

**FINANCIAL STATEMENTS
FOR THE YEAR TO 31 JULY 2018**

CONTENTS	PAGEs
Overview	1 - 10
Operating and Financial Review of the University of Wales 2017/18	11 – 14
Corporate Governance Statement	15 – 20
Responsibilities of the Council of the University of Wales	21
Report of the Independent Auditors	22 - 24
Statement of Principal Accounting Policies	25 - 29
Consolidated and University Statement of Comprehensive Income and Expenditure	30
Consolidated and University Statement of Changes in Reserves	31
Consolidated and University Balance Sheets	32
Consolidated Statement of Cash Flows	33
Notes to the Financial Statements	34 - 50
Appendix A – Principal Governing Body, Committees, Principal Officers & Staff, Advisers etc.	51 - 56

OVERVIEW 2017-18

The University of Wales

Brought into being through the determination, enthusiasm for learning, and generosity of ordinary Welsh people, the establishment of the University of Wales by Royal Charter in 1893 was regarded as one of the most important political and social developments in the nineteenth century. The University of Wales has a long and proud history, playing an important role in the development of higher education in Wales.

Through the University's support for the Centre for Advanced Welsh and Celtic Studies (CAWCS), Geiriadur Prifysgol Cymru (Dictionary of the Welsh Language), Gregynog Hall (bequeathed to the University in the 1960's) and the University of Wales Press, it helped to promote and celebrate the language, heritage and culture of Wales.

Over the years the University has adapted in order to be in a position to respond to the needs of students, both in Wales and further afield.

In October of 2011, the governing bodies of the University of Wales, Swansea Metropolitan University and the University of Wales Trinity Saint David (UWTSD) made a commitment to irrevocable constitutional change and merger. In October of 2017, both the University of Wales and the University of Wales Trinity Saint David approved a Deed of Union which delivered on the original policy objective of integrating two historic universities, thus creating a new University for Wales.

OVERVIEW 2017-18

University Structure

The University of Wales is a degree-awarding body, rather than a teaching institution, comprised of departments that supported the delivery of the University's academic model and its administrative functions. The University's structure is different from that of most higher education institutions.

In addition to the University Registry, the University operates the Centre for Advanced Welsh and Celtic Studies, the University of Wales Press, the Dylan Thomas Centre and the Wales Centre for Advanced Batch Manufacture. The University also operates the Gregynog study conference and visitor centre in mid-Wales, pending its transfer to an independent charitable trust under Adduned Cymru (the Wales Pledge). The University's academic model also supported the delivery of accredited studies to students in a reducing number of overseas collaboration centres, including in Malaysia at the International University of Malaya-Wales.

Established by Royal Charter in 1893 (RC000676) the University is a registered charity (number 1146516). The principal office is the University Registry, King Edward VII Avenue, Cathays Park, Cardiff CF10 3NS. The names of the members of the University Council (who also act as charity trustees) are stated in Appendix A of the Financial Statements.

University Strategy

For the past five years the strategy of the University has been to prepare for academic and administrative integration and merger with UWTSD. In July 2017 the University Council was satisfied that the University could move to the next phase of the merger. Pursuant to this decision, the academic and administrative functions of the University of Wales and UWTSD were integrated on 1 August 2017.

Further information regarding the background to the merger can be found in previous annual reports or on the University website: www.wales.ac.uk/en/AboutUs/Developments/Developments-Merger-and-Reconfiguration.aspx

The priorities of the University throughout the pre-merger period have been to manage the resources of the institution to:

- * Maintain the high quality and standards of a University of Wales degree.
- * Invest in and further develop the University's internationally recognised programme of research, innovation and scholarship.
- * Maintain the University's traditional contribution to the economic, social, cultural and intellectual wellbeing of a sustainable Wales.
- * Prepare for constitutional merger with UWTSD.
- * Ensure that the University is financially sustainable and able to meet its obligations to students.
- * Invest in new academic initiatives for the benefit of the transformed university and in particular the investment in the International University of Malaya Wales.

OVERVIEW 2017-18

Within the context of these strategic objectives the key achievements of the University during 2017-18 were as follows.

Maintain the quality of a University of Wales degree

- QAA monitoring provided assurance that arrangements to ensure academic quality and good student experience are robust.
- Very low numbers of student complaints.

Promote research innovation and scholarship

- New students were appointed to start PhD scholarships at the Centre for Advanced Welsh and Celtic Studies and, for the first time, the Wales Centre of Advanced Batch Manufacture (CBM).
- CBM partnered a number of leading research organisations to exploit the benefit of innovative use of 3D mapping and metals printing, especially in veterinary science.

Contribute to the cultural, social, intellectual and economic wellbeing of Wales

- 669 new words were added to the freely available Geiriadur Prifysgol Cymru (The Dictionary of the Welsh Language) between August 2017 and July 2018 to keep it up date with current Welsh usage.
- Broad programme of events were hosted at the National Eisteddfod.
- University of Wales Press published 46 new books and editions and 9 issues of journals.
- Welsh, UK and international businesses continued to access the innovative services of CBM.

Prepare for constitutional merger with UWTSD

- The integration of academic and administrative functions was delivered from 1 August 2017.
- The Deed of Union was signed in October 2017.

Meet obligations to students in collaboration centres

- Plans to bring arrangements with collaboration centres to an orderly conclusion are on target and the number of individuals studying for a University award has fallen in line with this plan.

Investment in academic initiatives

- Students continue to be registered on the University of Wales dual award programmes at the International University of Malaya Wales.

OVERVIEW 2017-18

The way in which the University has continued to safeguard its legacy for future generations, remain faithful to its core values, and ensure that assets are used their intended purpose are set out in Adduned Cymru (the Wales Pledge). For more information please see the University website: www.wales.ac.uk/Resources/Documents/Merger/Adduned-Cymru-English.pdf.

Delivery of the above-described strategic objectives has also met the charitable objects of the University, which are for the advancement of education, learning and research and to serve Wales and its people.

Financial Performance

Overview: Income decreased in 2017-18 in line with strategic forecasts approved by the University Council when the new academic model was adopted. Operational costs also decreased as a result of the restructuring exercise undertaken at the end of the previous financial year. As was the position in 2016-17, there was still a resulting deficit on continuing operations in 2017-18 which has been funded from the University's reserves consistent with the agreed strategy. More detail on the financial position of the University can be found in the Operating and Financial Review.

Reserves: As at 31 July 2018, the University Group held fixed asset investment reserves to the value of £2.7 million (2017: £5.2 million). In 2017-18, reserves will be applied to underwrite operational commitments, or as part of funds ring-fenced for Adduned Cymru (the Wales Pledge) or earmarked for further collaboration for the long term benefit of the Transformed (post-merger) University.

Funds held by the University in a Custodian Capacity: In 2017-18 the University Group administered restricted endowment funds with an aggregate value of £4.7 million (2017: £7.4 million). Income from these funds, which are held as a balanced portfolio of investments and cash, has been primarily applied for the restricted purpose of providing scholarships and prizes for students.

In 2017-18 some £2.6 million was transferred to the trustees of the UW Restricted Endowments Trust, the independent charitable trust established in a previous financial year to manage these funds, a further £2.7m will be transferred in 2018-19. This will complete another key element of Adduned Cymru (the Wales Pledge) to safeguard the legacy of the University of Wales for the long term.

Investments: University reserves and restricted endowments and unrestricted endowments are invested with a number of managed funds. Council is advised on the management of these funds through the Strategic Planning, Resources and Governance Committee, which receives independent professional advice on investment strategy, benchmarks and investment performance.

The investment strategy aims to ensure that the capital value of investments keep pace with the retail price index over the long term and provides an income return on these investments of 4.0%. The total net return in 2017-18 was 5% (against a target of 7.2%). At 31 July 2018, these investments had a value of £7.4 million (2017: £12.7 million) and capital growth and income return equated to 2.5% (2017: 8.7%) and 2.4% (2017: 3.0%) respectively.

OVERVIEW 2017-18

Pensions: University staff participated in one of two defined benefit pension schemes: the national Universities Superannuation Scheme ('USS') or the University of Wales Superannuation Scheme ('UWSS'). The assets of each scheme are held in separate trustee administered funds.

The USS fund is in significant actuarial deficit and during the 2016-17 reporting year the USS Trustees addressed this with a significant change to future benefits for members, by closing its final salary scheme, and by moving all future pension accruals to a 'career average' scheme. In addition, employer and employee contributions were increased in 2015/16. The scheme is currently consulting on a Recovery Plan.

The UWSS fund also has an actuarial deficit, which was re-assessed during a tri-annual valuation in July 2016. This has resulted in an agreed recovery plan with the pension fund trustees. The 2018 valuation does not require any changes to be made to this recovery plan.

Operational Overview

Collaborative Provision

The University's managed exit from collaborative provision is based on three principles. These affirm that during the exit process the University will: (i) take whatever additional steps are necessary to assure the quality of provision and ensure the academic standards of its awards; (ii) fulfil its responsibility to enable students to complete their studies leading to an award in a way that is consistent with the relevant University regulations; and (iii) honour the contracts which are in place for each collaborative centre which remains in good standing. Fee income from collaborative provision amounted to £1.248m in 2017-18 (£1.639m in 2016-17).

University of Wales Press (UW Press)

University of Wales Press (UWP), now in its 97th year, continues to work tirelessly - together with its invaluable network of academic scholars from across Wales and abroad - to promote Welsh history, literature, language and culture, as well publishing new titles in key humanities subjects internationally. This year, the UWP team have proudly published across a broad range of topics in both Welsh and English languages, totalling 46 new books and nine new journal issues across seven journals.

Our Welsh language publications this year include important new works by M Wynn Thomas, Lisa Sheppard, and a new venture for UWP in encouraging the practical use of Welsh in the workplace – the very well received new title by Rhian Heledd Williams; *Cymraeg yn y Gweithle*. We were also delighted that her a *Hawl Cyfieithu Dramâu* by Rhianedd Jewell won this year's Sir Ellis Griffith Memorial Prize.

Wales related titles in the English language include a new and important contribution to the scholarship of the key medieval figure Gerald of Wales edited by Georgia Henley and Joseph McMullen. UWP has also been pleased to work with the Royal Society of Architects in Wales (RSAW) on a new series on the Architecture of Wales. Awards for English language titles this year are; Wales Book of the Year Award (Creative Non-Fiction) for M Wynn Thomas' *All That is Wales*; the New Welsh Readers' Poll for the best essay collection published in English for *The Dragon Has Two Tongues* by Glyn Jones; the Francis Jones Prize in Welsh History for *Between Wales and England: Anglophone Welsh Writing of the Eighteenth Century* by Bethan Jenkins and; the G. T. Clark prize (awarded every five years) for *Carmarthen Castle: The Archaeology of Government* by Neil Ludlow

OVERVIEW 2017-18

Internationally, we published *Mary Shelley* by Professor A. Wright to coincide with globally celebrated bi-centenary of Frankenstein. UWP has also this year introduced a new series on Medieval Animals to capture a growing area of interest within Medieval Studies. Similarly, building on UWP's success in Gothic Studies, we contracted Gothic Originals; a series of scholarly editions of out of copyright Gothic works. International awards this year have been the Allan Lloyd Smith Memorial Prize for Gothic and the Carnavalesque in American Culture by Timothy Jones and an honourable mention by the North American Kant Society for Luigi Caranti's *Kant's Political Legacy*, bringing the total number of accolades by the Press and its authors to seven this year.

