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The University of Chichester

Annual Report and Financial Statements

for the year ended 31 July 2023

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OUR HISTORY

The University of Chichester has a proud history stretching back over 180 years. The Bishop Otter College was established by the Bishop of Chichester in 1839 as a men's teacher training college and admitted its first students in 1840. It moved to the current site in Chichester in 1850, and these original buildings form the historic core of the campus in Chichester still known as the Bishop Otter campus. In 1873, the College changed to training women teachers following a campaign supported by leading feminists Louisa Hubbard, Florence Nightingale and Elizabeth Garrett Anderson. It became co-educational in 1957.

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Strategic Key Performance Indicators (KPIs)

The University is now in the second half of its 7-year strategic plan 'Open for Change: 2018 – 25' which sets out a journey for the University towards an institution focused on stability, growth and delivery of performance. During the year, the Board reviewed the core strategic themes within the plan and progress achieved to date. The Board receives an update against the KPI dashboard at each meeting through the year, as well as routine updates on key information such as student applications, conversions and adjusted EBITDA financial forecasts.

As presented elsewhere in this report, of particular highlight this year is the achievement of two specific strategic goals for the University. Firstly, the highest Ofsted grading of 'Outstanding' for our Education department's provision in all judgment areas of both primary and secondary provision and, secondly, the overall rating of 'Gold' in the OfS Teaching Excellence Framework 2023.

Learning, Teaching and the Student Experience

The University's Learning, Teaching and Student Experience Strategy (2018-2025) is designed to help staff achieve, collectively, the first strategic objective of Open for Change: 'We will strengthen the distinctiveness of the Chichester student experience as high-quality, personalised, accessible and aspirational.' In achieving this objective, our intention is that the University gains a strongly differentiated position in the highly competitive higher-education landscape. Our approach to learning, teaching and the student

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The National Student Survey (NSS) captures the opinions of final year students and a combination of their scores and comments guides decision making regarding how the University can improve the student experience. The NSS has become generally accepted as a measure of the quality of the student experience. This year, in the newly designed National Student Survey (NSS 2023), some of the results relating to learning and teaching, and the student experience more broadly, were as follows:

Benchmark rankings (out of 15 higher-education institutions [HEIs], including Chichester, with which we compare our performance, selected due to reasons such as shared geographical location excluding large research-intensive institutions, shared applicant pool and similar academic portfolio*):

Teaching on my Course – 2nd

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During the 2022/23 academic year, the University has supported the recruitment of students from deprived and under-represented groups in the region through information and guidance provided to parents and students, bursaries, and the establishment of progression agreements with a range of local sixth forms and further education colleges. The University has continued to invest in raising the profile and benefits of higher education through its outreach activity with schools across South-East England and London via Masterclasses and Taster Sessions.

The University has a strong and positive working relationship with the Students' Union. The Students' Union funding for 2022/23 was increased from £322k to £330k in

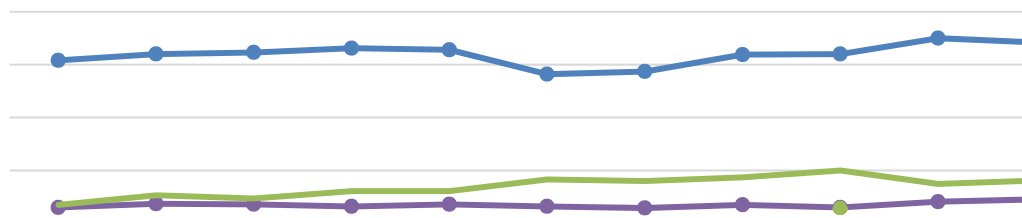
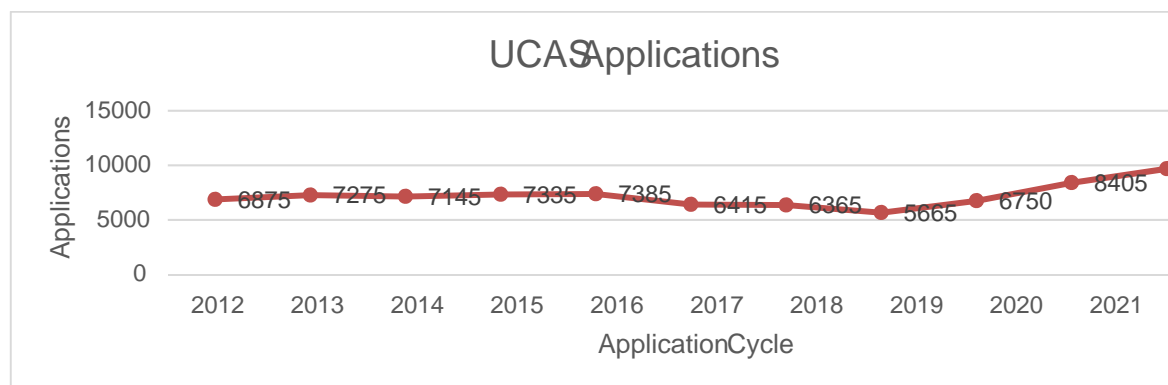
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The FTE derived from postgraduate students has remained broadly similar to the intake of 2021, and it is hoped that the new international recruitment partnership should see these numbers begin to grow again.

