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YORK
ST JOHN
UNIVERSITY



Annual Report
and Financial
Statements
2021-22



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Foreword from the Chair of Governors and Pro Chancellor

At times of external challenge and change we become ever more conscious of the power of place, with its rich web of connection and support. York St John University is a trusted partner, a genuine anchor institution, with deep roots in local communities and in the local economy. We understand clearly the major developing issues that affect society as a whole, and are well placed to respond through our determination to look outwards and share our expertise.

The first full meeting of the Board of Governors of the 2021–22 academic year was the first to be held on campus since I joined the University as Chair in the summer of 2020, and it was very positive to connect with colleagues in person. Seeing so many staff and students returning to campus life again, joining those who had been here throughout the pandemic, was a great pleasure.

The Board recognises the considerable achievements and progress that are being made across the University, in spite of very challenging circumstances, and the effort and contribution all staff are making to the continued success of York St John and its communities.

The University has a proud history in the development of gender equality, offering teacher training for women in 1846 at a time when the majority of teacher education providers only educated men. Since then, widening access and participation in Higher Education has been core to our values. We have made notable progress this year with a significant reduction in our gender pay gap. The University is now an accredited Living Wage Employer, which is most likely to benefit women in part-time roles: the Voluntary Living Wage, approved by the Living Wage Foundation, is based on real living costs. We have also

achieved the Athena Swan Bronze award, demonstrating York St John's commitment to an equitable working environment.

In February 2022, the government's Department for Education published its Higher Education Reform Policy Statement and consultation. This was the long-awaited response to recommendations made by the Augar Review of Post-18 Education and Funding launched in 2019. The proposals outlined major reforms with the aim of creating a fairer and more sustainable system for students, institutions and taxpayers. It is clear that large-scale reform is imminent for the sector although the detail is still to be decided. As more intelligence emerges, we will model the potential impacts for York St John.

Access to education remains high on our agenda as the University continues to deliver against its Access and Participation Plan. We are achieving significant growth in student numbers at our London Campus, and in nursing and allied health courses in York. The new nursing provision is also contributing to meeting regional skills gaps. Partnerships with regional schools and colleges are being strengthened to support progression and transition into Higher Education, and to help the University meet its goal to have a diverse student population of at least 10,000 by 2026.



The Board has been working with Advance HE to review our effectiveness. Their initial report confirmed that the University has robust governance arrangements in place to comply with legal, financial and regulatory requirements. We are now following an action plan to further enhance our governance culture.

We are committed to increasing the diversity, experience and strength of our Board, and several new appointments have been made during the year: Jennifer Adams (Chair of Audit Committee), Neil Braithwaite (Chair of Finance and Capital Development Committee, and Remuneration Committee), Rt Revd Richard Frith (Chair of the Foundation Committee), Dr Ernestine Gheyoh Ndzi (Staff Governor) and Isabella Robinson (Student Governor). I am so grateful to Jamie Andrews, Jon Hammond Booth, Rt Revd Dr Jonathan Frost, Maggie Pavlou and Ian Wallace who have all completed their terms of office as Governors. I also want to thank those people co-opted to our committees who have also completed the end of their term or for other reasons chosen to step down (Ann Allen MBE, Peter Baren, Craig Colton and Judith Hewitt). Each of them brought real insight and experience to our deliberations, and I am very grateful to them.

I was so pleased to take part in graduation ceremonies in the stunning setting of York Minster this year, which were finally able to go ahead after being postponed during the pandemic. These were wonderful occasions, and a very welcome reminder of why we are all here and of the hugely positive impact York St John has on our graduates.

By the end of the academic year, despite significant external challenges and volatility, the University remains in a strong financial position, student application numbers have greatly increased, and the 2022 National Student Survey results provided a positive picture of student experience at the University. The sector landscape continues to be uncertain as we move forward. However, institutions such as York St John are resilient and adaptive, vital places for the creation of knowledge, solutions and hope.

Dame Julia Unwin

Dame Julia Unwin
Chair and Pro Chancellor
24 November 2022

Welcome from the Vice Chancellor

It is my pleasure to introduce York St John University's Annual Financial Report for 2021–22. This has been a dynamic year with significant developments across both our York and London Campuses, despite challenging economic, social and political conditions. The incredible resilience and adaptability demonstrated by our staff, students and partners has resulted in many new successes and collaborations.

We have a clear focus on financial sustainability and targeted growth. While the wider sector context continues to be challenging, we have been able to deliver significant investment. This included new nursing courses, carefully targeted staff recruitment and the award-winning Creative Centre. With a vision to put creativity at the heart of the York Campus, the Centre delivers an awe-inspiring space in which all of our students and staff can collaborate and inspire. New premises for our London Campus have been secured to support our postgraduate student growth in the capital.

The investment in facilities across the University is enhancing students' experience on growing courses that develop creative and practical skills. We aim to share this creativity for the benefit of the communities in which we live and work. Our valued partnerships with local schools, businesses and community-led organisations are enabling us to remove barriers to Higher Education, raise aspirations and promote social mobility. Together we are supporting future learners who are passionate about tackling inequalities and addressing global challenges.

The 2022 National Student Survey saw us achieve the highest satisfaction scores for teaching and academic support and the second highest scores for assessment and feedback, learning opportunities and learning community in the region. Our submission to the Research Excellence Framework reflected growth in both the volume and quality of research undertaken at the University. All our academic Schools submitted research that was assessed as world leading. I was delighted when York St John reached the top 10 shortlist for University of the Year by WhatUni. Based solely on student reviews, the Student Choice Awards highlight the work carried out by institutions for their students.

The culmination of a student's journey is their graduation ceremony, and one of my personal highlights of the year was the return of these occasions to York Minster, following the removal of pandemic restrictions. The ceremonies in November 2021 were my first as Vice Chancellor, and also the first presided over by our Chancellor Reeta Chakrabarti and Pro Chancellor Dame Julia Unwin. The February 2022 ceremonies saw our first graduating students in Counselling



Psychology, Law and the London MBA. Graduation illustrates the dedication of all of our academic and professional service colleagues to student support and attainment.

Our Tap into Talent scheme is providing current students and recent graduates with internships to give them valuable work experience, which they may have missed out on due to the pandemic. We are also investing in supporting businesses to upskill their workforces for the future. As a provider of high-quality Degree Apprenticeships and continuing professional development masterclasses, we are increasing the skills, knowledge and expertise of employees and talent pipelines. Our new Enterprise Centre is supported by a team of students to facilitate new businesses and jobs within the city.

At York St John, it is our people that define our success as a university. We are committed to providing pay and benefits that reflect our responsibility for creating a fairer world. As an accredited Living Wage Employer, we pay a 'real' living wage to all staff. This accreditation forms part of the University's wider commitment to practising responsible business, which was recently recognised by the Good Business Charter. Following our adoption of the Athena Swan Charter, we have now achieved the Athena Swan Bronze award, recognising that we are continuing to remove the barriers to progression that affect women.

At the end of the academic year, I was appointed as the new Chair of Yorkshire Universities. With a core mission to help build a more productive, prosperous, inclusive and sustainable region, the work of Yorkshire Universities is closely aligned to our own at York St John.

The following pages of this financial report feature initiatives and collaborations that serve to illustrate how York St John enables our students and staff to thrive and succeed. I am very grateful to all colleagues across the University for their many contributions to our growth and ongoing achievements.

A handwritten signature in black ink, appearing to read 'K. Bryan'.

Professor Karen Bryan OBE
Vice Chancellor
24 November 2022

Governors and Directors of the University

The following persons served as Governors of the University and were its members and directors for the purposes of the Companies Act 2006 and its trustees for the purposes of the Charities Act 2011. Each year they sign a register of interests.

Image:
Reeta Chakrabarti,
Chancellor of York
St John University,
formally opens the
Creative Centre.

Current serving members

Name	Status	Other responsibilities	Term of office
Julia Unwin DBE	Member of the Church of England or a church in communion with it	<i>Chair of Board of Governors, Chair of Governance and Nominations Committee</i>	01.08.2020 – 31.07.2023
Prof Karen Bryan OBE	Vice Chancellor, ex officio	–	01.04.2020 – current
Jennifer Adams	Co-opted Governor	<i>Chair of Audit Committee</i>	01.08.2021 – 31.07.2024
Mohammed Ali OBE	Co-opted Governor	–	06.07.2017 – 31.07.2023
Neil Braithwaite	Co-opted Governor	<i>Chair of Finance and Capital Development Committee, Chair of Remuneration Committee (Senior Leadership Team and Vice Chancellor)</i>	01.08.2021 – 31.07.2024
Cath Clelland MBE	Co-opted Governor	–	01.08.2014 – 31.07.2023
Russell Davidson	Co-opted Governor	–	01.08.2014 – 31.07.2023
Rt Revd Paul Ferguson	Nominee from the National Society Council	–	23.11.2017 – 31.07.2023
Mark Fordyce	Co-opted Governor	–	14.11.2019 – 31.07.2025
Rt Revd Richard Frith	Representative of the Lord Archbishop of York	<i>Chair of Foundation Committee</i>	01.08.2021 – 31.07.2024
Dr Ernestine Gheyoh Ndzi	Staff Governor, ex officio	–	01.05.2022 – current
Prof Graham Henderson CBE DL	Co-opted Governor	–	01.01.2016 – 31.07.2024
Isabella Robinson	President of Students' Union, ex officio	–	01.07.2022 – current

Members whose term concluded during 2021–22

Name	Status	Other responsibilities	Term of office
Jamie Andrews	President of Students' Union, ex officio	–	01.07.2020 – 30.06.2022
Jon Hammond Booth DL	Co-opted Governor	–	01.08.2013 – 24.09.2021
Rt Revd Dr Jonathan Frost	Diocesan nominee	–	14.11.2019 – 04.05.2022
Maggie Pavlou	Co-opted Governor	<i>Deputy Chair of Board of Governors, Chair of People Committee</i>	01.09.2013 – 31.07.2022
Ian Wallace	Member of the Church of England or a church in communion with it	–	01.08.2013 – 31.07.2022

The University

York St John University has been educating and engaging with our local, regional and wider community since 1841. Originally established as one of two Anglican teacher training colleges in the centre of the City of York, the institution gradually expanded its course portfolio from the mid-20th century onwards, before achieving University status in 2006. We remain committed to widening access to education for people from different backgrounds and contributing to a fairer, more prosperous society.

The University's overall direction is guided by our Strategy 2026, which outlines the mission, vision, values, priorities, strategic aims and performance indicators that inform our work. The Strategy was refreshed in 2021 and emphasises the importance of partnerships, with a clearer focus on purpose, people and place.

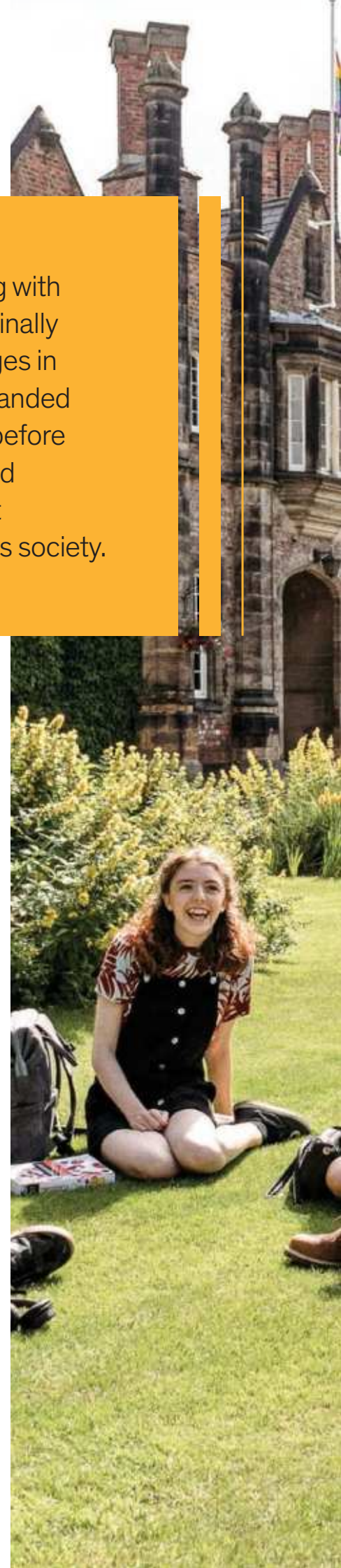
Today, over 8,350 students, alongside over 1,000 staff, make up a thriving learning and research community. The postgraduate cohort constitutes 33.6% of our student population.

Our international cohort includes over 100 nationalities. There has been significant growth in international student numbers to 1,564 in 2021–22, up from 935 the previous year. One of the critical contributing factors has been the adoption of a preferred partner model to work with a select group of international student recruitment agents. This small network of agents has delivered close to 9,000 applications for September 2022, and a record-breaking intake of international students. The preferred partner model was endorsed at a mock UK Visa and Immigration (UKVI) audit, not only for being imaginative and bold but as a model that would be looked at favourably by the UKVI in the future.

Through its five Academic Schools and London Campus, the University provides a dynamic portfolio of undergraduate and postgraduate courses covering the Arts, Business, Education, Health, the Humanities, Science and Technology. Our Degree Apprenticeships and delivery models are developed and co-designed with employers to ensure they fit industry needs.

An underlying theme of our research activity is to challenge prejudice and inequity. The Institute for Social Justice provides a focus for this work, drawing on expertise from across the University, and working in close collaboration with partners and participants in the community. A growth in both the volume and quality of the University's submission to the Research Excellence Framework 2021 resulted in 58% of the research submitted being judged as world leading, demonstrating a significant increase from 35% in 2014.

The results of the 2022 National Student Survey demonstrate our academic strength. The University was ranked in 30th position out of 122 Higher Education providers in England, up from 36th in 2021. The 79.3% overall satisfaction rating exceeds the 76% average for the sector.





Regionally, we had the highest satisfaction scores for teaching and academic support, and the second highest scores for assessment and feedback, learning opportunities and learning community.

The UK-wide Postgraduate Experience Survey 2022 reported a significant change in York St John's institutional position, rising from 59th to 22nd for overall experience. Our satisfaction score also rose to 81% compared to 78% in 2021.

The International Student Barometer 2022 gave the University a score of 92% for overall satisfaction, considerably above the average of 88%, and an above average score in all categories for experience of learning, living, happiness, support and value for money.

The Guardian University Guide 2022 recorded a rise of seven places for the University to 84th place. Subject areas that performed particularly well were Sport Science, which was ranked 15th nationally, and Health Professions, which was ranked 21st. The results were an amalgamation of the figures from 2020 and 2021 to create a ranking that reflected both how UK universities responded to the pandemic as well as student estimation of universities' performance in a normal year. Our rise was boosted by very strong scores in student satisfaction with their course and teaching. We also came 10th in the University of the Year category of the Whatuni Student Choice Awards 2022, the results of which are based solely on student opinion.

York St John is a key member of the Purpose Coalition, a group of leading UK universities, business and public sector organisations that aims to set a new and higher standard on boosting social mobility. We are committed to a levelling-up agenda and spreading opportunity in Higher Education. As one of the first universities to create an Impact Report based against the 14 Levelling Up Goals as identified by the Coalition, York St John continues to set an example of how to be a genuine values-led organisation.

One key example is the comprehensive Contextual Offer Scheme, which takes into account wider factors that applicants may have to overcome. In addition, we offer a variety of programmes to raise aspirations and boost entry to Higher Education, and all degree programmes contain an element of work placement to provide the experience necessary to unlock opportunity.

The University was a joint winner of the award for 'Achieving equality through diversity and inclusion' at the Levelling Up Universities Awards 2022: the award recognised that more than 60% of our students come from underrepresented backgrounds, and highlighted the quality of our provision of personalised, one-to-one support from application to graduation.

The York St John Creative Centre was formally opened by our Chancellor, Reeta Chakrabarti, on 10 June 2022. This award-winning, purpose-built, three-storey creative space is a dramatic addition to the campus at Lord Mayor's Walk. The Centre provides a new home for Music and Computer Science courses, and also features specialist spaces for Performance, Creative Writing and Media Production students. In addition, it is a public venue for art, design and performance in the heart of York city centre, demonstrating our continued commitment to invest in the cultural and economic capital of York and the wider region.