The Press remains busy promoting new and existing works across our website, social media, and wide network of partners, distributors and aggregators all over the world. We have attended dozens of events including book launches, Eisteddfod Genedlaethol, London and Frankfurt Book Fairs, Hay Festival, the Association for Welsh Writing in English Annual Conference, the North American Association for the Study of Welsh Culture and History Conference, Leeds International Medieval Congress, the International Gothic Association Conference, and Science for policy: a European Perspective Conference.

Amongst the hive of activity of our current business, the Press is also pro-actively developing and implementing plans for the future.

These are changing and challenging times within both the academic and educational sectors. The continued drive towards Open Access (OA) in the academic world provides interesting opportunities for academic publishers, although there remains unanswered questions surrounding funding, third party rights and so on. As a subsidised University Press, this is particularly important thus the Press has been heavily involved in discussions at policy level. We already have a small number of OA publications in our portfolio, and two OA monographs, in partnership with the Wellcome Trust, are due to go into production shortly.

The Press is developing plans to support new bilingual resources for education in Wales, particularly in advance of curriculum reform in 2022. UWP is working with Coleg Cymraeg Cenedlaethol to produce selected Welsh language higher education resources for undergraduates (A-level students, and a broader readership) and has this year been appointed onto the Framework for Welsh and bilingual resources for schools.

The Press is also excited to be working with important partners including Peniarth, Yr Athrofa, and UWTSD colleagues on educational opportunities, with plans currently in development.

The Press had publication sales of £358k and publication grants of £108k in 2017-18 (£358k and £93k in 2016-17). The University provided the Press with a grant of £254k in 2017-18 (£254k in 2016-17) to help underwrite its costs.

The University Council is grateful to the members of the UW Press Committee (named in Appendix A) for their commitment, guidance and support for the important work of the UW Press.

OVERVIEW 2017-18

Centre for Advanced Welsh and Celtic Studies ('CAWCS')

CAWCS is a subsidiary of the University and an internationally recognised research centre of excellence in Celtic Studies.

2017-18 was another busy and productive year for research projects at CAWCS. The 'Curious Travellers' project in partnership with Glasgow University is now in the final year of research into Thomas Pennant's tours of Wales and Scotland, and this year a joint bid with the universities of Cork and Aberystwyth has been submitted under the EU Interreg scheme which will shift the focus to study travel between Wales and Ireland for the benefit of port communities in the two countries. Work continues on the Latin Lives of the Welsh Saints in partnership with Cambridge University, and public outreach events have been held at Llandaff and St Asaph cathedrals.

AHRC funding has been confirmed for a new three-year project in collaboration with UW Trinity Saint David and Leeds University for comparative study of Cistercian monasteries in Wales and England. A workshop held at the University of Gothenburg in Sweden on connections between Scandinavia and the Iberian Peninsula in the Bronze Age led to establishment of an international research network of linguists, archaeologists and geneticists, forming the basis for a major European Research Council application.

Geiriadur Prifysgol Cymru – The Dictionary of the Welsh Language continues to add new words, published in two large batches this year, and ran a crowdsourcing project to digitize some of its collection of citation slips, funded by one of the Welsh Government's 'Cymraeg 2050' Grants. Eluned Morgan AM, Minister for Welsh and Lifelong Learning, visited the Dictionary Unit in July 2018.

The Centre's Postgraduate students organized a successful conference, 'Gair am Air' with funding from the AHRC Centre for Doctoral Training in the Celtic Languages. And a former student, Dr Rhys Kaminski-Jones, has been awarded a prestigious British Academy Postdoctoral Fellowship to be held at CAWCS for three years.

The University Council is grateful to the members of the CAWCS Board (named in Appendix A) for their commitment, guidance and support for the important work of the Centre. The financial challenge facing the CAWCS Board continues but steps have been taken towards securing a financially sustainable future for CAWCS. This will, however, continue to be a critical point of focus for the CAWCS Board in 2018-19. CAWCS received Funding Council grants of £148k and research grants/contracts of £712k in 2017-18 (£151k and £580k in 2016-17). The University provided CAWCS with a grant of £354k in 2017-18 (£354k in 2016-17) to help underwrite its costs.

Wales Centre for Advanced Batch Manufacture ('CBM')

CBM is a subsidiary of the University and joint venture with UWTSO which offers a range of advance manufacturing and reverse engineering services, including cutting edge digital production, 3D printing and 3D scanning. In 2017-18, CBM continued to build on its early success by attracting several new clients, which coupled with a high level of repeat business has moved the company closer to achieving break even as a start-up business.

CBM's developing status as a leading authority in bespoke device product design, prototyping and small batch manufacture, was enhanced last year when CBM became one of the first organisation's in the UK

OVERVIEW 2017-18

to attain accreditation to the ISO 9001(2015) quality standard. This will be further enhanced by current work to attain accreditation for CBM Medical Services to ISO 13485 (the quality management standard for medical devices), which is expected to be attained in 2018-19

Highlights for CBM in 2017-18 include the launch of a new 'complete product service', under which the company can provide sourcing of manufacture of products designed by CBM Design, and the work of CBM Medical, which has been showcased at international veterinary conferences in Edinburgh and Helsinki. In September 2016, CBM appointed its first postgraduate research students thereby becoming a new, industry focused, research centre which has progressed well during 2017-18.

CBM achieved a turnover of £310k in 2017-18 (£304k in 2016-17). It had a deficit of £631k in 2017-18 (deficit of £653k in 2016-17). In 2017-18 CBM was a partner in a successful European grant bid led by the University of Wales Trinity St David on three projects being: Advanced Design Engineering (£2.8m); International Innovation Masters (£4.3m) and Upskilling for Industry 4.0 (£3.6m) and some of this funding will contribute towards CBM's operating costs in 2018-19 and beyond and this will help reduce its losses.

Dylan Thomas Centre

Located just across the bridge from UWTSU's SA1 Development, the Centre is home to a permanent exhibition to Dylan Thomas Centre, which makes it a key part of Swansea's literary and cultural quarter. University investment in the building over the past few years has also transformed it into a multi-purpose and multi-occupancy venue open to host a range of events and functions, including awards ceremonies and gala dinners. The Centre is home to one of High Performance Computing (HPC) Wales' world-class supercomputing hubs, and facilities at the Centre include incubation space for businesses interested in establishing a presence in Swansea, a 110-seat theatre and the popular 1825 Coffee Shop.

In 2017-18, the Centre again hosted a three-day Wales Nexus Conference, which attracted speakers from across the world to explore the close relationship between research and teaching in Higher Education. It was also used as a venue for many of the City's cultural festivals, such as the Swansea International Jazz Festival, and for conferences organised by national health boards and other government agencies. It has also seen further integration into the SA1 campus development and is now a pivotal building within this development.

The Dylan Thomas Centre aims to achieve financial breakeven. It made a slight loss in 2017-18 of £23k (loss of £105k in 2016-17).

Gregynog

Gregynog Hall is a historic house in Montgomeryshire, the former home of arts collectors and benefactors Gwendoline and Margaret Davies, which is surrounded by 750 acres of grounds including a Grade 1 listed formal garden and a National Nature Reserve. Gregynog will shortly become an independent charitable trust, delivering an important strand of the University's Adduned Cymru (the Wales Pledge), to safeguard Gregynog for the nation. This decision by the University Council has already opened up new business opportunities and will facilitate access to potential sources of funding to extend Gregynog's cultural remit, which would not be available to it as part of the University. It made a loss of £190k in 2017-18 (loss of £148k in 2016-17).

OVERVIEW 2017-18

Over the past few years, and with the support of the trustees of the new charitable trust, operations have been extended beyond the traditional streams of income from conferencing and associated accommodation. Trading conditions have been challenging, but overall, Gregynog has continued to perform broadly in line with budget as the new trust develops a sustainable business model for the future.

Health and Safety

There were no reportable safety incidents in 2017-18 or significant near miss events. Arrangements for ensuring the health, safety and general wellbeing of University staff and students are overseen by a Health and Safety Steering Group, which is advised by the UWTSD Health and Safety Manager and reports to a committee of Council.

On 1 August 2017, the University adopted the health and safety systems and practices of UWTSD, which was a smooth transition as the two institutions had previously worked closely to align arrangements during the pre-merger period.

Welsh Language

The University's Welsh Language Scheme treats the Welsh and English languages equally – with both enjoying the same status and validity in all areas of service and student, staff and public engagement. On 1 August 2017, the University adopted the Welsh language policy and practices of UWTSD, which was a smooth transition as the two institutions had previously worked closely to align arrangements during the pre-merger period.

New members of staff receive Welsh language awareness training as part of induction and the training requirements of all staff are reviewed as part of the annual staff appraisal process.

Sustainability

Since 2012, when the merger with UWTSD was announced, the University has invested only modestly (and, for a non-teaching university with no campuses, proportionately) in matters of non-financial sustainability. On 1 August 2017, the University's continuing activities became subject to UWTSD's multi-faceted sustainability strategy and the focus in 2017-18 was to continue to prepare University departments and centres for this.

Employment, Equality and Diversity

As at 31 July 2018 the University had 102 employees (86.45 full time equivalents) compared with 118 employees (105.16 full time equivalents) as at the 31 July 2017. At the end of 2017-18, the workforce was of predominantly white ethnicity, was 69 % female and was relatively evenly spread by age with no 5-year age bracket accounting for more than 19 % of the workforce (range 6 % -17 %). 63 staff were employed full time and 39 part time, and 2 % of staff had a declared disability.

OVERVIEW 2017-18

During the financial year 2017-18 work has been undertaken to further integrate staff at the University with the University of Wales Trinity St David (UWTSD) in line with the Deed of Union signed between the two Universities in October 2017.

A published Strategic Equality Plan monitors performance in 38 areas of general objective, engagement, staff diversity, inclusive policies and practices, disability, race, gender and sexual orientation, religion and belief, pregnancy and maternity, and gender pay.

On 1 August 2017, the University adopted the employment, equality and diversity policies and practices of UWTSD, which was a smooth transition as the two institutions had previously worked closely to align employment arrangements during the pre-merger period.

Outlook for 2018-19

As outlined in the introduction, in October this year (2017) both the University of Wales and the University of Wales Trinity Saint David approved a deed of union which delivered on the original policy objective of integrating the two Universities, thus creating a new University for Wales.

