs	(900)	(400)
Other finance charge	(1,200)	(1,000)
Gain recognised in other comprehensive income	18,600	23,700
DEFICIT AT END OF YEAR	(17,200)	(36,600)

ANALYSIS OF MOVEMENT IN THE PRESENT VALUE OF SUPS		
PRESENT VALUE OF SUPS AT THE START OF THE YEAR	145,100	183,000
Current service cost (net of member contributions)	1,600	2,200
Past service cost	–	–
Interest cost	4,900	3,100
Actuarial (gain)	(32,500)	(38,100)
Actual benefit payments	(5,400)	(5,100)
PRESENT VALUE OF SUPS LIABILITIES AT THE END OF THE YEAR	113,700	145,100

ANALYSIS OF MOVEMENT IN THE FAIR VALUE OF SCHEME ASSETS		
FAIR VALUE OF ASSETS AT THE START OF THE YEAR	108,500	121,800
Expected return on assets	3,700	2,100
Actuarial (loss) on assets	(13,900)	(14,400)
Actual contributions paid by University	4,500	4,500
Non Investment expenses	(900)	(400)
Actual benefit payments	(5,400)	(5,100)
FAIR VALUE OF SCHEME ASSETS AT THE END OF THE YEAR	96,500	108,500

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

ACTUAL RETURN ON SCHEME ASSETS		
Expected return on scheme assets	3,700	2,100
Asset (loss)	(13,900)	(14,400)
	(10,200)	(12,300)

Estimated contributions for SUPS in the Financial Year 2023–24 is £1,300k (2022–23 £1,200k) assuming the contribution rate of 23.4% plus £2,440k PA fixed contribution (2022–23 23.2% plus £2,369k PA).

32. RELATED PARTY TRANSACTIONS

Due to the nature of the Institution's operations and the composition of its Council (being drawn from local public and private sector organisations) and Senior Leadership Team, it is inevitable that transactions will take place with organisations in which a member of Council or the Senior Leadership Team may have an interest. All such transactions are conducted at arm's length and in accordance with the Institution's financial regulations and normal procurement procedures. The Institution has taken advantage of the exemption within FRS 102 Section 33 'Related Party Disclosures' and has not disclosed transactions with other wholly owned group entities.

	INCOME FROM RELATED PARTY	EXPENDITURE TO RELATED PARTY	BALANCE DUE FROM RELATED PARTY
	£000	£000	£000
Wales National Pool Swansea	795	609	240
Swan Global Education LLP	1,103	5,238	1,102
	1,898	5,847	1,342

Throughout the year and at the Balance Sheet date the University held 50% investments in the associated companies Wales National Pool Swansea (2022: 50%) and Swan Global Education LLP (2022: 50%). The relationship with both companies are accounted for using the equity method such that 50% of the companies gross assets and liabilities are incorporated into the consolidated balance sheet of the University and 50% the net income is reported in the University's consolidated income and expenditure account.

The Students' Union is not controlled or owned by the University and is a separate legal entity, however the University provides grant funding to the Union to support the students. During the year the University provided the Students' Union with the main block grant of £1,124k and a further £95k which included contributions towards nurses' funding, nursery costs, and funding bids. The University also provided the Students' Union with £78k for a cost of living action plan offering advice and support for students to aid in tackling the cost of living crisis.

COUNCIL MEMBERS

The University's Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Council, many of whom are drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those below, are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures. The University has a robust Declarations of Outside Interests Policy and each member of Council is required to declare all interests openly, which are reviewed in line with the University's procedures.

Third party transactions identified during the 2022/23 financial year in which trustees have declared an interest are: Scarlets Regional Rugby Club, £31,700 for advertising/conferences and a trustee is a former Director of the Board; Natural Resources Wales, £1,476 for professional services, and a trustee is a former employee; Compass Group £1,521,565 for catering services and a close family member/associate of a trustee has a shareholding in Compass; Golwg cyf, £5,827 for advertising (course, recruitment and other) and a trustee is one of the Directors of the Board; Swansea University Students' Union, £1,611,861 for various transactions, with the two student members of Council being trustees of SUSU; Wales in London, £1,980 for staff/employment agencies and a trustee is a Director of the Board; Telesgop, £6,600 for advertising and production services and a trustee is a Director of the Board; Just Eat Food £177 for catering services and a close family member/associate of a trustee has a shareholding in Just Eat; Sainsbury UK, £5,751 for groceries and a close family member/associate of a trustee has a shareholding in Sainsbury's; Hilton Worldwide Groups £4,966 for accommodation and hotel services and a close family member/associate of a trustee has a shareholding in Hilton Groups; Global Education Matter £30,162 for student fee activity and a close family member/associate of a trustee has a consultancy arrangement with Global Education Matter; Learned Society of Wales £28,910 for subscriptions and a trustee is a Fellow of the Society; Aberglasney Gardens, £621 for catering and a trustee is also a trustee at Aberglasney Gardens; JISC, £1,474,192 for training/software/books and various other activity, and a trustee is Chair of JISC.

No Council Member has received any remuneration or waived payments during the year (2022 – £0).

