



AECC
University College
*Transforming lives
through Health Sciences*

Annual Report and Financial Statements

Year Ended 31 July 2022

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Company Number 00653859

Legal and Administrative Information

Company Number
00653859

Charity Number
306289

Governors
M Barnes
J Bremner (Chair)
J Conway (appointed 10.10.22)
M Dalton (appointed 07.05.22)
P Dingley
K Frost
M Gibson
M Gurden
L Haig (Vice-Chancellor)
F Helmore (appointed 07.05.22)
P Hume
B Larkin (appointed 10.10.22)
C Pett (retired 09.12.21)
P Roberts
M Stannard (retired 06.05.22)
D Tarrant
G Thornton (appointed 06.06.22)
P Vandervelde
C Wallis (retired 06.05.22)
K Wilkes

Subsidiary
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Bournemouth
BH5 2DF
Company Number: 03736325

Auditors
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66 Queen Square
Bristol
BS1 4BE

Internal Auditors
Bishop Fleming LLP
10 Temple Back
Bristol
BS1 6FL

Bankers
HSBC Bank Plc
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Christchurch
BH23 1AF

Solicitors
Frettons LLP
The Saxon Centre
11 Bargates
Christchurch
BH23 1PZ

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Martineau
No.1 Colmore Square
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Bournemouth
BH2 6LR

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Registered Office
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Key Management Personnel / Executive Team
L Haig (Vice-Chancellor)
J Currin (resigned 31.08.22)
K McGhee

Company Secretary
G Sanger-Stevens



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Picture: Aerial view of AECC University College

Welcome from the Chair

2021/2022 was a very productive year with a number of innovations being completed and our strategy and values coming to life through our day-to-day business. We completed our governance review with a final check from Halpin our governance partner. I am delighted to say that we had made very rapid progress and have very few areas left to complete. This is in no small part due to the relentless work of Gabriele Sanger-Stevens our Board Secretary who has led the monitoring and completion of much of this work.

This year also saw the topping out and opening of the Integrated Rehabilitation Centre (IRC). This project, supported by the Dorset Local Enterprise Partnership, is at the heart of our service development and our integrated approach to learning and teaching. The IRC brings to life our work in developing a broad range of health science courses. It provides an opportunity for our students to work together across disciplines to support patients with their rehabilitation. Not only is this an incredible opportunity for our students but also for our patients and local population. Offering affordable specialist personalised treatments and a broad range of exercise and rehabilitation classes, the IRC is an important offer to our local communities.

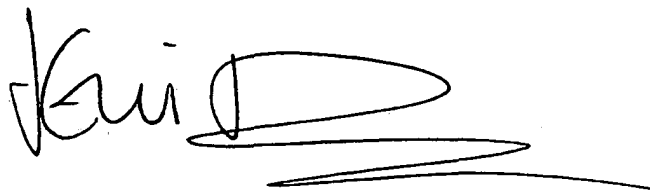
We are also continuing to work closely with our NHS system partners. We were delighted to welcome the Chair of the Dorset Integrated Care System to our Board meeting in January and to have the opportunity to offer support to our local NHS. It is very important to us that as a university we are supporting our local health systems to recruit and retain much needed health staff. We are very proud of the strong relationships we are building locally across the whole of our health system.

In common with most Universities, we are adapting to living with a Pandemic. We were fortunate to return to face-to-face teaching early in the Pandemic and, like many Universities we now have a much stronger understanding of the benefits and limitations of online learning. This is allowing us to develop a broad range of blended learning additional short courses and CPD as we move forward in 22/23 and 23/24.

This year also saw us saying goodbye to some of our governors. Chris Stephens, who has been a longstanding and wonderful asset to our board, Colin Pett who was with us too briefly but who made a significant contribution in the time we had him – he is now having a lot of fun supporting his grand-children. We were delighted to be able to host a dinner to thank our outgoing governors and Adrian Wild who stood down as Chair in 2020. It was a lovely evening and very nice to finally be able to thank people face to face.

We also said goodbye to our two student governors Mollie Standard and Claudia Wallis. Mollie and Claudia were Student Governors at the beginning of the Covid Pandemic. They were definitely thrown in at the deep end. Their maturity, honesty and energy in working together to find solutions to problems none of us had encountered and their focus on supporting their fellow students was exceptional. The University College owes them and the Student Union a huge debt of gratitude for their work and their support.

This year also saw us welcoming new governors to the Board. Greg Thornton who has been a co-opted member for a year has now joined us as an independent governor. Professor Joy Conway and Barney Larkin have also joined us. We were also delighted to welcome Fran Helmore and Matt Dalton our new student governors. These changes leave the board strong with a deepened and expanded range of skills available to AECC UC. We look forward to 22/23.



Jeni Bremner
Chair of Board of Governors
15 December 2022



Vice-Chancellor's Foreword

A Brief Synopsis of our Achievements in 2021-22

On behalf of AECC University College, I am pleased to present our Annual Report and Financial Statements for the year ended 31 July 2022.

The University College is a small and specialist higher education provider, operating across health, rehabilitation and sport science disciplines. Our historic foundation in chiropractic remains a strong part of our heritage and identity, with a positive national and global reputation, and is the primary base for chiropractic research in the UK. We are also a sector leader in medical ultrasound education and training, supporting workforce development for NHS, independent and third sector centre partners. Numerous alumni are in leading positions of national and international importance within their professions. Our global reputation in health sciences attracts a substantial proportion (37%) of overseas students primarily from Europe, EEA and Southeast Asia.

The AECC University College Strategic Plan 2021-2026, 'Fit for the Future', approved in July 2021 by our Board of Governors, was formally launched in November 2021. This was well received by staff, students, alumni and external stakeholders. The new strategic plan articulates our ambitions for continued excellence, growth and partnership, building upon key institutional milestones achieved over the past five years, including the gaining of Taught Degree Awarding Powers and Office for Students registration. We have exceptional graduate outcomes and will protect these; however, we will build on our successes to date to ensure our relevance as a specialist health sciences University by supporting local and regional workforce expansion and retention as the NHS continues to recover from the Covid-19 pandemic. We will ensure we are a positive and agile partner within the Dorset Integrated Care System and the SW region, and will work closely with our community group to support the delivery of the regeneration of Boscombe as its local university and key anchor institution.

In response to workforce demand, we are growing our pre-registration provision in diagnostic and therapeutic radiography and developing new pre-registration MSc courses in Speech and Language Therapy, Occupational Therapy, Dietetics and Podiatry. Following recruitment of a new Head of Academic Enterprise and Engagement, the University College is also growing its continuing professional development and post-registration portfolio in partnership with local healthcare providers. We were one of three institutions in England awarded a tender to provide First Contact Physiotherapy Training by Health Education England (HEE).

Providing an outstanding student experience and delivering excellent graduate outcomes is our primary aim. To support this aim and our developing portfolio, we have been working closely with our student body to fully understand and prioritise their needs. We have relocated our student services to a newly refurbished, fit for purpose suite, and added several new bookable study spaces to support independent and group working. We have also expanded and enhanced our practice learning environment. This has included the opening of a Centre of Excellence for Simulation-based Education which hosts a virtual reality training suite, high fidelity manikins and skills examination training equipment. This has been supported with £295,000 funding received from HEE for the development of placement capacity. We have also continued to invest in equipment to support the delivery of our high-cost subjects including state-of-the-art chiropractic benches, a force sensing table, an Anatomage table and a range of equipment to support the development of our biomechanics suite, podiatry provision and radiology education, supported by an OfS teaching capital funding allocation of £519,000.

In progressing the implementation of our Strategic Plan, we have also expanded our clinical and rehabilitation services and spaces. In January 2022 we appointed a new Director of Clinical and Rehabilitation Services, who has been designing and developing a new suite of clinical provision in partnership with staff, students and service users. In March 2022 we held a topping out ceremony for our new state-of-the-art community integrated rehabilitation centre. This new facility, part-funded by £2.7m of Dorset Local Enterprise Partnership (LEP) funding which opened in October 2022. Alongside this we have been continuing to refurbish the Garnet Campus to expand our clinical teaching spaces and seminar rooms. Our clinical developments have already enhanced the inter-professional learning environment for our students through multi-professional working.

Although there was some respite from the main surge of the Covid-19 pandemic at the beginning of the academic year, we continued to employ precautionary measures in practical teaching sessions for the majority of the year, and in clinic until summer 2022. While preclinical students were largely unaffected, there is no doubt that the ongoing measures affected the final year clinical experience for our chiropractic students. This student group represents our entire NSS cohort and it is not surprising that, despite all our efforts, the ongoing impact of Covid-19 measures affected our NSS scores detrimentally for relevant questions.

Other significant activities during the year include the funding of knowledge exchange projects from Research England funding, the announcement of the REF2021 results, and the validation of our Research Degree Programme in partnership with Solent University in preparation for enrolment of our first PhD students in the next academic year.

The higher education sector remains relatively unstable, mirroring the current political turbulence in the UK post-pandemic and post-Brexit, and influenced by the geo-political situation globally as a result of world events. There are concerns over the cost of living for students and staff, and there is a key concern over the impact on student mental health and welfare. We have already taken actions to increase student support funding and expand student finance and wellbeing support services. The rapidly increasing energy costs will also have an impact on utilities across our estate.

We continue to await the outcomes of major consultations on academic quality and standards, confirmation of the Teaching Excellence Framework final guidance (TEF 2023); and the response to the Augar Review of post-18 education and funding. However, the sector is resilient and adaptable and the focus on healthcare education is more intense than ever in the light of the Covid pandemic and in the delivery of the NHS Long-Term Plan. There is firm commitment from the Government to expand the number of healthcare professionals.

We have achieved so much over the past year due to the extraordinary efforts of all staff across the University College, and we have much to celebrate. We have continued to expand and develop as an organisation while maintaining a strong financial position. This provides us with a solid base from which we will drive the next phase of implementation of our strategic plan. It is a privilege and pleasure to work with such committed and dedicated colleagues within a mutually supportive community, and I look forward to an exciting year ahead.



A handwritten signature in black ink, appearing to read 'L. Haig'.

Professor Lesley Haig
Vice Chancellor
16 December 2022

Strategic Report

1. Statement of Public Benefit

AECC University College is a company limited by guarantee registered with Companies House in England and Wales under number 00653859 and registered with the Charity Commission under charity number 306289. As such, it is required to demonstrate how its work is of 'public benefit'. It is governed by its Articles of Association and is directed by its Board of Governors acting under these Articles of Association. The Board has ultimate responsibility for the strategy, performance and sustainability of the institution. It approves the University College's mission and strategy, monitors institutional performance and ensures its effective management.