Company Information

York St John University is a company limited by guarantee with exempt charitable status (registered in England and Wales, number 4498683).

Corporate Office

Lord Mayor's Walk
York
YO31 7EX

Bankers

Barclays Bank PLC
Parliament Street
York
YO1 1XD

External Auditors

BDO LLP
3 Hardman Street
Spinningfields
Manchester
M3 3AT

Internal Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Charity Status and Public Benefit

York St John University is a company limited by guarantee and an exempt charity under the terms of the Charities Act 2011 and is regulated by the Office for Students.

The Charity Commission gives clear guidance on the reporting of public benefit and in determining the University's objectives and activities; the Board of Governors has complied with the Commission's guidance and in particular the supplemental guidance on the advancement of education (our primary objective as defined in our Instrument of Government).

Public benefit forms an integral part of all our activities and is embedded in our key strategic aims. Our stated mission, driven by our commitment to social justice, is to focus our expertise, talents and creativity to advance knowledge, promote understanding and achieve educational outcomes for the benefit of all.

Serving our community

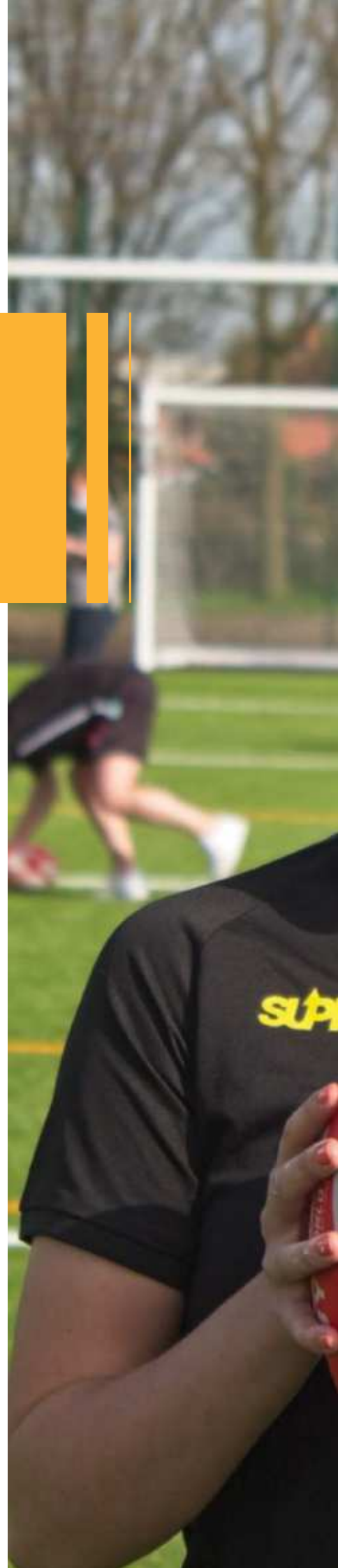
The University is proud of its long-standing position as an anchor institution in the City of York and the wider region. We promote active collaboration with schools, further education, employers, the NHS and third-sector organisations, and the London Campus further extends our reach to our targeted communities.

The 2021–22 academic year began with our continued response to the coronavirus pandemic, and we recorded that over 90% of students were double-

vaccinated. The Keep it Kind on Campus campaign urged students and staff to be considerate as we adapted to life without legal pandemic restrictions, and we welcomed the full removal of restrictions in April 2022. Throughout, York St John remained committed to investing in the economic and cultural capital of York and the wider region.

Located in the Cordukes building, the new Enterprise Centre offers local businesses direct access to academic expertise, including coaching and mentoring workshops from York Business School. Run in partnership with the York and North Yorkshire Growth Hub, this sharing of resources is a positive response to the importance of enterprise and employability to the national Higher Education agenda. One of the first businesses to take advantage of the Enterprise Centre is Agrisound, a company that has developed a range of innovative products to maintain an optimal pollination environment for agriculture.

The University's sport, exercise and wellbeing team, YSJActive, has developed several projects to help the wider community recover some of the physical and mental health levels lost during the pandemic, including Getting Active gym sessions





and Walking Rugby. The latter was developed in partnership with rugby league club York City Knights. The club's training base is at the York St John Sports Park on Haxby Road; the state-of-the-art facility has been improved with a bespoke rugby league 4G pitch, with funds from the Rugby League World Cup CreatedBy programme.

York St John renewed its sponsorship of York City Knights for another year, with the University's logo visible on playing shirts across the Men's, Women's and Disability teams. The growing relationship between the two organisations has been key to the growth of the Knights in recent years with the University's sports facilities proving a draw for many players.

The Sports Park was the venue for the city's celebration of the Queen's Baton Relay for the Commonwealth Games 2022. Final-year physiotherapy student Lucy Hadaway carried the baton, joined by 600 primary pupils from 20 York schools. She has competed in the long jump for Great Britain and was nominated to be a baton bearer in recognition of her contribution to the local community and being an inspiration to others.

The YSJActive team is also involved in providing exercise and diet advice for a project aimed at optimising patient fitness for major surgery. They are working with anaesthetists, surgeons and patients to support a prehabilitation service devised by York and Scarborough Teaching Hospitals NHS Foundation Trust and the University. Patients awaiting complex abdominal wall surgery attend a six-week multi-disciplinary programme at the Sports Park. The service also provides a focus for research collaboration and funding, with opportunities for practical student and staff involvement.

Our community celebrates diversity and inclusiveness, and stands up to prejudice and discrimination. The University was a sponsor of York Pride 2022 and, together with York St John University Students' Union, issued a statement in support of the International Day Against Homophobia, Biphobia and Transphobia.

Black History Month provided an opportunity to educate and challenge. A series of public events and exhibitions included an In Conversation event with author Sophie Williams, and a discussion on Race in the TV Industry with several media professionals. Our City Festival: One Community Many Voices included a film featuring members of our staff and student community to celebrate the diverse range of languages used across the University. We continue to be the main sponsor of the Yorkshire Asian Young Achievers Awards.

The PRO Autism project brings together a voluntary group of autistic and non-autistic members with a commitment to improving employment outcomes for people with autism. Funded by the Churchill Fellowship: Covid-19 Action Fund, the team have launched a new free online resource which aims to equip autistic people with additional skills and build career confidence.

The empathy demonstrated by staff and students during the pandemic was also in evidence following an appeal for humanitarian aid for the displaced people of Ukraine, working with the charity Vulnerable Citizen Support under the guidance of the Ukrainian Embassy. The response quickly expanded outside the campus and York St John became a donation hub for the region. An estimated 75 tonnes of aid were collected and sorted by volunteers at the University before its distribution to drop sites in Romania and Poland.

The York St John Communities Centre works with people from outside the campus, and is home to counselling and bereavement services, support groups, drop-ins and associated research hubs. The Centre also offers innovative opportunities for research, knowledge exchange and teaching excellence agendas, and extends rich research and placement opportunities. Students are involved as trainee practitioners, administrative and management interns, and volunteers.



Lynne Gabriel, Professor of Counselling and Mental Health, has been at the forefront of the design and the strategic leadership of mental health services to the local community. She was appointed OBE in the Queen's Birthday Honours 2022 for services to Higher Education.

The region's first free Community Language School will also be based in the Communities Centre. Drs Indu Meddegama and Maja Skender-Lizatovic work with families who are keen to pass on the heritage languages of first-generation migrants to children and adolescents growing up in Yorkshire. The Language School offers classes for children to learn their parents' or grandparents' home language, enabling them to see their background as something valuable.

The York St John Law Clinic has moved into new, customer-facing premises on campus with a suite of offices, conference and interview rooms. Students on the LLM Legal Practice course provide free advice and assistance to the public and small businesses under the supervision of qualified staff. The course is one of just two in the country to assess students' competence in a law clinic setting. Their experience is supporting them to become socially generous lawyers with a lifelong commitment to giving back to the community.

One of the functions of the new York St John Creative Centre is to provide a public venue for art, design and performance. Developed by one of the UK's leading environmental architects, Tate + Coby, the Centre was joint winner in the Education/Community and Sustainability categories in the York Design Awards 2022.

The University is one of 12 creative organisations in York supporting an incubation programme for emerging local artists who are developing a career in the arts as artist-maker, performer or facilitator. Under the auspices of SLAP (Supporting Live Art & Performance), the aim is to enable creative practitioners

to build their career in York, supporting the growth and diversity of the local economy, and driving up levels of creative activity in the city.

Graphic Design graduate Alissa Morgan was the first recipient of the Institute for Social Justice's Graduate Student Prize, which celebrates student engagement with social justice. She was named the winner for her work as a 'design activist' and the clear sense of purpose to which she adapted her degree and expertise to campaign for social justice.

York St John's Asylum Seekers and Refugees Research Collective took part in York Refugee Week, hosting a knowledge-sharing day for sanctuary seekers, volunteers, service providers, academics and students to discuss contemporary issues affecting refugees and asylum seekers. As a University of Sanctuary, the event provided a valuable opportunity to explore how we can continue to support social inclusion as a community.

Promoting environmental sustainability

York St John is vigorously pursuing the strategic aim of becoming a sector-leading university for sustainability and biodiversity, impacting positively on our students and wider community. The University was named joint first for carbon reduction in a new study of universities by People & Planet, the student network campaigning for social and environmental justice. This is the result of several successful decarbonisation projects carried out by our Estates Management and Development team, including the installation of roof-mounted solar photovoltaics and solar carports. The upgrades will result in a reduction of 82 tonnes of CO₂ emitted per year.

The University launched its first Living Lab project, an interdisciplinary network of students and staff working in collaboration with the City of York Council. The team aimed to find innovative solutions to the problem

of air pollution, with a focus on the road junction outside the De Grey building. Over 250 students from nine different academic subjects brought their skills to the project, which was marked by a Living Lab Street Festival and inclusion in the York Festival of Ideas. The Living Lab was also named as a finalist in the Tomorrow's Employees category of the 2022 Green Gown Awards (our Grounds and Maintenance Team were shortlisted for the Sustainability Champion award and the virtual YSJgoesgreen project for the Tomorrow's Employees category in 2021).

As part of Her Majesty's Platinum Jubilee celebrations, York St John joined the Queen's Green Canopy initiative. Johanna Ropner, the Lord-Lieutenant of North Yorkshire, planted a lime tree near the Lord Mayor's Walk entrance to the campus. This planting adds to the Grounds team's development of garden borders, with plants selected to improve biodiversity. They have also worked with the local community to plant hundreds of trees at the York St John Sports Park.

In recognition of the work done by the Sustainability team to encourage hedgehogs, the University achieved Silver Accreditation at the Hedgehog Friendly Campus Awards 2021–22. Swift boxes and a peregrine nesting box have been installed on Phoenix Court and St John Central Accommodation respectively as part of our drive to attract wildlife to the campus. The five-year tansy beetle project culminated with the release of 48 of these endangered beetles at the ecology site at the Sports Centre.

Over 80 primary school children visited the campus as part of the Teentech York City of Tomorrow Festival of interactive workshops on sustainability, climate change, and the design of inclusive and safe urban environments. The workshops were facilitated by staff, Initial Teacher Education students and external STEM organisations, bringing the world of science, technology and engineering to life through exciting cross-disciplinary learning opportunities.



Strategic Review

During 2021–22, the University continued to develop and shape an industry-led portfolio of academic courses, research programmes and support services in step with our Strategy 2026, with its focus on promoting a fairer society. The adaptability and ingenuity of the York St John community was much in evidence as the restrictions imposed by the government to fight the pandemic became less severe. Amid the challenging economic and political conditions, the University planned for future growth.

Supporting our people

The University promotes a culture of personal responsibility and collaborative ownership in which all contributions are valued, and people are empowered and supported to deliver. Together, we strive towards a culture of excellence, demonstrated through our people, leadership and governance.

Professor Richard Bourne, former Head of the School of Humanities, was appointed to the Executive Board as Pro Vice Chancellor for Learning and Teaching. He leads the University's approach to Learning, Teaching and Student Experience, and our commitment to equality, diversity and inclusion.

Further senior appointments include Kathryn Kendon as Academic Registrar, Dr Ruth Windscheffel as Head of Teaching and Learning Enhancement, and Barrie Grey as the Head of Student and Graduate Employability, leading on the development and delivery of a new Employability Strategy.

The University has received the Athena Swan Bronze award, following a four-year application process. In adopting the Athena Swan Charter, we have developed an action plan to embed gender equality actions within our policies, practices and culture.

The Charter process is an important framework for change, including overt actions such as supporting women leadership programmes, as well as addressing hidden inequalities.

As part of the Strategy 2026 refresh, we set a target to achieve a zero gender pay gap and we have made great progress towards this goal this year. York St John has also been accredited as a Living Wage Employer for paying a 'real' living wage to all staff and casual workers. The accreditation forms part of the University's wider commitment to practising responsible business, as evidenced by our membership of the national Good Business Charter.

The importance of research

The results of the UK-wide assessment of university research, the Research Excellence Framework 2021, represent an improved position for York St John, providing a good basis for strengthening our research output. The number of academic staff with significant responsibility for research submitted more than doubled since 2014, and all academic Schools submitted research that was assessed as world leading, with notable achievements in Sport, Education, Psychology, and Music and Performance.

The University's Research Plan provides our academic community with continued and new initiatives to support research. Doctoral studentships are available via a new matched-funding scheme that seeks to increase collaboration with external partners, and the Research Development and Innovation Fund also encourages interdisciplinary and cross-School research. The Institute for Social Justice launched a new £40,000 scheme of Community Research Grants for community-led organisations in the voluntary, charity and social enterprise sector. The aim is to commission pieces of research that address issues of direct interest and benefit to their organisation.

One example of the impact of partnerships is the work done by the Motivation, Performance and Wellbeing research group and the National Association for Able Children in Education (NACE) to create perfectionism literacy resources for schools. This is part of an ongoing collaboration between NACE and York St John, focusing on research and resources to help schools support more able learners with increasing levels of perfectionist characteristics.

The University was awarded its first two grants from the Natural Environment Research Council, successes that show we can compete successfully for highly prestigious UK Research and Innovation funding. A grant of £30,000 from the Creative Climate Connection Call was awarded for a project led by a team of Drama and Geography researchers. Entitled *Suitcase Stories: Exploring Climate Adaptation through Participatory Storytelling with Young People*, the project brought together young people from Batley and Leeds with storytellers and researchers at York St John, a climate journalist and young people from Nigeria. Together, they have created short stories that can pack into suitcases to communicate how people are already experiencing the effects of climate change and what we can learn from how they are adapting.

Dr Joseph Bailey was awarded a similar amount as part of a £1 million Highlight Topic grant led by the University of Nottingham entitled *Soil Survival* and

Re-emergence: the Continued Threat of Plague [in Madagascar]. He was also the lead author of a British Ecology Society report that shows that landscapes designated as 'protected areas' are largely failing to deliver for nature and are in poor ecological condition.

Social justice continues to be a mainstay of research conducted at York St John and two external bids secured funding. A grant of over £50,000 is supporting a postgraduate research student to work with City of York Council on a project supporting School Transition Outcomes for Children with Special Educational Needs; £17,000 of funding from the Screen Industries Growth Network is supporting a project focused on Cinema and Socio-Economic Justice Filmmaking.

The theme of the Post Graduate Forum on Applied Linguistics 2022 was Social Justice in Applied Linguistics, addressing some of the complex issues around the use of language. The forum

is organised by MATESOL and MA by Research students in Languages and Linguistics, and in recent years it has grown with presentations from both UK and overseas-based postgraduate research students and lecturers.

The winner and runners-up of the 2021 BAAL Book prize, organised by the British Association for Applied Linguistics (BAAL), were all members of York St John's academic community. Visiting Professor Alison Wray took first prize for her work *The Dynamics of Dementia Communication*; Helen Sauntson, Professor of English Language and Linguistics, and Visiting Fellow Dr Liz Morrish were the runners-up with their work *Academic Irregularities: Language and Neoliberalism in Higher Education*.