The University is confident that continuing progress will be made in the next twelve months to see completion of the process of full constitutional merger with University of Wales Trinity Saint David. Under these plans post-merger university will be known as the University of Wales Trinity Saint David but also the University of Wales would remain as a separate legal entity with reduced powers to see out its obligations to students.

Reserves of the University will continue to be applied appropriately to help finance the costs of its current obligations to students and to further invest in forward looking strategies that have already embedded the heritage and services of the University of Wales in the transformed post-merger university. Appropriate measures will continue to be taken during 2018-19 to ensure the University balances its budget prior to full constitutional merger.

The University has prepared cash flow forecasts that indicate it is able to operate within its currently available financial resources for the foreseeable future. The forecasts includes new income streams and further cost savings across each area of the University's operations.

Accordingly the Council have deemed it appropriate to use the going concern basis of preparation within these financial statements.

Post Balance Sheet Events (Restricted Endowment Funds)

In 2017-18 the University administered restricted endowment funds with an aggregate value as at 31 July 2018 of £4.7 million (2017: £7.4 million). During 2017-18 some £2.6 million was transferred to the trustees of the UW Restricted Endowments Trust, the independent charitable trust established to manage these funds, with a further £2.7 million due for transfer in 2018-19. This will complete another key element of Adduned Cymru (the Wales Pledge) to safeguard the legacy of the University of Wales for the long term.

Operating and Financial Review 2017/18

1 Students Qualifying for University of Wales Awards

The following schedule shows the number of students qualifying for initial and higher awards of the University of Wales over the past three years:

	2018	2017	2016
Validated Institutions	1,631	1,848	3,301
Accredited Institutions	39	39	74
Affiliated Institutions	-	1	3
	1,670	1,888	3,378

2 Basis of Consolidation

The consolidated financial statements comprise of the University and its subsidiary companies Awen Wales Limited, UW Centre for Batch Manufacture Limited, and the Centre for Advanced Welsh and Celtic Studies.

3 Financial Results

The consolidated out-turn for the University before other gains and losses but after the share in the operating deficit of the joint venture is a deficit of £3.4m compared to a deficit of £5.2m in 2016-17. Before recognising the share in the joint venture the deficit attributable for the year is £3.1m (£4.8m in 2016-17).

Including other gains and losses and the actuarial gain of £0.7m in respect of the in-house pension scheme total comprehensive expense in the year is £2.4 m compared to £2.0m in 2016-17; which included an actuarial gain of £0.7m (2016-17 gain of £2m) in respect of the in-house pension scheme.

The consolidated balance sheet for the University shows that total net assets were £7.9m as at 31 July 2018, a decrease of 39% on the 2016-17 value of £12.9m. The main contributing factors were a decrease in the value of non-current assets of £5.7m offset by a decrease in pension provisions of £2.0m.

Operating and Financial Review 2017/18

4 Income

Total consolidated income for the University decreased by £0.6m (10%) to a total of £5.0m. Collaborative provision income of £1.2m continued to be the largest source of funding to the University accounting for 25% of total income. However this sum represented a decrease from this source of £1.6m as the University continued to implement its' planned closure of the validation programme.

Income generated in respect of the residences, catering and conferences function at Gregynog Hall and the associated estate and woodlands was the next greatest source of income at £1.1m; (22% of total income). Research grant income secured by the Centre for Advanced Welsh and Celtic Studies was £0.7m for the year (£0.6m in 2017) , and the Centre was also in receipt of £0.2m of grant from the Higher Education Funding Council for Wales.

Investment income for the year was £0.2m compared to £0.4m for 2017.

	2017-18		2016-17	
	£'000	%	£'000	%
Funding Council Grants	148	3.0	185	3.4
Research Grants & Other Contracts	712	14.3	580	10.5
Collaborative Provision	1,248	25.1	1,639	29.6
Other Income	2,620	52.8	2,704	48.9
Investment Income	238	4.8	423	7.6
	<u>4,966</u>	<u>100.0</u>	<u>5,531</u>	<u>100.0</u>

Operating and Financial Review 2017/18

5 Expenditure

Total consolidated expenditure for the University decreased by £2.4m (22%) to a total of £8.3m compared with £10.7m for the previous year. Costs across all major expenditure heads having decreased.

	2017-18		2016-17	
	£'000	%	£'000	%
Staff Costs	4,007	48.1	4,719	44.0
Restructuring	79	0.9	479	4.5
Collaborative Services (ex. staff)	658	7.9	1,725	16.1
Other Operating Expenses	3,116	37.4	3,187	29.7
Depreciation	407	4.9	488	4.6
Interest Payable	68	0.8	113	1.1
	8,335	100.0	10,711	100.0

6 UW Centre for Advanced Batch Manufacture Limited

The UW Centre for Advanced Batch Manufacture Ltd is a joint venture between the University and University of Wales Trinity St David which was established in 2014-15. Both universities have invested £500k into the subsidiary company which by the end of 2017-18 had fixed assets of £550k. All financial activities of the company are included in the consolidated out-turn for the University. For the year ended 31 July 2018 the deficit from the non controlling interest for the University of Wales Trinity St David was £315k. The University has undertaken to impair the value of this investment by £500k in 2017/18.

Operating and Financial Review 2017/18

7 Investments

During the year the University sold fixed asset and endowment asset investments valued at £2.9m in line with a planned disinvestment, bringing the total disinvestment over the last six financial year's to £15.7m. As at 31 July 2018 the value of fixed asset investments held by the University Group was £2.7m (2017: £5.3m) and the value of endowment asset investments was £4.7m (2017: £7.4m). The University investment in the International University Malaya-Wales was maintained at £224k during the year.

8 Pensions

Note 23 provides full disclosure of the financial obligations of the University relating to the two pension schemes that University staff are eligible to participate in; the Universities Superannuation Scheme (USS) and the University of Wales Superannuation Scheme (UWSS). The obligation for the University to fund its share of the USS deficit was calculated to be £418k as at 31 July 2018 (2017: £403k). The deficit on the in-house pension scheme (UWSS) decreased during the year from £2.4m to £1.6m. The decrease was primarily due to £0.7m of actuarial gains and offset by £0.5m of service costs.

9 Key Financial Indicators

The following schedule provides some key indicators of liquidity and solvency of the consolidated financial standing of the University of Wales. It should be noted that the key financial indicators are particular to the University of Wales and reflect the status of the University as a non-teaching institution.

	measurement	2017-18	2016-17
Deficit for the year as a percentage of total income	%	(67.8)	(93.4)
Ratio of available funds to total expenditure	days	425	543
<i>The number of days expenditure (excluding pensions current service costs and depreciation) that could be sustained from available funds</i>			
Ratio of Liquid Assets to Current Liabilities	equivalence	(0.23)	(0.29)
<i>Extent to which current liabilities could be met from cash and liquid investments</i>			
Days ratio of liquid assets to total expenditure	days	34	29
<i>Days that total expenditure (excluding pensions current service costs and depreciation) could be met from cash and liquid investments</i>			
Ratio of current assets to current liabilities	equivalence	0.87	1.01
<i>Extent to which current liabilities could be met from current assets</i>			
Days of total income represented by debtors	days	92	104
<i>Days of total income (excluding Funding Council grants) represented by debtors</i>			

Professor Medwin Hughes
Vice-Chancellor

Randolph Thomas
Chairman

CORPORATE GOVERNANCE STATEMENT 2017-18

Chairman's Introduction

In 2017-18, good progress was made towards meeting the strategic objectives of the University for the pre-merger period, such that on 1 August 2017 the academic and administrative functions of the University of Wales and UWTSD were brought together under a single management team. This decision provides certainty for the staff and students of the University whilst the process of full constitutional merger continues towards completion in 2018/19. It also resulted in a restructuring of the University Council such that the University and UWTSD now have a common core of members, to which have been added new independent members recruited by public advertisement during the year.

My role as Chairman (from 1 October 2017) of the governing body has been to ensure high standards of governance and that the University functions in an open and accountable manner appropriate for a body established by Royal Charter with charitable status. In doing this, I have been ably supported by members of the University Council, five of whom stood down on 30 September 2017 as part of the latest restructuring. I must express the University's (and my own) appreciation to His Honour Judge Eifion Roberts, Mrs Elsa Davies, Mrs Hilary Neagle and Dr Ann Rhys who for many years gave their time generously and freely to oversee the business affairs and governance of the University of Wales. Each has sat on one or more committees of Council (either as Chair or a member) or, when called upon, provided invaluable specialist advice and support. In particular I would also like to thank Alun Thomas who stood down as Chairman on 30 September 2017 but continues as a member of Council.

I must also thank the following members who have agreed to join me in continuing to represent the rich history and legacy of the University of Wales as members of the Councils of the University and UWTSD: Mr Tony Ball, Mrs Margaret Evans, Mr Arwel Ellis Owen and Dr Elizabeth Siberry. I would also like to extend a warm welcome to new members of Council appointed during the year.

Operational and financial performance in 2017-18 was broadly in line with rolling three year budget forecasts approved by Council and that the University was able to add value to the transformed post-merger university in a number of respects, as described in previous sections of this annual report. I and Council are fully aware that there are still financial challenges to be managed in 2018-19 in maintaining the University as a separate going concern ahead of constitutional merger with UWTSD and will need to maintain a focus on this.

When making decisions the University Council has always had regard to the Charity Commissioner's 'public benefit' guidance, the core values and primary elements of the Higher Education Code of Governance published by the Committee of University Chairs (the 'CUC Code') and with the Nolan Principles for Standards in Public Life. I can also confirm that Council is content that there are robust processes and systems in place in the University to identify evaluate and manage risk and to ensure that arrangements for internal control, which are described in the following report (for both 2017-18 and 2018-19) are proportionate and effective.

Randolph Thomas
Chairman

CORPORATE GOVERNANCE STATEMENT 2017-18

Governance Structure

A statement of the primary responsibilities of the University Council is provided on page 21.

The constitution, powers, duties and functions of the University are defined in its Charter, Statutes, Ordinances and Regulations (together the 'University's Constitution'). The University Council is the supreme governing authority and the University's chief academic and executive officer is the Vice-Chancellor.

The University Council met four times in 2017-18. Throughout the year, Council had eighteen members, twelve of whom are required to be independent and Non-Executive. Members included two co-opted members (one of whom was also a member of the Council of UWTSD), two members appointed by the Academic Board and one member appointed by each of the Staff and Students of the University. The Vice-Chancellor is an ex officio member of Council. Council was restructured on 1 August 2017 as previously described in the Chairman's Statement and as detailed in Appendix A.