The University College's vision and mission reflect its commitment to public benefit. The objects, as set out in its Articles of Association, are:

- To provide education and undertake research in health sciences, including chiropractic and / or other allied, related or ancillary disciplines;
- To establish treatment centres for the treatment of disease and maintenance of health by the application of any health sciences discipline, including chiropractic and / or other allied, related or ancillary treatments;
- To promote the study and advancement of health sciences, including chiropractic and / or other allied, related or ancillary disciplines.

The University College's mission, vision and aims as articulated in its Strategic Plan 2021-2026 have been developed in support of the institution's primary purpose.

The main beneficiaries are current and prospective students for whom AECC University College provides access, foundation, undergraduate and postgraduate programmes of study and continuing professional development in the subject areas of chiropractic, radiology, physiotherapy, rehabilitation and sports and exercise sciences.

The Board of Governors has had due regard to the Charity Commission's guidance on the reporting of public benefit and its supplementary public benefit guidance on the advancement of education. Through its range of activities, AECC University College provides benefits to different sections of the public as follows:

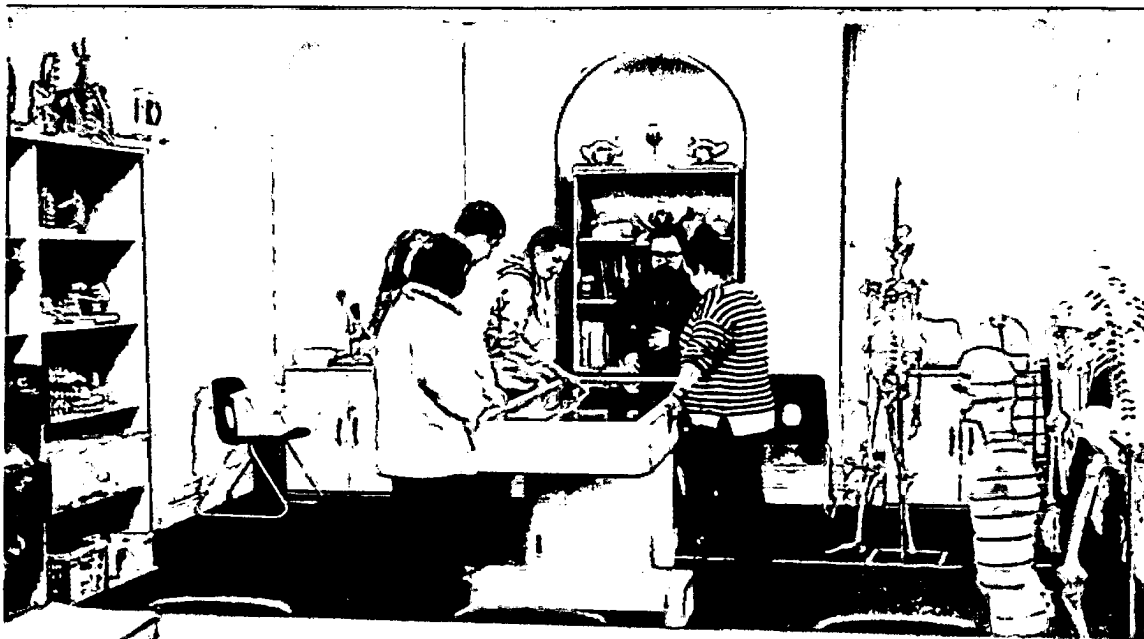
Teaching and Learning

Across our three Academic Schools of Chiropractic; Radiology; and Rehabilitation, Sport and Psychology; the University College enrolled a total of 1,041 students, 925.7 FTE students: 807 undergraduates, 789.2 FTE and 234 taught postgraduates, 136.5 FTE from the UK, EU and overseas. This is a 9.9% increase in total student numbers or 13.5% FTE, demonstrating our commitment to expanding and diversifying our curriculum offer.

The School of Chiropractic provides innovative and globally-respected education and training in chiropractic. With a focus on evidence-informed care, the School is the largest and most highly regarded in Europe and leads the way in terms of applied research and clinical education in the field. In addition to credit-bearing courses, the School offers a wide range of musculoskeletal-focused continuing professional development (CPD) courses and workshops delivered by world-leading experts. Students are supported to participate as members of the World Congress of Chiropractic Students and AECC University College is recognised as the world-leading hub for chiropractic paediatric education.

The School of Radiology hosts a centre of excellence in ultrasound education with postgraduate accredited courses including advanced practice, CPD and short courses up to full Masters-level multi-professional courses in Medical Ultrasound. The majority of academic staff in this School are practising healthcare professionals in radiography, radiology and sport and exercise medicine.

The School of Rehabilitation, Sport and Psychology provides excellent education, delivered by experts practising and researching in their respective fields. An annual programme of specialist expert lectures complements a growing portfolio of undergraduate and postgraduate courses in sports psychology and sport and exercise sciences, together with a growing body of research.



Picture: Anatomage table within the Models Laboratory

Enabling Access and Participation

This was the second year of our 2020-25 Access and Participation Plan. This plan sets ambitious targets to be delivered through longer term initiatives and projects. We continue to focus primarily on: access for a number of groups under-represented in the University College; continuation of studies for students from Low Participation Neighbourhoods (LPN's), low income backgrounds and students with a disability; and progression after university for Black and Ethnic Minority students. We review our bursary offer in line with the annual evaluation of financial support and tailor this to our students' needs. Over the past year we continued to apply a Bursaries and a Scholarship Policy to support the financial burden of higher education and widen access to disadvantaged students. With effect from the 2021-22 academic year we have increased our international scholarships to support increasing numbers of international students applying to the University College following the UK's departure from the EU.

Due to the changes in Government guidance around Covid, our outreach activities gradually changed from online to face-to-face. We worked with just over 700 pre-16 students and approximately 600 post-16 students, totalling 1336 school students. Activities included our popular psychology seminar club, transition programmes, virtual summer schools, careers week talks, peer tutoring for GCSE students and British Science Week workshops, separate boys' and girls' science festivals. We continue to be a member of the Southern Universities Network and work collaboratively with their team.

In addition, we developed resources and initiatives to support our students to reach their potential during their studies. In September 2021, we delivered a transition programme for the first time for new students from under-represented groups in the University College to help them integrate at the start of their courses. We also formed a working group of staff and students to look at and address the progression gap experienced by some Black and Ethnic Minority students entering the Chiropractic profession. We continued with our Student Support Funds which were put into place last year for students requiring additional support during the period of the Covid pandemic, which included distribution of the OfS hardship funding allocation.

Access and Participation expenditure is disclosed in note 22 of the financial statements.



Picture: Practical technique class for Chiropractic teaching

Research and Knowledge Transfer

The Research Excellence Framework (REF 2021) results were published on 12th May 2022. The submission was our first as an institution. It was small and focused on a single Unit of Assessment (UoA 3, Allied Health Professions, Dentistry, Nursing and Pharmacy). The submission consisted of 7.7 FTE (9 heads), 19 papers and two case studies on 'Advancing the practice of reporting clinical outcomes in the chiropractic profession', and 'Dynamic biomechanical imaging assessment of spinal joints'.

Eighty-two percent of AECC University College research outputs, environment and impact were assessed as internationally recognised and a quarter of our submissions were judged as internationally excellent in terms of originality, significance and rigour, with the remaining 75% rated 2-star or 1-star. Our research environment was also rated 2-star and 1-star.

This is an important step in the University College's journey to become a leader in health sciences research. Our ongoing area of expertise and outputs is situated in practice-based research, including documentation of patient outcomes, predictors of outcomes and the quantification of spinal biomechanics. Whilst the majority of research activity assessed included national and international representation at chiropractic professional and interdisciplinary conferences, the research is becoming increasingly diverse as a result of the recruitment of new academic staff to support the delivery of our expanding academic portfolio in musculoskeletal health.

Academic Staff were consulted on a new Academic Framework during the 2021/22 year, that allowed staff to choose a research or professional practice pathway. Staff who chose research now have the equivalent of one day per week on average per year, dedicated to research through a new workload model. This will help to increase our research capacity, environment, impact and outputs.

In the year ended 31 July 2022, we recognised £107,000 research income. This came from a combination of contract work, competitive grants, a one off UKRI RE grant and recurrent QR related funding including our first REF income.

We have a portfolio of successful multidisciplinary research collaborations and PhD studentships in musculoskeletal care, patient-related outcome measures, and in research and technology development. Our research student environment continues to develop as we co-sponsor and supervise PhD students in collaboration with a wide range of UK Universities, with AECC University College's academic staff as directors of studies or supervision team members. Across the University College 13 PhD students were being supervised in some capacity by 6 staff, 3 of whom are professors. There have been 2 International PhDs examined by University staff over the last year. In addition, the University College successfully passed its validation event with our partner, Solent University, in May 2022 towards offering validated PhD degrees to our own students. This will allow the University College to apply for Research Degree Awarding Powers (RDAP) in the future. The first PhD students at AECC University College will start in October 2022.

Finally, the University College was amongst 30 or so providers to receive £200,000 of additional KE money via UKRI. This money was for Knowledge Exchange activity, to be used in a variety of ways to allow smaller providers capacity building allocations to address new government priorities to build back better, to be distributed equally across all providers eligible for, but not currently in receipt of, HEIF.

Wider Community

Our chiropractic training clinic provides patient care at a reduced cost, and free to certain groups, who may otherwise be unable or unlikely to access it. Prior to Covid, the service was delivering around 1,000 patient sessions per week and, having closed during lockdown from March 2020 until August 2020 in line with the Government's guidance for England, numbers have remained lower, now at 600 patient sessions per week. This number is expected to grow rapidly in the coming year as we develop our clinical services and patient confidence in returning to face to face treatment returns. We offer a range of other private clinical services delivered by fully-qualified professionals in chiropractic, sport therapy, massage and shock wave treatment.

We continue to host a free breastfeeding clinic in collaboration with midwifery colleagues from Bournemouth University, providing free care for babies and mothers. Two additional clinic rooms were created to accommodate the Lewis Manning Hospice in summer 2022.

We are providing community health services in association with colleagues across NHS acute, community and primary care. In partnership with the Bournemouth East Collaborative Primary Care Network, we are delivering a First Contact Practitioner service in local GP surgeries as well as our onsite clinic. We are hosting the Dorset MSK Service in partnership with Dorset Healthcare University NHS Foundation Trust in our onsite clinic, where patients may also be referred to our MRI scanner.

The on-site open upright MRI scanner, one of only seven in the UK, is a specialist regional facility which receives referrals from numerous NHS and private healthcare providers across the South of England. We invested £120,000 to upgrade our scanner. Our diagnostic ultrasound clinic has been providing a waiting list initiative (WLI) service to support our local acute trust, University Hospitals Dorset NHS Foundation Trust. Our X-ray and diagnostic ultrasound clinics also cater for patients referred from our onsite clinic as well as referrals from chiropractors, physiotherapists and podiatrists in the local community.