A joint study with Newcastle University has helped to identify, for the first time, exactly how exercise can lower the risk of developing bowel cancer and slow the growth of tumours. By working



out a mechanism through which regular physical activity is able to produce anti-cancer effects, the study provides further support for current national and global efforts to increase exercise participation.

Universities UK's MadeAtUni impact campaign is focused on climate action and aims to increase positive sentiment towards universities by sharing stories of our impact on peoples' lives. A set of case studies has been published including the work of Dr Olalekan Adekola. He is leading a project that supports aquaculture farmers in Kenya to build resilience against climate change by providing access to training, best practices and knowledge-sharing information.

Jen Jarvie, Lecturer in Professional Policing, was named Investigator of the Year by the Association of British Investigators, in recognition of her work on the high-profile, unsolved murder of Ann Heron. The case was

featured in a Channel 5 documentary, produced by Film & Television Production alumna Janette Hodds.

Learning and teaching

The University's Learning, Teaching and Student Experience Action Plan is building on recent successes in indicators of the quality of our learning, teaching and assessment, including substantial improvements in our National Student Survey results and rises in national league tables.

The plan builds on the distinctive York St John experience valued by our students, who have a strong sense of belonging to a supportive and intellectually rigorous academic community with social justice at its heart. It draws widely on sector best practice and extends to our whole academic community the excellent practice found in each of our Schools.

A Portfolio Task Group is promoting cross-team collaboration to ensure that curriculum development is

supported across the University, and Heads of Schools have developed five-year portfolio plans. We are refreshing existing courses and introducing new subjects to extend student opportunities. This work is feeding into our 2023 submission for the next national Teaching Excellence Framework, which will reflect the range of good practice and the factors that make for a genuinely excellent experience at York St John.

Ofsted have judged our overall provision in Primary and Secondary Initial Teacher Education (ITE) as 'good', with an 'outstanding' rating awarded to leadership in the primary age category. The report records: "There is something special about York St John trainees. They are diligent, kind, caring and self-reflective." The judgment reflects the high-quality partnerships the ITE team has nurtured with schools across the city and region.



We entered the first round of a new accreditation process set up by the government's Department for Education for providers of Initial Teacher Training to meet a rigorous new set of eligibility criteria. The application for Initial Teacher Training Accreditation was successful. This is a significant achievement for the University, and ensures that we can continue to train and support student teachers who go on to educate and inspire future generations of school children.

The Converge programme of courses for people with experience of mental health challenges, run in partnership with the Tees, Esk and Wear Valley NHS Trust, was shortlisted for the Arts and Health category of the Health and Wellbeing Awards 2022 of the Royal Society for Public Health. A two-year independent evaluation of the programme, funded by the Office of Students and Research England, identified Converge as "a unique model of knowledge exchange and community engagement".

One of the world's leading experts on dementia care, David Sheard has been awarded a Visiting Professorship, becoming Professor of Emotional Intelligence in Care in the School of Science, Technology and Health. His focus on emotional intelligence in care sits perfectly with the compassionate and person-centred ethos of our Nursing and Allied Health courses specifically, and with the University's commitment to social justice more broadly.

A memorandum of understanding has been signed with the Chicago School of Professional Psychology, opening doors for staff and students as part of the Doctorate of Counselling Psychology. Exchange opportunities between visiting faculty members, research scholars and students are promoting education, research and curriculum development.

The University made a successful application to join the government's Register of Apprenticeship Training Providers. Over the past few years, we have seen our Degree Apprenticeship portfolio expand and strengthen as we work with employers to design courses that meet business needs and skill gaps in the region and beyond. Delivered across both our York and London Campuses, our apprenticeship





programmes are providing a valuable opportunity for people who want to work while they study, developing their skills and opening the doors to new opportunities.

Animation alumnus Jack Thompson won the Craft Skills Award in Animation, presented as part of the Yorkshire Student Awards by the Royal Television Society. He is the first York St John student to win this award and part of only the third graduating cohort from the BA (Hons) Animation degree.

Takeover 2022 was a week-long arts festival at York Theatre Royal, organised and run by Performance students and alumni, who gained valuable work experience with support and mentoring from industry professionals. With the theme The Unspoken, performances included interactive theatre, one-person shows and comedy.

The University partnered with Game Republic, an industry-led games business network, to host the annual Game Republic Student Showcase. Students on the Computer Science with High Performance Graphics and Games Engineering courses presented their work. The event offers opportunities for placements and jobs, encouraging students to stay in the region and build their careers after graduation.

An online symposium funded by the Association for Learning Development in Higher Education brought business leaders and aspiring entrepreneurs from the student bodies of York St John and organising partner Queen Mary University of London together. Entitled Your Future in Business: Working in the Post-pandemic World, the event was organised by students from both universities. This peer collaboration provided them with real-life experience of developing key digital employability skills.

We also pride ourselves on the quality of our support for students' learning. Our Advance HE-accredited HEA Fellowship scheme supported the most successful cohort of academic staff this year, helped throughout by a dedicated team of mentors and assessors. It is of particular significance that they achieved or enhanced their fellowship status in the context of such a difficult year in Higher Education.

Financial Review



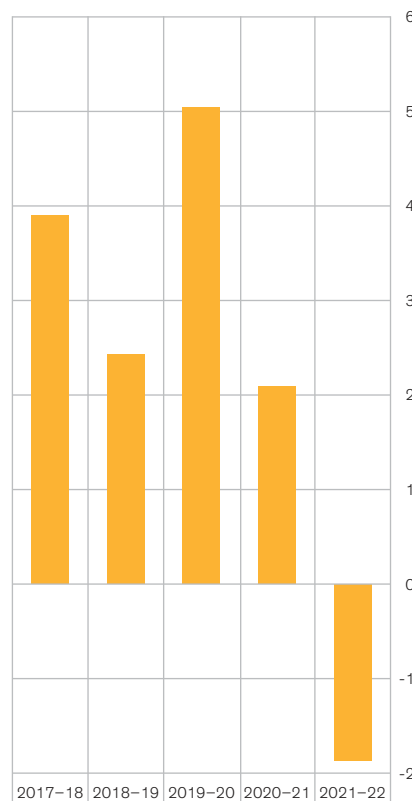
The financial year was characterised by sound operational performance in a challenging environment as the University begins to exit the ongoing impact of the pandemic, with the core fee for Home Undergraduate students remaining at £9,250 for the year. The University is able to report a small operating deficit of £0.48 million against its original budget strategy before the increased costs of FRS 102 pensions costs (£0.25 million) and the revenue impact of delivering the Creative Centre (£1.14 million), resulting in an overall deficit of £1.87 million. Significantly, the University generated cash from operating activities of £12.8 million, 16.5% of income (2021: £10.5 million, 15%) with cash reserves of £35.1 million (2021: £32.7 million).

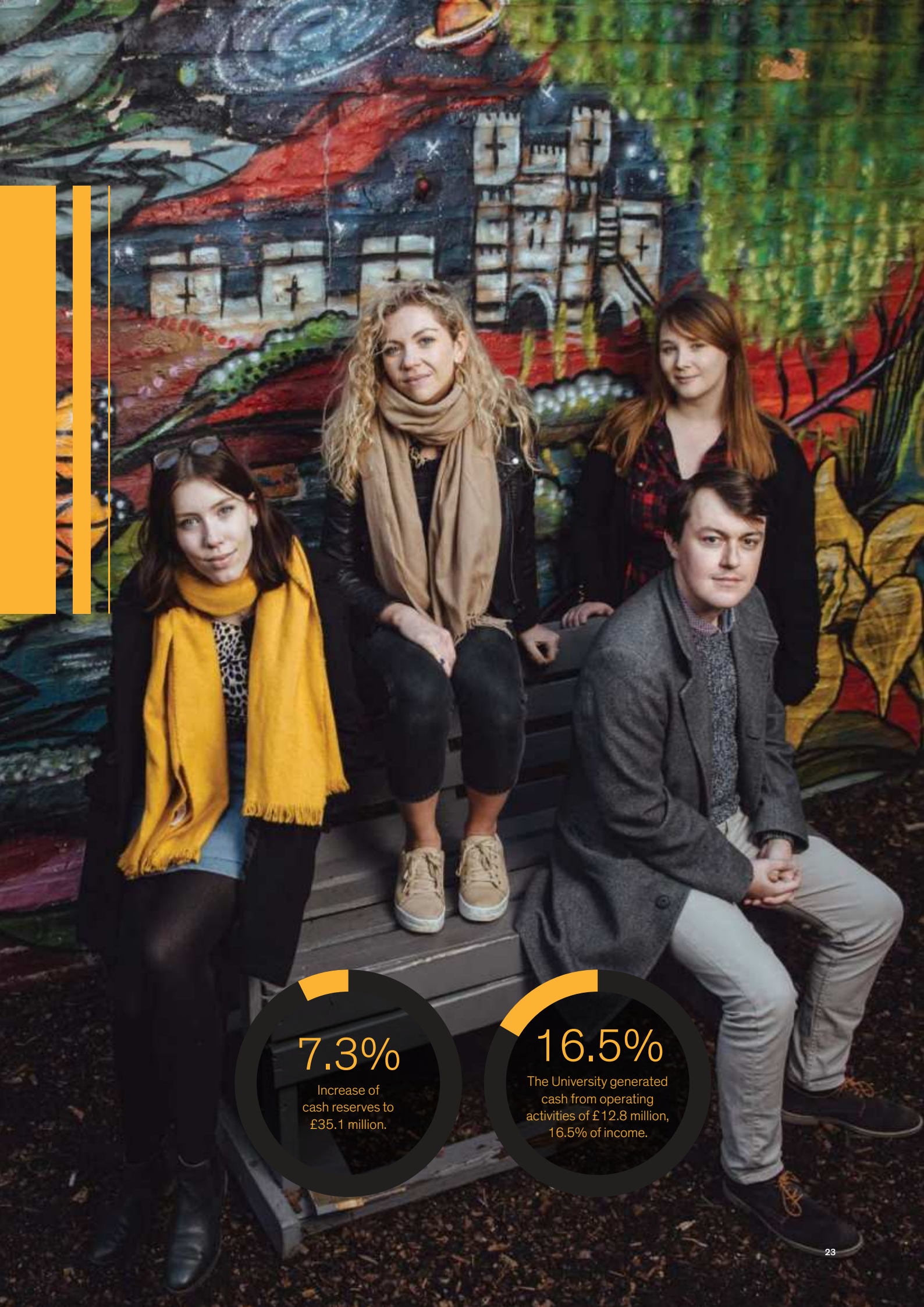
Income

Total operating income increased by 9% to £78 million (2021: £71.5 million). Income from full-time home and EU students was down by 5% to £47.81 million (2021: £50.25 million) with income from full-time international students up by 61% to £11.72 million (2021: £7.26 million). Income from Degree Apprenticeship programmes increased by 36% to £1.98 million (2021: £1.45 million). The University received capital grant income from the Office for Students, which is required to be shown in the Statement of Comprehensive Income under FRS 102 guidelines.

Recruitment to the London Campus has exceeded the budget position as the portfolio continues to expand. During the year the University mobilised its new facility at East India Dock which will be fully operational in 2022–23. The International recruitment teams across York and London were merged as part of the revised strategy which will lead to significant growth in both undergraduate and postgraduate student numbers in York in 2022–23.

Operating Surplus £'m





Expenditure

Total expenditure increased by 15% to £79.8 million (2021: £69.4 million).

Staff costs increased by 11% to £47.3 million (2021: £42.5 million). Salaries increased by 9% to £32.2 million (2021: £29.6 million) including a further increase in pensions costs after the University received the year-end Accounting Schedules from the North Yorkshire Pension Fund (NYPF) – pensions costs increased by 19% to £11.7 million (2021: £9.8 million). The underlying performance of expenditure on staff costs was in line with the budget strategy. New teams are now established to enable the University to deliver its Strategy 2026.

Other operating costs increased by 22% to £26.7 million (2021: £21.8 million). Payments to agents in relation to the recruitment of international students increased by 89% to £2.98 million (2021: £1.57 million). Rent payable increased by 14% to £3.05 million (2021: £2.66 million) as a result primarily of the facility at East India Dock. Finally, the revenue impact of the settlement reached in relation to the Creative Centre is recognised at £1.14 million.

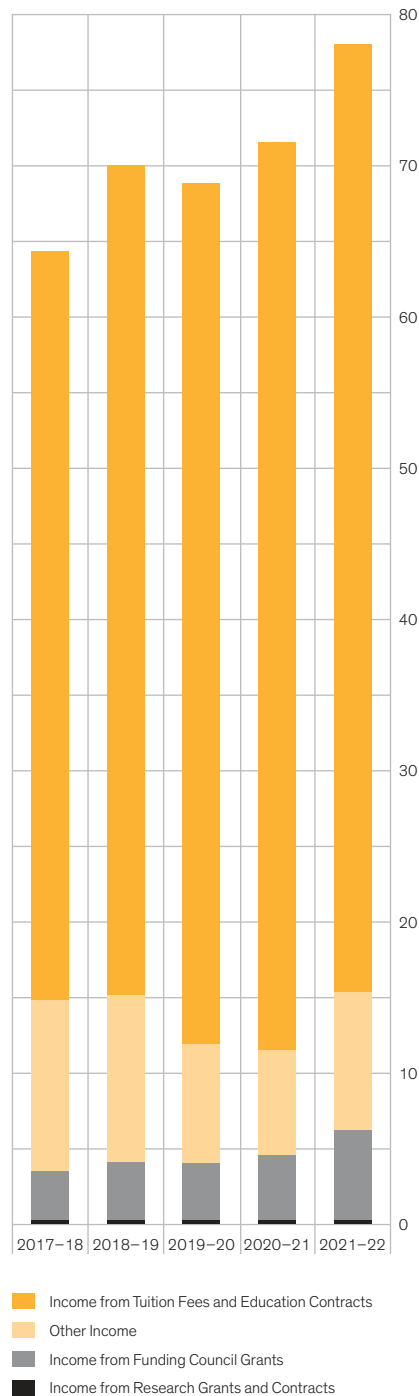
Balance Sheet

Net assets at the end of the year were £143 million (2021: £120 million). The pension provision of £20.14 million was reduced to £0.33 million following the latest schedules provided by the NYPF. The major movement in the reduction of the liability was caused by a sharp and significant increase in the discount rate used by the fund advisers. The University is currently in consultation with the NYPF as part of the triennial evaluation, which will see the employer contribution rates set from April 2023.

We made capital investment of £10.3 million during the year (2021: £15.3 million).

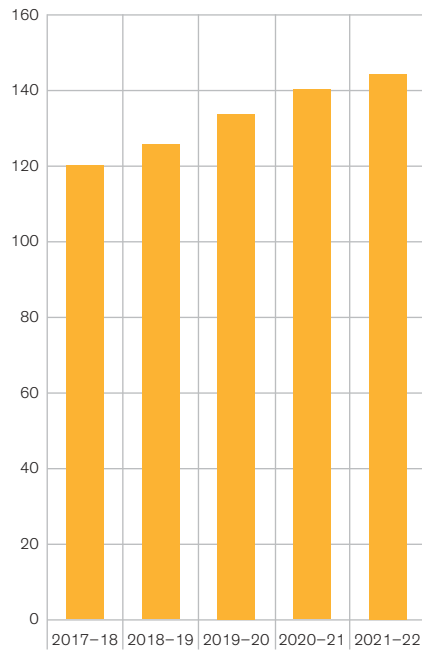
Significantly, the University generated cash from operating activities of £12.8 million, 16.5% of income (2021: £10.5 million, 15%) with cash reserves of £35.1 million (2021: £32.7 million).

