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YORK
ST JOHN
UNIVERSITY



Annual Report
and Financial
Statements
2022-23

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Foreword

It is our pleasure to introduce York St John University's Annual Report and Financial Statements for 2022–23. This has been a year of growth and development for the University, as we continue to navigate challenging external contexts. We have worked together, driven by a commitment to social justice to advance knowledge, help to meet key skill needs and improve lives in the communities we serve.

Our students and staff have been at the forefront of our work, their talent and passion resulting in the many successes we have celebrated in this academic year. In the following pages we share just some of the highlights from over the past 12 months as we continue to deliver against our strategy.

We were delighted to be awarded an overall Silver rating in the 2023 Teaching for Excellence Framework (TEF), which we will hold for the next four years. This was gained by achieving Gold for student experience and Silver for student outcomes.

Our National Student Survey results placed York St John at 19th in the UK for students' overall positivity about their studies. Our final-year students gave a positive overall rating of 82.3% in response to questions about their course. This excellent score means we are rated top in the North East and 13th of all English universities.

Through our work, we have continued to make an important social and economic contribution to the regions and communities we serve.

An independent assessment, carried out in 2022, found that the University is helping to widen educational participation and enabling development across the region and beyond. Initiatives that are delivering social benefits for a wider public include our Institute for Social Justice, Communities Centre, Law Clinic, Community Language School, Converge: Education for Recovery and The Military Human Project. Notably, the report highlighted that York St John generated £7 of GVA (gross value added) for the UK economy for every £1 it received in public funding.

In a year where many experienced unexpected financial strain as a result of the cost-of-living crisis, we took action to provide a range of supportive measures, aimed to help ease financial pressure faced by our students and staff. Increases were made to our Student Support Fund, making more financial support available to students in the greatest need, and staff received a £700 winter payment, designed to assist with increased bills at a time when they most needed financial support.

These measures sat alongside our frozen rents for all University-managed accommodation, subsidised clubs and societies, lower-priced catering on campus and the YSJ Larder, which provides free food, toiletries and stationery from our campuses in York and London. This support has ensured that our students can continue to focus on their studies and achieve their learning outcomes.

Despite these challenges, we have been proud to watch our University community continue to grow and thrive. From opening our new London Campus in

the vibrant East India Dock, to launching our new research Institute of Health and Care Improvement, this year has been marked by our continued commitment to respond to the needs of society.

As the world around us continues to change, so must we, and it is with excitement that we embark upon developing a new University strategy. We have drawn 2022–23 to a close with an invitation to our community, welcoming them to help consider and shape the future for York St John, and we look forward to sharing this with you in the months to come.



Dame Julia Unwin

Dame Julia Unwin.
Chair and Pro Chancellor
23 November 2023



A handwritten signature in black ink, appearing to read 'K Bryan', written in a cursive style.

Professor Karen Bryan OBE.
Vice Chancellor
23 November 2023

YORK ST JOHN AT A GLANCE

1,000
staff members

Over 10,000 students
studying on our campuses in York and London

72%

of students secure a graduate level job or progress on to further study¹

19th 

in UK for students' overall positivity²

7th
for University
of the Year³

77th in the *Sunday Times*
Good University
Guide 2024

>70%

of students from backgrounds underrepresented in higher education

25th in England for Postgraduate Research Experience⁴

2196 YSJ students
graduated in
York Minster

Bronze
Race Equality
Charter status

Overall TEF Silver – TEF Gold for student experience and TEF Silver for student outcomes⁵

58%

of our research is internationally excellent or world-leading⁶

1. Graduate Outcomes Survey 2023
2. National Student Survey 2023
3. What Uni 2023

4. Postgraduate Research Experience Survey
5. Teaching Excellence Framework 2023
6. Research Excellence Framework 2021

Strategic Delivery

The University continued to deliver against its strategy in the 2022–23 academic year. With a clear focus on delivering educational outcomes for the benefit of all, we have made strong progress against our three strategic aims to support our Purpose, People and Place.

PURPOSE

Student satisfaction and teaching quality

Student feedback placed York St John 19th in the UK and 13th in England, and top in the North East for overall positivity in the 2023 National Student Survey. Feedback from our final-year undergraduate students showed that they feel that they are being listened to, are positive about the academic support they receive, and are happy with the resources, teaching, assessment and feedback on their course.

We are 78th in the Guardian University Guide 2024 and rose 2 places to 77th place in the Times and Sunday Times Good University Guide, where we retained our 13th place for teaching quality in the UK.

In the What Uni Student Choice Awards 2023, we came 7th for University of the Year.

The launch of the successful YSJ Global campus programme resulted in improved International Student Barometer results (96% overall satisfaction compared to a sector benchmark of 92%). In an increasingly competitive and changing business and regulatory environment, YSJ Global continued to place importance on expanding and evolving its activities. Aims include increasing the international diversity of our student community at the York and London Campuses, global research and knowledge-exchange collaborations, and international opportunities for home students.

Supporting employability

The University developed a new Framework, which outlines how work-related experiential learning will be embedded across every level of every course as a key component of improving graduate outcomes.

As part of an enhanced package of student and graduate employability support, we launched the Kickstart Programme encouraging budding student entrepreneurs to access a wide-ranging offer of support to develop entrepreneurial ideas and turn them into viable enterprises.

We also announced our digital graduate package available to all final-year students and graduates. It is designed to help them reflect on their current career thinking and offers support in their next steps into work, further study or starting their own business. In addition, the new Graduate Support Fund offers grants of £150 to £300 to help graduates meet the expense of attending an interview or initial commuting costs.

Impactful research

Following growth in both the volume and quality of research submitted for the Research Excellence Framework (REF) 2021, 58% of our research was judged as world-leading or internationally excellent.

Consequently, we almost doubled our quality-related (QR) research income from REF 2021 compared to REF 2014, receiving the third highest percentage increase for any university receiving more than a million pounds.

Our new Institute for Health and Care Improvement (IHCI) was launched as an innovation hub, with our academic researchers working alongside patients, clinicians and industry partners to find solutions for the pressing issues facing health and social care today. From disease detection and prevention to physical activity, rehabilitation and health promotion, IHCI focuses on improving lives regionally, nationally and globally.

The Postgraduate Research School launched the latest Commitment to Postgraduate Research for 2026, with plans to recruit and retain postgraduate researchers as future research leaders.

Converge, the programme of free educational courses for local adults with experience of mental health challenges, was identified as "a unique model of knowledge exchange and community engagement" by a two-year independent evaluation, funded by the Office for Students and Research England. The socio-economic impact assessment shows that Converge delivers benefits with an estimated value of £5.8 million.

The Living Lab project won the Tomorrow's Employees category at the Green Gown Awards 2022, which celebrate sustainability initiatives from the UK higher education sector.

Our Community Research Grants scheme provided £54,000 to support valuable partnerships between community-led organisations in the voluntary, charity and social enterprise sector and the University. Projects that received funding this year include Public Sexual Harm of Women and Girls: the Dancefloor Project, with Bolshee, which explores prevalence and prevention of sexual harm in public spaces. Diversification of Visitors and Organisation, with York Archaeological Trust, seeks to develop a better understanding of the social and cultural diversity of the trust's audience.

The Institute of Social Justice hosted 'Doing Change', a celebration of York St John's commitment to education for social justice and the platform for the annual Archbishop of York Lecture in Social Justice, delivered this year by Fozia Irfan OBE, a director of BBC Children in Need. The work of the entrants to the Eleanor Worthington Prize 2022 was also on display.

Two of our students, Lily Flather and Elisha Pountain, were named winners of the international art prize on the theme of Disability and Transformation for an Inclusive Society.

Internationalisation

The past twelve months have seen further internationalisation of the University. More international students are coming to study at York St John than ever before: our undergraduate enrolments were up 87% and postgraduate enrolments were up 138% on the previous year, with both our York and London campuses proving popular with students from around the world. We are now firmly established as a destination of choice in Sri Lanka, Nepal and Bhutan as well as more established markets such as India, Ghana and Nigeria. Indeed, we are one of only six UK universities holding accreditation from the Ghanaian Scholarship Secretariat and have established a new Nigeria office to filter and process thousands of applications from across Africa.

As well as attracting international students to study in York and London, our focus over the past year has been to grow our wider international engagement. We have successfully diversified our staff and student community at both campuses, whilst developing our global research and knowledge exchange collaborations, internationalising our curricula and promoting international opportunities for our students. In 2022–23, 102 York St John University students studied overseas with partner universities and ten significant research bids were submitted that involved collaboration between our academics and colleagues at institutions in Canada, Iceland, Sweden, France, India, Kenya, Germany, Italy, Pakistan and the USA.

PEOPLE

Celebrating achievement

York St John was placed in the top rank for student wellness provision as part of a survey conducted by Learning Labs. The HEI Wellness Index analysed more than 70 higher education institutions, looking at their wellness provision spanning the past five years. Investment in specialist wellbeing services and mental health training for all University staff is helping us to continue to respond effectively to our students' needs.

Founded by York St John student Francisca Rockey in 2020, Black Geographers – a collective of students and graduates – was nominated for the Community Organisation Award in the category of Race, Religion and Faith at the National Diversity Awards 2023. Encompass, a collaboration between the University and Black Geographers, is aimed at empowering a more diverse representation of people and places within Geography. It focuses on Year 12 students who are from a black, Asian or minority ethnic background.

Final-year product design student Richard Holmes won the Ingenuity Programme's Impact Entrepreneur of the Year award for his groundbreaking communication project, Global Anthem.

Meeting the needs of our community

We launched a series of support measures to help alleviate the financial pressures caused by the cost-of-living crisis. Alongside our increased Student Support Fund, our students were able to access subsidised clubs and societies, lower priced catering on campus and the YSJ Larder.

We launched Your YSJ, the dedicated staff benefits package which aims to recognise and respond to the needs of our diverse community. It brings together new and enhanced policies, including an improved maternity policy and new carers leave policy, alongside a range of existing benefits such as the health cash plan, financial support partnership and pension scheme. Our focus on reducing the gender pay gap includes promotions criteria to support equality, improvements to our grading structure and planned career pathways for colleagues in professional services. This work is a fundamental part of our wider commitment to equality and inclusion.