The University College is fully committed to further developing its role as an anchor institution and contributing to the levelling up agenda, particularly within Bournemouth East. We aspire to improve local leadership, living standards, public services and civic pride. We are working with colleagues from the Dorset LEP in the delivery of the Local Industrial Strategy, with Bournemouth, Poole and Christchurch Council and other local leaders on the delivery of the Bournemouth Boscombe Towns Fund 'Town Deal'. We support local groups such as the Dorset Race Equality Council and the Boscombe and Pokesdown community fora. We are also connected to other local voluntary groups as a member of the Community Action Network and the Dorset Chamber of Commerce.

We continue to expand our community outreach work with local schools and colleges as we implement our work to widen access and increase participation in higher education with under-represented groups. Over the past year we have been participating in virtual events designed to raise the profile of Allied Health Professions (AHPs) careers, including a Virtual Medlink Event and a Radiography focused Virtual Work Experience Event, in collaboration with our partners at NHS Dorset.

Strategic Plan 2021-2026 – ‘Fit for the Future’

Our Vision

To be a leading specialist health sciences university providing excellent education, clinical care and applied research. We will become an important anchor institution serving Dorset and our local communities, recognised nationally and internationally as a centre of excellence.

Our Mission

Creating a healthier society through education, research and clinical care.

Our Values

Our values set out to guide not just what we do but also 'how' we do things:

Caring – Caring is demonstrated every day by expressing and accepting caring, compassion and respect in our personal and professional relationships. As a health sciences university, we treat people with respect and compassion on a daily basis.

Professional – We take pride in the quality and standards of the work that we do and the relationships we form. We are competent and reliable, working in an ethical way and seek to be excellent in all that we do.

Passionate – We passionately believe in the power of education to inspire and transform lives, and in healthcare to enable and support people to reach their full potential, to be happy, live well and thrive.

Inclusive – We welcome diversity as an essential component of a healthy society and an enriched educational environment. We strive to create a safe and accessible space where all students and staff feel they belong and can flourish as part of our supportive community. Our patient services are centred on the needs of each individual, delivered in an atmosphere of dignity and respect.

Collaborative – To play our part in solving complex world problems we believe in the power of working together. Our multi-professional environment provides opportunities for collaborative working, interprofessional education and multidisciplinary patient care to benefit our students, staff and patients. We are small and specialist but together with our partners we can make a big difference

Education

Our core business is centred on the education and training of healthcare and related professionals, with a strong emphasis on professional qualifications, employability and CPD.

We support our students not only to acquire or further develop the knowledge and skills necessary to practise as professionals in their chosen fields, but to adopt the attitudes of reflective practice, lifelong learning and critical thinking. We have a strong sense of community and provide an environment in which staff, students and patients work together with a common purpose and understanding. We are committed to providing courses with high levels of excellence delivered by experts in their fields so that students are well placed to enjoy success in their chosen profession at the highest level.

Research

Although our educational provision is at the heart of our activity, it is underpinned by the scholarly activity of our teaching staff and nationally and internationally recognised research activity in relevant and focussed areas.

All our courses are informed by the latest evidence (basing practice on well-reasoned arguments supported by empirical and experiential evidence); as such, a central thread of our teaching includes instruction on the ability to search, understand, critically evaluate and apply clinical research in practice. Our aim is to produce graduates who are comfortable with and committed to these attitudes, approaches, and intellectual positions in their approach to clinical practice.

Clinical Care

Our excellent clinical and diagnostic services provide affordable healthcare tailored to our patients' needs. Chiropractic services are offered by our interns, and clinical chiropractic staff. Notable collaborations exist with AFC Bournemouth, the Royal Marines in providing free treatment to personnel and veterans, and with Bournemouth University with whom we run a mid-wife led feeding clinic at no charge to the mother.

Our Exercise Rehabilitation and High-Performance Centres help our patients to lead more active lives and enable us to assess and manage more complex athletic conditions. We are the official Sport Science Partner to the Armed Forces Para Snowsport Team and we deliver consultancy in sport physiology and sport psychology to teams including Bournemouth Rugby Club, AFC Bournemouth and local sports academies.

Our Ultrasound clinic is a centre of excellence in ultrasound education, training and diagnosis. With state-of-the-art equipment and a team of highly qualified sonographers and visiting specialists at hand, we have developed a national reputation particularly within the area of musculoskeletal diagnostic ultrasound and have partnered with the NHS to provide ultrasound clinics.

Our Clinical services are further enhanced by having the only regional open upright MRI scanner on site. This provides not only for a highly specialised diagnostic facility for patient referral from the local and wider health care community, but also a unique research tool. The latter is evidenced by research activity undertaken and commissioned by the European Space Agency as well as our collaborations with other national and international research centres and groups.

Environment and Sustainability

The University College recognises its obligations in respect of the climate change agenda. In line with our new strategic plan, we will articulate our environmental sustainability strategy. As we improve our estate we will strive to reduce our carbon footprint and enhance opportunities for environmental sustainability and biodiversity across our campus.



Picture: AECC University College integrated rehabilitation centre




Review of Progress Against Objectives to Achieve Strategic Aims

2021-22 saw the launch of our new Corporate Strategic Plan for 2021-2026. The aims and progress outlined below therefore relate to the delivery of this plan.

It was built upon the institutional milestones achieved over the previous five years, including TDAP and OfS registration. We acquired an additional site and were awarded £2.7m by the Dorset LEP to create an Integrated Rehabilitation Centre, the majority of which was built during 2021-22. This plan is defined by our ambitions for continued excellence, growth and partnership. We have exceptional graduate outcomes and will protect these; ensure success and relevance as a specialist university supporting local, regional workforce expansion and development as the NHS delivers its long-term plan. We will work closely with local groups and the regeneration of Boscombe to ensure we are its local university and anchor institution.

The following table sets out progress during the 2021-22 academic year against the specific targets to be achieved in support of our objectives to deliver the six strategic aims.

Strategic aim	We will achieve these strategic aims by	Progress
Strategic aim 1: Provide an outstanding student experience and deliver excellent graduate outcomes for all	Developing a new student experience strategy with our students as partners	○
	Maintaining our outstanding graduate outcomes	○
	Addressing gaps in success between different groups of students	○
	Providing a unique opportunity for students to study and practice together in a multi-professional health science environment	○
	Providing more support for student enterprise/entrepreneurialism	○
	Investing in learning spaces and facilities	○
	Developing lifelong learning skills	○

Strategic aim 2: <i>Support the expansion and development of the health workforce by providing demand-led high-quality education and training programmes</i>	Expanding our portfolio of Health programmes and grow student numbers to c.2000 at foundation through to postgraduate levels	●
	Increasing the breadth and number of CPD programmes and short courses to support flexible, inclusive learning	●
	Developing and strengthening relationships to ensure we are aware of workforce development requirements	●
	Being agile and responsive to the needs of our stakeholders	●
Strategic aim 3: <i>Provide affordable patient-centred care through multidisciplinary clinical, rehabilitation and diagnostic services</i>	Creating a hub of learning, teaching and applied research in a care setting	●
	Developing new patient services	●
	Developing a new Integrated Rehabilitation Centre with a community rehabilitation facility, providing a new model of care recognised as a Centre of Excellence	●
	Expanding placements and practice learning opportunities for students across all clinical education and training courses	●
	Working with partners across the Dorset ICS to support the transformation of health and care services	●
Strategic aim 4: <i>Position ourselves as a first-choice partner within specialisms for research and innovation in the health science community</i>	Aligning our research and innovation activities to local and regional priorities	●
	Increasing research income and enhancing quality	●
	Increasing the number of research partnerships we have with the health and care sector	●
Strategic aim 5: <i>Establish ourselves as an anchor institution for knowledge exchange and economic development within our local community</i>	Developing local community partnerships	●
	Developing an engagement strategy which encompasses outreach, civic and business engagement	●
	Aligning our activities with local and regional priorities	●
Strategic aim 6: <i>Create an inclusive and sustainable environment in which we support our people and develop our activity, spaces and facilities to be fit for the future</i>	Creating flexible, high quality physical spaces in an environmentally sustainable way	●
	Developing our digital environment to support the activities of our staff and students	●
	Creating a transformational and inclusive culture that is person-centred, values led and ambitious	●
	Being financially independent, environmentally aware and sustainable	●
	Implementing effective organisational structures and processes to promote and facilitate efficiency, agility and innovation	●
	Developing operational strategies and plans that will support our growth and the delivery of our strategic priorities	●
 = achieved  = partially achieved or in progress  = not yet achieved or started or data not yet known		

Understanding and Managing our Risks

Any organisation needs to know what it does well and where any potential risks lie that may prevent it from continuing to do so in the future. Understanding the importance of active risk management is vital at all levels of the institution and effective risk management increases the probability of successful outcomes while protecting the reputation and sustainability of AECC University College.

The University College's strategic risk management process continues to provide effective systems for the identification of the major strategic and financial risks within a framework of governance, a defined risk management policy and an underlying control environment.

Individual risk owners assess gross and net risks at departmental and team level within their individual risk registers and they report emerging and changing risks to the Senior Management Group on a regular basis. Any significant new risks are reported to the Audit and Risk Assurance Committee which formally reviews and updates the Corporate Risk Register and makes recommendations for approval by the Board of Governors. A target risk is set by the Board linked to the risk appetite and tolerance framework, which directs the urgency with which mitigating actions should be taken.

Internal Audit supports this process and undertakes reviews of key areas throughout the year as part of a rolling audit plan.

Risk Register

Below are the main risk categories that could adversely affect the University College, impacting on reputation, staff, students, estate, operations and finances. This list is not exhaustive, as there are other risk events that could trigger additional mitigating actions. This register of risks reflects those that are considered to be the most important ones and they are featured within the institution's Corporate Risk Register.