Income Breakdown £'m

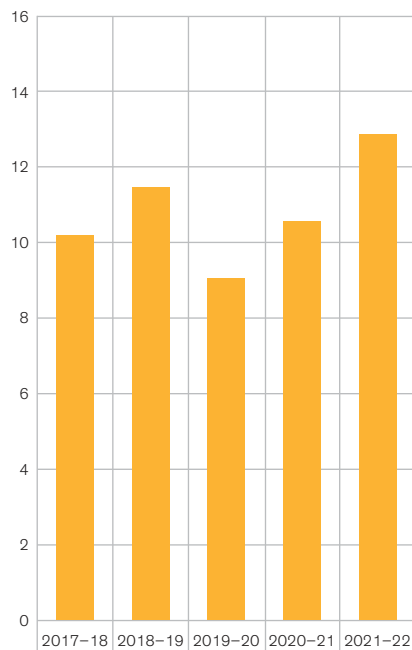




Net Assets including Pension Liability £'m



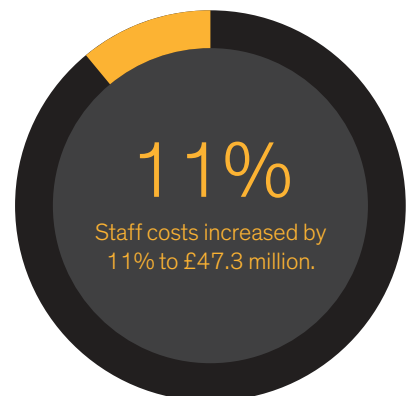
Net Cash from Operating Activities £'m



Financial Outlook

The University's financial strategy is to invest strategically in facilities and infrastructure for the benefit of our students and the community in which we live and work – financial performance in 2021–22 has been sound in a challenging environment. The University remains in a strong liquidity position in the short to medium term and has performed well against the banking covenants in 2021–22. The opening of our new Creative Centre will allow a significant reconfiguration of the remainder of the campus in York.

A complete review of the portfolio has been led by the Vice Chancellor, which will position us to grow and diversify our portfolio for all programmes across York St John. The Postgraduate Taught and International Strategies position us well for future development. The University remains well on course to deliver its Strategy 2026, with strong recruitment projected in 2022–23 for both home undergraduate and international students in London and York.



Key Risks and Risk Management

Throughout 2021–22, the financial sustainability of the University continued to be a significant institutional risk. This was due to residual uncertainty relating to Brexit and the pandemic, the emerging national policy around fees, funding and student number controls, and most recently the macro-economic challenges resulting from the post-pandemic recovery and the war in Ukraine.

In February 2022, the Department for Education (DfE) released their 'Higher education policy statement and reform consultation', confirming the intention to extend the home undergraduate tuition fee freeze until 2025, changes to repayment terms for student loans and an increase in capital funding for high-cost subjects. It sought consultation on student number controls (SNCs), minimum eligibility requirements (MERs) and the reduction of fees charged for foundation degrees. While this gave some certainty, we cautiously await the outcomes of the consultation. In the meantime, we undertook an exercise to analyse and plan for various scenario outcomes of SNCs, MERs and foundation degrees to be prepared, regardless of the outcome.

While uncertainty still exists, the University's key financial indicators remain healthy. Significantly, the University generated cash from operating activities of £12.8 million, 16.5% of income (2021: £10.5 million, 15%) with cash reserves of £35.1 million (2021: £32.7 million).

Undergraduate applications for 2022 entry are 19.1% up on 2021, enabling an investment of £4.1 million in the 2022 Annual Planning Round. All Directorates and Schools identified efficiency savings of 2% in late May/early June. We have robust plans for continued growth through the School Portfolio Plans and have refreshed the pensions strategy.

As a result, we have downgraded the risk to financial sustainability, but continue to see high risk in the following strategic and operational areas.

Graduate employability

The University's latest graduate outcomes data were issued in June 2022, capturing the outcomes of 2019–20 graduates 15 months after completing their studies. The percentage of employed York St John graduates (full-time, first-degree, UK-domiciled) in high-skilled roles rose from 64.7% for our 2018–19 cohort to 66.6% for our 2019–20 cohort (source: *Times Good University Guide*).

We continue to see the Office for Students (OfS) placing significant emphasis on graduate outcomes.

The Executive Board has prioritised work related to the employability of our students, and a new Head of Student and Graduate Employability started in February 2022. Our partnership work with sector employability consultancy Gradcore identified a range of proposals and interventions that will positively impact our graduate outcomes. These were included and prioritised in the 2022 Annual Planning Round with a new set of defined graduate attributes. We are working to embed employability consistently in all our courses. The earliest that these interventions will impact upon our graduate outcomes performance is the Class of 2021 (those surveyed in September 2022 whose graduate outcomes will be released in July 2023). So, despite progress in this area, risk remains high.

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Government policy and sector reform

In accordance with guidance from the DfE, students and staff returned to a fully in-person delivery model from the start of the 2021–22 academic year. In line with the government's Living with Covid plan (April 2022), we continued to advise staff and students to be covid-aware. Many of our hygiene and health and safety measures have remained in place, demonstrating that we continue to prioritise student and staff health, safety and wellbeing.

The DfE have also released their Lifelong Loan Entitlement consultation, which forms a key component of the Lifetime Skills Guarantee. Due to be launched in 2025, under these plans a new and flexible skills system will be introduced to provide people with a loan entitlement to the equivalent of four years of post-18 education to use over their lifetime. This presents a possible opportunity for York St John to develop its portfolio to allow for recruitment at an individual module level and we could see an increase in demand for Higher Education. Again, we await the outcomes of this consultation and changes to policy to further determine the impact on the University.

Student feedback

York St John outperformed the sector average for overall satisfaction in the 2022 National Student Survey (NSS), achieving 79.3% against the sector's 76%. Across the country, we placed 30th out of 122 English Higher Education Institutions for this key measure, a rise of six places from the previous year. The University also performed very well in the International Student Barometer 2022. The score of 92% for overall satisfaction is considerably above the average of 88%, and we are above average

in all categories for experience of learning, living, happiness, support and value for money.

Notwithstanding our excellent performance when compared to the sector, an overall NSS satisfaction score of 79.3% remains below the University's target of 90% in this area by 2026. Programme Review and Enhancement plans have been considered by Education Committee and Quality and Standards Committee. These plans determine enhancements for improving student feedback on programmes (alongside enhancements to ensure other important data is enhanced or improved).

Alongside the NSS and the International Student Barometer, we are also conducting internal surveys with non-NSS undergraduates (replacing the mid-module evaluations), and postgraduate taught and research students across both campuses. The residual risk remains high in that we are not yet meeting our key performance indicator.

Staff engagement and performance

Valuable insights into staff morale are gathered from staff networks, operational groups (such as Health and Safety), Executive Board engagement sessions and regular trade union meetings. The Universities and Colleges Union has run a national campaign relating to pay and conditions across three separate dis-aggregated ballots. None of these secured the mandate for strike or 'action short of a strike' at York St John, although the strength of feeling for action from those who voted was recognised by the senior leadership. In the context of ongoing sector-wide industrial disputes over pensions and pay, it is considered that staff engagement and performance should remain a high risk.

Student retention

The University's student retention rate reduced in 2020–21, raising the risk profile from medium to high. We continue to see lower retention figures and July 2022's non-continuation rate was at 10.1%, compared with 7.1% for July 2021. The impact of this deterioration affects our finances, reputation, Teaching Excellence Framework awards (given continuation is a key data set considered in the metrics) and the student experience. Student retention continues to be discussed at Academic Board and Executive Board, and is highlighted in the Schools' dashboards. It has been agreed that Heads of School would identify any areas of concern and any processes or procedures that may act as barriers to student achievements. In addition, deep dives of data will look to pinpoint non-continuation with other factors.

From the start of the 2021–22 academic year, the Learning, Teaching and Student Experience Action Plan has focused on three core areas: enhancing course design, enhancing learning and teaching design, and supporting teaching excellence. This includes the development of the academic tutorial offer to students to improve retention, engagement and attainment. This offer includes updated advice, guidance and support to academic tutors and the rollout of a learner analytics system (Engage) to assist tutors and students with monitoring engagement and tracking, enabling interventions before students withdraw.

Directors' Report

The Directors present the Financial Statements of the University for the year ended 31 July 2022.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The future strategy and likely developments within the University are highlighted within the Strategic Report. The names and term of office of all the Directors are listed on page 9 under 'Governors and Directors of the University'.

Employees and diversity

The University is committed to encouraging and enabling staff to achieve their full potential and aims to ensure that no job applicant, employee or former employee experience unfair treatment, discrimination and harassment. The University was successful in achieving the Athena Swan Bronze award in March 2022 and submitted an application for the Advance HE: Race Equality Charter in July 2022.





Disabled employees

The University has retained its Disability Confident Employer status for a further three years following a self-assessment renewal process in 2022, in recognition of our work to employ, retain and develop disabled staff. Reasonable adjustments are made where appropriate and career development and promotion opportunities are provided for all staff.

Environmental summary

York St John is committed to minimising the environmental impacts that result from all of our activities. Our environmental performance is monitored across a number of over-arching fields including climate change, waste and biodiversity. These in turn drive programmes of:

- Carbon emissions reduction, including energy efficiency enhancements, renewable energy purchase and generation
- Waste management with expectations that we will maximise recycling and send zero waste to landfill
- A burgeoning biodiversity enhancement programme being implemented across all of our sites, both residential and non-residential.

Key metrics

The following information covers the period 1 August 2021 to 31 July 2022. This is a change from previous financial reports where these metrics were reported from existing Higher Education Statistics Agency (HESA) data submissions, which were typically 12–18 months old. Where relevant, historical data trends have been included for context.

The figures incorporate reporting of emissions from student residences where the University has responsibility for utilities, but not from sites where buildings are wholly owned and managed by third parties, in line with national company reporting guidelines.

Energy consumed from gas and (grid) electricity: 8,229 MWh, comprising:

- Natural gas: 3,225 MWh
- Electricity: 5,004 MWh

In addition:

- University vehicles burned fuel equivalent to an additional 23,609 kWh
- Energy generated on site by solar photovoltaics (PV): 260 MWh (5.19% of the total electricity used).

The University has set itself a target to reduce carbon emissions by 70% before 2025 and 80% before 2030, from a 2005 baseline. We are already very close to achieving our 2025 target (fig 1).

It is important to note that due to the ongoing expansion of the University estate and teaching provision, absolute carbon emissions may be considered a less appropriate metric than, for example:

- Carbon emissions by floor area, and
- Carbon emissions by FTEs of staff and student.

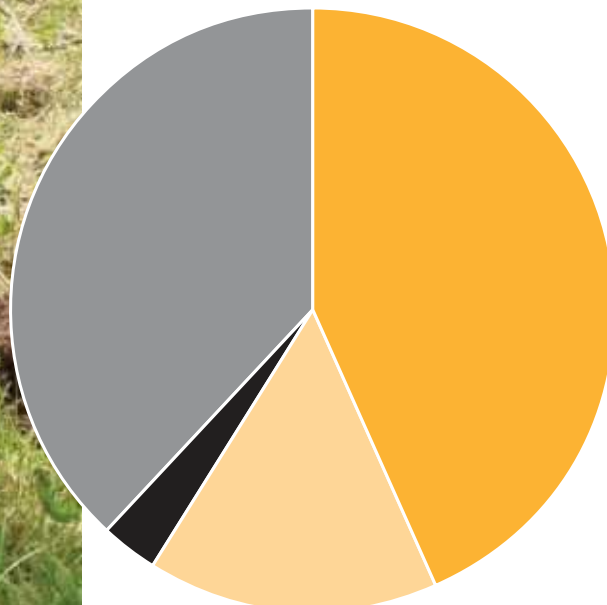


Fig 1 – Energy consumed by source 2021–22 (kWh)

- Grid electricity non-PPA – 3,690,060 kWh
- Grid electricity PPA (zero CO2) – 1,314,000 kWh
- Solar PV – 260,162 kWh
- Gas – 3,225,354 kWh

Fig 2 – Total annual carbon emissions 2009–22

(from HESA data 2011–21 and YSJ metering 2022) Scopes 1 (gas) and 2 (purchased electricity)

■ Emissions decrease
■ Emissions increase

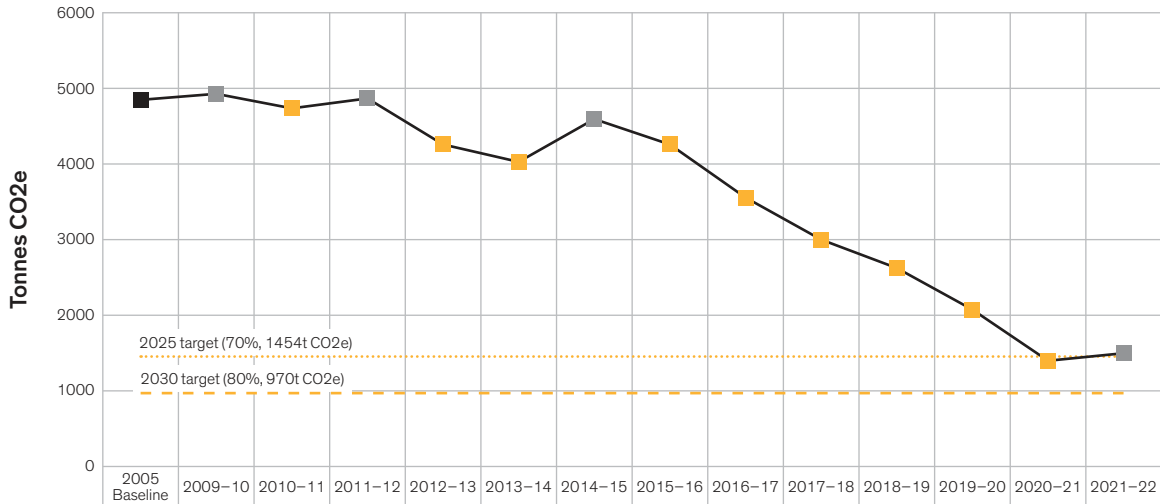


Fig 3 – Annual carbon emissions per m², 2016–22

(from HESA data 2011–21 and YSJ metering 2022) Scopes 1 (gas) and 2 (purchased electricity)

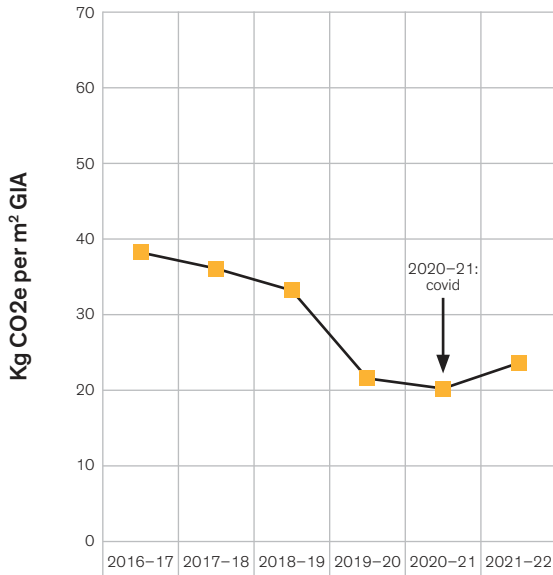


Fig 4 – Annual carbon emissions per FTE (staff and student), 2016–22

(from HESA data 2011–21 and YSJ metering 2022) Scopes 1 (gas) and 2 (purchased electricity)