In 2017-18, there are four standing committees (see pages 53 and 54) as a new Strategy Planning Resources and Governance Committee has taken oversight responsibility for strategic planning and finance, human resources and nominations and governance. The term of reference of the Audit Committee is set out in the University Ordinances and meets the requirements of the CUC Code. The membership of Council and each committee of Council are set out in Appendix A. Each committee has a written term of reference and a majority of independent members and the decisions or recommendations of each committee were reported to the next following meeting of Council.

Members of the Strategy Planning Resources and Governance Committee provide advice to Council and monitor delivery against the agreed strategic objectives. They also review, recommend and monitor performance against approved annual revenue and capital budgets, oversee the preparation of financial statements, and oversee arrangements for management of the institution's financial and physical resources and governance.

The academic affairs of the University are overseen by the Academic Board, which advises Council on all academic matters for which it does not have sole accountability under Statute 19. A report is presented to Council after each meeting of the Academic Board.

The Secretary to the University Council (the 'Clerk') attends all meetings of the Council and the principal committees of Council. The Clerk also briefs and is available to provide advice to members of Council (whenever this is required) and oversees member induction and training.

The day-to-day management of the University is delegated to the Vice-Chancellor and Deputy Vice-Chancellor, subject to matters that are reserved in the Statutes or Ordinances for decision by Council or a committee of Council.

CORPORATE GOVERNANCE STATEMENT 2017-18

Protecting the Reputation of the University

Members of Council and University officers are required to act ethically in the best interests of the University (in line with the accepted standards of behaviour in public life) and to accept the principle of collective decision-making. Council has approved a framework of ethics and a whistleblowing policy. The University's reputation is a factor in all discussion at Council on matters of risk management and internal control.

The University and UWTSD have adopted a common approach to managing duality of interests, which has recognised the benefits of closer working together in the pre-merger period without impeding the independence of either institution. Close working together is supported by the Vice Chancellor also being the vice-chancellor of UWTSD, by each institution having common membership of its Council and key committees and, in 2017-18, via the establishment by the vice-chancellor of a joint senior management team.

Overseeing Strategy, Systems of Control and Risk Management

Council has set strategy designed to deliver full constitutional merger with UWTSD in 2018-19. Each meeting of Council receives a progress report on the delivery of agreed strategic objectives and on overall financial performance and sustainability. Council has a schedule of matters reserved only for its decision and a statement of delegation of responsibility and authority to committees and officers for governance and day-to-day operations.

The University of Wales Trust (which has representatives from both universities) will be retained at least until full merger is delivered. Independently chaired, the role of the Trust is to ensure good governance, openness and transparency and, to the extent appropriate, an alignment of policy, systems and process in the transitional period. The Trust also considers strategic and governance proposals and makes recommendations to the respective governing bodies for decision.

Council is responsible for systems of internal control and for reviewing its effectiveness. These are designed to enable the University to operate in an orderly and efficient manner and to safeguard its assets and secure, as far as possible, the completeness and accuracy of its records. These systems are designed to provide reasonable and not absolute assurance.

The system of internal control is based on a framework of regular management information, clear administrative procedures and lines of responsibility, robust control of approved annual budgets, and regular reviews and reports to Council and its committees. The Internal Auditor reviews the University's control systems and procedures and makes an annual report to the Council. The External Auditors form an independent opinion and report on the accuracy and fairness of the annual Financial Statements. Both Auditors adopt a risk-based approach to their work, having regard to the audit strategies, plans and priorities that are reviewed and approved by the Audit Committee at the start of each year. Overall responsibility for risk and risk appetite rests with the University Council.

CORPORATE GOVERNANCE STATEMENT 2017-18

Council believes that there is an effective process for identifying, evaluating and managing the significant risks facing the University. An update on officer's assessment of significant risk is presented to each meeting of Council. Further assurance is provided by the Audit Committee, which reviews all internal audit reports and has an annual meeting with senior officers responsible for managing risk to ensure that systems are in place for this to operate effectively.

The strategic priorities for the University of Wales in the pre-merger period have been (and are):

1. To maintain the high academic standing of a University degree
2. To continue to be recognised as a University that has international excellence associated with its research, innovation and scholarship;
3. To continue to make an essential and innovative contribution to the economic, social, cultural, and intellectual wellbeing of a sustainable Wales.
4. To plan for the constitutional merger of the University within a transformed UWTSD

The principal risks to the University are assessed and monitored against these objectives.

Priority 1 is reflected in the University's academic strategy and, in particular, through cautious planning of the phased closure of the old Validation Model (such that the interests of students admitted to study for a University award are the first priority) and by regular and open engagement with the Quality Assurance Agency and other regulatory bodies.

Priority 2 is reflected in the University's support for the Centre for Advanced Welsh and Celtic Studies and its investment in the Wales Centre for Advanced Batch Manufacture. Priority 3 is addressed under Adduned Cymru (The Wales Pledge), which sets out the arrangements approved by Council to safeguard the rich academic, cultural and literary heritage of the University of Wales (including CAWCS, the University of Wales Press and Gregynog, which are described in other sections of this annual report).

Under priority 4, a Deed of Union was signed in October 2017 and the integration of academic and administrative functions was delivered from 1 August 2017.

Assurance on the Effectiveness of Academic Governance

High-level strategy (such as the decision for orderly withdrawal of accreditation services to other institutions in the UK and overseas) is set by the governing body, with the detail of academic strategy and its delivery being the responsibility of the Academic Board.

Council receives its assurance on academic matters through a combination of routine reporting from the Academic Board, by the Clerk attending meetings of the Academic Board in an observer capacity and from the annual monitoring visit conducted by the Quality Assurance Agency.

Council receives advice and assurance on other aspects associated with the provision of academic services, such as commercial arrangements with collaboration centres or for the recovery of debt, from the Strategy Planning Resources and Governance Committee (formerly the Strategic Planning and Finance Committee).

CORPORATE GOVERNANCE STATEMENT 2017-18

External Events and Developments of Significance to the University

The Vice-Chancellor and Chair of Council represent the University of Wales at meetings of Universities Wales and the Chairs of Universities Wales (ChUW) respectively and provide an update on key matters under discussion at each meeting of the University Council. They also attend meetings with key stakeholders, both as members of the Universities Wales or ChUW and directly to represent the University. The external auditor, internal auditor and other professional advisors also bring issues of significance or particular relevance to the University to the governing body's attention through reports to its committees.

Equality and Diversity

The Strategy Planning Resources and Governance Committee (formerly the Human Resources Committee) advises the University Council on matters of equality and diversity and monitors progress against an Equalities Action Plan, which describes how the University has regard to its legal obligations in a proportionate way.

Governance Structures and Processes that are Fit for Purpose

The Clerk works with the Chair and Vice-Chair of Council to ensure that Council operates in accordance with the University's Constitution, that members of Council are briefed on their responsibilities and duties and that they receive all appropriate information.

New members were recruited in 2017-18, and Council is satisfied that the restructured Council has the collective skill and experience needed to discharge its responsibilities.

The last formal review of governance arrangements was conducted in autumn 2015 and involved benchmarking against the CUC Code and other relevant benchmarks of good governance practice. Since that exercise, the Clerk has continued to provide a regular update to Council (and to the Nominations and Governance Committee and Audit Committee) on relevant changes in governance best practice, most of which would not have impact until after completion of the merger in 2018-19.

As part of the last review Council members confirmed that they were generally content with University governance arrangements and endorsed a number of changes that were subsequently implemented in full. This included a changes in the Council committee structure, a partial alignment of the University and UWTSD Calendars and committee membership, Council's appointment of an observer to attend meetings of the Academic Board and a consolidation of the University Ordinances.

CORPORATE GOVERNANCE STATEMENT 2017-18

Report from the Chair of the Audit Committee

The Audit Committee met on three occasions in 2017-18 and I can confirm that the Committee did not have cause to bring any matter to the attention of the University Council. All of the Committee's recommendations on matters such as the internal audit plan and arrangements for external audit were duly approved and the level of information and reporting the Committee received was satisfactory. There had been no need to exercise the Committee's power to seek additional information or to obtain independent advice to meet members' responsibilities.

The Committee met privately before the start of each meeting and during the year it met privately with the External and Internal Auditors without officers present. The External and Internal Auditor attends each meeting of the Committee, at which members discuss reports from the Internal Auditor and monitor the University's response and implementation of audit recommendations and the arrangements by which the University complies with applicable legal and regulatory requirements.

The Audit Committee is content that the University has appropriate arrangements and internal controls in place and that the resources applied to Internal and External Audit (by both the University and by the auditors) are appropriate and proportionate.

The work of the Audit Committee was hugely supported by the independent members of the Committee who make a significant contribution to the University's system of governance; collectively, these individuals bring the financial and accounting expertise that we need, together with experience in strategic planning and leading a publicly funded body, and strategic risk management. I am very grateful for their contribution.

Mr Arwel Ellis Owen
Chair of Audit Committee

RESPONSIBILITIES OF THE COUNCIL OF THE UNIVERSITY OF WALES 2017-18

The Council is responsible for approving the University's strategic vision and business plan as it prepares for constitutional merger with the UWTSD, and for overseeing delegated arrangements for the administration and management of the affairs of the University in this transformational phase in its long history.

This includes ensuring the University has an effective system of internal control, and that it presents audited financial statements for each financial year, which disclose with reasonable accuracy the financial position and give a true and fair view of the state of affairs of the University and of the surplus or deficit, and cash flows for that year.

In causing the financial statements to be prepared, the Council has to ensure that:

- Suitable accounting policies are selected and applied consistently.
- Judgements and estimates are made that are reasonable and prudent.
- Save as otherwise disclosed, applicable accounting standards have been followed.
- Financial statements are prepared on the going concern basis.
- The University has adequate resources to continue in operation up to the date of the merger.

In fulfilling its responsibilities the Council has sought and received reasonable assurance with regards to:

- The safeguarding of the assets of the University and arrangements to prevent and detect fraud.
- The economical, efficient and effective use of the University's resources.
- Ensuring the operation of appropriate financial and internal controls and risk management to safeguard public and other funds, and that these are used only for their intended purpose.

Members of Council are required at all times to be mindful of their duties with regards to:

- Monitoring the performance of the University against approved strategies and policies.
- The employees of the University (as the Council is the employing authority).
- The safeguarding of the good name and values of the University.
- Probity and the principles of public life drawn up by the Committee on Standards in Public Life.
- Overseeing the performance of the Vice Chancellor and other officers appointed to manage the University's affairs against defined statements of responsibility and delegated authority.
- Ensuring the effectiveness of the operation of Council.
- Compliance with the University's constitution and legal, regulatory and contractual obligations.
- The management and use of assets held in a custodian (trustee) capacity.
- Standards of academic governance and the services provided to students.
- Taking such advice from officers or independent advisors as may be necessary or appropriate in fulfilling the responsibilities of the University Council.

REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL OF THE UNIVERSITY OF WALES

Report on the audit of the financial statements

Opinion

In our opinion, the University of Wales' group financial statements and parent institution financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and the parent institution's affairs as at 31 July 2018, and of the group's income and expenditure and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Financial Statements 17/18 (the "Annual Report"), which comprise: the Consolidated and University Balance Sheets as at 31 July 2018; the Consolidated and University Statements of Comprehensive Income and Expenditure for the year then ended; the Consolidated and University Statements of Changes in Reserves for the year then ended; the Consolidated Statement of Cash Flows for the year then ended; the Statement of Accounting Policies for the year then ended; and the notes to the financial statements, which include other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group and parent institution's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group and parent institution's ability to continue as a going concern. For

REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL OF THE UNIVERSITY OF WALES

example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the group's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Council is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Council for the financial statements

As explained more fully in the Responsibilities of the Council of the University of Wales Statement set out on page 21, the Council is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Council is also 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.

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

Auditors' responsibilities for the audit of the financial statements

We are eligible to act, and have been appointed, as auditors under section 144(2) of the Charities Act 2011.

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 auditors' 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

REPORT OF THE INDEPENDENT AUDITORS TO THE COUNCIL OF THE UNIVERSITY OF WALES

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the institution's Council as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Regulation 30 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinions on other matters prescribed in the HEFCW Audit Code of Practice issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

- the requirements of HEFCW's accounts direction have been met;
- funds from whatever source administered by the Institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation and any other terms and conditions attached to them; and
- funds provided by HEFCW have been applied in accordance with the Memorandum of Assurance and Accountability and any other terms and conditions attached to them.

Sufficiency of accounting records and information and explanations received

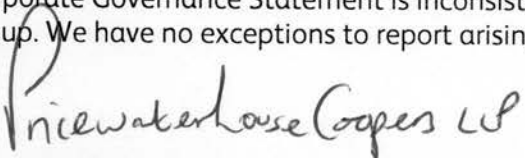
Under the Charities Act 2011 we are required to report to you if, in our opinion:

- sufficient accounting records have not been kept by the parent institution; or
- the parent institution financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

Internal control

Under the HEFCW Audit Code of Practice issued under the Further and Higher Education Act 1992 we are required to report to you if, in our opinion, the statement of internal control included as part of the Corporate Governance Statement is inconsistent with our knowledge of the parent institution and group. We have no exceptions to report arising from this responsibility.


PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

5 April 2019

Statement of Accounting Policies for the year ended 31 July 2018

1. Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS 102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention. They conform also with the most recent Accounts Direction issued by the Higher Education Funding Council for Wales (HEFCW) in July 2018 (reference: W17/18HE).

1a Going Concern

The University announced in 2011 its intention to merge with the University of Wales Trinity St David. The organisations have worked increasingly more closely on an operational basis since that date however it was agreed that legal merger would not take place until the University has seen out its obligations to its existing students

The University has prepared cash flow forecasts that indicate it is able to operate within its currently available financial resources for the foreseeable future. The forecasts include cost savings across each area of the University's operations.

Accordingly the Council have deemed it appropriate to use the going concern basis of preparation within these financial statements.

2. Basis of Consolidation

The consolidated financial statements consists of the financial statements of the University and its subsidiary companies, Awen Wales Limited, UW Centre for Advanced Batch Manufacture Limited, and the Centre for Advanced Welsh and Celtic Studies, for the financial year to 31 July 2018. Intra-group transactions have been eliminated fully on consolidation.

3. Income Recognition

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

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

Grant Funding

Grant funding including HEFCW grants, research grants from government sources and grants (including research grants) from non government sources are recognised as 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.

Donations and Endowments

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

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

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

There are two types of endowments held by the University:

- 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.
- 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.

Statement of Accounting Policies for the year ended 31 July 2018

3. Income Recognition (continued)

Capital Grants

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

4. Accounting for Retirement Benefits

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the University of Wales Superannuation Scheme (UWSS). The schemes are defined benefit schemes which are externally funded and contracted out of the State Second Pension (S2P). Each fund is valued every three years by professionally qualified independent actuaries. The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities to the University as members due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

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

Defined Contribution Plan

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

Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The Group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the assets is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

5. 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.

6. Finance Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

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

Statement of Accounting Policies for the year ended 31 July 2018

7. Operating Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

8. Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities 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 at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the determination of income and expenditure for the financial year.

9. Land and Buildings

Land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses. Certain buildings that had been revalued to fair value on or prior to the date of transition to the 2015 SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation. Gregynog is stated at probate value, plus or minus additions or disposals at cost.

Where parts of a building has different useful lives, they are accounted for as separate items of fixed assets.

Buildings and major adaptations thereto are depreciated over their expected useful lives up to a maximum of fifty years.

Equipment

Equipment, including computers and software, costing less than de minimis per individual item or group of related items is recognised as expenditure. All other equipment is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

Computer Equipment	4 years
Equipment acquired for specific research projects	project life
Major computer installations	7 years

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

Statement of Accounting Policies for the year ended 31 July 2018

10. Investments

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

Investments in jointly controlled entities and subsidiaries are carried at cost less any impairment in the University's financial statements.

Current asset investments are held at fair value with movements recognised in the Surplus or Deficit for the year.

11. Stock

Stock is held at the lower of cost and net realisable value, and is measured using an average cost formula.

Stocks of books held by the University Press are valued at the lower of cost and net realisable value and are written down after two or five years from the date of publication as determined by the University of Wales Press Sub-Committee. The cost of journals is written off in their year of publication.

12. Cash and Cash Equivalents

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

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

13. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the financial statements when:

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

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

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of 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.

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

Statement of Accounting Policies for the year ended 31 July 2018

14. Accounting for Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

The University financial statements for its share of joint ventures using the equity method.

The University financial statements for its share of transactions from joint operations and jointly controlled assets in the Consolidated Statement of Income and Expenditure.

15. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

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

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

16. Reserves

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

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

Consolidated and University Statements of Comprehensive Income and Expenditure
for the year ended 31 July 2018

	Note	Year ended 31 July 2018		Year ended 31 July 2017	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Funding Council Grants	1	148	-	185	-
Research grants and contracts	2	712	-	580	-
Other income	3	3,868	3,517	4,343	3,995
Investment income	4	238	109	423	333
Total Income before Donations and Endowments		4,966	3,626	5,531	4,328
Donations and endowments	5	1	-	6	5
Total income		4,967	3,626	5,537	4,333
Expenditure					
Staff Costs	6	4,007	2,442	4,719	3,146
Restructuring Costs	6	79	79	479	479
Other Operating Expenses	8	3,774	3,550	4,912	4,794
Depreciation and Impairments	9	407	716	488	257
Interest and other finance costs	7	68	68	113	113
Total expenditure	8	8,335	6,855	10,711	8,789
Deficit for the year		(3,369)	(3,229)	(5,174)	(4,456)
Gain on Fixed Asset Investments	10	134	132	654	644
Gain on Endowment Investments	10	121	82	561	447
Actuarial gain in respect of pension scheme	23	705	705	2,008	2,008
Total comprehensive expense for the year		(2,409)	(2,310)	(1,951)	(1,357)
Represented by:					
Endowment comprehensive income for the year		(2,619)	(2,665)	363	284
Unrestricted comprehensive expense for the year		210	355	(2,314)	(1,641)
		(2,409)	(2,310)	(1,951)	(1,357)
Deficit for the year attributable to:					
Non controlling interest	11	(316)	-	(326)	-
University		(3,053)	(3,229)	(4,848)	(4,456)
Total Comprehensive expense for the year attributable to					
Non controlling interest	11	(316)	-	(326)	-
University		(2,093)	(2,310)	(1,625)	(1,357)

All items of income and expenditure relate to continuing activities

Consolidated and University Balance Sheet
as at 31 July 2018

	Note	As at 31 July 2018		As at 31 July 2017	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Fixed assets	9	3,340	2,248	3,736	2,464
Investments	10	<u>7,642</u>	<u>5,788</u>	<u>12,931</u>	<u>11,574</u>
		<u>10,982</u>	<u>8,036</u>	<u>16,667</u>	<u>14,038</u>
Current assets					
Stock	12	144	130	146	134
Trade and other receivables	13	1,217	1,547	1,521	1,755
Cash and cash equivalents	19	<u>733</u>	<u>733</u>	<u>817</u>	<u>817</u>
		<u>2,094</u>	<u>2,410</u>	<u>2,484</u>	<u>2,706</u>
Creditors: amounts falling due within one year	14	<u>(2,420)</u>	<u>(2,252)</u>	<u>(2,449)</u>	<u>(2,231)</u>
Net current (liabilities)/assets		(326)	158	35	475
Total assets less current liabilities		10,656	8,194	16,702	14,513
Creditors: amounts falling due after more than one year	15	<u>(758)</u>	-	<u>(386)</u>	-
Provisions					
Pension provisions	16a	<u>(2,006)</u>	<u>(2,006)</u>	<u>(2,758)</u>	<u>(2,758)</u>
Other provisions	16b	<u>(34)</u>	<u>(34)</u>	<u>(646)</u>	<u>(646)</u>
Total net assets		<u>7,858</u>	<u>6,154</u>	<u>12,912</u>	<u>11,109</u>
Restricted Reserves					
Income and expenditure reserve - endowment reserve	17	6,400	4,732	9,019	7,397
Income and expenditure reserve - restricted reserve	18a	570	570	581	581
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		(481)	(979)	(303)	(590)
Revaluation reserve	18b	<u>1,866</u>	<u>1,831</u>	<u>3,796</u>	<u>3,721</u>
		<u>8,355</u>	<u>6,154</u>	<u>13,093</u>	<u>11,109</u>
Non-controlling interest	11	<u>(497)</u>	-	<u>(181)</u>	-
Total Reserves		<u>7,858</u>	<u>6,154</u>	<u>12,912</u>	<u>11,109</u>

The Financial Statements were approved by University Council on 12 December 2018, and signed on its behalf by:



Professor M. Hughes, Vice-Chancellor and Chief Accounting Officer



Randolph Thomas, Chair of Council

Consolidated Statement of Cash Flows
for the year ended 31 July 2018

	Note	31 July 2018 £'000	31 July 2017 £'000
Cash flow from operating activities			
Deficit for the year		(3,369)	(5,174)
Adjustment for non-cash items			
Depreciation for the year	9	407	488
Investment income	4	(238)	(423)
Decrease in stock	12	2	39
Decrease in debtors	13	304	564
Increase in creditors	14	421	82
USS current service costs	6	5	(257)
UWSS current service costs	6	(120)	232
(Decrease)/Increase in other provisions	16b	(612)	441
Adjustment for investing or financing activities			
Interest payable	7	68	113
Net cash outflow from operating activities		<u>(3,132)</u>	<u>(3,895)</u>
Cash flows from investing activities			
Disposal of non-current asset investments	10	2,728	3,745
Disposal of endowment asset investments	10	171	236
Investment income	4	127	265
Endowment income	4	111	158
Payments made to acquire fixed assets	9	(11)	(48)
Net cash inflow from investing activities		<u>3,126</u>	<u>4,356</u>
Cash flows from financing activities			
Repayment of finance leases		(78)	(35)
(Decrease) / Increase in cash and cash equivalents in the year		<u>(84)</u>	<u>426</u>
Cash and cash equivalents at beginning of the year	19	817	391
(Decrease) / Increase in cash and cash equivalents in the year		(84)	426
Cash and cash equivalents at end of the year	19	<u>733</u>	<u>817</u>