We continued to listen to the feedback of our staff with the 2023 staff survey receiving 838 responses, which represents 76% of staff who were invited to take part. The results were positive, with 90% able to recognise how their contributions support the success of the University, 86% finding their work meaningful, and 81% being proud to work at York St John. Further conversations are providing opportunities to explore strengths, leading to positive development and change.

Supporting equality of opportunity

We received a Race Equality Charter bronze award for progress to advance race equality in higher education.

Co-Create, a one-day festival produced by the University, celebrated the making of music, acting, dance and theatre with, for and by members of the youth community. The project brought together creative professionals, York St John students and staff, and around 100 pupils to offer inspirational insights into the possibilities for higher education and a career in the performing arts industry.

Our researchers led the School Transition for Autistic Young People in Mainstream Settings project in partnership with the Specialist Autism Teaching Team at City of York Council. Their longitudinal study explored the experiences of autistic young people as they progressed from primary school through the first three years of mainstream secondary school.

We aimed to amplify the voices of learning disabled and autistic artists by exploring questions of identity, representation and voice through the research project 'I'm Me'. The project, led by Professor Matthew Reason, received circa £380,000 funding from the Arts and Humanities Research Council, and is a collaboration with Mind the Gap performance and arts company, in partnership with a network of six disability arts companies from across the UK.

Our York Business School hosted the Empowering and Inspiring Women in Business in York series of events aimed at boosting female entrepreneurs in the city. It took place during the week of International Women's Day, which was focused on the theme of #EmbraceEquity.

PLACE

Sustainability and biodiversity

Our University grounds have been the focus of biodiversity initiatives supporting local wildlife habitats. We were awarded Gold in the national Hedgehog Friendly Campus scheme in recognition of our support of the hedgehog population in the local area. Our teams also spearheaded work to preserve the endangered tansy beetle. Following successful cultivation of 260 tansy plants, colleagues expanded the University's dedicated wildlife area with local community volunteers to create a much-needed habitat for the

rare beetles. Forty-eight beetles were introduced to the site in a conservation project aiming to ensure and protect their future.

The York St John Creative Centre was named Building of the Year at the RIBA Yorkshire Awards 2023, and the University was also named Client of the Year, with judges impressed with the Centre's vision, purpose and sustainable design.

Supporting health and wellbeing in the region

The University has strong partnerships with healthcare providers in the region, with placements shared between the NHS and independent healthcare providers including hospitals, GP surgeries, residential care homes, the Yorkshire Ambulance Service, sports clinics and military rehabilitation units.

We were successful in securing a grant of £5.8 million from the Office for Students to support our capital investment plan, to include the creation of specialist allied health facilities to meet local, regional and national needs.

The new Health Simulation Suite for nursing, paramedic science, physiotherapy and occupational therapy courses was officially opened by Professor Laura Serrant OBE, Health Education England's Regional Head of Nursing (North East and Yorkshire). The new suite provides students with an authentic environment where they can develop their skills, alongside classroom and work-placement settings in order to deliver safe, effective patient-centred care. The combination of learning clinical skills, understanding the contribution of other health professionals and the prioritisation required in healthcare contribute to the success of our graduates in providing excellent care for people in the region.

Championing business and culture

The first London Business Showcase event to be held at our London Campus was attended by 47 businesses, providing an opportunity to connect with staff and students about research, executive education, enterprise and business engagement opportunities. The event resulted in significant opportunities to develop student projects, placements, internships and academia-industry collaborations. The speakers included senior leadership from the campus, as well as industry leaders from venture capital, heads of HR and business owners.

The York Business School hosted its annual Top 100 event to celebrate York's top performing businesses. Compiled by academics following a period of data gathering and research, the index ranks businesses in the city according to a wide range of metrics, including number of employees, turnover, profit and shareholder funds.

York St John University was named Training Provider of the Year at the inaugural North Yorkshire Apprenticeship Awards.

The University was the main sponsor of the York Literature Festival, supporting local writers, groups and performers in this city-wide celebration of the written and spoken word. We also hosted several public events as part of the biennial York international Shakespeare Festival, including a production of *A Midsummer Night's Dream* by the Kyiv National Academic Molodyy Theatre from Ukraine.

Creating inclusive communities

Academics from the Institute for Social Justice have worked in partnership with the campaign group Inclusive Equal Rights UK, based in the University's Enterprise Centre, to develop a five-year strategy to help York become the first anti-racist city in the north of England. Key initiatives include asking public and private sector employers to sign an anti-racist pledge, targeted outreach programmes for underrepresented communities, the establishment of a racial equity commission to review city policies and the implementation of unconscious bias training for all city employees.

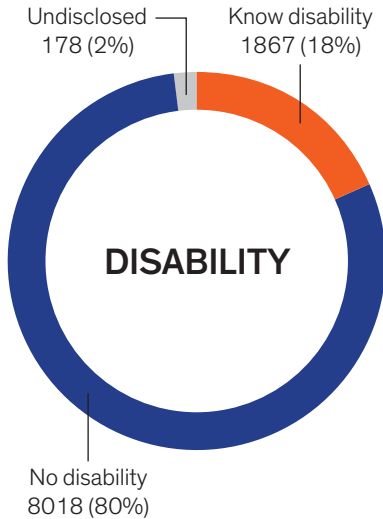
Our Community Language School has provided free classes in over 15 languages to support children to learn and use their 'home' language. Language classes are also now available to British families whose only language at home is English as there is an increasing desire from parents to see their children become multilingual.

The University's Military Human project provides training for local employers, including the NHS and other public services, on how to successfully support ex-service personnel in their transition to civilian employment. This training has been delivered to over 4,500 staff across the North East and is being scaled up across the NHS.

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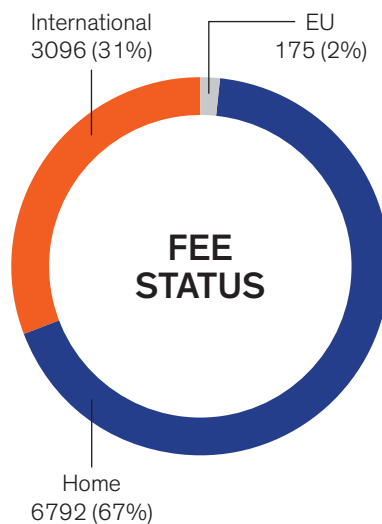
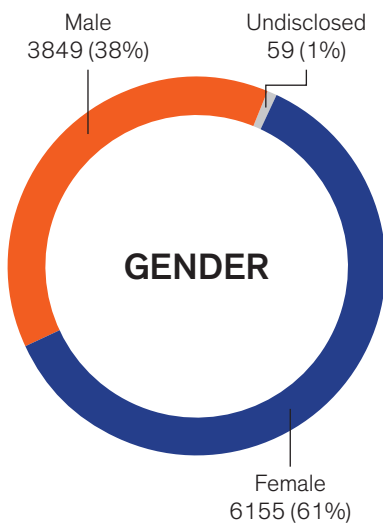
STUDENT ENROLMENTS FOR THE ACADEMIC YEAR 2022–2023*

10,063 STUDENTS



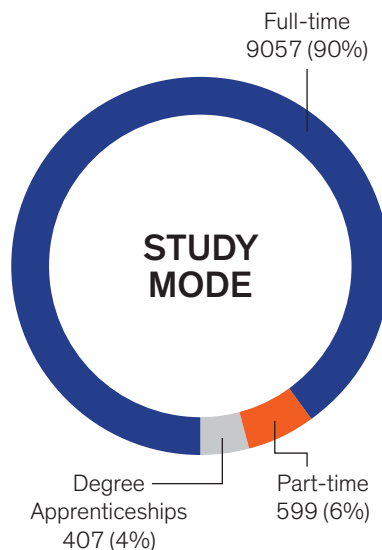
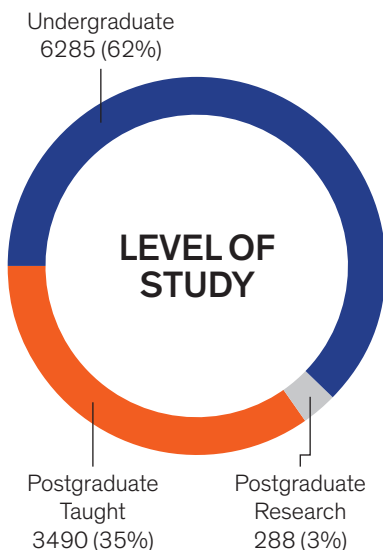
23.4
Average age on entry

114
care leavers



2,071
First in family to enter HE

2,032
From most deprived areas using the IMD



2,429
From areas where uni participation is low

>70%
Fall into one or more under represented group



CORPORATE GOVERNANCE

Governors 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.

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 – 31.07.2026
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 – 31.07.2026
Very Revd Dominic Barrington	One diocesan nominee		10.07.2023 – 31.7.2026
Matthew Blackstock	President of Students' Union, ex-officio		01.07.2023 – current
Neil Braithwaite	Co-opted Governor	<i>Deputy Chair of Board of Governors, Chair of Finance and Capital Development Committee, Chair of Remuneration Committees (Senior Leadership Team and Vice Chancellor)</i>	01.08.2021 – 31.07.2024
Andrew Chang	Co-opted Governor		01.08.2022 – 31.07.2025
Brian Chiyesu	Co-opted Governor		01.08.2022 – 31.07.2025
Alison Davies	Co-opted Governor	<i>Chair of People Committee</i>	01.08.2022 – 31.07.2025
Rt Revd Paul Ferguson	Nominee from the National Society Council		23.11.2017 – 31.07.2026
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		01.05.2022 – 31.07.2025
Prof Graham Henderson CBE DL	Co-opted Governor		01.01.2016 – 31.07.2024

MEMBERS WHOSE TERM CONCLUDED DURING 2022–23

Name	Status	Other responsibilities	Term of office
Cath Clelland MBE	Co-opted Governor		01.08.2014 – 31.07.2023
Russell Davidson	Co-opted Governor		01.08.2014 – 31.07.2023
Isabella Robinson	President of Students' Union, ex officio		01.07.2022 – 30.06.2023

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 2022–23 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 (now part of the Joint Information Systems Committee) 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.