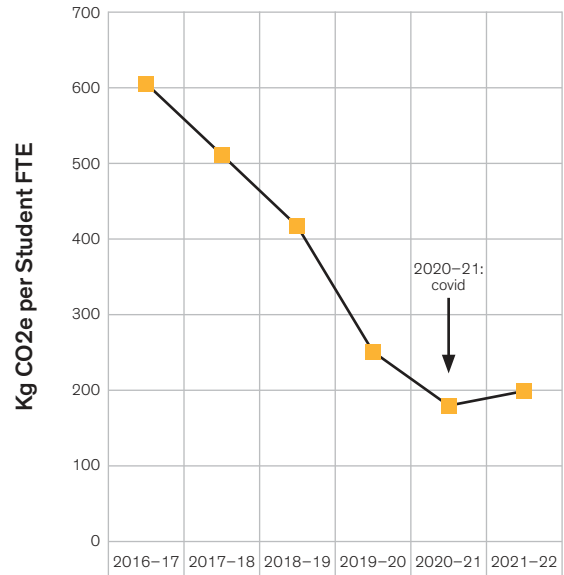
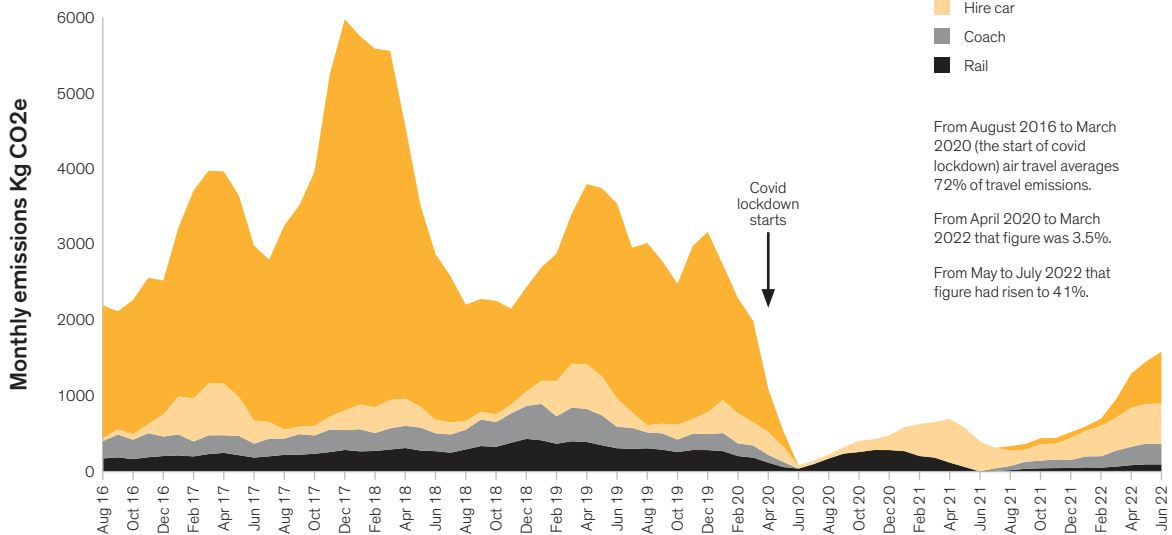


Fig 5 – Emissions from business travel 2016–22 (running mean)

■ Air
■ Hire car
■ Coach
■ Rail



These datasets are reported here (figs 3 and 4). All future reporting of carbon emissions will now include these datasets in addition to absolute emissions. We are also publicly reporting our emissions from travel for the first time this year (fig 5). In accordance with reporting guidelines, this remains outside the scope of our primary reporting and the metrics cited above; however we are still working to reduce this wherever possible.

Carbon emissions and climate change improvement projects

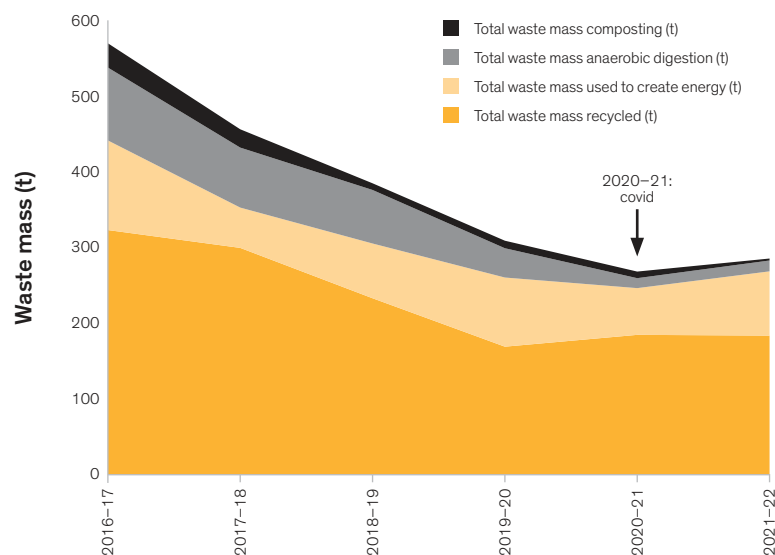
A range of projects are resulting in additional energy and carbon savings across the estate, including:

- Completion of the solar PV installation at the main campus site
- Completion of solar PV carports and battery storage system at the Sports Park
- Replacement of the sports field floodlighting with low-energy LED lights
- Replacement heat recovery ventilation in teaching buildings
- Continuation of a programme of superinsulation as part of building refurbishments
- Continuation of a programme of enhanced heating and hot water controls at student residential accommodation
- Ongoing upgrade to automatic utility meter readers
- A campus-wide energy saving campaign to encourage energy saving habits.

We are also planning to increase the proportion of our electricity purchased via power purchase agreements direct from renewable energy generators, when the next contract becomes available. This will result in a further significant reduction in reported carbon emissions.

This year we have once again been shortlisted for a number of national awards, and won a number of regional awards based in large part on sector-wide recognition of this work. This includes shortlisting of the University's Living Lab project for the National Green Gown Awards and being awarded joint first ranking in the UK for carbon reduction in the People and Planet Green League.

Fig 6 – Mass of waste created (2016–17 to 2021–22)



Forecast trends

York St John is undergoing a period of significant expansion to achieve our strategic aim of an increased student population. This will require an increase in the size of the physical teaching and residential estate and incorporates an expanded London Campus. We aim to minimise the effect on carbon emissions by increasing space efficiency and continuing with our carbon reduction projects.

Biodiversity

The University is implementing Site Specific Biodiversity Action Plans for each of its seven principal sites in the City of York. This work includes:

- The area dedicated to wildflower and invertebrate habitats has increased since 2017 to almost 5,000m²
- Changing mowing regimes at selected locations and developing pollinator-friendly wildflower meadows (Lord Mayor's Walk, the Grange, Sports Park)
- Planting 300 tree saplings (Sports Park)
- Installation of bird boxes, beehives, insect hotels and hibernacula (Lord Mayor's Walk, Sports Park)
- Completion of an additional wildlife pond (Sports Park)
- Recognition of the Sports Park as an 'ark' site for endangered tansy beetles
- Achieving silver accreditation as a Hedgehog Friendly Campus.

Waste

York St John has successfully operated a zero waste to landfill policy since 2013. Maintaining this record is becoming increasingly difficult but is a key waste management objective. Zero waste to landfill has been achieved by:

- Increasing the proportion of recycling from 26% in 2010 up to 70% in 2022
- Diverting food waste to be processed into anaerobic digestion feedstock for energy generation (biogas)
- Diverting non-recyclable waste to energy generation (electricity).

We have a range of policies and practices to prioritise furniture and equipment reuse and refurbishment, and donate large items such as furniture wherever possible. We also donate surplus wood pallets to a local charity. The total amount of waste generated on the estate has considerably reduced over the past six years, though this is largely due to a significant reduction in the size of the managed residential estate. To reflect this change, we plan to introduce more localised reporting of waste generation and disposal over the next year.

Water

The majority of water consumed across the University estate is in student residences, where we have limited operational control. However, we do actively encourage and facilitate water conservation wherever possible. We have implemented a number of leak detection systems and flow monitoring, which have enabled us to identify and rectify a number of previously undetected leaks over the past year.

Political donations

The University did not make any political donations in 2021–22 (no donations in 2020–21).

Appointment of auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

Employee involvement

It is the University's policy to communicate with and involve all employees, subject to commercial and practical limitation, in matters affecting their interests at work and to inform them of the University's performance.

Under the Trade Union (Facility Time Publication Requirements) Regulations 2017 (SI 2017 no 328), the University is required to publish information about employees acting as trade union representatives for each year to 31 March. For the year to 31 March 2022, 34 employees acted as relevant union officials, each spending 1–50% of their hours on trade union facility time. The total cost of facility time was £33,776, which was 0.08% of the total pay bill. No time was spent on paid trade union activities as a percentage of total paid facility time hours.

Ongoing dialogue with trade union representatives is a key strength of the University, as is a long established relationship to ensure that the whole University community was represented.



A formal, strategic, consultative trade union forum has been re-established in 2021–22 following the pandemic, in addition to the regular, effective informal partnership approach.

Strategic engagement with suppliers and customers

Engagement with employees

The University cannot realise all of its ambitions without the support of others. With this in mind, it is an objective of the institution to pursue mutually beneficial relationships with businesses and suppliers in the nearby region and nationally. These relationships are founded on evidence of capability, value for money and the ability to provide a suite of high-quality services to staff and students. The Executive Board supports this approach, and it is through the development of strategic commercial partnerships in our supply chains that we leverage the buying power of York St John.

The University strives to ensure that there is transparency and fairness in its decision making, particularly when it pertains to the awarding of business contracts and the evaluation of third-party suppliers. To this end, a culture of participation and active involvement is encouraged across the University's academic Schools and professional services departments. It is not enough that these actions take place behind the scenes; they must be seen to be done and members of the University community have the opportunity to take part in them.

Cross-functional teams are formed within York St John when evaluating the relative merits of bids to supply goods and services. This ensures a wide range of specialisms are deployed in the assessment process and it takes full advantage of the broad skill set within the campus community. This helps to maintain a sense of shared ownership as staff are able to make their views known and offer the benefits of their individual expertise when the University is awarding supplier contracts.

Engagement with suppliers

The University invests around £70 million a year into the UK economy, with 51% of this being spent with businesses across Yorkshire and the Humber. As a significant contributor to local enterprise, this allows York St John to support entrepreneurs and independent suppliers, promoting healthy competition and innovation in the region.





It is recognised that small and medium sized enterprises (SMEs) face logistical challenges meeting the technical and regulatory requirements posed by the public procurement process. This can put them at a disadvantage when bidding against large national and multinational businesses. The University strives to maintain a level playing field by supporting SMEs throughout all the stages of the procurement process. Plain language is used in its terms of trade and clear guidance notes are included with bid documents, for those businesses that may not have access to full-time legal expertise.

York St John collaborates on procurement activity with other institutions in the region through the North Eastern Universities Purchasing Consortium. This is a knowledge-sharing collective, who together spend around £4 million annually. The group also uses a single, online procurement platform for advertising tenders and publishing bid documents. This is hugely advantageous for suppliers, as it gives them one place to register their interest in opportunities and the potential to win work at this University as well as across the wider Higher Education sector in the North East.

Working in partnership with businesses and institutions across the region supports the health of our local economy and strengthens our own financial sustainability. Having access to a dynamic range of suppliers, both large and small, gives the University the flexibility and resources it needs to thrive in an ever-changing environment.

The Directors have considered the ongoing sustainability of the University taking into account the impact of the pandemic. This is set out in more detail in the financial review. The Directors consider it appropriate for these financial statements to be created on the going concern basis.

On behalf of the Board of Governors

Professor Karen Bryan OBE
Vice Chancellor
24 November 2022

Dame Julia Unwin
Chair and Pro Chancellor
24 November 2022

Statement on Corporate Governance and Internal Control

The following statement is based on Office for Students (OfS) guidelines and reflects the University's regard for the Higher Education Code of Governance ('the Code') published by the Committee of University Chairs.

The University formally adopted the latest iteration of the Code (2020) at the meeting of the Board of Governors on 12 November 2020, with detailed consideration of the Code by the Governance and Nominations Committee. We confirm that the requirements of the Code have been applied to the University's governance arrangements during the 2021–22 financial year.

York St John University is a Higher Education institution with taught and research degree awarding powers, a Company Limited by Guarantee (with no share capital) and an exempt charity. The University's Articles set out its object and powers as required under the Education Reform Act 1988.

In accordance with the Articles of Association of the Company, the Board of Governors is responsible for the administration and management of the affairs of the University and is required to present audited Financial Statements for each financial year. This also includes ensuring the operation of an effective system of internal control.

Governors make an annual declaration to conduct themselves in accordance with accepted standards of behaviour in public life (the 'Nolan Principles'), which embrace selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Governors are required to maintain an entry in a Register of Interests and further to declare any interests in relation to matters under discussion at meetings.

The Board of Governors has adopted a Statement of Primary Responsibilities addressing sector guidance, OfS and UK Research and Innovation requirements and the University's status as a Company Limited by Guarantee. This statement reflects the Board of Governors' understanding of its responsibilities in relation to governance and internal control. It is published on the University's website and is reviewed annually by the Board of Governors.

The powers and duties of the Board of Governors, as defined in the Articles, include responsibility for:

- The determination of the educational character and objectives of the University and the supervision of its activities

- The effective and efficient use of resources, the solvency of the University and the safeguarding of its assets
- Approving annual estimates of income and expenditure
- The assignment of duties and rights to, and the appraisal of, the Vice Chancellor
- The determination of the policy for pay and general conditions of employment of the staff
- The appointment of auditors
- Ensuring that there is an effective framework overseen by the Academic Board to manage the quality of learning and teaching and to maintain academic standards.

The Vice Chancellor has a general responsibility to the Board of Governors for the organisation, direction and management of the institution. There is a clear division of responsibility in that the roles of the Vice Chancellor and the Chair of the Board of Governors are separate.

Under the Terms and Conditions of Funding and ongoing registration with the OfS, the Vice Chancellor is the Accountable Officer of the University. In that capacity, the Vice Chancellor (and the Chair of the Board of Governors) can be summoned to appear before the Public Accounts Committee of the House of Commons. This responsibility extends to assuring the quality and accuracy of University data provided to OfS, the Higher Education Statistics Agency and other public bodies.

The Vice Chancellor exercises considerable influence upon the development of the University Strategy, the identification and planning of new developments, and shaping of its ethos. The wider Executive contributes to significant aspects of the work, working in close collaboration with the Board of Governors, which has ultimate responsibility for the University's strategic direction, educational character and use of resources.

In accordance with the Articles of Association, a Secretary to the Board of Governors (and the Company) has been appointed. The role holder provides independent advice

on matters of governance to all members of the Board of Governors.

The Board of Governors, through its Governance and Nominations Committee, ensures an appropriate balance of skills and experience among its members. An externally facilitated effectiveness review is carried out periodically to assess practice and identify opportunities for further enhancement.

Following the most recent review, actions to address recommendations in relation to Board diversity have led to the successful appointment of new members during 2022 which have greatly improved the overall diversity of the Board. The constitution includes the Vice Chancellor, the President of the Students' Union and an elected staff member. The remaining 14 members are external and independent to the University. Board of Governors' members were not previously remunerated for their work; however, the Chair of the Board of Governors has been remunerated from 1 August 2020, the Chairs of the Audit Committee and the Finance and Capital Development Committee have been remunerated from 1 August 2021, and the newly appointed Chair of the People Committee has been remunerated from 1 August 2022. No Governor or person connected with a Governor received any benefit from either bursaries or scholarships awarded to our students.

The Board of Governors holds three formal business meetings each year. In addition, it holds at least two informal meetings a year to provide opportunities to consider and discuss matters of strategic importance in greater depth.

The following standing committees of the Board of Governors handle detailed work within defined terms of reference:

- Audit
- Finance and Capital Development
- Foundation
- Governance and Nominations
- People
- Remuneration (Vice Chancellor)
- Remuneration (Senior Leadership Team).

The committees mainly comprise independent and external members of the Board of Governors, one of whom is appointed as the Chair of each committee.

An Academic Board provides regular reports to the Board of Governors on academic matters ensuring that the Board of Governors can discharge its responsibilities for the quality of the student experience and standard of awards. An annual joint meeting with the University's Academic Board provides an opportunity for engagement in greater depth on academic matters. The elected staff member on the Board of Governors attends Academic Board as an observer.

Audit Committee

The committee meets four times a year, with the University's External and Internal Auditors in attendance.

The committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control, management's responses and implementation plans, and regularly reviews the University's progress and risk register, including detailed consideration of the University's key areas of risk. It also receives and considers reports from regulatory bodies, including the OfS, and monitors adherence to regulatory requirements. While members of the Executive attend meetings of the Audit Committee as necessary, they are not members of the committee. Once a year, the committee separately meets the Internal and External Auditors for independent discussions.