Set out below are the key risk categories, risks and mitigating actions / controls as at the date of signing the report:

Ref	Risk Category	Mitigating actions / Controls
1	Legal, regulation and governance:	
	<ul style="list-style-type: none"> Failure of Board to discharge responsibilities in respect of Companies Act, Charity Commission and HE Code of Governance 	Appropriate skills mix and appointment of governors with relevant experience. Regular development and training seminars. Compliance with CUC guidelines and OfS registration condition of public interest governance principles. Independent review.
	<ul style="list-style-type: none"> Failure to comply with Office for Students Conditions of Registration 	Data collection and availability. Sufficient capacity and expertise to prepare and submit reports, with contingency for staff absence.
	<ul style="list-style-type: none"> Failure to meet statutory reporting requirements 	Appropriate management information, sufficient staff capacity and expertise. Regular review of information, plans and reports at relevant AECC UC Committees / Groups. Regular updates and reports of completed submissions to relevant Board Committees and full Board, gaining approval as required.
	<ul style="list-style-type: none"> Failure to comply with Data Protection Act, General Data Protection Regulations (2018) and failure to comply with copyright law in the appropriate production and use of teaching and learning resources. 	Robust information governance systems in place reinforced by staff and student training on GDPR. Copyright policy and guidelines in place for staff and students. Separate and secure PACS storage for imaging services.
	<ul style="list-style-type: none"> Failure to and comply with health and safety legislation/regulations in relation to estate and services 	Appropriate expertise and capacity to assess, develop and deliver actions to ensure compliance. Health and Safety policies, risk assessments and action plans, mandatory staff training. Disability audits
	<ul style="list-style-type: none"> Failure to comply with CQC Regulations 	CCG oversight for governance, ref to CQC guidance, regular Audit

2 Financial Sustainability

- **Failure to recruit and retain students** Targeted marketing activity. Robust admissions policies and procedures. Use of overseas recruitment agencies where appropriate. Placement capacity identification and planning. Student academic support. Student support services and guidance Student engagement policy.
- **Impact of comprehensive spending review changes on University College plans** Focus on high value subjects. Potential reduction in staffing and staff costs as appropriate. Efficiency savings where required.
- **Failure to expand and diversify education provision** Strategic alignment, sufficient demand informed by market data and intelligence, in-house expertise / networks to source external expertise, financial planning and professional services support, estates capacity planning. Stakeholder engagement
- **Failure to grow and diversify patient services income** Effective marketing strategy and implementation. Monitoring competition and meeting market need. Ensuring value for money by regular review.
- **Failure to mitigate the impact of increasing pension costs and liabilities** Keep under review by F and GP as part of committee business. R and HR approved recommendations for employer contribution - for financial approval as part of annual planning. Annual actuarial valuation of defined pension schemes. Cash contributions made as agreed by F and GP
- **Failure to mitigate the impact of increased energy costs** Actions to reduce expenditure including systems and behavioural actions. Engage energy consultant

3 Estates and Facilities

- **Failure to develop the estate and facilities to accommodate planned new provisions** Development of estates strategy. Re-model existing space to expand capacity. Produce Master Plan to accommodate new provision in collaboration with architects and others as necessary. Building relationships with local Council, neighbourhood planning groups and LEPs

4 Information Assurance

- **Failure to maintain sufficient protection against emerging cyber security threats, leading to a potential loss of service or loss of sensitive or personal data** Multi-layered security and protection mechanisms. Active antivirus, firewall and other appropriate subscriptions. Cyber Security guidance and training provided to users. Cyber Security Assessment. Mandatory user awareness training. Additional filtering and monitoring systems. Regular vulnerability scans and PEN tests. Cyber insurance

5 Processes and Digital Infrastructure

- **Failure to develop and implement an effective digital strategy to deliver the institutional aims** Enhanced online learning capability across staff and students. Systems developer – provide overview for all systems (academic, clinical and business support) and identify opportunities for more efficient workflow. Use of Turnitin as tool for submission of assessments

6	Community Engagement and Partners	<ul style="list-style-type: none"> Failure to raise the reputation and profile of the organisation to be acknowledged as an important anchor institution Failure to achieve successful partnerships with key local regional and national organisations 	<p>Local memberships / hosting and involvement with community groups Integrated Rehabilitation Centre development has leveraged many opportunities to speak with stakeholders from BCP Council, the local NHS and our locality</p> <p>MOUs / contracts in place where appropriate. Engagement register and contacts list. Contracts register maintained. Attendance and involvement in relevant chiro / AHP, NHS, HEE, Council, DLEP, R and D Groups.</p>
7	Education and Training	<ul style="list-style-type: none"> Failure to develop or secure sufficient practice learning opportunities to support proposed course developments Failure of courses to meet expected professional and academic standards 	<p>Systematic and regular engagement with HEE and external stakeholders who will be supporting and providing practice placements</p> <p>External review including QAA, external examiners, PSRB accreditations. Robust quality assurance framework in place. Internal review and monitoring by academic committees. Investment in staff development.</p>
8	Student Experience and Graduate Outcomes	<ul style="list-style-type: none"> Failure to provide a quality student experience Failure to demonstrate successful graduate outcomes 	<p>Investment in estates, resources, staff and SU. Inclusion of students in academic committee membership, regular meetings with students and SU, student representation at Board level. Formal and informal student feedback with closed feedback loops.</p> <p>Data collection and availability. Sufficient capacity and expertise to prepare and submit reports, with contingency for staff absence.</p>
9	Research and Innovation	<ul style="list-style-type: none"> Failure to develop and implement a sufficiently ambitious research and innovation strategy 	<p>Support staff to carry out research through structural and resource-based opportunities Deliver on institutional Research Strategy to guide and build research capacity, productivity and income generation.</p>
10	People and Culture	<ul style="list-style-type: none"> Failure to recruit and retain well qualified staff and plan for succession. 	<p>Robust and efficient staff recruitment processes. Advertising widely as appropriate. Staff appraisal, salary review and promotion pathways. Range of pension schemes. Maintain competitive status in sector in relation to pay and conditions. Compliance with DDE/HR policies/employment law. Staff development programme rolled out for line managers. Regular staff development days. Pay benchmarking. Streamlined Appraisal system</p>

11. Patient Safety / Safeguarding	
<ul style="list-style-type: none"> Failure to safeguard vulnerable individuals 	<p>Safeguarding Institutional Lead, Principal Safeguarding Officers (PSO Student Services): Clinical, Registry, Student Services. Safeguarding Training for staff / mandatory eLearning</p>
<ul style="list-style-type: none"> Clinical negligence/significant adverse events and injury 	<p>Staff professional / Statutory registration status checked on recruitment and regular intervals. Staff induction and training. Regular maintenance schedules in place. Incident reporting system and analysis. Clinic Manuals and Handbooks, Policies and Procedures in place. Risk assessments conducted.</p>
12. Reputation	
<ul style="list-style-type: none"> Failure to provide a satisfactory patient / service user experience 	<p>Regular patient satisfaction surveys / service user feedback across all clinical services</p>
13. Business and Enterprise	
<ul style="list-style-type: none"> Failure to develop an environment which supports the development and delivery of business and enterprise ideas and projects 	<p>Short course / CPD proposal approval forms Enterprise proposal forms and processes. Tendering and procurement policy and processes.</p>
14. Projects	
<ul style="list-style-type: none"> Failure to successfully achieve the objectives, outputs and outcomes of the Integrated Rehabilitation Centre Programme as agreed with the Dorset LEP (separate Risk Register) 	<p>Timely progress subject to appropriate due diligence, Professional Adviser as Project Manager, embedding of project activities into curriculum development plans for Schools, strong internal project management driven by COO as IRC Programme Director and supported by Strategic Advisor – Business Development and Project Delivery</p>

Future Developments

With the launch of the new Corporate Strategic Plan 2021-2026, 'Fit for the Future', the University College's activities must align to one of the six strategic aims. During the academic year 2021/22 the following took place:

We continued to expand and develop our educational portfolio at undergraduate and postgraduate level: four new HCPC pre-registration Masters programmes; two Masters programmes in radiography; and two BSc Sports courses for a September 2022 and January 2023 start. With the appointment of our Head of Academic Enterprise and Engagement, in November 2021, a CPD framework is being developed for post-registration training offer including Advanced Clinical Practice, CPD and short courses. Our developments will be informed by discussions with Health Education England, professional bodies, Integrated Care System colleagues, and regional and local health and care providers to ensure that they are highly relevant and demand-led courses.

There is an increasing focus on digital, with the development of a new Digital Strategy to guide our digitally-supported teaching and learning, digital health education and care, and research. A six-month project led by a Technology Enhanced Learning Consultant, is aiming to introduce ABC Learning Design, Moodle consistency and CPD for academic staff. This will require adaptation of our wider support and information technology systems and infrastructure going forward, with investment in new posts in Learning Technology and IT.

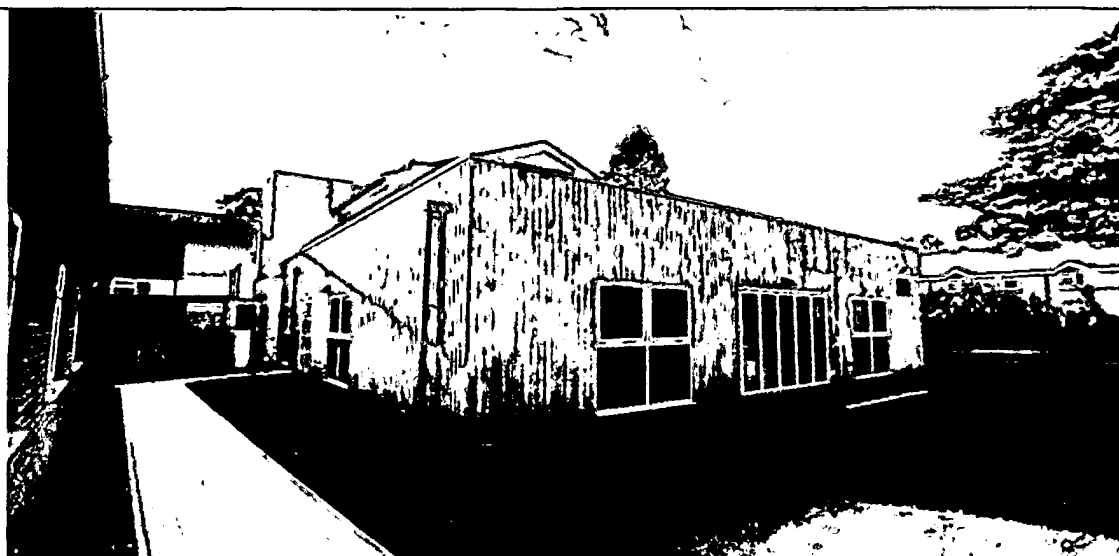
A new Academic Framework for staff was implemented in September 2022 to provide staff with clear guidance on expectations at Lecturer, Senior Lecturer, Associate Professor and Professor levels. It will allow for better understanding of career progression, research expectations or professional practice outputs. All academic staff will major in education, with the choice of research or professional practice as the other major. This will provide flexibility for staff who might wish to remain clinically focused and builds upon the strengths of our current staff base. It provides for a greater student experience.