The most recent review concluded in 2022–23. Recommendations have been implemented or are in the process of being so. The Board's 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 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, values 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 2022–23, this included oversight of the process for the appointment of the new Chair of People Committee, as well as the appointment of one external independent Governor and various co-opted members of standing committees. 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, was completed during 2022–23.

The review demonstrated that York St John has very robust governance and a small number of governance enhancements have been implemented following recommendations from the review. 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 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 2023.

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. 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 2023 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 2023 meeting, the Board of Governors carried out the annual assessment for the year ended 31 July 2023 by considering documentation from the Executive Board, Audit Committee and Internal Audit, and taking account of events since 31 July 2023.

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 University has complied with the Charity Commission's guidance on the reporting of public benefit. 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. The main beneficiaries from our activities are the students who study with us. In addition we make a very significant contribution to the local economy, generating £7 of GVA (gross value added) for the UK economy for every £1 we received in public funding (Economic and Social Impact report 2022).

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
YO3 1 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



STRATEGIC REPORT

Directors' Report

The Directors present the Financial Statements of the University for the year ended 31 July 2023.

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.

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 12 under 'Governors and Directors of the University'.

POLITICAL DONATIONS

The University did not make any political donations in 2022–23 (no donations in 2021–22).

ENGAGEMENT WITH SUPPLIERS AND BUSINESS COMMUNITY

In 2022–23, the University spent over £45 million with local, regional, national and international suppliers.

Our aims are to build strong and sustainable relationships with our supply chain and to ensure that our procurement processes are transparent, fair and robust. We comply with all public sector procurement regulations and assemble multi-disciplinary teams to assess the relative merits of bids submitted for the provision of goods and services.

As a major local employer and contributor to our region's economy, we are committed to working with small and medium-sized enterprises (SMEs). With over 27% of our expenditure based on trade with SMEs, we provide comprehensive support at every stage of the procurement journey, so that they are able to compete with larger suppliers. By cultivating partnerships and maintaining a diverse range of suppliers, the University is better equipped to adapt to a changing economic environment.

In collaboration with other regional institutions, York St John actively participates within the North Eastern Universities Purchasing Consortium. This collaborative knowledge-sharing collective has facilitated over £4 million in joint project work. Leveraging the consortium's resources, we have implemented a unified online procurement platform that streamlines the tender advertisement process and the publication of bid documents. This platform benefits suppliers by offering a centralised hub to register their interest in opportunities, but also opens doors to potential contracts not only within our University but also across HE elsewhere in the region.

ENVIRONMENTAL SUMMARY

York St John is committed to remaining one of the most environmentally innovative universities in England. We carefully monitor performance data, aiming to reduce our carbon footprint, manage waste production and enhance our impact on local biodiversity.

As shown in this year's summary infographic below, the University is making significant progress to: reduce gas and electricity consumption; reduce carbon emissions against a target of a 70% and 80% reduction before 2025 and 2030 respectively against our 2005 baseline; and increase the proportion of our electricity supplied from carbon-free sources with an aim to reach 50% by 2026.

We monitor total emissions (Figure 1) and emissions by floor area (Figure 2) and number of staff and students (Figure 3), all of which are becoming more relevant due to the pace of our

growth in recent years. We are also pleased to be able to report on our emissions from business travel for a second year (Figure 4).

As part of a comprehensive decarbonisation plan, we continue to invest to improve the metrics shown in Figures 1–4. This year we have installed additional solar photovoltaics, new heat recovery ventilation systems, superinsulation, enhanced water and heating monitoring and automatic utility meter readers on our campuses and residential sites. We have also worked with our student body on an energy-saving campaign to encourage energy-saving habits.

Despite our growth, the University is continuing to reduce all forms of waste and has maintained a policy of zero waste-to-landfill since 2016. Figure 5 shows where our waste goes and Figure 6 shows how we have reduced our waste production. Our recent improvements have been driven largely by a reduction in the

number of single use items available on campus and our very successful Too Good To Go food surplus scheme.

We see carbon and waste reduction going hand in hand with a focus on biodiversity. This year we have implemented site specific biodiversity action plans in or near our campuses, including continuing to grow wildflower and invertebrate habitats, planting dozens of new trees, installing bird and bat boxes at residential sites and introducing endangered tansy beetles onto our Sports Campus.

This year we have again won or been shortlisted for a number of national and regional awards, illustrating the sector's recognition of the University's sustainability efforts. These include the University's Living Lab project winning the Tomorrow's Employees category at the National Green Gown Awards, and the RIBA Regional Sustainability Award 2023 and the RIBA Yorkshire Regional Building of the Year Award 2023 for the Creative Centre.



Winner of Tomorrow's Employees category at National Green Gown Awards 2022



Recycling rates increased to 60% in 2023



Solar panels generated 5.74% of total electricity consumed



Zero waste to landfill since 2016



Natural gas consumption decreased by 4.4%, electricity consumption increased by 2.5%



Increased wildflower area to 5,000m2



29.9% of all electricity comes direct from a carbon-free source

Fig 1 – Total annual carbon emissions (2010–11 to 2022–23)

(from HESA data 2011–21 and YSJ direct metering 2022–23)
Scopes 1 (gas) and 2 (purchased electricity)

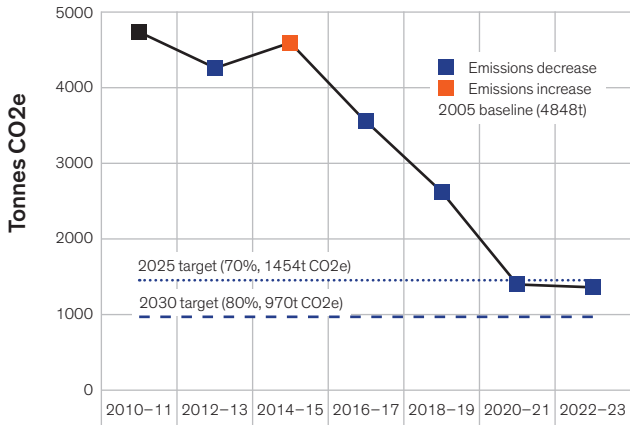


Fig 2 – Annual carbon emissions per m2 GIA (2017–18 to 2022–23)

(from HESA data 2011–21 and YSJ direct metering 2022–23) Scopes 1 (gas) and 2 (purchased electricity)

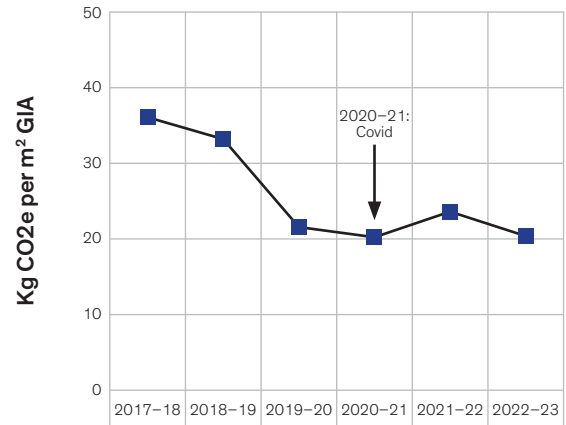


Fig 3 – Annual carbon emissions per FTE (staff and student) (2017–18 to 2022–23)

(from HESA data 2011–21 and YSJ direct metering 2022–23)
Scopes 1 (gas) and 2 (purchased electricity)

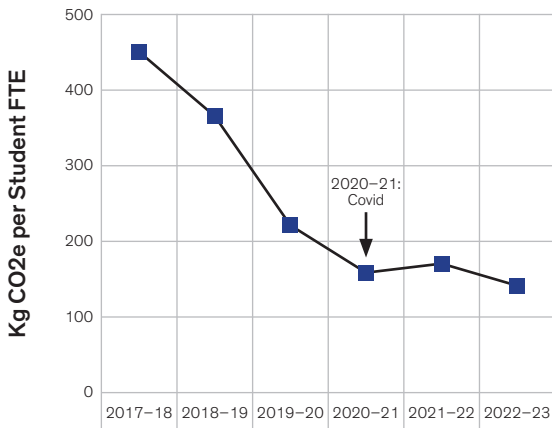


Fig 4 – Emissions from business travel (2017 to 2023) (running mean)

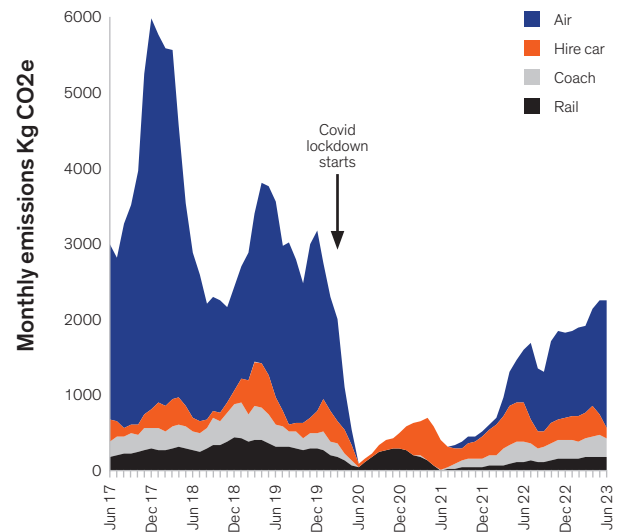


Fig 5 – Waste disposal routes by classification (2022–23)