Finance and Capital Development Committee

The committee meets three times a year and maintains oversight of the University's financial and capital development strategies and the financial policy framework, including the development of financial forecasts and annual budgets, which it then recommends for approval by the Board of Governors.

Foundation Committee

The committee meets twice a year and is a forum with responsibility for leading and advising on religious faith and ethos, and the University's mission and ethics.

Governance and Nominations Committee

The committee meets at least twice a year. It advises the Board of Governors on the operation and effectiveness of corporate and academic governance arrangements and oversees the appointment of Governors and members of Board of Governors' committees. During 2021–22, this included oversight of the process for the appointment of the new Chair of the People Committee, as well as the appointment of two external independent Governors and a new Staff Governor. The committee also has responsibility for oversight of reviews of Board of Governors' effectiveness, which are conducted every few years. The latest effectiveness review, externally facilitated by Advance HE, began during 2020–21, with a second phase of work scheduled for 2022–23.

Improvements have been identified and implemented as part of an action plan in response to recommendations from the review, and a full report on the approach and key outcomes will be published on the University's website.

People Committee

The committee meets three times a year. Its purpose is to 'be responsible for monitoring key performance indicators relating to students, staff and alumni and making recommendations to Board of Governors (or Academic Board, as appropriate) on matters that impact on the contribution and success of our people'.

Remuneration Committees

The Remuneration Committee (Vice Chancellor) is responsible for determining the remuneration, conditions of service and any severance arrangements for the University's Vice Chancellor. The Vice Chancellor is not a member of this committee. The Remuneration Committee (Senior Leadership Team) performs the same task for the University's most senior post holders. The committees operate within a clear policy framework, which was last updated in March 2022.

The Remuneration Committees are chaired by the same independent Governor and cannot be chaired by the Chair of the Board of Governors. In addition to Governor members, there is an independent co-opted member with experience from beyond the Higher Education sector.

Internal control

The University's Board of Governors is responsible for the University's system of internal control and for reviewing its effectiveness alongside safeguarding the funds and assets for which it is responsible. This includes the prevention and detection of corruption, fraud, bribery and irregularities. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Documentation defining particular control mechanisms and responsibilities were reviewed and updated to reflect structural changes.

The main elements of the University's system of internal control are:

- Clear definitions of authority delegated to senior leaders, including authority for the approval and control of expenditure, documented in the Scheme of Delegation which is reviewed by the Governance and Nominations Committee and approved by the Board of Governors
- A robust annual planning process, linked to budgeting, and informed by detailed financial analysis
- Comprehensive Financial Regulations, detailing financial controls and procedures, reviewed by the Finance and Capital Development Committee and approved by the Board of Governors
- Policies and procedures to support compliance with legislation and regulation relating to financial malpractice including fraud, money laundering and bribery
- Regular monitoring of performance and risk indicators against the University's Strategic Plan across the University. The Audit Committee and the Board of Governors receive regular reports relating to performance and risk
- The maintenance of a control log for all statutory returns with appropriate levels of assurance and approval, with compliance reported to the Audit Committee and Board of Governors.



The Board of Governors has reviewed the key risks to which the University is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The standing committees of the Board of Governors also review the high strategic and operational risks associated with their remit and area of business, to provide additional scrutiny, assurance and control.

The Board of Governors is of the view that there is an effective ongoing process for identifying, evaluating and managing the University's significant risks, which has been in place for the year ended 31 July 2022 and up to the date of approval of the Directors' Report and accounts. It is informed by the Internal Audit function which works to defined standards in audit practice. The performance of the University's Internal Auditors is reviewed by both management and the Audit Committee each year and informs the opinion set out in the Audit Committee Annual Report to the Vice Chancellor and the Board of Governors.

The Audit Committee approves an Annual Internal Audit Plan and receives regular reports from Internal Audit which provide assurance on internal controls and include recommendations for improvement. Internal Audit provides an Annual Report to the Board of Governors, which includes an opinion on the adequacy and effectiveness of the University's system of internal control, including risk management, corporate governance and value for money. At its November 2022 meeting, the Board of Governors carried out the annual assessment for the year ended 31 July 2022 by considering documentation from the Executive Board, Audit Committee and Internal Audit, and taking account of events since 31 July 2022.

Statement of Directors' Responsibilities in Respect of the Strategic Report, the Directors' Report and the Financial Statements



The Board of Governors is responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with the requirements of the Office for Students' Terms and Conditions of Funding for Higher Education Institutions and Research England's Terms and Conditions of Research England Grant and applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the 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*. The terms and conditions of funding further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction issued by the Office for Students.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the University and of its income and expenditure, gains and losses, and changes in reserves for that period.

In preparing each of the University financial statements, the directors are required to:

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





The Board of Governors is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University and enable them to ensure that its financial statements comply with the Companies Act 2006.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the University and to prevent and detect fraud and other irregularities.

The Board of Governors is also responsible for ensuring that:

- Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- Funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them
- There are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- The University's resources and expenditure are managed efficiently and effectively.

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

Section 172 Statement

As referenced in its Statement of Primary Responsibilities, the Board of Governors has ultimate oversight and responsibility to approve the mission and strategic vision of the institution, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests

of stakeholders. Additional scrutiny and assurance is facilitated through its standing committees.

The 2026 Strategy Refresh sets out the University's long-term strategic priorities and key performance indicators. The Board of Governors monitors progress and performance against these measures and the institutional risk management framework. Long-term financial projections and plans, including pensions commitments, are reviewed and approved periodically by the Finance and Capital Development Committee and the Board of Governors.

The Board of Governors includes an elected staff member, providing direct representation as well as an input and feedback mechanism with the broader staff body. On behalf of the Board of Governors, the People Committee has oversight of the implementation of the People and Culture Strategy and monitors the wellbeing and general welfare of students and staff through consideration of relevant data and reports. The Board of Governors also receives assurance that adequate provision has been made for the general welfare of students, in consultation with the Academic Board.

Key decisions were made during the period in accordance with the Terms of Reference and Schedules of business of the committee structure. Key activity and decisions, as referenced in the Strategic Report, were made in line with the structures and principles outlined here. This was facilitated by the Board's oversight including approval of the annual budget, capital investment plans and governing documents such as the Scheme of Delegation.

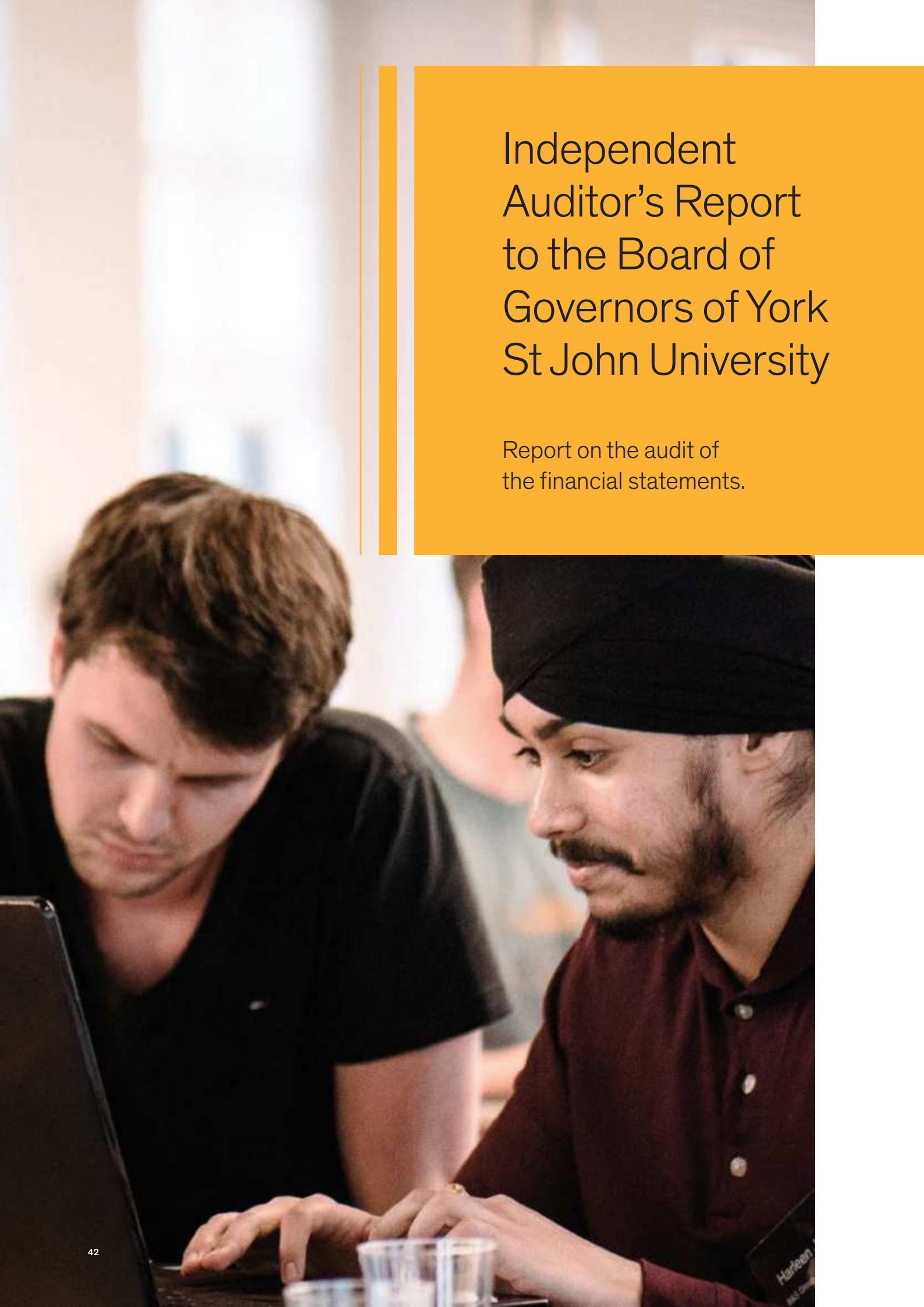
On behalf of the Board of Governors

Professor Karen Bryan OBE

Vice Chancellor
24 November 2022

Dame Julia Unwin

Chair and Pro Chancellor
24 November 2022

The background of the page features a photograph of two men in a professional setting. On the left, a man with dark hair is looking down at a laptop. On the right, a man wearing a black turban and a maroon shirt is also looking at the laptop. The scene is brightly lit, suggesting an office or classroom environment.

Independent Auditor's Report to the Board of Governors of York St John University

Report on the audit of
the financial statements.

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the University's affairs as at 31 July 2022 and of the University's income and expenditure, gains and losses, changes in reserves and cash flows for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of York St John University ("the University") for the year ended 31 July 2022 which comprise statement of comprehensive income, statement of changes in reserves, statement of financial position, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members

of the Board of Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the University's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the the Board of Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Board of Governors is responsible for the other information. The other information comprises the information included in the strategic report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the strategic report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements, and

- the directors' report, which is included in the strategic report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the University and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Board members' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the Board of Governors was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Opinion on other matters required by the Office for Students ("OfS"), UK Research and Innovation (including Research England), Department for Education, and Education and Skills Funding Agency ("ESFA")

In our opinion, in all material respects:

- funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- funds provided by the OfS, UK Research and Innovation (including Research England), Department for Education and ESFA have been applied in accordance with the relevant terms and conditions
- the requirements of the OfS's Accounts Direction (OfS 2019.4.1) have been met.

We have nothing to report in respect of the following matters in relation to which the OfS requires us to report to you if, in our opinion:

- the University's grant and fee income, as disclosed in notes 1 to 4 to the accounts, has been materially misstated
- the University's expenditure on access and participation activities for the financial year, as has been disclosed in note 12 to the accounts, has been materially misstated¹.

Responsibilities of Governors

As explained more fully in the Statement of Directors' Responsibilities, the Board of Governors (who are also the directors of the University for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the University and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to their registration with the OfS, and we considered the extent to which non-compliance might have a material effect on the University Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Accounts Direction OfS 2019.41 and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

The audit procedures to address the risks identified included:

- challenging assumptions made by management in their significant accounting estimates in particular in relation to the defined benefit pension liability, provision against student and other debtors
- identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted and journals posted after the year end
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the OfS.

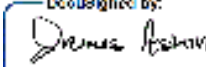
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

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

In addition, we also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the University have been properly applied only for the purposes for which they were received and whether income has been applied in accordance with the Statutes and, where appropriate, with the Terms and Conditions of Funding with the the OfS, UK Research and Innovation (including Research England), Department for Education and ESFA.

Use of our report

This report is made solely to the members of the Board of Governors as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the members of the University's Board of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the members of the Board of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Designed by:

BDO LLP

25 November 2022

James Aston

(Senior Statutory Auditor)
For and on behalf of
BDO LLP, Statutory Auditor
Manchester, UK

¹ This applies if the provider has an access and participation plan that has been approved by the OfS director of fair access and participation. For all mainstream Higher Education Institutions (HEIs) with undergraduate students this will be applicable (not applicable for postgraduate-only HEIs nor 'approved (no fee cap)').



Statement of Principal Accounting Policies

Basis of preparation

The University is a company limited by guarantee. Under the terms of the Articles of Association, the members of the University Board of Governors have each undertaken to contribute a maximum of £1 in the event of winding up of the company.

The University's 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 Accounts Direction issued by the Office for Students (OfS), the Terms and Conditions of funding for Higher Education institutions issued by the OfS and the Terms and Conditions of Research England Grant.

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

The financial statements do not include those of the Students' Union as it is a separate organisation in which the University has no control or significant influence over policy decisions.

Format of the accounts

The Directors have taken advantage of the Companies Act 2006 to adapt the format of the accounts to reflect the special nature of the Company's business.

Recognition of income

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

Fee income is stated gross and credited to the Statement of Comprehensive Income over the period in which students are studying, being recognised according to the fee liability points within the University's Student Financial Regulations. Where the amount of tuition fee is reduced, by a discount, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Government grants including funding council block grant, research grants from government sources, and other grants and donations from non-government sources (including research grants from non-government sources) are recognised in 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 being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met. Where there are no performance-related conditions then income is recognised in the period in which it is received.

Non-exchange transactions without performance-related conditions are donations and endowments.

Donations and endowments with donor-imposed restrictions are recognised in the Statement of Comprehensive Income when the University is entitled to the income. Income is retained within the restricted reserve until it is utilised in line with restrictions, when the income is released to general reserves through a reserve transfer.





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.

Endowment and investment income is credited to income in the year in which it arises and is recorded as either restricted or unrestricted income according to the terms of the individual endowment fund.

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.

Capital grants

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

Agency arrangements

Funds the University receives and disburses as an agent are excluded from the income and expenditure of the University on the basis that the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Pension schemes

Retirement benefits for employees of the University are provided by two pension schemes: the Teachers' Pension Scheme (TPS) for academic staff and the North Yorkshire Pension Fund (NYPF) for non-academic staff. The two schemes are externally funded and were contracted out of the Additional State Pension until the new State Pension was introduced on 6 April 2016.





The TPS is a multi-employer defined benefit scheme. Due to the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee benefits', the University therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income statement represents the contributions payable to the scheme in respect of the accounting period. Not less than every four years, the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS.

The NYPF is a multi-employer defined benefit pension scheme administered by North Yorkshire County Council as part of the Local Government Pension Scheme. The NYPF is valued every three years by a professionally qualified independent actuary and the University's share of the fund's assets and liabilities are identified. The assets of the NYPF are measured using closing market values. NYPF liabilities are measured using the projected unit method and discounted at the redemption yield on the iBoxx Sterling AA corporate bond index over a duration equivalent to the liabilities. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs.

The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets,

calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

Actuarial gains and losses are recognised immediately in actuarial gain/(loss) in respect of pension schemes.

Enhanced pensions

The actual cost of certain enhanced ongoing pensions to former members of staff is being paid by the University annually. An estimate of the change in expected future cost of these enhancements was charged in full to the income and expenditure account in the past. The provision for these costs is adjusted annually.