Notes to the Financial Statements for the year ended 31 July 2018

	Year Ended 31 July 2018		Year Ended 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
6 Staff Costs				
Salaries	3,222	2,010	3,703	2,490
National Insurance Contributions	316	187	371	246
Other Pension Costs	584	360	670	435
Staff Costs Operating Activities	<u>4,122</u>	<u>2,557</u>	<u>4,744</u>	<u>3,171</u>
USS Current Service Costs	5	5	(257)	(257)
UWSS Current Service Costs	(120)	(120)	232	232
Staff Costs	<u>4,007</u>	<u>2,442</u>	<u>4,719</u>	<u>3,146</u>
Severance Payments	79	79	479	479
Total Staff Costs	<u><u>4,086</u></u>	<u><u>2,521</u></u>	<u><u>5,198</u></u>	<u><u>3,625</u></u>

Emoluments of the Vice-Chancellor and Chief Executive

The post of Vice Chancellor and Chief Executive is held by the Vice Chancellor of University of Wales: Trinity St. David who is employed by that institution and not by the University of Wales. In recognition of the services provided by the Vice-Chancellor and Chief Executive the University reimbursed University of Wales: Trinity St. David the sum of £56,800 in 2017-18 towards the basic salary and associated pension costs of the post. (2016-17 contribution: £71,083). These costs are recognised in other operating expenses and not within staff costs.

Remuneration of other higher paid staff in excess of £100,000 was:

	2018 Number	2017 Number
£150,000 to £159,999	1	1
	<u>1</u>	<u>1</u>

Average staff numbers by major category :

	2018 Number	2017 Number
Administrative and Professional	49.4	65.8
Research	17.4	17.8
Operational	24.0	21.0
	<u>90.8</u>	<u>104.6</u>

Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. The designated posts are; Vice Chancellor, Deputy Vice Chancellor, Pro Vice Chancellor, Director of CAWCS and Director of UW Press (3 month vacancy during 2016-17).

The posts of Director of Finance & Resources, Head of Communications, Head of Operations which were included for 2016-17 are no longer substantive in 2017-18.

Year Ended 31 July 2018 £'000	Year Ended 31 July 2017 £'000
<u>465</u>	<u>560</u>

Notes to the Financial Statements for the year ended 31 July 2018

6 Staff costs (continued)**Council Members**

The University Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the compositions of the Council, 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 Council may have an interest. All transactions involving organisations in which a member of Council may have an interest are conducted at arms length and in accordance with the University's Financial Regulations and usual procurement procedures.

During 2017-18 there were no transactions which required disclosure.

No Council member has received any remuneration from the group during the year (2017 - none).

The total expenses paid to or on behalf of sixteen Council members was £14,095 (2017 - £10,469 to sixteen Council members). This represents travel and subsistence expenses incurred in attending Council and other committee meetings in their official capacity.

Notes to the Financial Statements for the year ended 31 July 2018

	Year Ended 31 July 2018		Year Ended 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
7 Interest and Other Finance Costs				
Net charge on USS pension scheme	10	10	15	15
Net charge on UWSS pension scheme	58	58	98	98
	<u>68</u>	<u>68</u>	<u>113</u>	<u>113</u>
	Year Ended 31 July 2018	Year Ended 31 July 2017	Consolidated	University
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
8 Other Operating Expenses				
Residences, Catering & Conferences	714	714	792	792
Fellowships, Scholarships & Prizes	120	45	83	39
Recurrent Costs of Premises	423	292	487	354
Maintenance of Premises	27	18	52	45
Other Services Rendered - Collaborative Provision	658	658	1,725	1,725
Other Services Rendered - Other Services	34	34	33	33
Central Administration Costs	392	391	379	379
Other Central Services of the University	361	361	395	395
Research Grants and Contracts	143	-	179	-
External Auditors' Remuneration	26	20	27	20
External Auditors' Remuneration : Non-Audit Services	6	4	3	3
Internal Auditors' Fee	23	23	23	23
Other Expenses	847	990	734	986
	<u>3,774</u>	<u>3,550</u>	<u>4,912</u>	<u>4,794</u>

Analysis of Total Expenditure by Activity

Consolidated	Staff	Other	Depreciation,	Total 2018 £'000	Total 2017 £'000
	Costs £'000	Operating Expenses £'000	Interest & Other Finance Costs £'000		
Finance and Resources	637	591	62	1,290	1,638
Registry Directorate	528	658	-	1,186	2,638
General Education	189	90	-	279	275
Welsh Centre for Equity in Education	-	-	-	-	54
Gregynog Hall	697	716	31	1,444	1,477
University Press	393	331	16	740	734
Centre for Advanced Welsh & Celtic Studies					
- funded from Research Grants	214	108	-	322	353
- funded from other sources	882	115	36	1,033	1,172
Dylan Thomas Centre	97	327	107	531	561
Fellowships, Scholarships, etc.	-	44	-	44	4
Other Activities	16	476	-	492	281
Centre for Advanced Batch Manufacture Ltd	469	318	155	942	957
Early Retirements, Redundancies, and Compensation Payments	79	-	-	79	479
Pension Scheme Service Costs	(115)	-	68	(47)	88
Total Year Ended 31 July 2018	<u>4,086</u>	<u>3,774</u>	<u>475</u>	<u>8,335</u>	<u>10,711</u>
Total Year Ended 31 July 2017	<u>5,198</u>	<u>4,912</u>	<u>601</u>	<u>10,711</u>	

Notes to the Financial Statements for the year ended 31 July 2018

9 Fixed Assets	Leasehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Consolidated			
Cost			
At 1 August 2017	3,622	2,860	6,482
Additions	-	11	11
Disposals	-	(30)	(30)
At 31 July 2018	<u>3,622</u>	<u>2,841</u>	<u>6,463</u>
Accumulated Depreciation			
At 1 August 2017	1,227	1,519	2,746
Charge for the year	108	299	407
Disposals	-	(30)	(30)
At 31 July 2018	<u>1,335</u>	<u>1,788</u>	<u>3,123</u>
Net Book Value			
At 31 July 2018	<u>2,287</u>	<u>1,053</u>	<u>3,340</u>
At 31 July 2017	<u>2,395</u>	<u>1,341</u>	<u>3,736</u>
University			
Cost			
At 1 August 2017	2,494	1,465	3,959
At 31 July 2018	<u>2,494</u>	<u>1,465</u>	<u>3,959</u>
Accumulated Depreciation			
At 1 August 2017	666	829	1,495
Charge for the year	81	135	216
At 31 July 2018	<u>747</u>	<u>964</u>	<u>1,711</u>
Net Book Value			
At 31 July 2018	<u>1,747</u>	<u>501</u>	<u>2,248</u>
At 31 July 2017	<u>1,828</u>	<u>636</u>	<u>2,464</u>

Notes to the Financial Statements for the year ended 31 July 2018

10 Investments

Consolidated	Fixed Assets Investments	Endowment Assets Investments	Other Investments	Total
	£'000	£'000	£'000	£'000
At 1 August 2017	5,289	7,418	224	12,931
Transfer to Independent Trust	-	(2,645)	-	(2,645)
Disposals	(2,728)	(171)	-	(2,899)
Increase in Market Value of Investments	134	121	-	255
At 31 July 2018	2,695	4,723	224	7,642
University	£'000	£'000	£'000	£'000
At 1 August 2017	5,209	5,865	500	11,574
Transfer to Independent Trust	-	(2,645)	-	(2,645)
Disposals	(2,684)	(171)	-	(2,855)
Impairments	-	-	(500)	(500)
Increase in Market Value of Investments	132	82	-	214
At 31 July 2018	2,657	3,131	-	5,788

11 Other Investments.

Consolidated. International University Malaya-Wales.

The University owns 100% of the issued share capital of £1 ordinary shares of Awen Wales Limited, a company, registered in England and Wales and operating in the U.K. Through the company, as at 31 July 2018, the University had taken up 7% of a maximum 40% investment in the International University Malaya-Wales, a joint venture initiative between the University of Malaya and the University of Wales. The trustees believe that the carrying value of the investment is supported by its underlying net assets.

University. UW Centre for Advanced Batch Manufacture Limited.

The University owns 50% of the issued share capital of £1 ordinary shares of UW Centre for Advanced Batch Manufacture Limited, a company, registered in England and Wales, and operating in the U.K. This is a joint venture company owned equally by the University and University of Wales Trinity St David, with the latter holding the remaining 50% of the share capital. The University has control of the company and therefore the financial statements of the company have been consolidated into these Financial Statements. See further detail overleaf. During the year the University undertook to impair the value of this investment by £500k.

Notes to the Financial Statements for the year ended 31 July 2018

11 Other Investments - continued

UW Centre for Advanced Batch Manufacture Limited.

	Year ended 31 July 2018		Year ended 31 July 2017	
	£'000	£'000	£'000	£'000
Income and expenditure account				
Income		310		304
Expenditure		(941)		(957)
Deficit before tax		<u>(631)</u>		<u>(653)</u>
Deficit attributable to Non Controlling Interest		<u>(316)</u>		<u>(326)</u>
Balance sheet				
Fixed assets		549		693
Current assets				
Stock	13		9	
Debtors	30		32	
Cash at Bank	-		5	
		<u>43</u>		<u>46</u>
Creditors: amounts due within one year	(110)		(117)	
Amount owed to Parent Company	(718)		(599)	
Creditors: amounts due after more than one year	<u>(758)</u>		<u>(386)</u>	
Net Assets		<u>(1,586)</u>		<u>(1,102)</u>
		<u>(994)</u>		<u>(363)</u>
Capital and Reserves				
Share Reserve:				
University of Wales	500		500	
University of Wales Trinity St David	<u>500</u>		<u>500</u>	
		1,000		1,000
Income & Expenditure Account		<u>(1,994)</u>		<u>(1,363)</u>
Total Shareholders' Funds		<u>(994)</u>		<u>(363)</u>
Non Controlling Interest		<u>(497)</u>		<u>(181)</u>

Notes to the Financial Statements for the year ended 31 July 2018

12 Stock

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Residences & Catering	26	26	25	25
Books for resale	98	97	104	101
Other	20	7	17	8
	<u>144</u>	<u>130</u>	<u>146</u>	<u>134</u>

13 Trade and other receivables

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research Grants Receivables	101	-	23	-
Other Trade Receivables	1,009	873	1,333	1,197
Inter-Company Debtors	-	580	-	425
Icelandic Bank Deposits Impairment	55	55	57	57
Prepayments	52	39	108	76
	<u>1,217</u>	<u>1,547</u>	<u>1,521</u>	<u>1,755</u>

14 Creditors : amounts falling due within one year

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Trade Payables	503	461	543	452
Finance Lease	79	-	73	-
Social Security and Other Taxation Payable	118	110	134	134
Receipts in Advance	158	158	188	188
Accruals	302	263	250	196
Welsh Church Act balances	1,260	1,260	1,261	1,261
	<u>2,420</u>	<u>2,252</u>	<u>2,449</u>	<u>2,231</u>

Note.