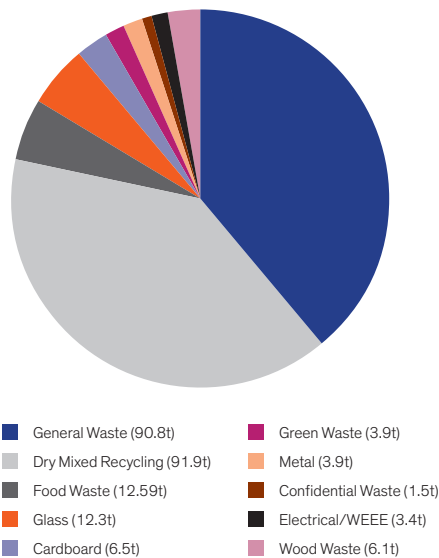
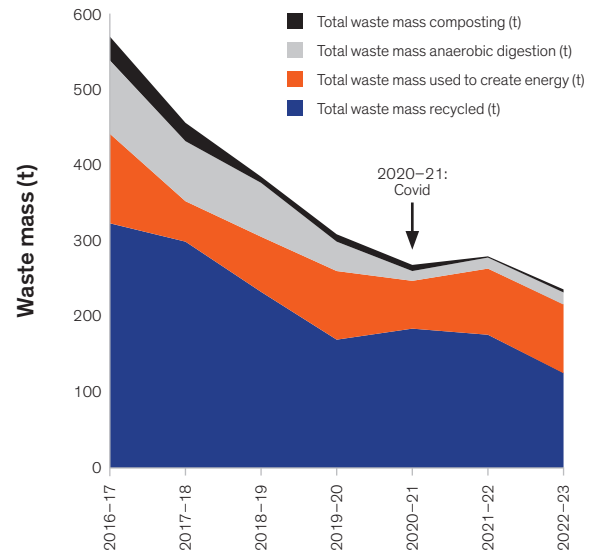


Fig 6 – Mass of waste created (2016–17 to 2022–23)





EMPLOYEE ENGAGEMENT

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 2023, 54 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 £28,628, which was 0.06% of the total pay bill. No time was recorded separately for paid trade union activities as a percentage of total paid facility time hours and trade union duties. Ongoing dialogue with trade union representatives is a key strength of the University; this is a long-established relationship ensuring that the whole University community is represented.

The Directors have considered the ongoing sustainability of the University and 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,

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

Professor Karen Bryan OBE.
Vice Chancellor
23 November 2023

A handwritten signature in black ink, appearing to read "Julia Unwin".

Dame Julia Unwin.
Chair and Pro Chancellor
23 November 2023



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 the Advance HE: Race Equality Charter in November 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.



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

The Board of Governors has prepared the financial report in accordance with the requirements of the Office for Students' Terms and Conditions of Funding for Higher Education Institutions and UK Research and Innovation'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 judgements 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 UK Research and Innovation 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.

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
23 November 2023



Dame Julia Unwin.
Chair and Pro Chancellor
23 November 2023

Key Risks and Risk Management

Throughout 2022–23, the higher education sector has seen a deterioration in its financial outlook, with an increasing risk that weaker student retention rates are becoming the new norm, changes in international student recruitment policy, and an acceptance that undergraduate tuition fees are unlikely to increase for several years.

Financial sustainability sits alongside staff industrial action and the cost-of-living crisis as the major institutional risks that the University faced in 2022–23. We have actively taken steps to ensure disruption to our students was minimised. We have rolled out cost-of-living support packages for staff and students (total £1.2 million), both of which have been well received. In addition, we prioritised the support of existing staff in our 2023 annual planning round where we saw a total investment in staff of £2.9 million, with circa £1.5 million being targeted to changes to the grading structure.

In 2023, the OfS introduced the B3 indicators (measuring continuation, completion and progression), and published their intention to scrutinise universities that don't meet set thresholds. This has introduced a new regulatory component to consider and a shift in our internal priorities to avoid potential fines and number caps. We see student retention and employment as key risks alongside other operational and strategic risks.

GRADUATE EMPLOYABILITY

The University's latest graduate outcomes data were issued in June 2023, capturing the outcomes of 2020–21 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 63.2% for our 2019–20 cohort to 71.6% for our 2020–21 cohort (source: OfS, *Student Outcomes Data Dashboard*).

In both 2022 and 2023, we prioritised additional investment in this area, and more specifically in 2023, we identified a series of interventions to support Work Related Experiential Learning (WREL), implementing high-quality, work-related learning across all programmes at York St John.

WREL will be critical in supporting student career ideation, confidence and planning by enabling students to:

- Explore and develop confidence in how the knowledge, skills and attributes developed through their programme of studies can be applied to the world of work
- Develop student capital, professional networks and experience of working with employers
- Reflect on their experiences and record their achievements so that they can articulate how their higher education experience has prepared them for life as a graduate
- Make effective applications for work, further study or funding.

STUDENT RETENTION

Student non-continuation figures for the last academic year (2021–22) reached 13.1%, an increase of 3.4 percentage points at the same time the previous year. The impact of this deterioration affects our finances, reputation, B3 conditions of registration, TEF Framework Awards and the student experience. We, like others in the sector, continue to see the cost-of-living crisis having an impact on our retention figures this year and York St John's Executive Board approved a range of initiatives to support students with this.

From January 2023, the Continuation Insights and Interventions Programme was formed to identify initiatives to address students who are at risk of not continuing. The Student Support Centre was established from the beginning of the 2022–23 academic year to call students identified as being at risk of withdrawal. In addition, clearer expectations on the use of our learner analytics system (Engage), assessment and resit support, and greater depth of understanding of data regarding retention are some of the insights and interventions that have, so far, seen an improvement in our retention figures this academic year.

STAFF ENGAGEMENT AND PERFORMANCE

2022–23 has seen significant national industrial action by the Universities and Colleges Union and a marking and assessment boycott (MAB) impacting York St John. We still do not know when the national dispute will be resolved and we have tried to minimise the impact of the MAB on students at a critical time of year, especially for final-year students who may be waiting for their results to commence graduate-level jobs.

A new staff survey was launched mid-May using a refreshed approach and has been positioned as a new strand to current listening tools. This will be helpful in engaging more staff to have their voices heard. Your YSJ was also rolled out to make staff aware of all their benefits and how they can make use of the new policies and opportunities available to them. While this work is intended to positively impact staff engagement and performance, the context of the industrial action means that this risk remains high.

STUDENT ACCOMMODATION

In October, the risk regarding student accommodation was escalated to 'High' in response to:

- a) increased accommodation demand at both York St John and the University of York
- b) increases in the costs of private sector provision
- c) a mismatch between February student entry and the availability of accommodation
- d) a Local Plan that is not progressive around student provision.

In York, our greatest challenge continues to be the provision of student accommodation for second- and third-year students, who source housing on the open market. York is a difficult environment, with many landlords either moving their properties to the more lucrative short-term holiday let market or responding to increased mortgage and utility costs by passing these on to students. Anecdotal evidence suggests accommodation availability and costs are one of the contributing factors to Year 2 and 3 retention, resulting in students transferring to universities closer to home.

In London, we see a similar picture with regard to the lack of availability of accommodation and increased costs. This challenge has led to students choosing to move further away from our London campus and therefore be subject to increased commuting times. As a result, we have started to gather student data to understand costs, commuting distances and other factors to determine if a university-provided accommodation solution is required.

Despite the University being able to guarantee accommodation for our new students in York for 2023 entry, increased open-market rental costs in both York and London coupled with students' cost-of-living challenges continue to present a high risk.

Financial Review

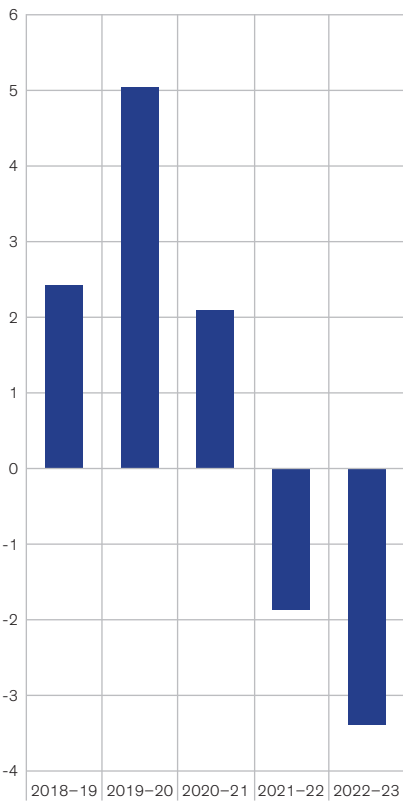
The financial year was characterised by sound operational performance in a challenging environment given the significant inflationary pressures across all areas of activity and Cost of Living support provided to both students and staff (2023: £1.2 million), with the core fee for Home Undergraduate students remaining at £9,250 for the year. The University is able to report a small deficit of £0.1 million against its original budget strategy before the increased costs of FRS 102 pensions costs (£0.5 million) and the impact to Comprehensive Income from revised accounting arrangements relating to the London Campus (£2.8 million), resulting in an overall deficit of £3.4 million. Significantly, the University generated cash from operating activities of £10.9 million, 12.3% of income (2022: £12.8 million, 16.5%) with cash reserves of £36 million (2022: £35.1 million).

INCOME

Total operating income increased by 13.6% to £88.6 million (2022: £78 million). Income from full-time home and EU students was up by 3.6% to £49.5 million (2022: £47.8 million) with income from full-time international students up by 71% to £20 million (2022: £11.7 million). Income from Degree Apprenticeship programmes increased by 15.6% to £2.3 million (2022: £1.98 million). The University received a total capital grant income from the Office for Students of £0.9 million, 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 again as the portfolio continues to expand. During the year, the first floor of the new facility at East India Dock became fully operational with the second floor currently being mobilised. The International recruitment teams across York and London were merged as part of the revised strategy which has led to significant growth in both undergraduate and postgraduate student numbers in York in 2022–23 which will continue into 2023–24 and beyond.

Operating Surplus £'m



EXPENDITURE

Total expenditure increased by 15% to £91.9 million (2022: £79.8 million).