Employment benefits

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

Operating leases

Costs in respect of operating leases that are structured to increase by fixed amounts are recognised on a straight-line basis over the lease term.

Foreign currency translations

Transactions in foreign currencies are translated to the functional currency (pounds sterling) at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency (pounds sterling) at the rates of exchange ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit in the period in which they arise.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings that had been revalued to fair value on 1 August 2014 – the date of transition to the 2015 SORP – are measured based on deemed cost, being the revalued amount at the date of that revaluation. Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives as advised by the external valuer, which vary between 10 and 90 years. Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the University.

Additions to leasehold buildings are depreciated on a straight-line basis over the remaining life of the lease.

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

Buildings under construction are accounted for at cost, based on the value of architect's certificates and other direct costs incurred prior to year-end. They are not depreciated until brought into use.

Motor vehicles, fixtures and fittings, computers and other equipment: assets costing £5,000 or more are assessed for capitalisation. Purchases under this value are written off to the Statement of Comprehensive Income in the year of acquisition.

Capitalised items are stated at cost and depreciated straight-line over their expected useful lives as follows:

- Equipment (including motor vehicles) – 5 years
- Fixtures and fittings – 10 years
- Computer hardware – 4 years
- Computer infrastructure – 5 years

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the Statement of Comprehensive Income in the period it is incurred. The University has a planned maintenance programme, which is reviewed on an annual basis.

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

Borrowing costs which are directly attributable to the construction of land and buildings are not capitalised as part of those assets but recognised as an expense in the Statement of Comprehensive Income in the period in which they are incurred.

Intangible fixed assets

Software: initial costs of acquiring rights to software and the costs of developing corporate information systems, including consultancy services and essential staff recruited specifically for that purpose, are capitalised and amortised on a straight-line basis over the expected useful life of the systems, being determined by contractual rights of use or other reasonable estimate. Assets under development are not amortised until brought in use.

Accounting for research and development: expenditure on pure and applied research is treated as a part of the continuing activities of the University. Expenditure on development activities is carried forward and amortised over the period during which economic benefit is expected to be received.

Website development costs: design and content costs relating to the development of websites to support specific teaching or training courses, or for specific research projects, are capitalised. These are amortised over the useful economic life of projects.

Where there is uncertainty over the life of the course or its viability such costs are written off as incurred, as are design and content costs for websites that are for the general use of the University and its staff.

Stock

Stock is stated at the lower of cost or net realisable value. Stock held in academic departments is written off to the Statement of Comprehensive Income in the year of purchase. Where necessary, a provision is made for obsolete, slow moving or defective stock.





Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are available within 24 hours without penalty. Cash equivalents are short-term (maturity being less than three months from the placement date), highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. These include term deposits held as part of the University's treasury management activities.

Provisions

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

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.

Contingent assets and liabilities

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

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

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

A contingent asset arises where an event has taken place that gives the University a 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.



Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 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 tangible fixed assets is included in their cost.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently 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.

Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management have made the following judgments:

- Determine whether leases the University enters either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the University's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

- Determine the Provision for Bad Debts given the increase in student debt as a direct result of the pandemic.

Other key sources of estimation uncertainty

Fixed assets

Tangible and intangible fixed assets are depreciated over their useful lives taking account of residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors.

In re-assessing asset lives, factors such as technological innovation and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

North Yorkshire Pension Fund

The present value of the North Yorkshire Pension Fund defined benefit liability depends on several factors that are determined on an actuarial basis using a variety of assumptions.

Two recent legal developments affecting public sector pensions have been considered by the scheme actuary who has estimated their impact when valuing the pensions liability at 31 July 2022. These are the 'McCloud judgment' which relates to transitional protection arrangements and age discrimination, and the 'Guaranteed Minimum Pension indexation and equalisation' which relates to pension increases for individuals reaching state pension age.

The assumptions used in determining the net cost (income) for pensions include the discount rate. Other sources of estimation uncertainty include risks associated with asset volatility, changes in bond yield, inflation risk, changes in life expectancy and the risk of other employers exiting the Fund. Any changes in these assumptions, which are disclosed in Note 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 July 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In 2021–22 the University successfully challenged the initial FRS102 Accounting Results Schedule provided by the NYPF actuary on the basis of the salary increases and mortality tables. Under FRS 102.10.18 the University is disclosing the impact of the revised assumptions adopted in the financial statements as it constitutes a change in accounting estimates.

Going concern

The University's activities, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The University's cash flow, liquidity and borrowings are presented in the financial statements and accompanying notes.

The University's forecasts and financial projections indicate that it will be able to operate within its bank loan facilities and comply with all relevant covenants for the foreseeable future.

The University has prepared detailed cash flow forecasts (£29.2 million estimated cash at bank 31 January 2024) for a period of 12 months from the date of approval of these financial statements. After reviewing these forecasts the Board of Governors is of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of Covid-19 the University will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). The budget has been prepared on prudent assumptions with a comprehensive financial risk assessment (in year financial risk 2022–23 £2.5 million, 2021–22 £2.6 million) taking into account the plausible downside and an agreed contingency plan to reduce the cost base should the worst-case scenario materialise.

Consequently, the Board of Governors is confident that the University will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on an ongoing basis.

Institution Statement of Comprehensive Income

Year ended 31 July 2022

	Note	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Income			
Tuition fees and education contracts	1	62,666	59,969
Funding body grants	2	5,951	4,339
Research grants and contracts	3	213	176
Other income	5	9,008	6,954
Investment income	6	92	32
Donations and endowments	7	23	10
Total income		77,953	71,480
Expenditure			
Staff costs	8	47,309	42,526
Other operating expenses		26,732	21,792
Depreciation and amortisation	13–14	4,613	3,980
Interest and other finance costs	9	1,168	1,090
Total expenditure	11	79,822	69,388
Surplus before other gains/(losses)		(1,869)	2,092
Gain/(loss) on disposal of fixed assets		(1)	–
Surplus before tax		(1,870)	2,092
Taxation	10	–	–
Surplus for the year		(1,870)	2,092
Unrealised surplus on revaluation of land and buildings	14	–	–
Actuarial gain/(loss) in respect of pension schemes	27	25,363	6,407
Total comprehensive income/(expenditure) for the year		23,493	8,499
Represented by:			
Endowment comprehensive income for the year	21	–	–
Restricted comprehensive income/(expenditure) for the year	22	(16)	(15)
Unrestricted comprehensive income/(expenditure) for the year		23,509	8,514
		23,493	8,499

All items of income and expenditure relate to continuing activities.

The accompanying policies on pages 46 to 53 and notes on pages 59 to 70 form part of these financial statements.

Institution Statement of Changes in Reserves

Year ended 31 July 2022

	Income and expenditure reserve			Revaluation reserve £'000	Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000		
Balance at 1 August 2020	87	141	73,054	38,165	111,447
Surplus/(deficit) for the year	–	(15)	2,107	–	2,092
Other comprehensive income/(expenditure)	–	–	6,407	–	6,407
Transfers between revaluation and income and expenditure reserve	–	–	287	(287)	–
Total comprehensive income/(expenditure) for the year	–	(15)	8,801	(287)	8,499
Balance at 31 July 2021	87	126	81,855	37,878	119,946
Surplus/(deficit) for the year	–	(16)	(1,854)	–	(1,870)
Other comprehensive income/(expenditure)	–	–	25,363	–	25,363
Transfers between revaluation and income and expenditure reserve	–	–	287	(287)	–
Total comprehensive income/(expenditure) for the year	–	(16)	23,796	(287)	23,493
Balance at 31 July 2022	87	110	105,651	37,591	143,439

Institution Statement of Financial Position

As at 31 July 2022

	Note	As at 31 July 2022 £'000	As at 31 July 2021 £'000
Non-current assets			
Tangible assets	14	145,088	139,164
Intangible assets	13	1,335	1,274
		146,423	140,438
Current assets			
Stock	16	44	20
Trade and other receivables	17	6,914	5,017
Cash and cash equivalents	23	35,086	32,687
		42,044	37,724
Creditors: amounts falling due within one year	18	(20,991)	(12,827)
Net current assets		21,053	24,897
Total assets less current liabilities		167,476	165,335
Creditors: amounts falling due after more than one year	19	(23,712)	(25,245)
Provisions			
Pension provision	20	(325)	(20,144)
Total net assets		143,439	119,946
Restricted reserves			
Income and expenditure reserve – endowment reserve	21	87	87
Income and expenditure reserve – restricted reserve	22	110	126
Unrestricted reserves			
Income and expenditure reserve – unrestricted		105,651	81,855
Revaluation reserve		37,591	37,878
Total reserves		143,439	119,946

The accompanying policies on pages 46 to 53 and notes on pages 59 to 70 form part of these financial statements. The financial statements on pages 46 to 70 were approved by the Board of Governors on 24 November 2022 and signed on their behalf by:



Professor Karen Bryan OBE
Vice Chancellor



Dame Julia Unwin
Chair and Pro Chancellor

Institution Statement of Cash Flows

Year ended 31 July 2022

	Note	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Cash flows from operating activities			
Surplus for the year before tax		(1,870)	2,092
Adjustment for non-cash items			
Depreciation	14	4,458	3,925
Amortisation of intangibles	13	155	55
Decrease/(increase) in stock	16	(24)	9
Decrease/(increase) in debtors	17	(1,878)	(2,489)
Increase/(decrease) in creditors	18	7,728	2,269
Increase/(decrease) in pension provision		5,545	4,380
Adjustment for investing or financing activities			
Investment income	6	(92)	(32)
Interest payable		855	791
Endowment income		–	–
(Gain)/loss on disposal of tangible assets		1	–
Capital grant income	2	(2,030)	(468)
Cash flows from operating activities		12,848	10,532
Taxation	10	–	–
Net cash inflow from operating activities		12,848	10,532
Cash flows from investing activities			
Proceeds from sales of fixed assets		–	–
Capital grant receipts	2	2,030	468
Investment income	6	73	32
Payments made to acquire tangible assets		(10,289)	(15,288)
Payments made to acquire intangible assets		(211)	(526)
		(8,397)	(15,314)
Cash flows from financing activities			
Interest paid		(846)	(786)
New unsecured loans		–	3,000
Repayments of amounts borrowed		(1,206)	(1,176)
		(2,052)	1,038
Increase in cash and cash equivalents in the year		2,399	(3,744)
Cash and cash equivalents at beginning of the year	23	32,687	36,431
Cash and cash equivalents at end of the year	23	35,086	32,687
		2,399	(3,744)



Notes to the Financial Statements

Year ended 31 July 2022

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
1 Tuition fees and education contracts	Note	
Full-time home and EU students	47,810	50,258
Full-time international students	11,720	7,264
Part-time students	1,113	975
Short course fees	41	15
Apprenticeship income	1,982	1,457
	62,666	59,969
2 Funding body grants		
Recurrent grants		
Office for Students	2,108	1,971
Research England	1,063	742
Specific grants		
Office for Students	735	1,142
Capital grant	2,030	468
Department for Education	15	16
	5,951	4,339
3 Research grants and contracts		
Research councils	49	52
Research charities	14	14
Government (UK and overseas)	9	–
Industry and commerce	–	4
Other	141	106
	213	176
4 Grant and fee income by source		
The source of grant and fee income included in Notes 1 to 3 is as follows:		
Grant income from the OfS	5,935	4,323
Grant income from other bodies	74	68
Fee income for taught awards (exclusive of VAT)	61,893	59,397
Fee income for research awards (exclusive of VAT)	732	549
Fee income from non-qualifying courses (exclusive of VAT)	41	23
Total grant and fee income	68,675	64,360
5 Other income		
Residences, catering and conferences	6,024	4,217
Other income	2,150	1,753
Other capital grants	834	984
	9,008	6,954

	Note	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
6 Investment income			
Investment income on endowments	21	–	–
Investment income on restricted reserves	22	–	–
Other interest received		92	32
		92	32
7 Donations and endowments			
New endowments	21	–	–
Donations with restrictions	22	23	10
Unrestricted donations		–	–
		23	10
8 Staff costs			
Salaries		32,199	29,608
Social security costs		3,283	2,928
Other pension costs		11,717	9,817
Restructuring costs		110	173
		47,309	42,526

A further breakdown of pension costs has been included in Note 27.

Severance payments

During the year compensation for loss of office of £54k was payable (on an accruals basis) to six people (2020–21: £173k to 18 people).

	Year ended 31 July 2022 Number	Year ended 31 July 2021 Number
Average staff numbers by major category		
Average number of persons employed by the University		
Academic staff	356	332
Support staff	636	586
	992	918

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Emoluments of the Vice-Chancellor:		
Professor Karen Bryan OBE		
Salary	201	198
Bonus	–	–
Payments in lieu of pension contributions	34	34
Total including pension costs	235	232

The Remuneration Committee (Vice Chancellor) is responsible for determining the remuneration, conditions of service and any severance arrangements for the University's Vice Chancellor. The Vice Chancellor does not sit on this Committee. In determining the remuneration of the Vice Chancellor, consideration is given to established independent sources of the benchmark reward data for roles in comparable organisations. The Committee's approach to setting remuneration is with reference to market rates, benchmark information and the national pay award; and the factors used in considering reward proposals related to individual performance objectives in support of the University's strategic priorities. The University's Scheme for the Determination of Salary Increases and Performance Bonuses clearly establishes that decisions made will be subject to affordability each year and a limit is placed on the total value of non-consolidated bonuses.

One of the factors considered by the Remuneration Committee (Vice Chancellor) is the pay multiple of the Vice Chancellor's earnings against the median and mean of all staff. The University Council for Educational Administration (UCEA) has published sector-level multiples using institutional-level data provided by Universities in their annual reports, with the average multiple for 2021 being 6.8.

No bonus was awarded or paid to Professor Karen Bryan, Vice Chancellor in 2021–22 or 2020–21. In 2021–22 Professor Bryan's basic pay was 5.86 times the median basic pay of staff (2020–21: 6.21 times), calculated on a full-time equivalent basis. Professor Bryan's total remuneration was 5.92 times (2020–21: 6.06 times) the median total remuneration of staff, calculated on a full-time equivalent basis. Professor Bryan receives payments in lieu of pension contributions.

	Year ended 31 July 2022 Number	Year ended 31 July 2021 Number
Basic salaries over £100,000 per annum paid in year (including head of provider):		
£100,000 – £104,999	1	1
£105,000 – £109,999	–	–
£110,000 – £114,999	–	–
£115,000 – £119,999	–	–
£120,000 – £124,999	2	1
£125,000 – £129,999	–	–
£130,000 – £134,999	–	–
£135,000 – £139,999	1	1
£140,000 – £144,999	–	–
£145,000 – £149,999	–	–
£150,000 – £154,999	–	–
£155,000 – £159,999	–	–
£160,000 – £164,999	–	–
£165,000 – £169,999	–	–
£170,000 – £174,999	–	–
£175,000 – £179,999	–	–
£180,000 – £184,999	–	–
£185,000 – £189,999	–	–
£190,000 – £194,999	–	–
£195,000 – £199,999	–	1
£200,000 – £204,999	1	–

Key management personnel

Key management personnel are those with authority and responsibility for planning, directing and controlling the activities of the University. For the purposes of this note this is defined as members of the University's Executive Board. During the year, remuneration payable to key management personnel (including employer's pension contributions) was £980k (2020–21: £943k). The number of posts included within key management personnel was 6 (2020–21: 6).

Governor remuneration

In accordance with the Articles of Association the Board of Governors has the authority to remunerate the roles of Chair of the Board and chairs of Board committees. Amounts paid in the year were as follows:

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Chair of Board of Governors	21,573	20,000
Chair of Audit Committee	6,000	–
Chair of Finance and Capital Development Committee	6,000	–
Chair of People Committee	5,000	–
	38,573	20,000

The total expenditure incurred and expenses claimed in the year by Governors and External Committee members amounted to £1,791 paid to five people (2020–21: £350 to one person) relating to conferences, travel and accommodation.

	Note	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
9 Interest and other finance costs			
Loan interest		855	791
Net charge on pension scheme	27	313	299
		1,168	1,090

10 Taxation

The Board of Governors does not believe that the University is liable for any corporation tax arising out of its activities.