Chichester has differentiated itself in an increasingly competitive environment with a focus on teaching quality, community and on student satisfaction. Many of our students come from low-income households and non-traditional backgrounds and our strong NSS results demonstrate our success in this area.

The following charts show the student FTE for the University, as a whole, for recent years, along with the undergraduate and postgraduate split and the entrants application cycle.



Overall, these demonstrate growth over the long term, with increasing level of interest and applications from a wide pool of students. The advancement of the Cornerstone accommodation project is now crucial. Cornerstone plans for a higher quantity and quality of rooms for our student body, which will allow us to achieve further growth in student numbers.

Research and Enterprise

Research and enterprise are key components of any Higher Education Institution (HEI) and the University of Chichester is no exception. The University is committed to academic research and continues to invest significantly in the professional development of the academic community and in projects to promote research activity. The University actively promotes the principle to students that all of our researchers teach and all of our teacher's research.

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In line with the target in the Strategic Plan, the University submission to the Research Excellence Framework (REF) 2021 exercise doubled in size from 5 Units of Assessment (UoAs) in 2014 to 10 UoAs, including new submissions in Engineering; Business and Management Studies; Social Work and Social Policy; Education; and Theology and Religious Studies. These were in addition to Psychology; Sport and Exercise Sciences,

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- x Centre for Health and Applied Sport and Exercise Research (CHASER) – to provide a wide-ranging and interdisciplinary research culture for the areas of Sport and Exercise Sciences (UoA 24); Public Health, Health Services and Primary Care (UoA 2); Allied Health Professions, Dentistry, Nursing and Pharmacy (UoA 3) and Education (UoA 23). This centre will be constituted of sev

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The University's consolidated results for the years ended 31 July 2023 and 31 July 2022 are summarised in the following table:

	31 July 2023	31 July 2022
	£000	£000
Total income	65,959	63,787
Total expenditure	<u>65,916</u>	<u>64,539</u>
Surplus / (Deficit) for the year before other gains and losses	43	(752)
(Loss) on disposal of fixed assets	(5)	(41)

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Tuition fee income increased by £0.2m (1%) as we continue to see further growth in our overall student FTE. Included in tuition fees is £0.5m relating to University registered students studying as part of collaborative arrangements with other education providers. The associated payments to these partners of £0.5m are within other operating expenditure. Collaborative income and payments to partners are lower than in 2021/22 as we concluded contracts with two partners.

Funding body grants reduced by £0.1m (2%) as we no longer receive Department of Education grant funding following the decision to withdraw from Early Years Teacher Training due to decreasing numbers. From 2024, the University will be accrediting Early Years Teacher Training for the University of Sussex.

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Depreciation increased by 10.2% to 54 (2022: 49) million. This increase is due to the acquisition of new assets during the year and the depreciation of existing assets. The depreciation charge is included in the statement of financial activities under the heading 'Depreciation and amortisation charges'.

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The University continues to be agile in its response to challenging external factors. The sector continues to face financial pressures with home undergraduate tuition fees fixed at £9,250 until 2025, and rising costs including utilities, interest rates, inflation and staff costs. The University continues to monitor and assess the potential impact of these financial pressures through financial reviews, forecast and covenant testing, all of which act as early indicators of possible issues.

Illustrative stress-testing scenarios have been prepared and shared with Audit Committee who gave assurance to the Board of the University's ability to continue as a going concern. The extent to which the University student intake would need to fall before impacting its financia

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The University seeks to reassure students that the tuition fees and student accommodation rent they pay to the University is used effectively and efficiently and we are committed to providing clear financial information and ensuring a strong focus on value for money. The University continues to deliver a high-quality student experience – which includes teaching, learning and outcomes for our students – and consistently exceeds rigorous national quality requirements for UK higher education (as referenced on p4).

Staff

Our staff are instrumental in delivering the University mission and vision and Chichester maintains a strong reputation for valuing its people and ensuring a demonstrably supportive and friendly community in which to work. To deliver an excellent student experience, we must also ensure the same for our staff whose dedication, commitment and expertise are fundamental to the University's People Strategy: 'Working together – Supporting each other'. This ensures staff are at the heart of our plans and sets out how the University supports their skills and aspirations to help deliver our strategic ambitions whilst also ensuring the best lived experience. The Strategy supports a culture and environment of professional and personal development, that enables our staff community to continuously improve and build on their strengths to support priorities.