Staff costs increased by 10.5% to £52.3 million (2022: £47.3 million). Salaries increased by 22% to £39.3 million (2022: £32.2 million) with an increase to pensions costs of £0.5 million after the University received the year-end Accounting Schedules from the North Yorkshire Pension Fund (NYPF). However, overall pensions costs were reduced by 22% to £9.1 million (2022: £11.7 million) given the major changes in the accounting issues surrounding pensions, primarily in relation to discount rates used by the fund's actuary. The underlying performance of expenditure on staff costs was in line with the budget strategy.

Other operating costs increased by 26% to £33.7 million (2022: £26.7 million). Payments to agents in relation to the recruitment of international students increased by 123% to £6.67 million (2022: £2.98 million). Rent payable increased by 73% to £5.3 million (2022: £3.05 million) as a result of the new facility at East India Dock and the provision of accommodation for first year students in York. The Landlord contribution to Capital expenditure at the London Campus for Category A expenditure is now accounted for solely within the Statement of Comprehensive Income.

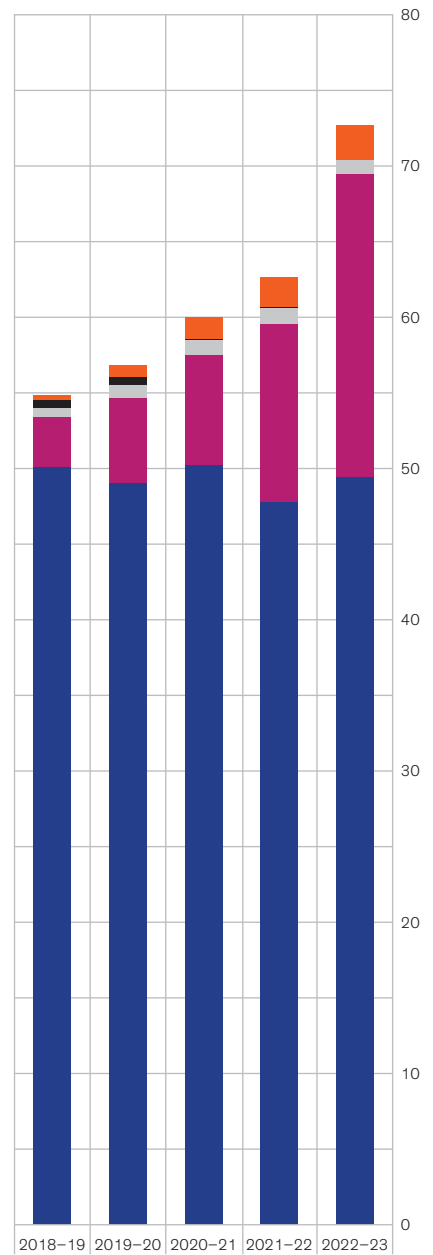
BALANCE SHEET

Net assets at the end of the year were £141.6 million (2022: £143.4 million). The University has not been able to recognise any asset in relation to the Pensions Provision. The recent NYPF triennial valuation saw contribution rates fixed at 15.5% through to April 2026 which positively impacts on the University's cash at bank position.

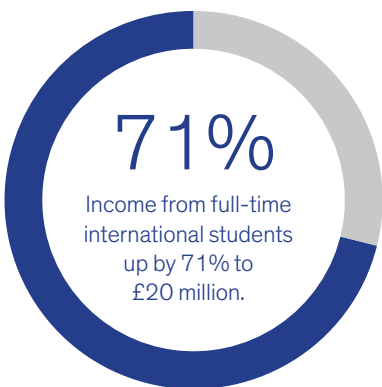
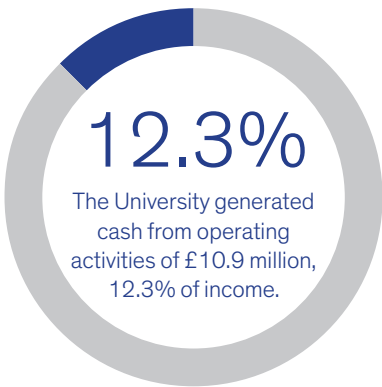
We made capital investment of £10.1 million during the year (2022: £10.3 million).

Significantly, the University generated cash from operating activities of £10.9 million, 12.3% of income (2022: £12.8 million, 16.5%) with cash reserves of £36 million (2022: £35.1 million).

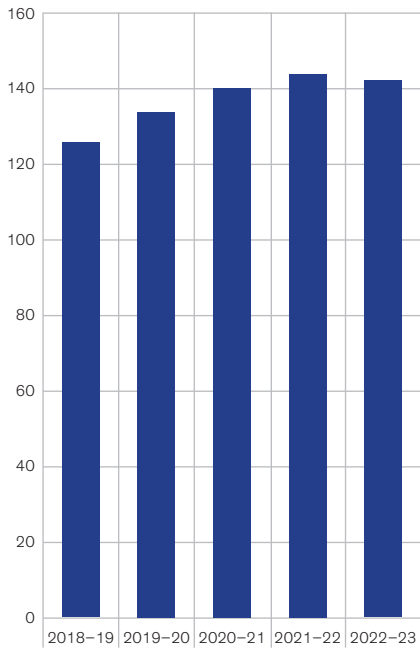
Tuition Income by Market £'m



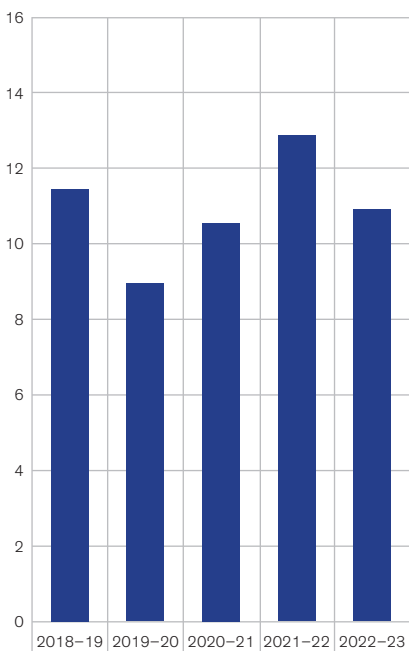
- Full-time home and EU students
- Full-time international students
- Part-time students
- Short course fees
- Apprenticeship income



Net Assets including Pension Liability £'m



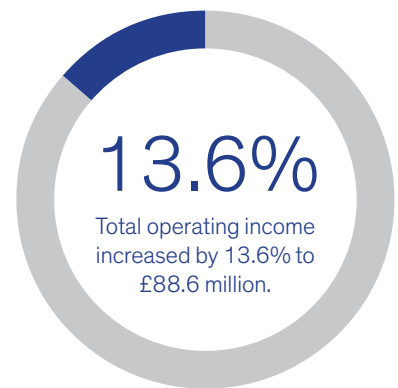
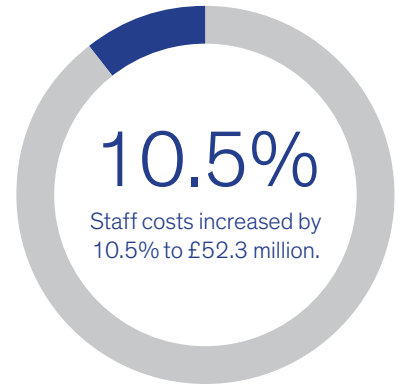
Net Cash from Operating Activities £'m



FINANCIAL OUTLOOK

The University's financial strategy is to invest in facilities and infrastructure for the benefit of our students and the community in which we live and work – financial performance in 2022–23 has been sound in a challenging environment. The University remains in a strong liquidity position in the short to medium term and complied with its banking covenants in 2022–23.

The financial environment is currently complex, informed by the wider macroeconomic climate of higher interest rates, inflationary pressures for staff and non-staff expenditure, together with a fixed Undergraduate fee of £9,250. Cost of living pressures also mean that nationally up to one in three of students entering Y1 in 2023–24 may live at home rather than enter student accommodation (COSMO Study, The Sutton Trust and UCL) – the University has identified a key risk in relation to the supply of accommodation for both home and international undergraduate students. Both these factors have the potential to impact the University's operating model in the short to medium term. Finally, the financial statements show the increasing dependency of the University on International Students which is further exacerbated in 2023–24, at the same time as current government policy in this area is evolving. This is a key risk for the University which needs to be managed, mitigating the potential impact on the University's finances.



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

OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the University's affairs as at 31 July 2023 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 2023 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 board members' 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 twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The governing body 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 are 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 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), the Education and Skills Funding Agency and the Department for Education 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 THE BOARD 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 are 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 members either intend to liquidate the University or to cease operations, or have no realistic alternative but to do so.

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 HEIs with UG students this will be applicable (not applicable for PG only HEIs nor 'approved (no fee cap)').

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 2019.4.1 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 relation to the defined benefit pension liability, provision against student and other debtors.
- review of deferred income calculations and credit balances on the debtors ledger to ensure that income has been recognised appropriately.
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the OfS.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

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 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.

DocuSigned by:

829727ECC12041D...
Hamid Ghafoor
(Senior Statutory Auditor)
For and on behalf of BDO LLP,
Statutory Auditor
Manchester, UK

24 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



FINANZIAL- STATISTIKEN

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.

FINANCIAL INSTRUMENTS

The University has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition and measurement, and disclosure of financial instruments. Financial assets and liabilities are recognised when the University becomes party to the contractual provision of the instrument and they are classified according to the substance of the contractual arrangements entered into.

The basic financial instruments held by the University include cash and bank deposits, loans, receivables from trade debtors and payables to trade creditors.

Basic financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Under FRS 102 basic financial instruments will subsequently be carried at amortised cost using the effective interest rate method; however the University may in practice hold them at cost where there would be no material difference between that and amortised cost.

Complex financial instruments held include derivatives used to reduce exposure to interest rate movements on bank loans. The University does not hold or issue derivative financial instruments for speculative purposes. The University has entered into an interest rate swap agreement which has not been designated a financial hedge under Section 12 of FRS 102. As such, the instrument was initially recognised at fair value at the date the derivative contract was entered into and is subsequently remeasured to its fair value at each reporting date. The resulting gain or loss is recognised in surplus or deficit.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of the ownership of the asset are transferred to another party. Financial liabilities are derecognised when the liability is discharged, cancelled or expires.