Picture: Clinical skills simulation using patient mannequins

We will develop a new research strategy to ensure that we develop our existing staff and attract new staff to the University College. Growing capacity in this area will provide greater opportunities for student involvement, optimising use of our expertise and estate and increasing income generation to support ongoing projects. The offering of PhD studentships from October 2022 will start to modestly grow our PGR environment. Future QR funding from our REF result and additional small specialist KE income in August 2022, will also allow us to build infrastructure around research and professional practice. Our partnering in the Dorset Innovation Hub continues, providing access to many local partners.

Plans are in place to appoint a Head of Estates from January 2023 and, informed by our new Estates Strategy, he or she will consider existing and planned campus and facility requirements. Our Integrated Rehabilitation Centre officially opened in October 2022, providing specialist rehabilitation care to our local community.



Picture: Integrated Rehabilitation Centre – rear view and outside green space

2. Financial Review

AECC University College is again able to report successful financial performance in the year ended 31 July 2022. The consolidated operational surplus after tax for the year increased by £298k to £1,445k (2021: £1,147k). Total comprehensive income, after provision for the actuarial gain relating to our pension scheme was £4,305k (2021: £1,504k).

	Year Ended 31 July 2022 £'000	Year Ended 31 July 2021 £'000
Income:		
Tuition fees & education contracts	9,866	8,358
Funding body grants	1,078	857
Other grant income	43	115
Clinical Income	1,173	903
Catering Income	106	29
Investment income & donations	23	41
Other income	136	132
Total Income	12,425	10,435
Expenditure:		
Staff costs	7,155	6,192
Other operating expenses	3,167	2,496
Depreciation	555	509
Interest & other finance costs	103	90
Total Expenditure:	10,980	9,287
Surplus before tax	1,445	1,148
Taxation	-	1
Surplus for the year	1,445	1,147

Income

Total turnover has increased by £1.99m (19%) from the previous year with growth seen in most categories of income. Part of this is undoubtedly due to the University College successfully emerging from the Covid 19 pandemic which had a severe impact on operations and consequently financial performance in the 2020-21 year.

Tuition fee income and educational grants, which account for 88% of our total income, increased by 19% from £9.22m in 2021 to £10.94m in 2022. This growth was achieved despite the tuition fee for UK undergraduates being capped at £9,250 per student for the fifth year in a row.

Clinical income, which was one of the areas of activity most significantly hit by Covid restrictions in 2020-21, grew by 30% from £903k to £1,078k, with increases experienced in all areas; Chiro, MRI, Ultrasound and X-ray.

Catering income also saw a rise in income approaching to pre-pandemic levels with increasing numbers of students, staff and visitors returning to the campus following the easing of restrictions.

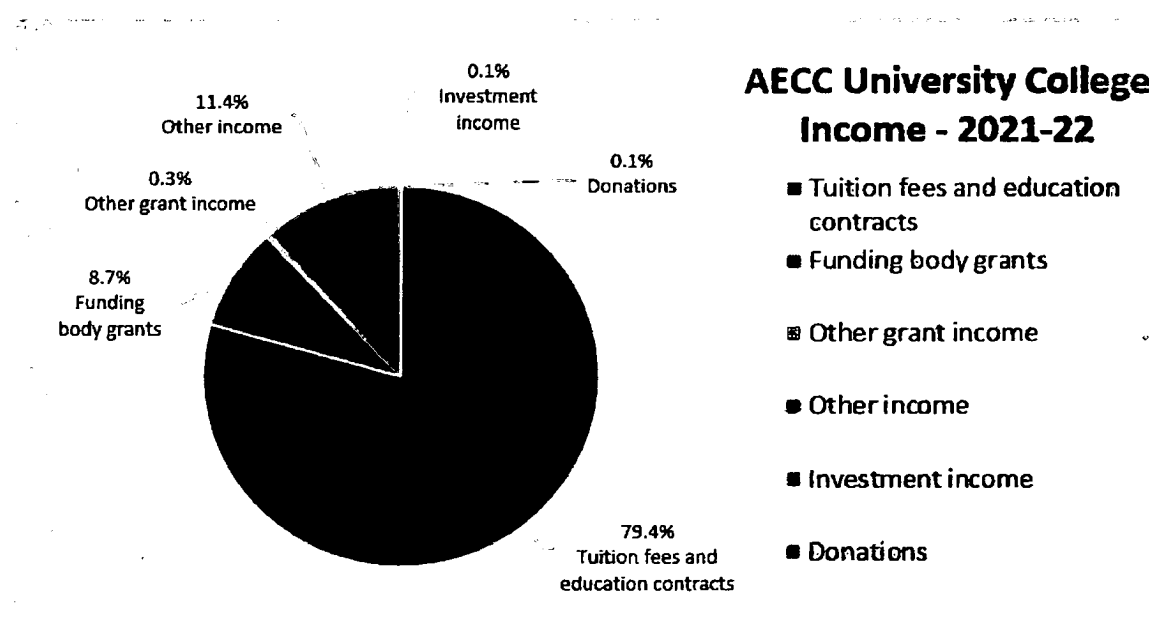


Chart: Breakdown of income

Expenditure

Overall consolidated expenditure increased by £1,693k (18.0%) from £9.29m to £10.98m.

Staff costs totalled £7.16m in 2022, which amounted to 57.6% of consolidated income, compared with £6.19m (59.3% of income) in 2021. This increase was partly driven by additional staffing numbers, particularly in academic and clinical staff, but also by increased costs. During the year ended 31 July 2022 the University College made two pay awards to its staff, a 1% overall increase with effect from 1 August 2021 followed by a further increase of 2% and £600 per full time member of staff, with effect from 1 April 2022. This second pay award was as a result of a strategic decision to move the annual pay award to 1 April to align with any changes in tax or national insurance contributions introduced by the UK Government.

In addition, a decision was made to increase the employers pension contributions from 11% to 12% at the same time. These increases together with the increase in employers' national insurance contributions have increased the cost per employee across the board.

Non pay costs increased by £679k (27%) from £2.50m in 2021 to £3.17 in 2022. This not only reflects the overall increase in the activities of the University College, but also emerging cost pressures, particularly in relation to energy costs, insurance and maintenance costs. These related to the ongoing updating of the existing listed building on the main campus and also the new Garnet Campus acquired in 2020, which has undergone a major refurbishment over the last two years to bring it up to required standard.

The depreciation charge increased by 9.05 (£46k) from £509k to £555k. This reflects the ongoing investment being made in infrastructure and equipment by the University College as part of a long-term strategy to bring all areas of the Campus up to the highest possible standard within the constraints of working with a grade II listed building.

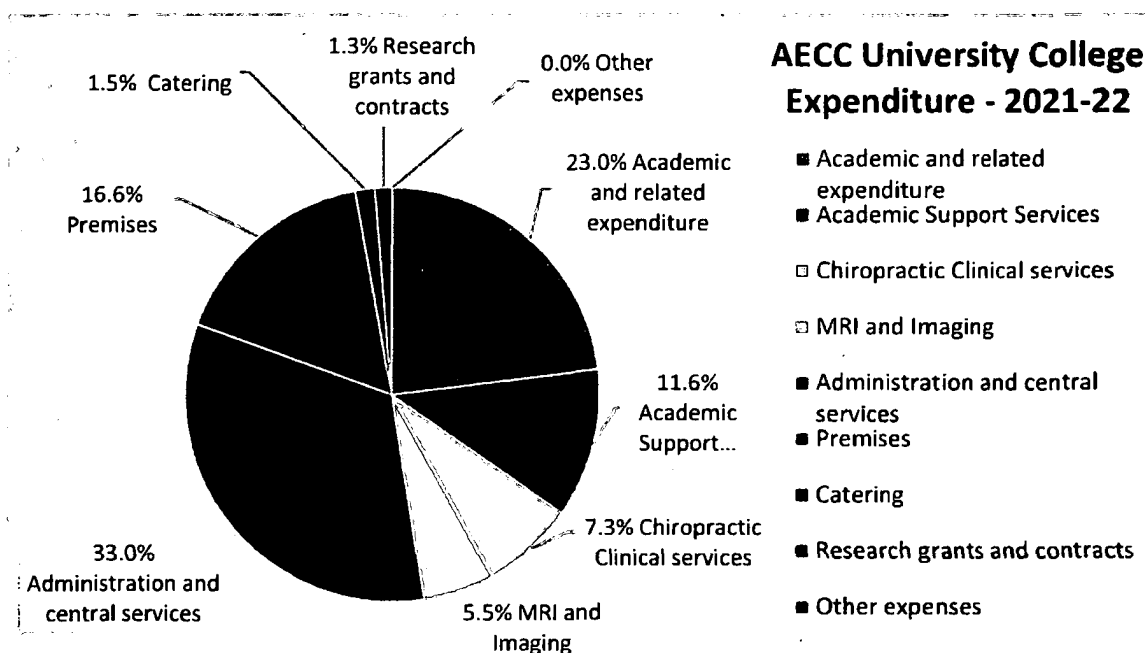


Chart: Breakdown of expenditure

Statement of Financial Position as at 31 July 2021

The following table summarises the financial position as set out in the Consolidated Statement of Financial Position:

	As at 31 July 2022	As at 31 July 2021
	£'000	£'000
Tangible assets	10,194	6,390
Net current assets	5,230	4,461
of which 'Cash or cash equivalents'	7,313	5,987
Deferred Capital Grants	(3,385)	-
Pension provisions	(828)	(3,945)
Total net assets	11,211	6,906
Income and expenditure reserve - restricted reserve	254	266
Income and expenditure reserve – unrestricted	10,957	6,640
Total reserves	11,211	6,906

Tangible assets

During the year the University College has made significant investment in its infrastructure and equipment during the financial year.

The main emphasis has been on the construction of the new Integrated Rehabilitation Centre on the Garnet campus opened in October 2022 with commencement of operations in November 2022. During the year £2.89m was spent on this project although a large proportion of this has been funded by a way of a capital grant of £2.20m from Dorset Local Enterprise Partnership. This new facility will enable the University College to expand both its clinical and educational offering over the coming year focussing on rehabilitation and the training of Allied Health Professionals.

AECC was also successful in bids to Health Education England and Office for Students for capital funding totalling £819k. This, together with investment from our own reserves has meant that new cutting edge equipment totalling over £1m has been acquired during the year to improve both our educational and clinical facilities. This equipment includes an Anatomage table, patient simulation equipment, motion tracking cameras, force sensing tables and a major software upgrade on our upright MRI scanner.

Cash and cash equivalents

Throughout the period the University College has maintained a strong cash position, with consolidated cash and cash equivalents increasing by £1.33m from £5.99m to £7.31m. As a consequence of this healthy balance AECC has managed to reduce its pension liability to the Dorset LGPS through the payment of additional contributions of £240k during the year. With interest rates now starting to rise the University college is seeking to be more proactive in increasing its return on these balances mainly through the placing of deposits on the UK money market and currently has £2m on a 6 month deposit earning significantly above the rate available from normal bank deposits.