The University's culture is one that embraces the principles of inclusivity for all and where employees are fully engaged and positive about their role in the University. A pulse survey on the subject of Communications was held in early 2023 which saw over 281 responses and comments. This has led to a number of positive changes to improve information flow and increase staff engagement, whilst also identifying areas for further work.

The University uses a Probationary process and an annual Performance Review and Development Plan

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The University has an Equality Plan, supported by Equality, Diversity and Inclusivity (EDI) policies and a programme of initiatives to promote EDI and ensure it is part of workplace culture. An annual report addresses statutory responsibilities under the Equality Act 2010 and Public Sector duties, along with Gender Equality reporting. We continue to be a Mindful Employer and Disability Confident Employer and can offer flexible

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Strategic report for the year ended 31 July 2023

Percentage of pay bill spent on facility time

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Strategic report for the year ended 31 July 2023

Sustainability aims – nine key commitments from the Sustainability Strategy

Theme	Aim	Timescale
1. Carbon net-zero	The University of Chichester to be net-zero by 2045. A route map for this ambitious goal will be developed over the next five years of this strategy.	2045 with incremental steps every five years with each new sustainability strategy.
2. Reduce carbon dioxide emissions and energy use	Reduce our CO ₂ emitted for every m ² of GIA by 20% by 2028.	Reduction of 10% by 2024 and 20% by 2028.
3. Declare a climate emergency	Declare a climate emergency with the sustainability strategy forming the action plan.	2023
4. Respond to the 17 UN sustainable development goals	Agree a plan for all 17 goals with greater	

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Our collective efforts in reducing the amount of carbon in our atmosphere will reduce the odds of catastrophic impacts due to climate change. The whole of the University has a part to play and we are actively engaging with staff and students to enlist their support to meet our environmental objectives.

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Energy Type	Definition	Total Volume (kWh)	Calculated Emissions (Tonnes of CO ₂ e)
Gas	Emissions from Combustion Gas	7,064,290	1298.9
Liquid fuels	Emissions from combustion of fuel for stationery machinery & engines	231,826	62.1
Transport	Emissions from combustion of fuel for transport purposes	41,405	0.9
Total		7,337,521	1361.9

Scope 2 (Indirect)

Emissions released into the atmosphere associated with consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of the University's activities, but which occur at sources not owned or controlled by the group.

Energy Type	Definition	Total Volume (kWh)	Calculated Emissions (Tonnes of CO ₂ e)
Electricity	Emissions from purchased electricity	3,821,379	890.9
Total		3,821,379	890.9

Scope 3 (Indirect)

Emissions that are a consequence of the University's actions, which occur at sources not owned or controlled by the University and which are not classed as Scope 2 emissions. Examples include business travel by means not owned or controlled by the university (e.g. grey fleet and rental cars).

Energy Type	Definition	Total Volume (kWh)	Calculated Emissions (Tonnes of CO ₂ e)
Employee Owned Cars	Emissions from business travel in employee-owned vehicles where the company is responsible for purchasing the fuel (mandatory)	13,695	3.41
Other Travel Business	Travel for business purposed in assets not owned or directly operated by a business	-	0
Total		13,695	3.41

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Delivery of the University's Sustainability & Energy Efficiency Action Plan

Over the past 12 months, the University has delivered the following sustainability and energy efficiency

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Strategic report for the year ended 31 July 2023

- x assisting with, or reviewing, the drafting of privacy notices, consent forms, policies and data sharing agreements; and
- x proactively managing the requirement for staff to complete on-line data protection training every two years.

Accessible via the University website is a suite of up-to-date documentation, including a high-level Privacy Standard and supporting Privacy Notices (periodically reviewed re-approved by the VCG). These high-level documents are supplemented by more specific privacy information, as appropriate, at a departmental level throughout the University. The drafting and accessibility of these documents ensure we meet the transparency requirements of data protection legislation.

The DP office has a well-established StaffNet presence with easy to navigate advice, guidance, templates and links to assist staff. In addition, the DP Office produces periodic DP bulletins and also operates a dedicated DP mailbox, which is monitored on a daily basis. The DPO reports annually to the VCG on the status of the risk register, data breaches, exercise of data subjects' rights and training statistics, which provide high level assurance that this area of risk is being well managed.

The UK has an EU adequacy decision in place, based on current UK legislation, until 27 June 2025, which ensures that data can safely flow to the UK from the EU (and EEA). This decision also means the UK does not need any new arrangements for transfers from the UK to the EEA for the time being.

A revised Data Protection and Digital Information (No.2) Bill is currently progressing through the parliamentary process (currently at the 1st reading stage). If enacted, this Bill will make changes to the UK GDPR, Data Protection Act 2018 and the Privacy and Electronic Communications Regulations (PECR). The previous Data Protection and Digital Information Bill was withdrawn.

Risk and Sustainability

Our risk management policy allows us to identify, measure, manage and monitor strategic and operational risks across the University. It provides the Vice-Chancellor's Group and the Board with the required oversight of risk to enable informed decision-making.