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 2023. 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 28, 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 2022 has been used by the actuary in valuing the pensions liability at 31 July 2023. 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 2022–23 the University successfully challenged the initial FRS 102 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 (£28.7million cash at bank at 30 November 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, 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 2023–24 £3.1 million, 2022–23 £2.5 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 2023

	Note	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Income			
Tuition fees and education contracts	1	72,731	62,666
Funding body grants	2	5,631	5,951
Research grants and contracts	3	557	213
Other income	5	8,844	9,008
Investment income	6	757	92
Donations and endowments	7	32	23
Total income		88,552	77,953
Expenditure			
Staff costs	8	52,276	47,309
Other operating expenses		33,676	26,732
Depreciation and amortisation	13–14	5,682	4,613
Interest and other finance costs	9	310	1,168
Total expenditure	11	91,944	79,822
Surplus before other gains/(losses)		(3,392)	(1,869)
Gain/(loss) on disposal of fixed assets		(1)	(1)
Surplus before tax		(3,393)	(1,870)
Taxation	10	–	–
Surplus for the year		(3,393)	(1,870)
Unrealised surplus on revaluation of land and buildings	14	–	–
Actuarial gain/(loss) in respect of pension schemes	28	1,567	25,363
Total comprehensive income/(expenditure) for the year		(1,826)	23,493
Represented by:			
Endowment comprehensive income for the year	21	2	–
Restricted comprehensive income/(expenditure) for the year	22	20	(16)
Unrestricted comprehensive income/(expenditure) for the year		(1,848)	23,509
		(1,826)	23,493

All items of income and expenditure relate to continuing activities.

The accompanying policies on pages 34 to 38 and notes on pages 43 to 58 form part of these financial statements.

Institution Statement of Changes in Reserves

Year ended 31 July 2023

	Income and expenditure reserve			Revaluation reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000		
Balance at 1 August 2021	87	126	81,855	37,878	119,946
Surplus/(deficit) for the year	–	(16)	(1,854)	–	(1,870)
Actuarial gain/(loss) in respect of pension schemes	–	–	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
Surplus/(deficit) for the year	2	20	(3,415)	–	(3,393)
Actuarial gain/(loss) in respect of pension schemes	–	–	1,567	–	1,567
Transfers between revaluation and income and expenditure reserve	–	–	287	(287)	–
Total comprehensive income/(expenditure) for the year	2	20	(1,561)	(287)	(1,826)
Balance at 31 July 2023	89	130	104,090	37,304	141,613

Institution Statement of Financial Position

As at 31 July 2023

	Note	As at 31 July 2023 £'000	As at 31 July 2022 £'000
Non-current assets			
Tangible assets	14	150,110	145,088
Intangible assets	13	1,541	1,335
Derivatives	15	885	–
		152,536	146,423
Current assets			
Stock	16	54	44
Trade and other receivables	17	8,190	6,914
Cash and cash equivalents	23	35,967	35,086
		44,211	42,044
Creditors: amounts falling due within one year	18	(29,893)	(20,991)
Net current assets		14,318	21,053
Total assets less current liabilities			
		166,854	167,476
Creditors: amounts falling due after more than one year	19	(24,868)	(23,712)
Provisions			
Pension provision	20	(373)	(325)
Total net assets			
		141,613	143,439
Restricted reserves			
Income and expenditure reserve – endowment reserve	21	89	87
Income and expenditure reserve – restricted reserve	22	130	110
Unrestricted reserves			
Income and expenditure reserve – unrestricted		104,090	105,651
Revaluation reserve		37,304	37,591
Total reserves			
		141,613	143,439

The accompanying policies on pages 34 to 38 and notes on pages 43 to 58 form part of these financial statements. The financial statements on pages 34 to 58 were approved by the Board of Governors on 23 November 2023 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 2023

	Note	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Cash flows from operating activities			
Surplus for the year before tax		(3,393)	(1,870)
Adjustment for non-cash items			
Depreciation	14	5,487	4,458
Amortisation of intangibles	13	195	155
Decrease/(increase) in stock	16	(10)	(24)
Decrease/(increase) in debtors	17	(1,150)	(1,878)
Increase/(decrease) in creditors	18	9,446	7,728
Increase/(decrease) in pension provision		1,614	5,545
Adjustment for investing or financing activities			
Investment income	6	(757)	(92)
Interest payable		1,247	855
Endowment income		–	–
Movement in Fair Value of Derivatives		(885)	–
(Gain)/loss on disposal of tangible assets		1	1
Capital grant income	2	(900)	(2,030)
Cash flows from operating activities		10,895	12,848
Taxation	10	–	–
Net cash inflow from operating activities		10,895	12,848
Cash flows from investing activities			
Proceeds from sales of fixed assets		–	–
Capital grant receipts	2	900	2,030
Investment income	6	632	73
Payments made to acquire tangible assets		(10,075)	(10,289)
Payments made to acquire intangible assets		(381)	(211)
		(8,924)	(8,397)
Cash flows from financing activities			
Interest paid		(1,265)	(846)
New unsecured loans		2,000	–
Repayments of amounts borrowed		(1,825)	(1,206)
		(1,090)	(2,052)
Increase in cash and cash equivalents in the year		881	2,399
Cash and cash equivalents at beginning of the year	23	35,086	32,687
Cash and cash equivalents at end of the year	23	35,967	35,086
		881	2,399

Notes to the Financial Statements

Year ended 31 July 2023

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
1 Tuition fees and education contracts		
Full-time home students	48,635	47,151
Full-time EU students	857	659
Full-time international students	19,983	11,720
Part-time students	915	1,113
Short course fees	49	41
Apprenticeship income	2,292	1,982
	72,731	62,666
2 Funding body grants		
Recurrent grants		
Office for Students	2,174	2,108
Research England	1,682	1,063
Specific grants		
Office for Students	864	735
Capital grant	900	2,030
Department for Education	11	15
	5,631	5,951
3 Research grants and contracts		
Research councils	277	49
Research charities	44	14
Government (UK and overseas)	–	9
Industry and commerce	9	–
Other	227	141
	557	213
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	5,619	5,935
Grant income from other bodies	288	74
Fee income for taught awards (exclusive of VAT)	72,018	61,893
Fee income for research awards (exclusive of VAT)	664	732
Fee income from non-qualifying courses (exclusive of VAT)	49	41
Total grant and fee income	78,638	68,675
5 Other income		
Residences, catering and conferences	7,120	6,024
Other income	1,687	2,150
Other capital grants	37	834
	8,844	9,008

	Note	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
6 Investment income			
Investment income on endowments	21	2	–
Investment income on restricted reserves	22	3	–
Other interest received		752	92
		757	92

7 Donations and endowments			
New endowments	21	–	–
Donations with restrictions	22	26	23
Unrestricted donations		6	–
		32	23

8 Staff costs			
Salaries		39,285	32,199
Social security costs		3,875	3,283
Other pension costs		9,097	11,717
Restructuring costs		19	110
		52,276	47,309

A further breakdown of pension costs has been included in Note 28.

Severance payments

During the year compensation for loss of office of £19k was payable (on an accruals basis) to 5 people (2021–22: £54k to 6 people).

	Year ended 31 July 2023 Number	Year ended 31 July 2022 Number
Average staff numbers by major category		
Average number of persons employed by the University		
Academic staff	413	356
Support staff	651	636
	1,064	992

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Emoluments of the Vice-Chancellor:		
Professor Karen Bryan OBE		
Salary	207	201
Bonus	5	–
Payments in lieu of pension contributions	34	34
Total including pension costs	246	235

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.

A bonus of £5k was awarded to Professor Karen Bryan OBE, Vice Chancellor in 2022–23 (nil in 2021–22). In 2022–23 Professor Bryan's basic pay was 5.86 times the median basic pay of staff (2021–22: 5.86 times), calculated on a full-time equivalent basis. Professor Bryan's total remuneration was 6.13 times (2021–22: 5.92 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 2023 Number	Year ended 31 July 2022 Number
Basic salaries over £100,000 per annum paid in year (including head of provider):		
£100,000 – £104,999	–	1
£105,000 – £109,999	1	–
£110,000 – £114,999	–	–
£115,000 – £119,999	–	–
£120,000 – £124,999	1	2
£125,000 – £129,999	–	–
£130,000 – £134,999	1	–
£135,000 – £139,999	–	1
£140,000 – £144,999	–	–
£145,000 – £149,999	1	–
£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	–	–
£200,000 – £204,999	–	1
£205,000 – £209,999	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 £1.013m (2021–22: £980k). The number of posts included within key management personnel was 6 (2021–22: 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 2023 £	Year ended 31 July 2022 £
Chair of Board of Governors	20,000	21,573
Chair of Audit Committee	6,000	6,000
Chair of Finance and Capital Development Committee	6,000	6,000
Chair of People Committee	6,000	5,000
	38,000	38,573

The total expenditure incurred and expenses claimed in the year by Governors and External Committee members amounted to £2,895 paid to 13 people (2021–22: £1,791 paid to 5 people) relating to conferences, travel and accommodation.

	Note	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
9 Interest and other finance costs			
Loan interest		1,247	855
Movement in fair value of derivatives		(885)	–
Net charge on pension scheme	28	(52)	313
		310	1,168

Loan interest expenditure is shown net of £94k received on an interest rate swap.

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 2023 Total £'000	Year ended 31 July 2022 Total £'000
11 Analysis of total expenditure by activity		
Academic departments	32,120	26,916
Academic services	14,123	12,713
Premises	11,580	10,302
Residences, catering and conferences	5,362	4,938
Research grants and contracts	599	225
Administration and central services	14,849	16,698
General educational expenditure	7,175	4,722
Staff and student facilities	6,136	3,308
	91,944	79,822

Administration and central services expenditure includes the charges relating to the North Yorkshire Pension Fund detailed in Note 28.