Pension provisions

The pension provision, which relates to the Dorset Local Government Pension Scheme, decreased by 79% (£3.12m) from £3.95m to £0.83m following the annual actuarial review. This significant shift is partly due to additional contributions of £240k made by the University College but mainly by changes in financial assumptions made by the actuaries particularly in relation to the discount rate used increasing from 1.60% at 31 July 2021 to 3.40% at 31 July 2022.

Reserves

Overall consolidated reserves increased by 62.3% from £6.91m to £11.21m. This increase has been driven by the operating surplus made during the 12 months plus the significant gain as a result of the revaluation of the Dorset LGPS pension liability.

Key Performance Indicators

The University College monitors many financial Key Performance Indicators (KPIs) on a monthly basis, including:

KPI	Description	2022	2021
Profitability	Surplus as a percentage of total income	11.63%	11.00%
Current ratio	Current Assets : Current Liabilities	2.88:1	3.27:1
Total reserves	Total Reserves held on the balance sheet	£11.21m	£6.91m
Cash	Level of cash at bank or in hand	£7.31m	£5.99m

Financial KPIs, although important, represent only one aspect of the University College's business. Therefore, we also monitor the following:

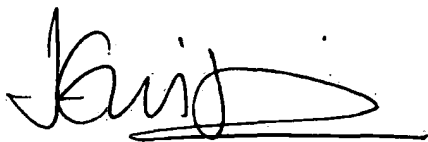
KPI	2022	2021
Overall student satisfaction (%)	49.79%	54%
- <i>NSS 2021/22 'overall satisfaction' score for undergraduate students</i>		
Completion rate	99%	97%
- <i>For undergraduate students (end of final year)</i>		
Staff : Student Ratio	1:19	1:19.5
- <i>For undergraduate students (as of 1 December)</i>		
Non-UK students (%)	37%	37%
- <i>For undergraduate students (EU & overseas students (as of 1 Dec)</i>		
Total student numbers (FTE)	925.7	825.8
- <i>Undergraduate, Postgraduate and Further Education students</i>		
Total new Undergraduate entrants	215	210
- <i>Undergraduate & Further Education Students (as of 1 Dec)</i>		
Total new Postgraduate entrants	95	69
- <i>Postgraduate students (as of 1 Dec)</i>		
Academic staff with teaching qualification and/or FHEA (%FTE)	58%	59%
- <i>Academic staff with HESA recordable teaching qualification</i>		
Number of peer reviewed papers	24	19

Treasury Management

Treasury Management encompasses the management of the University College's cash flows, banking, money and capital market transactions and the effective control of the risks associated with those activities. The policy of the University College is to safeguard its assets whilst at the same time aiming to achieve the best possible return on its investments. The overriding principle however is to minimise risk rather than maximise returns.

As part of its five-year forecast, the University College has assessed the minimum liquidity levels needed to ensure that financial and operational control is maintained, including the identification of any future borrowing requirement.

This report was approved by the Board of Governors on 15 December 2022 and signed on its behalf by:



J Bremner
Chair of the Board of Governors



L Haig
Vice-Chancellor and Governor

Corporate Governance and Internal Control Statement

The Governors present their annual report and audited financial statements for the year ended 31 July 2022. This report also covers the Trustees' Report as required by Chapter 4 Section 162 of the Charities Act 2011 ("Charities Act").

Legal status

AECC University College is a company limited by guarantee registered with Companies House under number 00653859 and registered with the Charity Commission under charity number 306289. It is governed by its Articles of Association. The University College is directed by its Board of Governors ("the Board") acting under these Articles of Association. The Board has ultimate responsibility for the strategy, performance and sustainability of the institution. It approves the University College's mission and strategy, monitors institutional performance and ensures its effective management. The current Chair of the Board is Jennifer Bremner and Peter Dingley is Deputy Chair.

The University College provides indemnity insurance for the Governors in accordance with, and subject to the conditions in, Chapter 9 Section 189 of the Charities Act 2011.

Composition of the Board

The articles dictate that the number of Governors which make up the Board (who fulfil the role of directors for company law purposes) shall be a minimum of 12 and a maximum of 25. The majority of Governors appointed by the Board are independent governors but also include the Vice-Chancellor, ex officio, one member of the staff of the University College ("Staff Governor") elected by the staff and two members of the student body of the institution ("Student Governor") elected annually by the students.

There are currently 17 Governors and they are appointed for a term of four years (with the exception of the Student Governors, who are appointed for one year). Terms are extendable, normally to a maximum of eight years but may be extended further in exceptional circumstances upon the recommendation of the Governance & Nominations Committee and with the agreement of the Board of Governors.

With the exception of employees of AECC University College, the Governors are not paid any remuneration. However, they are entitled to claim reasonable travel and subsistence expenses.

Organisational structure

The Vice-Chancellor is chief executive of the University College and the rest of the Executive team (the Deputy Vice-Chancellor and the Chief Operating Officer) attend Board meetings. This enables the Board to have a close working relationship with the Executive and to focus on important strategic issues in a complex higher education market, in both the UK, Continental Europe and internationally.

The Board of Governors is legally responsible for the overall management of AECC University College. Operational implementation of the 2021-26 Strategy, approved by the Board, is the responsibility of the Vice-Chancellor and the Executive team.

Committees of the Board

The Board meets at least four times each academic year with much of the detailed work dealt with by formally constituted Committees, each with their own terms of reference that are reviewed annually.

Committees are chaired by independent Governors and report directly to the Board. Committee minutes are included in the agenda pack of the Board meetings and the Committee Chairs provide a report at the meeting.

Audit & Risk Assurance Committee This Committee provides assurance to the Board on internal controls, compliance and corporate governance including, risk management, value for money, the adequacy of systems generating data for regulators and advising on the appointment of the external and internal auditors. It is responsible for overseeing the internal audit programme and monitoring the implementation of recommendations arising. It recommends the external auditor's management letter and the annual financial statements (having received input from the Finance & General Purposes Committee) to the Board. The Committee specifically monitors and reviews the effectiveness of controls for fraud, bribery, money laundering, whistleblowing and cyber security. Both internal and external auditors attend Audit & Risk Assurance Committee meetings.

Finance & General Purposes Committee This Committee has responsibility for advising the Board on the financial, estates and IT strategies to support the Strategic Plan together with treasury management activities. It undertakes detailed scrutiny of the proposed income and expenditure budget and capital programme and their subsequent management, receiving updated forecasts throughout the year. It advises the Audit & Risk Assurance Committee on its scrutiny of the annual accounts. The Committee reviews the financial regulations of AECC University College. It oversees the effectiveness and efficiency of the estate within AECC University College.

Remuneration & Human Resources Committee This Committee oversees the recruitment, performance and remuneration and considers the salary and conditions of service of the Vice-Chancellor and of other Executive team members. It also regularly reviews staff pay and service conditions and considers HR policies as well as regular reports on HR performance.

Governance & Nominations Committee This Committee keeps under review the composition of the Governing Body, informed by the skills matrix and the outcome of individual appraisals to address succession. It oversees the arrangements for the recruitment of Governors and recommends appointments and re-appointments to the Board as well as arrangements for Board effectiveness and individual appraisals. It reviews the induction arrangements for Board governors and receives reports on allegations of improper Governor conduct, recommending action to the Board. The Committee also maintains an oversight of the Honorary Awards process.

The Chair of the Board and the Chairs of Committees have delegated authority to take urgent decisions within their Committee's remit on the advice of the Vice-Chancellor and with the consent of the Chair of the Board of Governors. A Register of Chairs' decisions is maintained and these are reported to the Board / Committee at its next meeting.

Members of the Board

The table below gives the members of the Board during 2021-22 together with their Board attendance and membership of Committees. The '% Attended' reflects the percentage of expected attendance for each individual, taking into account those meetings for which they were eligible and invited to attend, and start and finish dates within specific Committees.

Board & Committee Attendance 2021/2022

Total Number of Meetings held:					6	4	4	3	3
Governors	Type of Governor	Start of term of office	End of term of office / date of resignation	% of all meetings attended *	Board	Audit & Risk Assurance	Finance & General Purposes	Governance & Nominations	Remuneration & HR
Monika Barnes	Independent	06.09.21	05.09.25	100%	6	N/A	N/A	N/A	3
Jeni Bremner	Independent	01.10.19	30.09.23	100%	6	N/A	4	3	N/A
Matt Dalton	Student	07.05.22	06.05.23	67%	0	N/A	2	1	N/A
Peter Dingley	Independent	05.07.14	08.07.25	100%	6	N/A	4	3	3
Kim Frost	Independent	06.09.21	05.09.25	75%	4	4	N/A	N/A	N/A
Mike Gibson	Independent	01.11.19	31.10.23	100%	6	N/A	4	N/A	N/A
Mark Gurden	Independent	19.11.11	08.07.25	89%	6	N/A	N/A	N/A	2
Lesley Haig	Vice-Chancellor	03.01.19	n/a	100%	6	N/A	4	3	N/A
Fran Helmore	Student	07.05.22	06.05.23	83%	2		2	1	N/A
Philip Hume	Staff	08.04.17	08.07.25	63%	3	N/A	4	1	2
Colin Pett	Independent	04.10.19	09.12.21	67%	2	3	N/A	N/A	N/A
Peter Roberts	Independent	22.11.14	21.11.22	100%	6	N/A	N/A	N/A	3
Mollie Stannard	Student	01.06.20	06.05.22	75%	4	N/A	2	1	N/A
Denise Tarrant	Independent	01.09.19	30.09.23	100%	6	4	N/A	N/A	N/A
Greg Thornton	Independent	06.06.22	05.06.26	100%	6	1	N/A	N/A	N/A
Peter Vandervelde	Independent	06.09.21	05.09.25	67%	4	3	N/A	N/A	N/A
Claudia Wallis	Independent	01.06.20	06.05.22	100%	5	N/A	2	2	N/A
Keith Wilkes	Independent	01.10.19	30.09.23	75%	4	N/A	N/A	N/A	3

Co-opted Member to A&RA:

Greg Thornton		06.09.21	05.06.22	100%		3	
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Staff Representatives on Nominations:

Daniel Heritage		0%		0
Karen Pichlmann		100%		1

Subsidiary: AECC Enterprises Ltd	Meetings held	
Neil Andrews	100%	2
Mark Gurden	100%	2
Lesley Haig	100%	2
Brenda van der Vossen	50%	1

* % attendance is based on the number of meetings which the individual was called to attend.

Governance

The University College is committed to exhibiting best practice in all aspects of corporate governance and has adopted the Committee of University Chairs (CUC) Higher Education Code of Governance. During the year, the Board reviewed compliance with the CUC Code of Governance published in September 2020. The Board was satisfied with the updates on the levels of compliance sustained and improvements implemented.