VCG is responsible for identifying and managing those risks which it deems critical to the University's continued success. These risks are captured within the University's Critical Risk Register and are reviewed no less than annually. This active management of risk supports:

- x **Accountability:** We assign ownership and management responsibility for risks and associated mitigating actions.
- x **Oversight:** We use the register as a focal point for VCG and Board reviews.
- x **Tolerance:** We review our institutional tolerance for risk taking in the context of our Strategic Plan and benchmark against our current position.
- x **Informed decisions:** We use the register to inform our budget and strategic decision-making.
- x **Risk reduction:** We identify, plan and track actions for if risks rise out of tolerance.
- x **Assurance:** Our audit and compliance functions use the register to inform assurance planning and test how effectively risks are managed.

As such, the Critical Risk Register is a fundamental corollary to the University's Strategic Plan and Key Performance Indicators.

The current principal critical risks are identified as follows:

- The University's offering to the market might not match what our target audiences (students, staff and visitors) are seeking from us. To mitigate this risk, the University keeps its portfolio under constant review, balancing programme content against known market preferences.

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Strategic report for the year ended 31 July 2023

Looking forward

The University continues to monitor and assess the potential impact of the sector financial pressures including capped tuition fees for Home Undergraduates, utility prices, high inflation and cost of living through financial reviews, forecasts, stress-test modelling and covenant checks which will act as early indicators of possible issues. Quarterly forecasts are shared with the Board and our bank and risks and opportunities are presented to management throughout the year. We will continue to focus on controlling costs, reviewing departmental financial contributions and achieving a sustainable level of surplus. The fundamental financial position of the University remains strong and provides a good basis for the achievement of the final stages of our current Strategic Plan.

A key priority over the next academic year is to explore further opportunities for growth, underpinned by our reputational successes with the TEF 'Gold' and our top 40 ranking in the 'Guardian' League Table for the fourth year running. Our 2022-23 student intake was the largest in the University's history and we will continue to pursue growth in home and international student numbers through the launch of new programmes in Biomedical Sciences and additional investment in our international recruitment team.

The development of a Community Diagnostic Centre on th

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Directors, Governors, Senior Management Team and Advisers

GOVERNORS, SENIOR MANAGEMENT TEAM AND ADVISERS

The Governing body of the University is the Board of Governors, which is comprised of between sixteen and twenty-five members (currently seventeen). Under the University's Articles of Association, the Board must consist of:

- x The Vice-Chancellor
- x Independent Governors, the number of which must not be less than half the total number of governors
- x

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Directors, Governors, Senior Management Team and Advisers

SENIOR MANAGEMENT TEAM AND ADVISORS

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Corporate governance and internal controls statement

CORPORATE GOVERNANCE & INTERNAL CONTROLS STATEMENT

Constitution

The University is a private company limited by guarantee (Company Number 4740553), which was incorporated on 22 April 2003. On 1 August 2003, the Company took over the activities formally undertaken by a registered charitable trust, with the consequences that all assets, liabilities and activities of the registered charitable trust were transferred to the private limited company. All activities are continuing under the Articles of Association of the company. The Company has been granted exempt charity status by the Privy Council.

Members of the Board of Governors are legally Directors of the Company. The directors of the University's subsidiary company, Chichester Enterprises Limited, are ultimately accountable to the Board of Governors of the University and therefore the following provisions for Corporate Governance apply to both the University and its subsidiary.

The University endeavors to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life, and with guidance provided by the Committee of University Chairs (CUC), including the Higher Education Code of Governance published December 2014 and revised in 2018 and further reissued in 2020. The University is committed to upholding the Public Interest Governance Principles, as defined by the Office for Students Regulatory Framework.

Under the terms of the Charities Act 2011, the University is subject to the regulatory powers of the Charity Commission although, before using them, the Commission must consult the OfS in its role of principal regulator of higher education institutions that are exempt charities.

This Corporate Governance Statement and associated statements including the Statement of Internal Control was effective for the period 1 August 2022 to 31 July 2023 and up to the date of the approval of the financial statements.

Principles of University Governance

The Board of Governors has adopted the following Statement of Primary Responsibilities, these are actively reviewed by the Board on an annual basis. Amendments were approved by the Board in July 2023. The Board of Governors has approved the following Statement of Primary Responsibilities, these are actively reviewed by the Board on an annual basis. Amendments were approved by the Board in July 2023.

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Corporate governance and internal controls statement

In 2022-23 the Board has received and discussed presentations from the Vice-Chancellor's Group related to delivering a substantial growth in applications through the ongoing student recruitment strategy, including the emerging health agenda and development of a Centre for Lifelong Learning and Community Diagnostic Centre, as well as the continuing development of an accommodation strategy, known as Project Cornerstone. Further detail regarding key strategic decisions taken by the Board this year are highlighted in our Section 172 Statement on p29. Alongside the University's commitment to the public good, due regard to all relevant stakeholders – students, employees, suppliers and the wider community is considered during all decisions made.