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

External auditors remuneration in respect of:

Audit of financial statements	104	79
Audit related assurance services	27	64
Internal auditors	79	126
Operating lease rentals		
Land and buildings	2,353	1,871
Other	142	176

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
12 Access and Participation		
Access Investment	1,924	1,773
Financial Support (i)	1,210	1,140
Disability Support	214	184
Research and Evaluation (ii)	185	194
	3,534	3,291

(i) Financial Support spend increased due to additional cost of living measures introduced by the University

(ii) £110k (2021–22: £64k) 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 2022	1,545	–	1,545
Additions	401	–	401
At 31 July 2023	1,946	–	1,946
Amortisation			
At 1 August 2022	210	–	210
Charge for the year	195	–	195
At 31 July 2023	405	–	405
Carrying amount			
At 31 July 2023	1,541	–	1,541
At 31 July 2022	1,335	–	1,335

	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 2022	152,433	814	3,493	4,618	7,720	9,258	178,336
Additions	2,825	3,074	811	759	2,448	593	10,510
Transfers	806	(806)	–	–	–	–	–
Impairments	–	–	–	–	–	–	–
Disposals	–	–	–	–	(303)	(9)	(312)
At 31 July 2023	156,064	3,082	4,304	5,377	9,865	9,842	188,534
Depreciation							
At 1 August 2022	17,087	–	193	2,858	6,278	6,832	33,248
Charge for the year	2,859	–	422	303	987	916	5,487
Transfers	–	–	–	–	–	–	–
Impairments	–	–	–	–	–	–	–
Disposals	–	–	–	–	(302)	(9)	(311)
At 31 July 2023	19,946	–	615	3,161	6,963	7,739	38,424
Carrying amount							
At 31 July 2023	136,118	3,082	3,689	2,216	2,902	2,103	150,110
At 31 July 2022	135,346	814	3,300	1,760	1,442	2,426	145,088

At 31 July 2023, freehold land and buildings included £25.0m (2022: £25.0m) in respect of freehold land which is not depreciated.

	31 July 2023 £'000	31 July 2022 £'000
15 Derivatives		
Interest rate swap	885	–
	885	–

The University uses a derivative to hedge interest rate exposure on one of its unsecured bank loans (Note 19). The swap contract is measured at fair value through the Statement of Comprehensive Income at the balance sheet date.

	31 July 2023 £'000	31 July 2022 £'000
16 Stock		
General consumables	54	44
	54	44
17 Trade and other receivables		
Amounts falling due within one year:		
Trade receivables	5,682	4,952
Prepayments and accrued income	2,508	1,962
	8,190	6,914
18 Creditors: amounts falling due within one year		
Unsecured loans	1,856	1,825
Trade payables	3,337	2,522
Social security and other taxation payable	1,051	911
Accruals and deferred income	23,649	15,733
	29,893	20,991
19 Creditors: amounts falling due after more than one year		
Unsecured loans: amounts payable in		
1 to 2 years	1,895	1,856
2 to 5 years	9,415	9,964
More than 5 years	10,980	10,326
	22,290	22,146
Accruals and deferred income	2,578	1,566
	24,868	23,712

All loans are unsecured. A loan of £13m (balance outstanding at year end: £7.9m) on a fixed interest rate is due to be repaid in July 2033, and a loan of £12m (balance outstanding at year end: £6.8m) on a variable interest rate is due to be repaid in September 2026.

A revolving credit facility also converted into a £10m term loan on a variable interest rate from September 2022, due to be repaid in September 2029 (balance outstanding at year end: £9.4m).

An interest rate swap was entered into to reduce exposure to interest rate fluctuations on the latter variable rate loan. The effective start date was September 2022, and the termination date is September 2029 to tie in with the life of the underlying £10m loan. Interest expense is shown net of £94k received on the swap contract (Note 9); the fair value of the derivative at 31 July 2023 is shown as a non-current asset (Note 15).

	Defined benefit obligation £'000	Enhanced pensions £'000	Total Pension Provision £'000
20 Pension Provision			
At 1 August 2022	–	325	325
Utilised in year	–	(50)	(50)
Charges to Income & Expenditure Account	4,474	98	4,572
Employer contributions	(3,069)	–	(3,069)
Actuarial (gains)/losses in year	(14,942)	–	(14,942)
Asset not recognised due to restrictions	13,537	–	13,537
At 31 July 2023	–	373	373

Defined benefit scheme relates to the liabilities under the University's membership of the North Yorkshire Pension Fund (NYPF). Further details are given in Note 28. 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 2023 Total £'000	31 July 2022 Total £'000
21 Endowment Reserves					
Balances at 1 August:					
Capital	32	–	55	87	87
Accumulated income	–	–	–	–	–
	32	–	55	87	87
New endowments	–	–	–	–	–
Investment income	1	–	1	2	–
Expenditure	–	–	–	–	–
Total endowment comprehensive income for the year	1	–	1	2	–
Balance as at 31 July	33	–	56	89	87
Represented by:					
Capital	32	–	55	87	87
Accumulated income	1	–	1	2	–
	33	–	56	89	87
Analysis by type of purpose:					
Scholarships and bursaries	33	–	–	33	32
General	–	–	56	56	55
	33	–	56	89	87

Endowment reserves are all held as cash and cash equivalents.

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
22 Restricted Reserves		
Balance at 1 August	110	126
New donations	26	22
Investment income	3	–
Reserves transfer	16	–
Expenditure	(25)	(38)
Restricted comprehensive income/(expenditure) for the year	20	(16)
Balance at 31 July	130	110
Analysis of other restricted funds/donations spent in the year by type of purpose:		
Scholarships and bursaries	24	37
Prize funds	1	1
	25	38

	At 1 August 2022 £'000	Cash flows £'000	At 31 July 2023 £'000
23 Cash and cash equivalents			
Cash and cash equivalents	35,086	881	35,967
	35,086	881	35,967

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
24 Consolidated reconciliation of net debt		
Net debt 1 August	(11,115)	(7,511)
Movement in cash and cash equivalents	(881)	(2,399)
Movement in borrowings	175	(1,205)
Net debt 31 July	(11,821)	(11,115)
Change in net debt	(706)	(3,604)

Analysis of net debt:

Cash and cash equivalents	35,967	35,086
Borrowings: amounts falling due within one year		
Unsecured loans	1,856	1,825
Borrowings: amounts falling due after more than one year		
Unsecured loans	22,290	22,146
Net debt/(cash)	(11,821)	(11,115)

25 Financial instruments

Financial assets at fair value through the Statement of Comprehensive Income

Derivatives	885	–
	885	–

The University does not operate full hedge accounting, however it has purchased an interest rate swap to hedge exposure from variable interest rates. The fair value of the asset, held at fair value through profit and loss at the balance sheet date, was determined using a quoted mid-market price obtained from the investment bank through whom the trade was arranged. The notional value of the interest rate swap at 31 July 2023 was £885k (first year of reporting).

26 Capital and other commitments

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

Commitments contracted for	1,527	3,514
	1,527	3,514

	Land & Buildings £'000	Plant & machinery £'000	2023 Total £'000	2022 Total £'000
27 Lease obligations				
Total rentals payable under operating leases:				
Payable during the year	2,353	142	2,495	2,047
Future minimum lease payments due:				
No later than 1 year	1,891	204	2,095	1,363
Later than 1 year and not later than 5 years	10,493	462	10,955	6,714
Later than 5 years	8,934	–	8,934	8,145
Total lease payments due	21,318	666	21,984	16,222

28 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 2022–23 was:

for academic staff, 23.68% (including 0.08% administration charge);
for non-academic staff, 19.20% up to 31 March 2023 and 15.50% from 1 April 2023.

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Total pension costs included in staff costs for the year		
Teachers' Pension Scheme: contributions paid *	4,310	3,672
North Yorkshire Pension Fund: charge to Income & Expenditure Account	4,689	7,983
Enhanced pension charged to the Income & Expenditure Account	98	62
	9,097	11,717

*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 2022 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 2022 valuation was based on the following assumptions:

	Per annum 2022	Per annum 2019
Rate of salary increase	3.55%	3.35%
Rate of increase of present value and future pensions	2.30%	2.10%

The actuarial valuation showed the market value of the scheme's assets at 31 March 2022 was £4,634.5m (2019: £3,575.2m) and that the actuarial value of these assets represented 116% (2019: 114%) 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 2023

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 2023.

It is based upon a full actuarial valuation of the Fund at 31 March 2022 updated to 31 July 2023 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 2023.

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%	2.90%
Rate of increase in pensions		2.60%	2.60%
Discount rate		3.40%	5.00%
Life expectancies – years			
Pensioner member aged 65 at accounting date	Males	21.1	21.2
	Females	23.4	23.8
Active member aged 45 at accounting date	Males	22.4	21.7
	Females	24.8	24.6

iii) The results of the FRS 102 valuation at 31 July 2023, included in the Financial Statements

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Amounts recognised in the Statement of Financial Position		
Fair value of assets	86,829	84,874
Present value of funded defined benefit obligation	(68,527)	(80,109)
Fund asset/(liability) before restrictions	18,302	4,765
Asset not recognised due to restrictions*	(18,302)	(4,765)
Fund net asset/(liability) recorded within provisions (Note 20)	–	–

* 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 from the plan. Forecast contributions are higher than the projected future service cost for scheme members, therefore the asset has been restricted to nil.