The University College has also mapped its compliance against the Office for Students Registration Requirements and confirmed that these are met.

The institution is audited both externally and internally by outside providers. The A&RA Committee decide on the areas of risk for internal audit based on the risk register and the internal audit cycle of review. Financial controls are included in every annual internal audit cycle.

The Executive report on Value for Money to the A&RA Committee at each meeting and provide an annual report. Widening access and participation are addressed through the APP reporting from Academic Registry. Civic engagement is reported to the Board by regular updates from the Executive.

Commercial activities are conducted through a separate entity, AECC Enterprises Ltd, and conform to the requirements of the Charity Commission.

There is an effective and proactive system of risk management in place by which risks are rigorously assessed, understood and effectively managed across the organisation. Risk Management and the risk register are reviewed by the A&RA Committee and input is also received from both Remuneration & HR and F&GP Committees relating to those risks which fall within their remit. The risk register is an agenda item for all Board meetings.

High-quality and robust data is produced and managed to meet all relevant legal and regulatory requirements. Reports are made to the A&RA Committee by the DVC or the Academic Registrar regularly on data returns. Financial management information is presented at every F&GP Committee meeting with interim reporting between meetings, and to the Board.

Governance Effectiveness Review

The Board of Governors has implemented recommendations and suggestions arising from the governance effectiveness review undertaken by The Halpin Partnership in 2021. A follow-up meeting with The Halpin Partnership took place in May 2022 to monitor the progress made and a further internal audit of governance and in particular the implementation plan took place in July 2022.

Skills of the Board and Recruitment

The governor skills matrices support the Board in its succession planning to maintain the skills mix required for an effective Board. In recruiting new governors, applications are sought in a variety of ways, including advertising in the press and within the Higher Education sector, with the National Associations, and publicising vacancies to staff and graduates of the University College.

All applications for independent governors are reviewed by the Governance & Nominations Committee and selected candidates are invited for interview and a tour of the campus. The Governance & Nominations interview panel then makes its recommendation to the Governance & Nominations Committee who consider the proposal and recommend to the Board as appropriate. Appointments are for four years and may be renewed for a second term of office and under exceptional circumstances for a third term. The Board may appoint advisors or co-opted members to Committees as required when a skills gap is identified.

Training of Governors

All new governors receive an induction.

On appointment new Governors are asked to sign a copy of the letter of appointment that requires them to conduct themselves in accordance with the Nolan Principles of Public Life and AECC University Colleges adopted policies and procedures. The information supplied to new governors includes the Code of Conduct for AECC University College Governors which provides guidance on the standards of behaviour and conduct expected by the University College.

Board development is provided in a variety of ways from briefings and seminars from Advance HE and the Office for Students, presentations by the Executive and attendance at seminars and breakfast meetings at Guild HE to briefings from audit companies, either for the whole Board or for individual governors.

Board of Governor Appraisals

All governors undergo appraisal during their term of office in accordance with procedures approved by the Governance & Nominations Committee. These appraisals help to ensure that existing governors continue to have the skills needed on the Board; that learning and development opportunities are identified; and to ascertain where there may be skills gaps.

Register of Business Interests

A register of interests is held by the Clerk to the Board and Company Secretary and details the interests of members of the Board; this is reviewed annually. In addition, at the start of all Board or committee meetings the attendees are asked to formally declare any particular interest in the items on the agenda and these are recorded in the minutes of that meeting.

Fit and Proper Person Declarations

All governors and senior staff are required to make a fit and proper person declaration. These forms are reviewed and maintained by the Clerk. Governors are required to confirm the continuation of their fit and proper status during the appraisal process.

Automatic Disqualification Declarations

AECC University College must ensure that governors and senior officers of the institution are not disqualified from acting as trustees and senior officers of a registered charity. All governors and senior officers are required annually to make and maintain a declaration to this effect. A register of declarations is held by the Clerk to the Board of Governors. Governors are required to confirm the continuation of their status during the appraisal process.

Risk Register

The risk management policy and supporting procedures support the implementation and monitoring of risk management through the Corporate Risk Register and the departmental risk registers. The Clerk to the Board and Company Secretary is responsible for ensuring that risk management processes run efficiently and effectively at AECC University College.

The Board confirms that it has reviewed and considered the major risks to which AECC University College is exposed and that they are satisfied that systems have been established to manage those risks. The Board regularly reviews and determines its approach to risk appetite. It is ultimately responsible for the identification and management of risks that the AECC University College may face. It is informed in this task through the work undertaken by the Audit & Risk Assurance Committee at each of its meetings and its evaluation by the Vice-Chancellor and senior managers. Revisions are made by the Board of Governors or the Audit & Risk Assurance Committee, if appropriate, to reflect discussions / developments reported at the meetings.

Identification, evaluation and management of risk is an important part of the annual planning cycle and review of strategy. A formal review of the effectiveness of this process is considered annually by the Board. The Board will then review only the more strategic/higher impact risks.

Clerk to the Board and Company Secretary ('the Clerk')

The Board appoints the Clerk to the Board and Company Secretary; the Chair, in liaison with the Vice-Chancellor reviews their performance annually. Appointment and termination of the appointment ultimately rests with the Board. The Clerk is responsible for coordinating legal advice to the Governing Body and advice on all matters of procedure and its responsibilities. The Chair of the Governing Body, the Vice-Chancellor and the Clerk work closely together to expedite business. The Clerk has a duty to advise the Chair in respect of any matters where conflict, potential or real, may occur between the Governing Body and the Vice-Chancellor.

Academic Governance

The management and academic committee structure is overseen by the Board of Governors through the Academic Board. The Academic Board is AECC University College's ultimate decision-making authority for all academic matters including oversight of the maintenance of standards and quality enhancement, and academic regulations, policies and procedures. The Academic Board discharges its responsibilities in part through standing committees and sub-committees, and it delegates authority to Assessment Boards for decisions on individual students in terms of their internal progression and award of qualifications. The Academic Board reports directly to the Board of Governors through the Executive.

Institutional Management and Structure

Implementation of the strategy and policies approved by the Board is the executive responsibility of the Vice-Chancellor and the Executive team. The Vice-Chancellor is Chief Executive of the University College with powers delegated by the Board to lead and manage the institution aligned to the University College's strategic plan. The Vice-Chancellor is supported by the Executive team and a number of Management Groups:

- Access and Participation Steering Group
- Clinical Governance Group
- Health and Safety Group
- Radiation Protection Group
- Recruitment, Selection and Admissions Steering Group
- Senior Management Group



Picture AECC University College Clinic

Statement of Internal Control

The University's system of internal controls and governance structures ensure regularity and propriety in the use of funds, including all public funds, via the following.

- The University College is responsible for maintaining a sound system of internal control that safeguards the public and other funds and assets for which it has responsibility.
- The University College maintains a comprehensive suite of Financial Regulations and Procedures, giving control over the totality of the University College's resources and providing an appropriate financial regulatory framework which ensures that resources are used with due regard to propriety, regularity and value for money, in the context of the achievement of the University College's strategic plan. Anyone with a contractual relationship with the University (including all employees and honorary staff) is required to abide by the Financial Regulations and Procedures.
- The University College is required to adhere to key funder rules, in addition to the requirements of its own Financial Regulations and Procedures, and operates various controls to do this.
- The University College's Internal Auditors provide assurance to management and the Audit & Risk Assurance Committee. Internal Audit makes recommendations for improvement in key management processes. It particularly aims to ensure that key risks are being appropriately managed, including those in relation to the use of funds and value for money.

External audit is carried out in accordance with International Standards on Auditing (ISAs) UK, and provides a report to the Board of Governors which expresses the auditor's (KPMG) opinion on whether the financial statements:

- Give a true and fair view of the state of the affairs of the University College as at 31 July 2022 and of the Group and University College's income and expenditure, gains and losses, changes in reserves and of the Group's cash flows for the year then ended;
- Have been properly prepared in accordance with UK accounting standards (including FRS102) and with the Statement of Recommended Practice (SORP): Accounting for Further & Higher Education and the Companies Act 2006
- Meet the requirements of Accounts Direction to higher education institutions for 2021/22 financial statements issued by the Office for Students

The external auditor's opinion on other matters prescribed by the Office for Students Accounts Direction states:

- In all material respects, funds from whatever source, administered by the Group and AECC UC for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- Income has been applied in accordance with the University College's Articles of Governance; and
- Funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions
- Grant and fee income are fully documented in the note to accounts
- University College's expenditure on Access and Participation activities have not been materially misstated.

The internal auditors' (Bishop Fleming LLP) opinion below, based on the reviews undertaken, the follow up audits completed during the period, and in the context of materiality contained in their annual report for 2021-22 confirms the adequacy of AECC University College's internal controls:

Design and effectiveness of risk management, control and governance arrangements

- The risk management activities and controls in the areas which we examined were found to be suitably designed to achieve the specific risk management, control and governance arrangements.
- Based on our sample testing, risk management, control and governance arrangements were operating with sufficient effectiveness to provide reasonable assurance that the related risk management, control and governance objectives were achieved throughout the period under review.

Design and effectiveness of value for money arrangements

- The arrangements we examined to promote economy, efficiency and effectiveness were suitably designed to achieve the objectives required by management.
- Those arrangements were operating with sufficient effectiveness to provide reasonable, but not absolute, assurance that the related objectives were achieved during the period under review.

Confirmation that coverage is sufficient to draw a reasonable conclusion on the above

- We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes and its arrangement for economy, efficiency and effectiveness.

The Board is ultimately responsible for AECC University College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The system of internal control is integrated with the strategic planning process and designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. To enable this there is:

- An approved risk appetite statement and risk tolerance framework
- An approved Risk Management Policy
- A Corporate Risk Register with departmental risk registers and a process to escalate and de-escalate risks to/from the Corporate Risk Register
- An Audit & Risk Assurance Committee, with appropriate terms of reference, which meets a minimum of three times a year providing oversight of the process of internal control. The Board receives reports from the Audit & Risk Assurance Committee at every meeting.
- An annual assurance report from the Internal Auditors of their independent opinion on the adequacy and effectiveness of specific systems of internal control together with recommendations for improvement
- The Internal Auditors' review of Risk Management
- Comment made by the External Auditor in its management letter and other reports
- The work of AECC University College managers with responsibility for the development and maintenance of the internal control framework, and by comments made by other external review agencies and stakeholders, e.g. QAA, OfS.
- An Integrated Rehabilitation Centre (IRC) Programme specific Risk Register was developed to manage key risks in the build and establishment of this new clinic and this was regularly considered by the IRC Programme Board and reported to Governors.