All members of the Board of Governors, co-opted members of its Committees and senior officers who are members or officers of the Vice-Chancellor's Group, have responsibility for significant areas of the University's business, or who hold senior positions in Finance are required to maintain entries on a Register of Interests and are assessed to be 'fit and proper' persons, as defined by the Office for Students Regulatory Framework. In addition, members may not be present at any discussion in which they have a direct or indirect financial interest.

In addition to being directors of the University Company, members of t

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Corporate governance and internal controls statement

The Finance and Resources Committee reviews the annual financial statements, together with the accounting policies, and recommends the annual budget and financial forecasts to the Board for approval. It also receives reports on the progress of major capital projects at each meeting. The Board receives the minutes of the Governors' Finance and Resources Committee together with the financial monitoring reports reviewed by the Committee. The Committee is supported by regular meetings between the Chair of the Committee and the University's Finance team.

Nominations and Effectiveness Committee

The Nominations and Effectiveness Committee is responsible for recommending the appointment and renewal of terms of office of individual governors to the Board. In performing these duties, the Committee identifies the skills required on the Board and assesses the expertise of governors so that any gaps can be addressed with each recruitment cycle. This process highlights gaps and enables the Chair and University Secretary to plan how to address any issues that arise. The Board recognises the need to ensure that the membership of the Board is reflective of, and relates to, the multiple strands of contemporary society. Governor appointments are therefore advertised widely to ensure that vacancies are filled with the highest calibre of person.

One new Governor was recruited in 2022/23. During the year, and up to the date of the approval of the financial statements, the governing body comprised 7 male and 10 female members and included two members who identified as belonging to ethnically diverse backgrounds.

The Committee is also responsible for coordinating the ongoing assessment of the Board's effectiveness, arranging independent input into governance effectiveness reviews, and ensuring Board members receive appropriate training and development to discharge their duties. The Chair meets with each member of the Board annually to discuss the effectiveness of the Board and to provide feedback on individual performance. New governors receive an induction handbook and are invited to meet the Chair of the Board, the University Secretary, the Vice-Chancellor and members of the Vice-Chancellor's Group and key senior managers such as the Director of Finance. This year Governors have received a refresher training session on Prevent awareness. In 2023-24 Governors will commence undertaking mandatory training in the General Data Protection Regulation and Unconscious Bias. Other training and development opportunities are made available, usually through the AdvanceHE development programme, invitations to sector briefings run by independent organisations, the University's own Professional Development programme and 'twilight' information-sharing sessions.

Remuneration Committee

The Remuneration Committee is chaired by an Independent Governor and makes recommendations to the Board on the total emoluments and conditions of service for all designated role holders as specified in the Articles of Association. The Remuneration Committee also considers and approves the arrangements for individual performance review for the designated posts. The Committee considers comparative information on salaries and other emoluments and conditions in the sector from the Universities and Colleges Employers' Association (UCEA) and the Committee of University Chairs (CUC). The Remuneration Committee has adopted the CUC HE Remuneration Code of Governance (2021) and its terms of reference are reviewed annually to ensure it continues to meet compliance requirements.

Responsibilities of the Vice-Chancellor

The Vice-Chancellor is the Chief Executive of the University and has responsibility to the Board of Governors for the organisation, direction and management of the institution, under the Terms and Conditions of Funding for Higher Education Institutions issued by the Office for Students.

The Vice-Chancellor is the Accountable Officer, who can be summoned to appear before the Public Accounts Committee and is held accountable for the quality of data included in returns to the OfS, and other agencies.

The Vice-Chancellor is supported by the University Executive (Vice-Chancellor's Group), which meets weekly. Ultimate responsibility for executive management rests with the Vice-Chancellor.

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Corporate governance and internal controls statement

As the governing body, the Board of Governors has responsibility for the University's risk management process. For this purpose, the Governors' Audi

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Corporate governance and internal controls statement

Payment of Creditors

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Corporate governance and internal controls statement

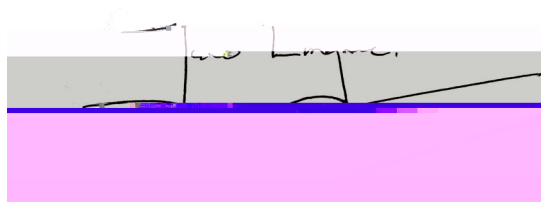
Conclusion

The Board of Governors recognises the current inflationary challenges and the impact these may have on the University, the health and safety of our community and the student experience in the 2023/24 academic year and beyond. The University of Chichester is well placed to respond to these challenges and face them with great resilience, a sense of community and the support of its students and staff.