The Welsh Church Act balances represent those amounts held on the Capital and Revenue Accounts of the Beneficiaries Funds. These balances are distributed in arrears to the beneficiaries under the Welsh Church Acts; namely the university institutions at Aberystwyth, Bangor, Cardiff and Swansea (3/16ths each), the University of Wales itself and the National Library of Wales (1/8th each). Therefore of the balance of £1,260,128 shown above, £157,650 is for the benefit of the University.

15 Creditors : amounts falling due after more than one year

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Finance Lease	308	-	386	-
Unsecured loan	450	-	-	-
	<u>758</u>	<u>-</u>	<u>386</u>	<u>-</u>

Notes to the Financial Statements for the year ended 31 July 2018

16a Pension Provisions

Consolidated and University	Obligation to fund deficit on USS Pension £'000	Obligation to fund deficit on UWSS Pension £'000	Total Pensions Provisions £'000
At 1 August 2017	403	2,355	2,758
Utilised in year	(41)	(530)	(571)
Increase/(Decrease) in 2017/18	56	(237)	(181)
At 31 July 2018	<u>418</u>	<u>1,588</u>	<u>2,006</u>

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 the future number of employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

UWSS deficit

The University sponsors the University of Wales Superannuation Scheme (UWSS) and, through the trustees of the scheme, is responsible for ensuring that the scheme is appropriately funded. Independent actuaries value the scheme and as at 31 July 2018 had assessed that the scheme had a net defined benefit liability.

16b Other Provisions

	Consolidated £'000	University £'000
At 1 August 2017	646	646
Utilised in 2017/18	(612)	(612)
At 31 July 2018	<u>34</u>	<u>34</u>

The provision recognises a contracted redundancy payment.

Notes to the Financial Statements for the year ended 31 July 2018

17 Endowment Reserves**Consolidated**

Net assets relating to endowments are as follows:

	Note	Restricted Permanent Endowments £'000	Unrestricted Permanent Endowments £'000	Year Ended 31 July 2018 Total £'000	Year Ended 31 July 2017 Total £'000
Balances at 1 August					
Capital		6,247	299	6,546	6,221
Accumulated income		2,473	-	2,473	2,435
		<u>8,720</u>	<u>299</u>	<u>9,019</u>	<u>8,656</u>
Transfer to Independent Trust		(2,645)	-	(2,645)	-
Disposals		(8)	(163)	(171)	(236)
Investment income	4	105	6	111	158
Expenditure		(29)	(6)	(35)	(120)
		<u>76</u>	<u>-</u>	<u>76</u>	<u>38</u>
Increase in Market Value of Investments		113	8	121	561
At 31 July		<u><u>6,256</u></u>	<u><u>144</u></u>	<u><u>6,400</u></u>	<u><u>9,019</u></u>
Represented by:					
Capital		3,707	144	3,851	6,546
Accumulated income		2,549	-	2,549	2,473
		<u>6,256</u>	<u>144</u>	<u>6,400</u>	<u>9,019</u>
Analysis by type of purpose:					
Scholarships		3,406	-	3,406	5,457
Prize Funds		357	-	357	582
General		2,493	144	2,637	2,980
		<u>6,256</u>	<u>144</u>	<u>6,400</u>	<u>9,019</u>
Analysis by asset:					
Current and Non-Current Asset Investments		4,583	140	4,723	7,418
Cash & Cash Equivalents		1,673	4	1,677	1,601
		<u>6,256</u>	<u>144</u>	<u>6,400</u>	<u>9,019</u>

Notes to the Financial Statements for the year ended 31 July 2018

17 Endowment Reserves - continued

University

Net assets relating to endowments are as follows:

	Note	Restricted Permanent Endowments £'000	Unrestricted Permanent Endowments £'000	Year Ended 31 July 2018 Total £'000	Year Ended 31 July 2017 Total £'000
Balances at 1 August					
Capital		4,738	299	5,037	6,221
Accumulated income		2,360	-	2,360	2,435
		<u>7,098</u>	<u>299</u>	<u>7,397</u>	<u>8,656</u>
Transfer to Independent Trust		(2,645)	-	(2,645)	-
Transfer to Independent Subsidiary		-	-	-	(1,543)
Disposals		(8)	(163)	(171)	(236)
Investment income	4	69	6	75	126
Expenditure		-	(6)	(6)	(53)
		<u>69</u>	<u>-</u>	<u>69</u>	<u>73</u>
Increase in Market Value of Investments		74	8	82	447
At 31 July		<u><u>4,588</u></u>	<u><u>144</u></u>	<u><u>4,732</u></u>	<u><u>7,397</u></u>
Represented by:					
Capital		2,159	144	2,303	5,037
Accumulated income		2,429	-	2,429	2,360
		<u>4,588</u>	<u>144</u>	<u>4,732</u>	<u>7,397</u>
Analysis by type of purpose:					
Scholarships		3,017	-	3,017	5,139
Prize Funds		357	-	357	582
General		1,214	144	1,358	1,676
		<u>4,588</u>	<u>144</u>	<u>4,732</u>	<u>7,397</u>
Analysis by asset:					
Current and Non-Current Asset Investments		2,991	140	3,131	5,865
Cash & Cash Equivalents		1,597	4	1,601	1,532
		<u>4,588</u>	<u>144</u>	<u>4,732</u>	<u>7,397</u>

Notes to the Financial Statements for the year ended 31 July 2018

18 Reserves

	Consolidated & University		Consolidated		University	
	(a) Gregynog Non-Distributable Capital Reserve		(b) Revaluation Reserve - Fixed Asset Investments			
	Year ended 31 July 2018	Year ended 31 July 2017	Year ended 31 July 2018	Year ended 31 July 2017	Year ended 31 July 2018	Year ended 2,017
	£'000	£'000	£'000	£'000	£'000	£'000
Balances at 1 August 2017	581	592	3,796	5,838	3,721	5,838
Movement on Reserves	(11)	(11)	-	-	-	(122)
Appreciation of Market Value of Fixed Asset Investments	-	-	134	654	132	644
Realisation of Market Value of Fixed Asset Investments	-	-	(2,064)	(2,696)	(2,022)	(2,639)
	-	-	(1,930)	(2,042)	(1,890)	(2,117)
At 31 July 2018	570	581	1,866	3,796	1,831	3,721

19 Cash and cash equivalents

	Note	At 31st July 2018 £'000	Cash Flows £'000	At 1st August 2017 £'000
Current Assets		(944)	(160)	(784)
Endowment Reserves	17	1,677	76	1,601
Consolidated		733	(84)	817
University		733	(84)	817

Notes to the Financial Statements for the year ended 31 July 2018

20 Contingent Liabilities

The University is a member of UMAL, a company limited by guarantee, formed to provide a mutual association for insurance risks. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their prorated share, spread using an internal loan facility over seven years.

21 Related Party Transactions

Due to the nature of the University's operation and the composition of Council (being drawn from public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of Council may have an interest. All transactions involving organisations in which a member of Council may have an interest are conducted in accordance with the University's financial regulations and normal procurement procedures. No transactions require disclosure under Financial Reporting Standard 102, section 33, Related Party Disclosures.

22 Post Balance Sheet Events

In October 2018, the High Court determined, in a case involving Lloyds Bank, that benefits provided to members who had contracted out of their pension scheme must be recalculated to reflect the equalisation of state pension ages between May 1990 and April 1997 for both men and women. The Trustees of the University of Wales Superannuation Scheme are now reviewing, with their advisers, the implication of this ruling on the Scheme and the equalisation of guaranteed minimum pensions between men and women in the context of the rules of the Scheme and the value of any additional liability.

Notes to the Financial Statements for the year ended 31 July 2018

23. Pension Schemes

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the University of Wales Superannuation Scheme (UWSS).

(a) Universities Superannuation Scheme

Significant Accounting Policies

With effect from 1 October 2016, USS (the scheme) changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's 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 and therefore, as required by Section 28 of FRS 102 'Employee Benefits', accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme. Since the University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contribution payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Critical Accounting Judgements

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that the scheme provided by Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Notes to the Financial Statements for the year ended 31 July 2018

23 Pension Schemes - continued

(a) Universities Superannuation Scheme

The total charge to the profit and loss account for 2018 is £15,000 as shown in notes 6 and 7. This compares to a total credit to the profit and loss account for 2017 of £242,000.

The University participates in the Universities' Superannuation Scheme. Until 31 March 2016 the scheme was a defined-benefit only scheme which is externally funded and contracted out of the State Earnings-Related Pension Scheme. The assets of the scheme are held in a separate trust-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated 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 and therefore, as required by section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined-contribution scheme. As a result the amount charged to the income and expenditure is equal to the contributions payable to the scheme for the year. Since the university has entered into agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the university recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

The scheme is valued triennially with the latest available full-actuarial valuation having taken place as at 31 March 2017. The 2017 valuation was the fourth under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60 billion and the valuation of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion up from £5.3 billion at the previous valuation as at 31 March 2014. The assets therefore were sufficient to cover 89% of the benefits which had accrued to members after allowing for expected future increases in earnings. The trustees are currently consulting on how this funding shortfall should be addressed.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2018	2017
Discount rate	2.64%	2.57%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.02%	2.41%

The main demographic assumption used relates to the mortality assumptions. The mortality assumptions used in these figures are as follows:

	2018	2017
Mortality base table	<p><u>Pre-retirement:</u> 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.</p> <p><u>Post retirement:</u> 96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.</p>	<p>98% of SAPS S1NA "light" YOB unadjusted for males.</p> <p>99% of SAPS S1NA "light" YOB with a -1 year adjustment for females.</p>
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.	CMI_2014 with a long term rate of 1.5% pa.