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Charges to Income & Expenditure Account		
Amounts included in Staff Costs		
Current service costs	4,688	7,989
Past service costs	–	70
Curtailment costs	–	–
	4,688	8,059

Amounts included in Interest and Other Finance Costs		
Interest income on assets	(2,911)	(1,596)
Interest expense on defined benefit obligation	2,697	1,909
Adjustment re prior year restriction	162	–
	(52)	313

Amounts recognised in Other Comprehensive Income		
Actuarial gains/(losses) on fund assets	(2,327)	(11,529)
Actuarial gains/(losses) on fund liabilities	17,269	41,657
Actuarial gains/(losses) before restrictions	14,942	30,128
Actuarial gains not recognised due to restrictions *	(18,302)	(4,765)
Adjustment re prior year restriction	4,927	–
Total actuarial gains/(losses)	1,567	25,363

Movement in the deficit during the year		
Deficit in the scheme at 1 August	–	19,828
Current service costs	4,688	7,989
Employer contributions	(3,069)	(2,837)
Past service costs	–	70
Curtailment costs	–	–
Net interest/return on assets	(214)	313
Actuarial loss/(gain)	(14,942)	(30,128)
Asset not recognised due to restrictions *	18,302	4,765
Adjustment re prior year restriction	(4,765)	–
Deficit/(surplus) in the scheme at 31 July	–	–

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Changes in the present value of defined benefit obligation		
Defined benefit obligation at 1 August	80,109	112,755
Current service costs	4,688	7,989
Interest costs	2,697	1,909
Contributions by scheme participants	1,136	981
Past service costs	–	70
Curtailment costs	–	–
Benefits paid	(2,834)	(1,938)
Actuarial loss/(gain)	(17,269)	(41,657)
Defined benefit obligation at 31 July	68,527	80,109
Changes in the fair value of fund assets		
Fair value of assets at 1 August	84,874	92,927
Interest income on assets	2,911	1,596
Contributions by employer	3,069	2,837
Contributions by scheme participants	1,136	981
Benefits paid	(2,834)	(1,938)
Actuarial (loss)/gain	(2,327)	(11,529)
Fair value of assets at 31 July	86,829	84,874

The Teachers' Pension Scheme

The University is a member of the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff.

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 to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.6% of pensionable pay (including an administration levy of 0.08%); increasing from 23.68%
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The 2020 valuation result is due to be implemented from 1 April 2024. A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

The employer's pension costs paid to TPS in the year to 31 July 2023 amounted to £4,310,000 (2021–22: £3,672,000).

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

Contributions amounting to £523,000 were payable to the scheme at 31 July 2023 (31 July 2022: £438,000) and are included within creditors.

29 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)	
	2022-23	2021-22	2022-23	2021-22	31 July 2023	31 July 2022
	£	£	£	£	£	£
Related party:						
Barnsley FC	–	–	–	521	–	–
Bradford District Care NHS Foundation Trust	875	–	–	–	–	–
Diocese of York Educational Trust	–	–	–	150	–	–
Environmental Association of Universities and Colleges	–	–	1,415	400	–	–
Guild HE	4,100	–	23,741	23,353	–	–
Joseph Rowntree Foundation York Committee	20,326	–	–	–	–	–
Hope Sentamu Learning Trust	173	–	57,166	90,906	(1,284)	–
Leeds City College	–	–	248	22,596	–	–
Make It York Limited	55	–	3,024	362	55	–
QED Foundation	–	–	30,000	25,000	–	–
Richard Shepherd Foundation	1,494	–	–	–	–	–
The Energy Consortium	–	–	600	600	–	–
The Ministry of Justice	880	1,420	–	–	880	2,220
Society for the Study of Christian Ethics	1,862	–	–	–	–	–
St Peter's School York	–	–	2,310	–	(770)	–
Two Ridings Community Foundation	–	–	–	–	500	500
UCISA	–	–	4,366	7,607	–	–
University of York	106,179	–	6,842	15,494	3,250	(866)
York and Scarborough Teaching Hospitals NHS Foundation Trust	2,831	–	8,793	10,171	(1,497)	(431)
York Cares Charity	80	–	–	–	80	–
York Citizens Theatre Trust Limited	–	–	11,733	13,787	(500)	–
York College	–	–	13,636	39,230	22	(5,733)
York Minster Enterprises Ltd	–	–	–	290	–	(290)
York Minster	250	–	–	–	250	(7,905)
York St John Students' Union	532,475	486,752	461,148	517,454	33,987	4,984
Yorkshire Film Archive	25,478	19,572	30,975	12,400	1,350	19,284
York Theatre Royal Enterprises Limited	2,707	560	–	–	132	–
Yorkshire Universities	–	–	10,400	7,610	–	–
Yorkshire Water Services Ltd	–	–	373	–	–	–

The University made a grant to the York St John Students' Union of £450,000 (2021-22: £458,000).

30 Events after the reporting period

There are no events after the reporting period to disclose.

The financial statements were authorised for issue on 23 November 2023 by the Board of Governors.

31 Financial Responsibility Supplemental Schedule for US Department of Education

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

The amounts presented within the schedules have been:

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

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

Expendable Net Assets			Year ended 31 July 2023		Year ended 31 July 2022	
Reference	US requirement	UK GAAP figures	£'000	£'000	£'000	£'000
Statement of Financial Position (SOPF)	SOPF – Net assets without donor restrictions	Unrestricted reserves	–	141,394	–	143,242
SOPF	SOPF – Net assets with donor restrictions	Restricted reserves	–	219	–	197
	SOPF – Related party receivable and Related party note disclosure – Secured and Unsecured related party receivable		–	–	–	–
	SOPF – Related party receivable and Related party note disclosure – Unsecured related party receivable		–	–	–	–
Note 14	SOPF – Property, Plant and equipment, net (includes Construction in progress)	Tangible fixed assets, net of depreciation	150,110	–	145,088	–
Note 14	Note of the Financial Statements – SOPF – Property, plant and equipment – pre-implementation	Tangible fixed assets (at 1 August 2019), net of depreciation and disposals	–	110,614	–	113,216
	Note of the Financial Statements – SOPF – Property, plant and equipment – post-implementation with outstanding debt for original purchase		–	9,693	–	7,893
Note 14	Note of the Financial Statements – SOPF – Property, plant and equipment – post-implementation without outstanding debt for original purchase	Tangible fixed asset additions (since 1 August 2019) excl. Assets in the course of construction	–	26,721	–	23,773
Note 14	Note of the Financial Statements – SOPF – Construction in progress	Assets in the course of construction	–	3,082	–	206
	SOPF – Lease right-of-use assets, net		–	–	–	–

Expendable Net Assets
Year ended 31 July 2023 Year ended 31 July 2022

Reference	US requirement	UK GAAP figures	£'000	£'000	£'000	£'000
	Note of the Financial Statements – SOFP – Lease right-of-use asset pre-implementation		–	–	–	–
	Note of the Financial Statements – SOFP – Lease right-of-use asset post-implementation		–	–	–	–
Note 13	SOFP – Goodwill and other intangibles	Intangible assets	–	1,541	–	1,335
SOFP	SOFP – Post-employment and pension liabilities	Pension provision	–	373	–	325
Note 18, 19	SOFP – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in progress – Long-term debt – for long term purposes	Unsecured loans (total)	24,146	–	23,971	–
Note 18, 19, Statement of Cash Flows (SCF)	SOFP – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in progress – Long-term debt – for long term purposes pre-implementation	Unsecured loans (at 1 August 2019 less repayments)	–	14,734	–	15,971
	SOFP – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in progress – Long-term debt – for long term purposes post-implementation		–	9,693	–	7,893
	SOFP – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in progress – Line of Credit for Construction in progress		–	–	–	–
	SOFP – Lease right-of-use asset liability		–	–	–	–
	SOFP – Lease right-of-use asset liability pre-implementation		–	–	–	–
	SOFP – Lease right-of-use asset liability post-implementation		–	–	–	–
	SOFP – Annuities		–	–	–	–
	SOFP – Term endowments		–	–	–	–
	SOFP – Life Income Funds		–	–	–	–
Note 21	SOFP – Perpetual Funds	Restricted reserves	–	219	–	197

Total Expenses and Losses			Year ended 31 July 2023				Year ended 31 July 2022			
Reference	US requirement	UK GAAP used	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Statement of Comprehensive Income (SOCl)	Statement of Activities (SOA) – Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenditure	–	91,944	–	–	–	–	79,822	
SOCl	SOA – Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) – (Total from SOA prior to adjustments)	Investment income + actuarial gain/ (loss) in respect of pension schemes	–	(2,324)	–	–	–	–	(25,455)	
SOCl	SOA – (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Investment income	–	(757)	–	–	–	–	(92)	
	SOA – Pension related changes other than periodic pension		–	–	–	–	–	–	–	

Modified Net Assets			Year ended 31 July 2023				Year ended 31 July 2022			
Reference	US requirement	UK GAAP used	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
SOFP	SOFP – Net assets without donor restrictions	Unrestricted reserves	–	141,394	–	–	–	–	143,242	
SOFP	SOFP – Total Net assets with donor restrictions	Restricted reserves	–	219	–	–	–	–	197	
Note 13	SOFP – Goodwill and other intangibles	Intangible assets	–	1,541	–	–	–	–	1,335	
	SOFP – Related party receivable and Related party note disclosure – Secured and Unsecured related party receivable		–	–	–	–	–	–	–	
	SOFP – Related party receivable and Related party note disclosure – Unsecured related party receivable		–	–	–	–	–	–	–	

Modified Assets**Year ended 31 July 2023** **Year ended 31 July 2022**

Reference	US requirement	UK GAAP used	£'000	£'000	£'000	£'000
SOPF	SOPF – Total Assets	Non-current assets + Current assets	–	196,747	–	188,467
	Note of the Financial Statements – SOPF – Lease right-of-use asset pre-implementation		–	–	–	–
	SOPF – Lease right-of-use asset liability pre-implementation		–	–	–	–
Note 13	SOPF – Goodwill and other intangibles	Intangible assets	–	1,541	–	1,335
	SOPF – Related party receivable and Related party note disclosure – Secured and Unsecured related party receivable		–	–	–	–
	SOPF – Related party receivable and Related party note disclosure – Unsecured related party receivable		–	–	–	–

Net Income Ratio**Year ended 31 July 2023** **Year ended 31 July 2022**

Reference	US requirement	UK GAAP used	£'000	£'000	£'000	£'000
SOCI	SOA – Change in Net Assets Without Donor Restrictions	Unrestricted comprehensive income/ (expenditure) for the year	–	(1,848)	–	23,509
SOCI	SOA – (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total income excl. Investment income + Gain/ (loss) on disposal of fixed assets	–	87,794	–	77,860

Est.
1841

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