The Board wishes to place on record its thanks to those Governors who completed their terms of office during the year.



Dr Tim Fooks
Chair of Governors
21 November 2023



Professor Jane Longmore
Vice-Chancellor
21 November 2023

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Statement of responsibilities of the Board of Governors

The members of the Board, who are also the directors of the University of Chichester for the purposes of company law, are responsible for preparing the Strategic Report, Governors' Report and Financial Statements in accordance with the Companies Act 2006 and the Charities Act 2011, and for being satisfied that the financial statements give a true and fair view. The members of the Board are also responsible for preparing the financial statements in accordance with the latest United Kingdom Accounting Standards, Financial Reporting Standard 102 (FRS102), as applied to the University based on the Higher Education Statement of Recommended Practice (HE SORP).

Company law requires members of the Board to prepare financial statements for each financial year, which gives a true and fair view of the affairs of the University and of the surplus of income over expenditure of the University for that period. In preparing the Financial Statements, the members of the Board are required to:

- x select suitable accounting policies and apply them consistently;
- x make judgements and accounting estimates that are reasonable and prudent;
- x state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial s8.6 (hee7yTrmS6 (osed s 10 0 10.7 2e fp 0 100 10.7 2e fp 0

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Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF CHICHESTER

Opinion on the financial statements

In our opinion, the financial statements:

- x give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2023 and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the Group's cash flows for the year then ended;
- x have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- x have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the University of Chichester ("the University") and its subsidiaries ("the Group") for the year ended 31 July 2023 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Balance Sheet, Consolidated and University Statement of Changes in Reserves, Consolidated 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

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Independent Auditor's Report

Other Companies Act 2006 reporting

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

- x the information given in the Strategic Report, Corporate Governance and Internal Controls Statement and Statement of Responsibilities of the Board of Governors 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

x

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Independent Auditor's Report

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:

Non-compliance with laws and regulations

Based on:

- x Our understanding of the Group and University and the sector in which it operates;
- x Discussion with management, those charged with governance and the Audit Committee;
- x Obtaining and understanding of the Group's and University's policies and procedures regarding compliance with laws and regulations; and
- x Direct representation from the Accountable Officer.

We considered the significant laws and regulations to be the Companies Act 2006, Financial Reporting Standard 102, the Statement of Recommended Practice: Accounting for Further Education and Higher Education (FEHE SORP 2019), the OfS' Accounts Direction (OfS 2019.41) and UK tax legislation.

The Group and the University is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be registration with the Office for Students and their ongoing conditions of registration.

Our procedures in respect of the above included:

- x Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- x Review of financial statement disclosures and agreeing to supporting documentation;
- x Involvement of tax specialists in the audit; and
- x Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- x Enquiry with management and those charged with governance and Audit Committee, regarding any known or suspected instances of fraud;
- x Reviewing items included in the risk register as well as the results of the internal audit reports during the year;
- x Obtaining an understanding of the Group's and University's policies and procedures relating to:
 - o Detecting and responding to the risks of fraud; and
 - o Internal controls established to mitigate risks related to fraud.
- x Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- x Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- x Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the area's most susceptible to fraud to be posting inappropriate journals to manipulate financial results and management bias in accounting estimates.

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Consolidated and University balance sheet at 31 July 2023

Company number 04740553baCr rcmre ny

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Consolidated statement of cash flows for the year ended 31 July
2023

	Notes	2023 £'000	2022 £'000
Cash flow from operating activities	55.3 (i)2.4 (6e)-55.s(0) J/T0 1 Tf-0.0007 Tc 069024 0 - 730.03D TdS(C)- h15ch-559 (((15c)8.de (659 (ic 6e6h)5.8t(65		

The University of Chichester

Statement of accounting policies (continued) for the year ended 31 July 2023

5 Accounting for retirement benefits

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

6 Employment benefits

7 Finance leases

8 Operating leases

9 Foreign currency

10 Fixed assets

The University of Chichester

Statement of accounting policies (continued) for the year ended 31 July 2023

10 Fixed assets (continued)

Land and buildings

Freehold land is not depreciated as it is considered to have an indefinite useful life.