The current life expectancies on retirement at age 65 are:

	2018	2017
Males currently aged 65 years	24.5	24.4
Females currently aged 65 years	26.0	26.6
Males currently aged 45 years	26.5	26.5
Females currently aged 45 years	27.8	29.0

The summary of the scheme assets and liabilities:

	2018	2017
Scheme assets	£63.6bn	£60.0 bn
Scheme liabilities	£72.0bn	£77.5 bn
FRS 102 total scheme deficit	£8.4bn	£17.5 bn
FRS 102 total funding level	88%	77%

Notes to the Financial Statements for the year ended 31 July 2018

23. Pension Schemes - continued

(b) University of Wales Superannuation Scheme

The University sponsors the University of Wales Superannuation Scheme, a funded defined benefit pension scheme in the United Kingdom. The scheme is set up on a tax relieved basis as a separate trust independent of the University and is supervised by independent trustees. The trustees are responsible for ensuring that the correct benefits are paid, that the scheme is appropriately funded and that scheme assets are appropriately invested.

Active members of the scheme pay contributions at the rate of 7.5 % of pensionable salary and the University pays the balance of the cost as determined by regular actuarial valuations. The Trustees are required to use prudent assumptions to value the liabilities and costs of the scheme whereas the accounting assumptions must be best estimates. The University also makes contributions in respect of future service benefits, death-in-service costs and administration expenses.

The Trustees and the University agreed that in order to address the funding deficit disclosed, in accordance with the Schedule of Contributions certified by the Scheme Actuary in October 2017, the University would pay short-fall correction contributions of £2,167 for August and September 2017, £200,000 before 31 October 2017, £100,000 before 31 July 2018 and £50,000 before 31 July 2019.

The latest actuarial valuation was carried out as at 31 July 2016. The liabilities for these accounting disclosures have been calculated by rolling forward the valuation liabilities from that valuation date to 31 July 2018 with allowance for payroll and benefit information and using the assumptions set out below. The figures in the following disclosure were measured using the Projected Unit Method.

Financial Assumptions	31 July 2018	31 July 2017	31 July 2016
Rate of increase in salaries	3.70%	3.95 %	3.45 %
Rate of increase in pensions and deferred benefits	2.45%	2.70 %	2.20 %
Discount rate	2.70%	2.55 %	2.35 %
Inflation assumption	3.35%	3.60 %	3.10 %

The mortality assumptions for 2018 (and 2017) are based on the SAPS S2PxA tables with improvement rates in line with CMI 2016 with a 1.0 % long term rate. Assumptions for 2016 were based on the SAPS S2PxA with CMI 2014 improvements and long term term reduction rates of 1.25 % per annum.

The assumed life expectations on retirement at age 65 are:

	31 July 2018	31 July 2017	31 July 2016
Males - born in 1952:	21.9	21.9	20.4
born in 1972:	23.1	23.0	24.1
Females - born in 1952:	23.8	23.7	24.5
born in 1972:	25.0	25.0	26.4

The assets of the scheme were:

	31 July 2018		31 July 2017		31 July 2016	
	£'000	%	£'000	%	£'000	%
Equities	5,100	54.0 %	4,882	53.6 %	3,709	43.3 %
Bonds	1,463	15.5 %	1,324	14.5 %	1,055	12.3 %
Property	123	1.3 %	106	1.2 %	68	0.8 %
Other (includes net current assets)	2,760	29.2 %	2,798	30.7 %	3,735	43.6 %
Total assets	9,446	100%	9,110	100%	8,567	100%

Notes to the Financial Statements for the year ended 31 July 2018

23. Pension Schemes - continued

(b) University of Wales Superannuation Scheme

The amounts recognised in the statement of financial position are as follows:

	31 July 2018 £'000	31 July 2017 £'000
Defined benefit obligation	(11,034)	(11,465)
Fair value of plan assets	9,446	9,110
Net defined benefit liability	<u>(1,588)</u>	<u>(2,355)</u>

The amounts recognised in the Consolidated Statement of Comprehensive Income and Expenditure are:

The current and past service costs, settlements and curtailments, together with the net interest expense for the year are included in profit or loss. Remeasurements of the net defined benefit liability are included in other comprehensive income.

	31 July 2018 £'000	31 July 2017 £'000
Service cost:		
Current service cost (net of employee contributions)	309	396
Administration expenses	101	102
Net interest expense	58	98
Charge recognised in profit or loss	<u>468</u>	<u>596</u>
Remeasurements of the net liability:		
Return on scheme assets (excluding amount included in net interest expense)	9	(520)
Actuarial gains	(714)	(1,488)
Credit recorded in other comprehensive income	<u>(705)</u>	<u>(2,008)</u>
Total defined benefit credit	<u>(237)</u>	<u>(1,412)</u>

Reconciliation of scheme assets and liabilities

	Assets £'000	Liabilities £'000	Total £'000
At 1 August 2017	9,110	(11,465)	(2,355)
Benefits paid	(376)	376	-
Administration expenses	(101)	-	(101)
Current service cost	-	(309)	(309)
Contributions from the employer	530	-	530
Contributions from the employees	58	(58)	-
Interest income / (expense)	234	(292)	(58)
Return on scheme assets (excluding amount included in net interest expense)	(9)	-	(9)
Actuarial gains	-	714	714
At 31 July 2018	<u>9,446</u>	<u>(11,034)</u>	<u>(1,588)</u>

The return on plan assets was:

	31 July 2018 £'000	31 July 2017 £'000
Interest Income	234	199
Return on scheme assets (excluding amount included in net interest expense)	(9)	520
Total return on plan assets	<u>225</u>	<u>719</u>

APPENDIX A

	Page(s)
Principal Governing Body, Committees, Principal Officers, Staff and Advisers.	
University of Wales Council	52
Committees of the University Council	53 - 55
Principal Officers and Senior Management of the University	56
Advisers	56

University of Wales Council**Member Ex Officio**

The Vice-Chancellor

Independent Members (up to 12)The Venerable A. J. Randolph Thomas (*Chair*)Alun Thomas (*Vice-Chair*)

Anthony Ball

Mrs Margaret Evans (*Vice Chair*)

Arwel Ellis Owen

Dr Elizabeth Siberry

Dr Gerald Lewis

(Stood down 30 September 2017)

Mrs Elsa Davies

(Stood down 30 September 2017)

Mrs Hilary Neagle

(Stood down 30 September 2017)

Dr Ann Rhys

(Stood down 30 September 2017)

His Honour Judge Eifion Roberts

(Stood down 30 September 2017)

Mrs Pamela Berry

(Appointed 1 October 2017)

Andrew Curl

(Appointed 1 October 2017)

Eifion Griffiths

(Appointed 1 October 2017)

Mark James

(Appointed 1 October 2017)

Maria Stedman

(Appointed 1 October 2017)

Co-opted Members:

Mr Gareth O Jones

(Appointed 7 March 2018)

Mr Nigel Roberts

(Appointed 7 March 2018)

Mrs Deris Davies Williams

(Appointed 7 March 2018)

Appointed Members

Stuart Robb (representing UW staff)

Clerk and Secretary: Adrian Evans

2017-18 Committees**Strategy Planning Resources and Governance Committee****(established from 1 August 2017)**

Alun Thomas (Chair)

Margaret Evans

Tony Ball

Arwel Ellis Owen

Randolph Thomas

Andrew Curl

Mr Nigel Roberts

Professor Medwin Hughes (ex-officio)

Mrs Eirlys Pritchard Jones (co-opted member)

Audit Committee**Appointed by the University Council**

Arwel Ellis Owen (Chair)

(Appointed 1 August 2017, Chair from 1 October 2017)

Mrs Elsa Davies (former Chair)

(Stood down 30 September 2017)

Mrs Hilary Neagle

(Stood down 30 September 2017)

Mrs Pamela Berry

(Appointed 1 October 2017)

Mr Gareth O Jones

(Appointed 1 April 2018)

Mrs Deris Davies Williams

(Appointed 1 April 2018)

External Members

Alun J Walters (appointed by Council)

Dr Huw Jones (appointed by the Committee)

Philip Thomas (appointed by the Committee)

Mrs Eileen Curry (appointed 1 October 2017)

Ms Bethan Jones (appointed 1 October 2017)

Remuneration Committee

Members Ex Officio

The Chair of Council

Appointed by the University Council

Mrs Margaret Evans (*Chair, stood down 30 September 2017*)

Dr Ann Rhys (Stood down 30 September 2017)

Mr Alun Thomas (Chair, appointed 1 October 2017)

Mr Eifion Griffiths (appointed 1 October 2017)

External Member

Dr Alex Stephenson (appointed 1 October 2017)

Research Enterprise and Innovation Board

Members Ex Officio: The Chair of Council and the Vice-Chancellor

Appointed by the University Council

Arwel Ellis Owen

Anthony Ball

Dr Gerald Lewis (former Chair, stood down 30 September 2017)

Mr Alun Thomas

Co-opted Members

Andrew Curl (Chair, appointed 1 October 2018)

Vacancy

Vacancy

Centre for Advanced Welsh and Celtic Studies (CAWCS Board)

Appointed by the University Council

Arwel Ellis Owen (*Chair*)

Dr Ann Rhys

Independent Members

Professor M Wynn Thomas

Justin Albert

Dr Lynn Williams

Elfyn Llwyd

(stood down 30 September 2017)

University of Wales Press (Sub Committee)

Appointed by the University Council

Tony Ball (*Chair*)

Independent Members

Katy Jordan

Chris Burton Brown

Professor Helen Fulton

Richard Owens

Clare Grist Taylor

Natalie Williams

Principal Officers and Senior Management of the University

(1 August 2017 – 31 July 2018)

Visitor	HER MAJESTY THE QUEEN
Chancellor	HRH THE PRINCE OF WALES
Pro-Chancellor	The Most Revd Barry Morgan, Retired Archbishop of Wales
Vice Chancellor & Chief Executive	Professor Medwin Hughes
Deputy Vice Chancellor	Professor Robert Brown
Chair of Council	Alun Thomas (stood down 30 September 2017) Randolph Thomas (appointed 1 October 2017)

Advisers

Independent Auditors	
- External	PricewaterhouseCoopers LLP, One Kingsway, Cardiff. CF10 3PW
- Internal	Deloitte LLP, 5 Callaghan Square, Cardiff. CF10 5BT
Bankers	HSBC Bank plc, 56 Queen Street, Cardiff. CF10 2PX
Insurance Advisers	University Mutual Association Ltd, 4th Floor, 5 St. Helen's Place, London. EC3A 6AB
Pensions Advisers	Mercer Ltd, 1 Whitehall Quay, Whitehall Road, Leeds. LS14HR
Investment Advisers	Jaggers & Associates, Exchange Quay, Salford. M5 3EQ
Solicitors	Blake Morgan, Bradley Court, Park Place, Cardiff. CF10 3DP Eversheds LLP, 1 Callaghan Square, Cardiff CF10 5BT

Further information regarding the governance of the University of Wales - including the members of Council and the principal committees of Council, senior management or advisors may be requested by writing to the Clerk to Council at The University Registry, King Edward VII Avenue, Cathays Park, Cardiff CF10 3NS or by email to: clerk.council@wales.ac.uk.