During the year £3.2k of expenses were paid to members of Council (2022: £4.5k), and £6.3k of payments were made on behalf of members of Council (travel and training costs) (2022: £1k)

33. US DEPARTMENT OF EDUCATION FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the 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
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition)
- presented in pounds sterling

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

Line item / disclosure	CONSOLIDATED 2023 £000	CONSOLIDATED 2023 £000	CONSOLIDATED 2022 £000
Primary Reserve Ratio			
Expendable net assets			
	Net assets without donor restriction	239,520	156,558
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	-	198,437
Statement of Financial Position	Revaluation Reserve	-	41,083
	Net assets with donor restriction	7,495	7,359
Statement of Financial Position	Endowment Reserve	-	7,308
Statement of Financial Position	Restricted Reserve	-	187
Note 10, excluding Service Concession Arrangement	Property, Plant & Equipment	-	-
	Property, Plant & Equipment, pre-implementation	(287,160)	(300,892)
	Property, Plant & Equipment without outstanding debt for original purchase	(71,311)	(22,246)
	Property, Plant & Equipment – construction in progress	(11,103)	(34,294)
Note 10 - Service Concession Arrangement	Lease right of use asset - pre-implementation	(104,563)	(108,202)
Statement of Financial Position	Intangible Assets	(316)	-
Statement of Financial Position	Post employment and pension liabilities	116,841	170,864
	Long term debt for long term purposes	-	-
Note 19 & 20	Long term debt for long term purposes pre-implementation	96,151	101,253
Note 19 & 20	Long term debt for long term purposes post implementation	8,290	6,705
Note 13	Lease right of use asset liability	-	-
	Lease right of use asset liability pre implementation	115,961	119,032
	Lease right of use asset liability post implementation	-	-
Statement of Financial Position	Term endowments with donor restrictions	(7,308)	(7,307)
Total Operating Expenses without Donor Restrictions			
Statement of Comprehensive Income excluding change in expected USS contributions	Total operating expenses without donor restrictions taken from CSCI	380,395	354,092
	Non-operating and Net Investment Loss	(50,304)	69,837
	Pension related charges other than periodic costs	50,304	(69,837)
Statement of Comprehensive Income	Change in expected USS contributions	-	31,704
Statement of Comprehensive Income	Actuarial gain in respect of pension schemes	-	18,600

Line item / disclosure	CONSOLIDATED 2023 £000	CONSOLIDATED 2023 £000	CONSOLIDATED 2022 £000
Equity Ratio			
Modified Net Assets			
	Net Assets without Donor Restriction	239,520	156,558
Statement of Financial Position	Unrestricted Income and Expenditure Reserve	-	198,437
Statement of Financial Position	Revaluation Reserve	-	41,083
	Net Assets with Donor Restrictions	7,495	7,359
Statement of Financial Position	Endowment Reserve	-	7,308
Statement of Financial Position	Restricted Reserve	-	187
Statement of Financial Position	Intangible assets	316	-
Modified Assets			
	Total Assets	707,408	690,758
Statement of Financial Position	Non-current Assets	-	475,172
Statement of Financial Position	Current Assets	-	232,236
Note 10 - Service Concession Arrangement	Lease right of use asset pre implementation	104,563	108,202
Note 13	Pre implementation right of lease	115,961	119,032
Statement of Financial Position	Intangible assets	316	-

Net Income Ratio

Change in Net Assets Without Donor Restrictions			
Statement of Comprehensive Income	Total comprehensive income in the year	83,098	(55,881)
Statement of Comprehensive Income	Restricted comprehensive income in the year	(136)	146

Total Revenue and Gains

Total revenue and Gains without donor restrictions			
	Total operating revenue and other additions	412,441	370,033
Statement of Comprehensive Income	Total Income	-	412,637
Note 6 - restricted income	Restricted donations	-	(196)
Statement of Comprehensive Income	Non-operating Revenue and Other gains	226	-

34. PRIOR YEAR ADJUSTMENT

During the preparation of the 2022/23 accounts it was identified that where an individual research subproject had a debtor or creditor balance, these balances were incorrectly being shown as individual debtors and creditors when they should have been combined to net down against the research project as a whole. A prior period adjustment has been posted to reclassify the debtors and creditors. The adjustment only impacts the debtors and creditors within the financial statements, including on the balance sheet and within the cash flow movement.

This adjustment does not affect the overall net figures in the accounts, with the impact noted in the tables below.

	Year ended 31 July 2022 Consolidated			Year ended 31 July 2022 University		
	As previously reported £000	Adjustments £000	As restated £000	As previously reported £000	Adjustments £000	As restated £000
TRADE AND OTHER RECEIVABLES						
Accrued income – research grants	42,604	(21,261)	21,343	42,604	(21,261)	21,343
	42,604	(21,261)	21,343	42,604	(21,261)	21,343
ACCRUALS AND DEFERRED INCOME						
Research grants received in advance	(50,596)	21,261	(29,335)	(50,596)	21,261	(29,335)
	(50,596)	21,261	(29,335)	(50,596)	21,261	(29,335)
Total	(7,992)	-	(7,992)	(7,992)	-	(7,992)
BALANCE SHEET IMPACT						
Trade and other receivables	42,604	(21,261)	21,343	42,604	(21,261)	21,343
Creditors falling due within one year	(50,596)	21,261	(29,335)	(50,596)	21,261	(29,335)
CASH FLOW IMPACT						
(Increase) / decrease in debtors	(13,932)	21,261	7,329			
Increase / (Decrease) in creditors	28,547	(21,261)	7,286			