The University of Chichester

Statement of accounting policies (continued) for the year ended 31 July 2023

19 Judgements in applying accounting policies and key sources of estimation uncertainty

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

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
1 Tuition fees and education contracts				
Full-time home and EU students	39,919	39,919	40,427	40,427
Full-time international students	3,512	3,512	2,582	2,582
Part-time students	670	670	770	770
Apprenticeship students	1,443	1,443	1,530	1,530
	<u>45,544</u>	<u>45,544</u>	<u>45,309</u>	<u>45,309</u>
2 Funding body grants				
Recurrent grant				
Office for Students	1,711	1,711	1,666	1,666
Research England	1,178	1,178	1,174	1,174
Department for Education	-	-	98	98
Release of capital grants (note 18)	794	794	815	815
Specific grants				
Department for Education	7	7	7	7
Higher Education Innovation Fund	279	279	291	291
	<u>3,969</u>	<u>3,969</u>	<u>4,051</u>	<u>4,051</u>
3 Research grants and contracts				
Research councils	40	40	5	5
Research charities	139	81	46	23
Government (UK and overseas)	339	339	388	378
Industry and commerce	262	88	108	-
Other	40	35	7	6
	<u>820</u>	<u>583</u>	<u>554</u>	<u>412</u>
4 Other income				
Residences, catering and conferences	9,230	8,820	8,276	7,917
Release of capital grants (note 18)	340	340	319	319
Other income	5,503	5,612	5,052	5,104
	<u>15,073</u>	<u>14,772</u>	<u>13,647</u>	<u>13,340</u>
5 Investment income				
Other investment income	525	525	74	74
6 Donations				
Donations with restrictions (note 19)	9	9	140	140
Unrestricted donations	19	303	12	212
	<u>28</u>	<u>312</u>	<u>152</u>	<u>352</u>
Note The source of grant and fee income included in notes 1 to 3 is as follows:				
Grant and fee income				
Grant income from the OfS	2,452	2,452	2,449	2,449
Grant income from other bodies	1,557	1,557	1,607	1,607
Fee income for taught awards (exclusive of VAT)	45,402	45,402	45,188	45,188
Fee income for research awards (exclusive of VAT)	142	142	121	121
	<u>49,553</u>	<u>49,553</u>	<u>49,365</u>	<u>49,365</u>

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

7 Staff costs continued

Average staff numbers by major category :	2023 No.	2022 No.
Academic		

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
9b Access and participation				
Access investment	610	610	462	462
Financial support	492	492	556	556
Disability support	509	509	446	446
Research and evaluation	55	55	51	51
	1,666	1,666	1,515	1,515

Our current plan can be found on the University website here:

	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
10 Other operating expenditure				
Property related cost	7,428	7,425	5,262	5,261
Transport and travel	688	668	561	552
Equipment and materials	3,267	3,152	3,216	3,105
Operating lease rentals - equipment	1,348	1,346	1,039	1,037
Bursaries	490	490	586	586
Payments to partners	480	480	1,477	1,477
Catering contract	1,025	1,025	882	882
Agency services	405	400	491	487
Professional fees	1,945	1,825	1,839	1,805
Payments for placements	383	383	535	535
Advertising and publicity	492	492	525	525
Subscriptions	509	508	544	543
Other expenditure	2,775	2,786	2,451	2,365

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

11 Fixed Assets					
	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Consolidated					
Cost or valuation					

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

17 Provisions for liabilities (continued)

USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

The major assumptions used to calculate the obligation are:

	2023	2022
Discount rate	5.52%	3.31%
Salary growth	2.15%	1.82%

Pension enhancement

	2023	2022
Discount rate	5.00%	3.30%
Inflation	2.80%	2.90%

Dilapidations

18 Deferred capital grants

Consolidated and University	Funding body grants £'000	Other grants £'000	Total £'000
Buildings	12,872	9,653	22,525
Equipment	131	208	339
At 1 August 2022	13,003	9,861	22,864
Cash receivable			
Buildings	-	61	61
Equipment	167	-	167
	167	61	228
Released to income and expenditure account			
Buildings	554	22	576
Equipment	240	318	558
	794	340	1,134
Buildings	12,318	9,692	22,010
Equipment	58	(110)	(52)
At 31 July 2023	12,376	9,582	21,958

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

26 Pension schemes

	£'000	£'000	£'000	£'000
Employer's contributions paid		5,649		5,343
FRS 102 (28) charge:				
LGPS - past and current service cost	3,231		5,546	
LGPS - employer contributions	(2,140)		(1,930)	
USS - closing provision movement	(66)		255	
USS - employer deficit contributions	(35)	990	(12)	3,859
		6,639		9,202
FRS 102 (28) charge:				
LGPS - net interest on defined liability		-		276
USS - interest cost		16		2

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

26 Pension schemes (continued)

The employer's pension costs paid to TPS in the year to 31 July 2023 amounted to £3,385k (2022: 3,246k).