	Year ended 31 July 2022 Total £'000	Year ended 31 July 2021 Total £'000
11 Analysis of total expenditure by activity		
Academic departments	26,916	25,923
Academic services	12,713	11,354
Premises	10,302	7,537
Residences, catering and conferences	4,938	4,421
Research grants and contracts	225	159
Administration and central services	16,698	11,795
General educational expenditure	4,722	4,754
Staff and student facilities	3,308	3,445
	79,822	69,388

Administration and central services expenditure includes the charges relating to the North Yorkshire Pension Fund detailed in Note 27.

Other operating expenses include (inclusive of VAT where applicable):

External auditors remuneration in respect of:

Audit of financial statements	79	73
Audit related assurance services	64	11
Internal auditors	126	48
Operating lease rentals		
Land and buildings	1,871	1,600
Other	176	132

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
12 Access and Participation		
Access Investment	1,773	1,510
Financial Support (i)	1,140	1,523
Disability Support (ii)	184	263
Research and Evaluation (iii)	194	216
	3,291	3,512

(i) Significantly higher spend on Financial Support in 2020–21 was due in part to additional OfS Funding received for Hardship of £413k that increased bursaries issued.

(ii) There was a reduction in 2021–22 of specific student support spend compared to 2020–21.

(iii) £64k (2020–21: £86k) of these costs are already included in the overall staff costs figures included in the financial statements, see note 8. The University's access and participation plan is published at <https://www.yorks.ac.uk/policies-and-documents/access-and-participation-plan/>

	Software £'000	Assets in Development £'000	Total £'000
13 Intangible assets			
Cost			
At 1 August 2021	1,329	–	1,329
Additions	216	–	216
At 31 July 2022	1,545	–	1,545
Amortisation			
At 1 August 2021	55	–	55
Charge for the year	155	–	155
At 31 July 2022	210	–	210
Carrying amount			
At 31 July 2022	1,335	–	1,335
At 31 July 2021	1,274	–	1,274

	Freehold Land and Buildings £'000	Assets in the Course of Construction £'000	Leasehold improvements £'000	Fixtures & Fittings £'000	Computers £'000	Equipment £'000	Total £'000
14 Tangible Fixed Assets							
Cost or valuation							
At 1 August 2021	132,707	15,069	1,559	3,960	7,016	7,837	168,148
Additions	1,367	4,104	1,934	658	899	1,421	10,383
Transfers	18,359	(18,359)	–	–	–	–	–
Impairments	–	–	–	–	–	–	–
Disposals	–	–	–	–	(195)	–	(195)
At 31 July 2022	152,433	814	3,493	4,618	7,720	9,258	178,336
Depreciation							
At 1 August 2021	14,544	–	71	2,572	5,828	5,969	28,984
Charge for the year	2,543	–	122	286	644	863	4,458
Transfers	–	–	–	–	–	–	–
Impairments	–	–	–	–	–	–	–
Disposals	–	–	–	–	(194)	–	(194)
At 31 July 2022	17,087	–	193	2,858	6,278	6,832	33,248
Carrying amount							
At 31 July 2022	135,346	814	3,300	1,760	1,442	2,426	145,088
At 31 July 2021	118,163	15,069	1,488	1,388	1,188	1,868	139,164

At 31 July 2022, freehold land and buildings included £25.0m (2021: £23.8m) in respect of freehold land which is not depreciated.

15 Subsidiary undertakings

The University has no subsidiary undertakings.

	31 July 2022 £'000	31 July 2021 £'000
16 Stock		
General consumables	44	20
	44	20
17 Trade and other receivables		
Amounts falling due within one year:		
Trade receivables	4,952	4,015
Prepayments and accrued income	1,962	1,002
	6,914	5,017
18 Creditors: amounts falling due within one year		
Unsecured loans	1,825	1,205
Trade payables	1,751	1,741
Social security and other taxation payable	1,682	806
Accruals and deferred income	15,733	9,075
	20,991	12,827
19 Creditors: amounts falling due after more than one year		
Unsecured loans: amounts payable in		
1 to 2 years	1,856	1,825
2 to 5 years	9,964	5,683
More than 5 years	10,326	16,463
	22,146	23,971
Accruals and deferred income	1,566	1,274
	23,712	25,245

A loan of £13m (balance outstanding at year end: £8.5m) on a fixed interest rate is due to be repaid in July 2033, and a loan of £12m (balance outstanding at year end: £7.5m) on a variable interest rate is due to be repaid in September 2026.

At year end July 2022 £8m had also been drawn down from a revolving credit facility of £10m; the remaining £2m of this facility was drawn down post balance sheet in August 2022. This facility is convertible into a £10m term loan on a variable interest rate from September 2022. The loan has been hedged on an interest rate swap as at 2 September 2022, effectively fixing the rate.

All loans are unsecured.

	Defined benefit obligation £'000	Enhanced pensions £'000	Total Pension Provision £'000
20 Pension Provision			
At 1 August 2021	19,828	316	20,144
Utilised in year	–	(48)	(48)
Charges to Income & Expenditure Account	8,372	57	8,429
Employer contributions	(2,837)	–	(2,837)
Actuarial (gains)/losses before restrictions	(30,128)	–	(30,128)
Asset not recognised due to restrictions	4,765	–	4,765
At 31 July 2022	–	325	325

Defined benefit obligation relates to the liabilities under the University's membership of the North Yorkshire Pension Fund (NYPF). Further details are given in Note 27. The enhanced pension provision relates to the cost of staff who have already left the University's employment. This provision has been recalculated in accordance with guidance issued by the funding bodies.

	Restricted permanent endowments £'000	Unrestricted permanent endowments £'000	Expendable endowments £'000	31 July 2022 Total £'000	31 July 2021 Total £'000
21 Endowment Reserves					
Balances at 1 August:					
Capital	32	–	55	87	87
Accumulated income	–	–	–	–	–
	32	–	55	87	87
New endowments	–	–	–	–	–
Investment income	–	–	–	–	–
Expenditure	–	–	–	–	–
Total endowment comprehensive income for the year	–	–	–	–	–
Balance as at 31 July	32	–	55	87	87
Represented by:					
Capital	32	–	55	87	87
Accumulated income	–	–	–	–	–
	32	–	55	87	87
Analysis by type of purpose:					
Scholarships and bursaries	32	–	–	32	32
General	–	–	55	55	55
	32	–	55	87	87

Endowment reserves are all held as cash and cash equivalents.

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
22 Restricted Reserves		
Balance at 1 August	126	141
New donations	22	10
Investment income	–	–
Expenditure	(38)	(25)
Restricted comprehensive income/(expenditure) for the year	(16)	(15)
Balance at 31 July	110	126
Analysis of other restricted funds/donations spent in the year by type of purpose:		
Scholarships and bursaries	37	24
Prize funds	1	1
	38	25

	At 1 August 2021 £'000	Cash flows £'000	At 31 July 2022 £'000
23 Cash and cash equivalents			
Cash and cash equivalents	32,687	2,399	35,086
	32,687	2,399	35,086

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
24 Consolidated reconciliation of net debt		
Net debt 1 August	(7,511)	
Movement in cash and cash equivalents	(2,399)	
Movement in borrowings	(1,205)	
Net debt 31 July	(11,115)	
Change in net debt	(3,604)	

Analysis of net debt:		
Cash and cash equivalents	35,086	32,687
Borrowings: amounts falling due within one year		
Unsecured loans	1,825	1,205
Borrowings: amounts falling due after more than one year		
Unsecured loans	22,146	23,971
Net debt/(cash)	(11,115)	(7,511)

25 Capital and other commitments

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

Commitments contracted for	3,514	2,034
	3,514	2,034

	Land & Buildings £'000	Plant & machinery £'000	2022 Total £'000	2021 Total £'000
26 Lease obligations				
Total rentals payable under operating leases:				
Payable during the year	1,871	176	2,047	1,732
Future minimum lease payments due:				
No later than 1 year	1,187	176	1,363	1,531
Later than 1 year and not later than 5 years	6,455	259	6,714	3,993
Later than 5 years	8,145	–	8,145	8,771
Total lease payments due	15,787	435	16,222	14,295

27 Pensions

Retirement benefits for employees of the University are provided by defined benefit schemes which are funded by contributions from the University and employees. Payments are made to the Teachers' Pension Scheme (TPS) for academic staff and the North Yorkshire Pension Fund for non-academic staff. These are independently administered schemes.

The contribution of the University as a percentage of pensionable salaries in 2021–22 was:

for academic staff, 23.68% (including 0.08% administration charge);

for non-academic staff, 18.20% up to 31 March 2022 and 19.20% from 1 April 2022.

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Total pension costs included in staff costs for the year		
Teachers' Pension Scheme: contributions paid *	3,672	3,298
North Yorkshire Pension Fund: charge to Income & Expenditure Account	7,983	6,499
Other pension cost adjustments	–	–
Enhanced pension charged to the Income & Expenditure Account	62	20
	11,717	9,817

* Due to the mutual nature of the scheme it is not possible to identify each institution's share of the underlying liabilities and assets of the Teachers' Pension Scheme. Under FRS 102(28) contributions to the scheme are to be accounted for as if it was a defined contribution scheme. As a result the amount charged to the Income & Expenditure Account represents the contributions payable to the scheme in respect of the accounting period.

North Yorkshire Pension Fund: non-academic staff

i) The 2019 valuation

The North Yorkshire Pension Fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. The 2019 valuation was based on the following assumptions:

	Per annum 2019	Per annum 2016
Rate of salary increase	3.35%	3.25%
Rate of increase of present value and future pensions	2.10%	2.00%

The actuarial valuation showed the market value of the scheme's assets at 31 March 2019 was £3,575 million (2016: £2,418 million) and that the actuarial value of these assets represented 114% (2016: 90%) of the past service benefits that has accrued to members after allowing for expected increases in earnings.

ii) FRS 102 valuation as at 31 July 2022

Under the definitions set out in FRS 102, the North Yorkshire Pension Fund is a multi-employer defined benefit pension scheme, administered by North Yorkshire County Council. The actuary of the scheme has identified the University's share of the fund's assets and liabilities for non-academic staff as at 31 July 2022.

It is based upon a full actuarial valuation of the Fund at 31 March 2019 updated to 31 July 2022 by an independent actuary. The end of year figures for the market value of the assets and split of assets between investment categories have been calculated as at 31 July 2022.

The pension scheme assets are held in a separate Trustee-administered fund to meet long-term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interests of the fund's beneficiaries. The appointment of trustees to the fund is determined by the scheme's trust documentation. The trustees are responsible for setting the investment strategy for the Scheme after consultation with professional advisers.

		Start of the Year	End of the Year
The actuarial assumptions made for this valuation were:			
Rate of inflation (CPI)		2.60%	2.60%
Rate of increase in salaries		2.45%	2.45%
Rate of increase in pensions		2.60%	2.60%
Discount rate		1.70%	3.40%
Life expectancies – years			
Pensioner member aged 65 at accounting date	Males	21.2	21.1
	Females	23.4	23.4
Active member aged 45 at accounting date	Males	22.5	22.4
	Females	24.9	24.8

iii) The results of the FRS 102 valuation at 31 July 2022, included in the Financial Statements

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Amounts recognised in the Statement of Financial Position		
Fair value of assets	84,874	92,927
Present value of funded defined benefit obligation	(80,109)	(112,755)
Fund asset/(liability) before restrictions	4,765	(19,828)
Asset not recognised due to restrictions*	(4,765)	–
Fund net asset/(liability) recorded within provisions (Note 20)	–	(19,828)

*According to FRS102 a defined benefit pension asset should only be recognised to the extent that it is recoverable through reduced employer contributions or a refund. At 31 July this has not been agreed with the Fund therefore the asset is not recognised on the Statement of Financial Position. The situation will be reconsidered following the next NYPF triennial actuarial valuation.

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Charges to Income & Expenditure Account		
Amounts included in Staff Costs		
Current service costs	7,989	6,492
Past service costs	70	–
Curtailement costs	–	110
	8,059	6,602
Amounts included in Interest and Other Finance Costs		
Interest income on assets	(1,596)	(1,153)
Interest expense on defined benefit obligation	1,909	1,452
	313	299
Amounts recognised in Other Comprehensive Income		
Actuarial gains/(losses) on fund assets	(11,529)	11,922
Actuarial gains/(losses) on fund liabilities	41,657	(5,515)
Actuarial gains/(losses) before restrictions	30,128	6,407
Actuarial gains not recognised due to restrictions	(4,765)	–
Total actuarial gains/(losses)	25,363	6,407
Movement in the deficit during the year		
Deficit in the scheme at 1 August	19,828	21,826
Current service costs	7,989	6,492
Employer contributions	(2,837)	(2,492)
Past service costs	70	–
Curtailement costs	–	110
Net interest/return on assets	313	299
Actuarial loss/(gain)	(30,128)	(6,407)
Asset not recognised due to restrictions	4,765	–
Deficit in the scheme at 31 July	–	19,828

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Changes in the present value of defined benefit obligation		
Defined benefit obligation at 1 August	112,755	100,939
Current service costs	7,989	6,492
Interest costs	1,909	1,452
Contributions by scheme participants	981	890
Past service costs	70	–
Curtailement costs	–	110
Benefits paid	(1,938)	(2,643)
Actuarial loss/(gain)	(41,657)	5,515
Defined benefit obligation at 31 July	80,109	112,755
Changes in the fair value of fund assets		
Fair value of assets at 1 August	92,927	79,113
Interest income on assets	1,596	1,153
Contributions by employer	2,837	2,492
Contributions by scheme participants	981	890
Benefits paid	(1,938)	(2,643)
Actuarial (loss)/gain	(11,529)	11,922
Fair value of assets at 31 July	84,874	92,927

The Teachers' Pension Scheme

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

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

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The University is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the University has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan.

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

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Government Actuary's Department on 5 March 2019. Following this valuation, employer contribution rates increased from 16.48% of pensionable pay to 23.68% from 1 September 2019 (including administration fees of 0.08%).

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

The pension costs paid to TPS in the year amounted to £3,672,000 (2020–21: £3,298,000).

28 Related party transactions

During the year the University entered into transactions, in the ordinary course of business, with other related parties.

The Governors are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Board of Governors (being drawn from local public and private sector organisations) and Senior Leadership Team it is inevitable that transactions will take place with organisations in which a member of the Board of Governors or Senior Leadership Team may have an interest. All transactions involving organisations in which a member of the Board of Governors or Senior Leadership Team may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

Relevant transactions which have been identified as requiring disclosure are as follows:

	Income		Expenditure		Debtor/(creditor)	
	2021-22	2020-21	2021-22	2020-21	31 July 2022	31 July 2021
	£	£	£	£	£	£
Related party:						
Changing Lives	–	75	–	–	75	75
Diocese of York Educational Trust	–	–	150	–	–	–
Guild HE	–	–	23,353	23,126	–	–
Hope Sentamu Learning Trust	–	–	90,906	–	–	–
Make It York Limited	–	–	362	705	–	–
Our Children 1st Academy Trust	–	–	79,313	86,719	(2,000)	–
QED Foundation	–	–	25,000	25,000	–	–
The Laurence Sterne Trust	–	–	–	250	–	–
The Ministry of Justice	1,420	800	–	–	2,220	800
Two Ridings Community Foundation	–	500	–	–	500	–
UCISA	–	–	7,607	2,430	–	–
York College	–	101,640	34,790	31,007	(1,293)	101,640
York Minster Enterprises Ltd	–	–	290	–	(7,905)	–
York St John Students' Union	486,752	444,986	514,965	488,953	7,473	32,550
Yorkshire Film Archive	19,572	16,206	12,400	10,000	19,284	–
Yorkshire Universities	–	–	10,400	7,610	–	–

The University made a grant to the York St John Students' Union of £458,000 (2020–21: £458,000).

29 Events after the reporting period

There are no events after the reporting period to disclose.

The financial statements were authorised for issue on 24 November 2022 by the Board of Governors.

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