The major assumptions used by the actuary were:

	2023	2022
	%	%
Salary increases	4.5	3.2
Pension increases	3.0	2.7
Discount rate	5.1	3.5

	Male	Male	Female	Female
	31 July 2023	31 July 2022	31 July 2023	31 July 2022
Current pensioners	22.1 years	21.9 years	24.7 years	24.2 years
Future pensioners	21.9 years	22.8 years	25.1 years	25.9 years

The University's share of assets in the fund were:

	Value at	Proportion	Value at	Proportion
	31 July 2023		31 July 2022	
	£'000		£'000	
Equities	44,732	53%	42,581	46%
Bonds	26,165	31%	32,398	35%
Property	11,816	14%	14,811	16%
Cash	1,688	2%	2,777	3%
Total market value of assets	84,401	100%	92,567	100%

The following amounts, at 31 July 2023, were measured in accordance with the requirements of FRS 102:

Analysis of the amount shown in the balance sheet

	2023	2022
	£'000	£'000
University of Chichester – Estimated asset share	84,401	92,567

The University of Chichester
Notes to the financial statements for the year ended 31 July 2023

26 Pension schemes (continued)

2023 £'000	2022 £'000
3,223	5,546
8	-
3,231	5,546
-	276
3,231	5,822
(4,001)	1,164

The University of Chichester

Notes to the financial statements for the year ended 31 July 2023

27 Related party disclosures

All governors of the University are directors of the Company.

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), it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest.

The University is the sponsor to the University of Chichester (Multi) Academy Trust, a company limited by guarantee, which was formed in July 2013. Professor Jane Longmore, Vice Chancellor, is Chair of the Board of Directors and a member of the Trust. James Martin, Head of Primary Partnership is a director of the Trust. In the year the University paid on behalf of the Trust costs totalling £1,066,404 (2022 - £952,599) which were recharged to the Trust. As at 31 July 2023, the University was owed £148,637 (2022 - £167,844), consisting of an interest free loan balance of £nil, repaid in year, (2022 - £63,418) and a trade debtor balance of £148,637 (2022 - £104,427).

There were no transactions directly with any member of the Board of Governors.

Transactions are disclosed below where members of the Board of Governors disclose a significant interest in a body (other than with the Trust detailed above) with whom the University undertakes transactions which are considered material to the University's financial statements and/or the other party. The University has taken advantage of 6.9(it)16.1(p6.8(h))-6.5((e)-398L(dem)-52.73p)7.3(c)-56.9(a)7.3(t)-14.7(i)-7(gw.7(h))

Governor

	£'000	£'000	£'000	£'000	£'000
Ms I Page as President of University of Chichester Students' Union					
Income and expenditure activities:					
2023	24	28	322	1	4
2022	33	45	310	-	8
Payroll cost recharges:					
2023	276	-	-	-	-
2022	264	-	-	-	-

28 Members

The University of Chichester is a company limited by guarantee and therefore does not have share capital. The liability of members is limited to £1 each.

29 Amounts disbursed as agent

Department for Education training bursaries

	2023		2022	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Balance at 1 August	48	48	76	76
Grants received	259	259	768	768
Prior year grants refunded	(9)	(9)	(57)	(57)
Disbursed to students	(241)	(241)	(720)	(720)
Administration costs	(7)	(7)	(19)	(19)
Adjustment of overstated opening balance	(19)	(19)	-	-
Balance unspent at 31 July	31	31	48	48

The University holds training bursaries in its capacity as paying agent for the Department for Education. The grants and related disbursements are therefore excluded from the Statement of Comprehensive Income.

The University of Chichester

LIST OF ABBREVIATIONS

BOC	Bishop Otter Campus
BRC	Bognor Regis Campus
CPD	Continuing Professional Development
CUC	Committee of University Chairs
DBFO	Design, Build, Finance, Operate
DPIA	Data Protection Impact Assessment
DPO	Data Protection Officer
DTZ	DTZ Investors UK Ltd
DVC (SE)	Deputy Vice-Chancellor (Student Experience)
DVC	Deputy Vice-Chancellor
EBITDA	Earnings Before Interest, Taxes, Depreciation and
Amortization EDI	Equality, Diversity and Inclusivity
EEA	European Economic Zone
FRS	Financial Reporting Standard
FTE	Full Time Equivalent
GDPR	General Data Protection Regulation
HE SORP	Higher Education Statement of Recommended Practice
HEI	Higher Education Institution
HEIF	Higher Education Innovation Funding
JNCHES	Joint Negotiating Committee for Higher Education Staff
KEF	Knowledge Exchange Framework
KPI	Key Performance Indicator
KTP	Knowledge Transfer Partnership
LED	Light Emitting Diode
LGPS	Local Government Pension Scheme
NHS	National Health Service
NSS	National Student Survey
OfS	Office for Students
PECR	Privacy and Electronic Communications Regulations
PLC	Public Limited Company
PRDP	Personal Review and Development Plan
REF	Research Excellence Framework
SEEM	Sustainability, Environment and Energy
Management Group	Support and Information Zone
SIZ	Small and Medium-sized Enterprises
SME	Small and Medium-sized Enterprises
STEAM	Science, Technology, Engineering, Art and
Mathematics STEM	Science, Technology, Engineering and
Mathematics	
SU	Students' Union
UCEA	Universities and Colleges Employers Association
UCU	University and College Union
UoA	Unit of Assessment
USS	Universities Superannuation Scheme
VCG	Vice-Chancellor's Group
VFM	Value for Money



The Chapel of Ascension
Chapelite campus