The Governors are satisfied that internal control processes have been in place throughout the year to 31 July 2022 and up to the date of signing these accounts.

Statement of Board of Governors' Responsibilities in Respect of the Governors' Report and Financial Statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The terms and conditions of funding further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction issued by the Office for Students.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the group and parent University financial statements, the directors are required to:

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

The Board of Governors is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University College's transactions and disclose with reasonable accuracy at any time the financial position of the parent University College and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Board of Governors are also responsible for ensuring that:

- funds from whatever source administered by the Group or the University College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them;
- there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- the economical, efficient and effective management of the University College resources and expenditure is secured.

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



Picture: Physiotherapy clinical skills suite

Independent Auditor's Report to the Board of Governors of AECC University College

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AECC University College ("the University College") for the year ended 31 July 2022 which comprise the Consolidated and University College Statement of Comprehensive Income and Expenditure, Consolidated and University College Statement of Changes in Reserves, Consolidated and University College Statement of Financial Position, Consolidated Cash Flow Statement and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the University College's affairs as at 31 July 2022, and of the Group's and of the University College's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the Companies Act 2006.

Basis for opinion

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

Going concern

The Board of Governors has prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the University College or to cease its operations, and as they have concluded that the Group and the University College's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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

Our conclusions based on this work:

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

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of Governors, the Audit, Risk and Assurance Committee and inspection of policy documentation as to the University College's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the University College's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board of Governors and Audit, Risk and Assurance Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that Group management may be in a position to make inappropriate accounting entries, and the risk of bias in accounting estimates and judgements such as pension assumptions.

On this audit we do not believe there is a fraud risk related to revenue recognition as there is a limited opportunity for fraud because of the simplistic nature of the revenue generated by the Group and recognition criteria.

We did not identify any additional fraud risks.

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

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those unusual postings to revenue, unbalanced journal entries and unusual postings to cash and borrowings.

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

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

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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

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

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), taxation legislation, pensions legislation and specific disclosures required by higher education related legislation, including the Accounts Direction issued by the Office for Students and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

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

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

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

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

Other Information

The Board of Governors is responsible for the other information, which comprises the Strategic Report and the Statement of Governance and Internal Control. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information.
- in our opinion the information given in Strategic Report and Corporate Governance and internal Control Statement is consistent with financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the University College; or
- the University College's financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Board of Governors Responsibilities

As explained more fully in their statement set out on pages 31 and 32, the Board of Governors (the members of which are the Directors of the University College company for the purposes of company law) is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Groups and University College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the University College or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We are required to report on the following matters by the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction').

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England) and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the financial statements meet the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students.

Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the University College has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the College's expenditure on access and participation activities for the financial year disclosed in Note 26 has been materially misstated.

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group's and University College's grant and fee income, as disclosed in notes 2 and 3 to the financial statements has been materially misstated.

We have nothing to report in these respects

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

This report is made solely to the Board of Governors in accordance with Chapter 3 of part 16 of the Companies Act 2006 and paragraph 38.1 of the University College's Articles of Government and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the Board of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the Board of Governors for our audit work, for this report, or for the opinions we have formed.

Rees Batley

Rees Batley

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

66 Queen Square

Bristol

BS1 4BE

3 January 2023

Consolidated Statement of Comprehensive Income and Expenditure
Year Ended 31 July 2022

	Notes	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Income					
Tuition fees and education contracts	1	9,866	9,866	8,358	8,358
Funding body grants	2	1,078	1,078	857	857
Other grant income	2	43	43	115	115
Other income	4	1,415	1,411	1,064	1,056
Investment income	5	16	16	3	3
Donations and endowments	6	7	7	38	38
Total Income		12,425	12,421	10,435	10,427
Expenditure					
Staff costs	7	7,155	7,155	6,192	6,192
Other operating expenses		3,167	3,165	2,496	2,496
Depreciation and amortisation	11	555	555	509	509
Interest and other finance costs	8	103	103	90	90
Total expenditure	9	10,980	10,978	9,287	9,287
Surplus before tax		1,445	1,443	1,148	1,140
Taxation	10	-	-	1	-
Surplus for the year		1,445	1,443	1,147	1,140
Other comprehensive income					
Actuarial gain in respect of pension schemes	17	2,860	2,860	357	357
Total comprehensive gain for the year		4,305	4,303	1,504	1,497
Represented by:					
Restricted comprehensive (loss) for the year		(12)	(12)	(13)	(13)
Unrestricted comprehensive gain for the year		4,317	4,315	1,517	1,510
		4,305	4,303	1,504	1,497
Surplus for the year attributable to:					
Institution		1,443	1,443	1,140	1,140
Wholly owned subsidiary		2	-	7	-

All items of income and expenditure relate to continuing activities.

The accompanying notes and policies on pages 41 to 59 form part of these financial statements.

Consolidated and University College Statement of Changes in Reserves

Year Ended 31 July 2022

Consolidated

	Income and expenditure reserve		
	Restricted £'000	Unrestricted £'000	Total £'000
Balance at 1 August 2020	279	5,123	5,402
Surplus for the year	-	1,147	1,147
Other comprehensive loss	-	357	357
Release of restricted funds spent in year	(13)	13	-
Total comprehensive gain / (loss) for the year	(13)	1,517	1,504
Balance at 1 August 2021	266	6,640	6,906
Surplus for the year	0	1,445	1,445
Other comprehensive gain	0	2,860	2,860
Release of restricted funds spent in year	(12)	12	-
Total comprehensive gain / (loss) for the year	(12)	4,317	4,305
Balance at 31 July 2022	254	10,957	11,211

Institution

	Income and expenditure reserve		
	Restricted £'000	Unrestricted £'000	Total £'000
Balance at 1 August 2020	279	5,115	5,394
Surplus for the year	-	1,140	1,140
Other comprehensive loss	-	357	357
Release of restricted funds spent in year	(13)	13	-
Total comprehensive (loss) / gain for the year	(13)	1,510	1,497
Balance at 1 August 2021	266	5,625	6,891
Surplus for the year	0	1,443	1,443
Other comprehensive gain	0	2,860	2,860
Release of restricted funds spent in year	(12)	12	-
Total comprehensive (loss) / gain for the year	(12)	4,315	4,303
Balance at 31 July 2022	254	10,940	11,194

Consolidated and University College Statement of Financial Position

As at Year Ended 31 July 2022

	Notes	As at 31 July 2022		As at 31 July 2021	
		Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Non-current assets					
Tangible assets	11	10,194	10,194	6,390	6,390
		10,194	10,194	6,390	6,390
Current assets					
Stock	12	10	10	5	5
Trade and other receivables	13	695	694	432	432
Cash and cash equivalents	14	7,313	7,295	5,987	5,965
		8,018	7,999	6,424	6,402
Less Creditors: amounts falling due within one year	15	(2,788)	(2,786)	(1,963)	(1,956)
Net current assets		5,230	5,213	4,461	4,446
Total assets less current liabilities		15,424	15,407	10,851	10,836
Creditors: amounts falling due after more than one year	16	(3,385)	(3,385)	-	-
Provisions					
Pension provisions	17	(828)	(828)	(3,945)	(3,945)
Total Net assets		11,211	11,194	6,906	6,891
Restricted Reserves					
Income and expenditure reserve - restricted reserve	18	254	254	266	266
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		10,957	10,940	6,640	6,625
Total Reserves		11,211	11,194	6,906	6,891

The accompanying notes and policies on pages 41 to 59 form part of these financial statements, which were approved by the Governing Body on 15 December 2022 and signed on its behalf on that date by:



Jeni Bremner, Chair of the Board of Governors



Lesley Haig, Vice-Chancellor

Consolidated and University College Statement of Cash Flows

Year Ended 31 July 2022

		As at 31 July 2022		As at 31 July 2021	
	Notes	Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Cash flow from operating activities					
Surplus for the year after tax		1,445	1,443	1,147	1,140
Adjustment for non-cash items					
Depreciation	11	555	555	509	509
(Increase) in stock	12	(5)	(5)	-	-
Decrease / (Increase) in debtors	13	(263)	(262)	51	51
(Decrease) / increase in creditors due within 1 year	15	(2,190)	(2,185)	517	517
Increase in creditors due in more than 1 year	16	3,385	3,385	-	-
Difference between pensions charges and cash contributions		(257)	(257)	138	138
Adjustment for investing or financing activities					
Investment income	5	(16)	(16)	(3)	(3)
Profit on disposal of assets		(30)	(30)	-	-
Interest and other finance costs	8	103	103	90	90
Capital grant income	2	(30)	(30)	(75)	(75)
Net cash inflow from operating activities		2,697	2,701	2,374	2,367
Cash flows from investing activities					
Capital grants receipts		3,045	3,045	75	75
Investment income		16	16	3	3
Proceeds from disposal of assets		30	30	-	-
Payments made to acquire tangible assets	11	(4,359)	(4,359)	(1,017)	(1,017)
		(1,268)	(1,268)	(939)	(939)
Cash flows from financing activities					
Interest and other finance costs		(103)	(103)	(90)	(90)
Increase in cash and cash equivalents in the year		1,326	1,330	1,345	1,338
Cash and cash equivalents at beginning of the year	14	5,987	5,965	4,642	4,627
Cash and cash equivalents at end of the year	14	7,313	7,295	5,987	5,965

Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

1. General information

AECC University College is a company limited by guarantee registered in England and Wales. It is also registered as a charity with the Charity Commission and as a higher education provider with the Office for Students. The address of the registered office is:

AECC University College, Parkwood Campus, Parkwood Rd, Bournemouth, BH5 2DF

2. Statement of Compliance

The Consolidated and Institution financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019. They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017, the Accounts Direction issued by the Office for Students (OfS), the Terms and Conditions of Funding for higher education institutions issued by the Office for Students and the Terms and Conditions of Research England Grant.

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

3. Basis of preparation

The Group and parent University College financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition). They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 the Terms and conditions of funding for higher education institutions issued by the Office for Students and the Terms and conditions of Research England Grant.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards. The Consolidated and Institution financial statements have been prepared under the historical cost convention.

The Institution's activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report which forms part of the Board of Governors' Report. The Board of Governors' Report also describes the financial position of the Institution, its cash flows and liquidity position. The Board of Governors has a reasonable expectation that the Institution has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £1,000.

4. *Going Concern*

The Group and parent University College's activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report which forms part of the Board of Governors' Report. The Board of Governors' Report also describes the financial position of the Institution, its cash flows and liquidity position.

The Board of Governors sets guidelines in relation to the level of cash reserves and surplus that they assessed to be acceptable to ensure the going concern status of the organisation and budgets for 2022-23 and medium term forecasts were approved which meeting those criteria.

The Finance and General Purposes Committee is tasked by the Board of Governors with regularly reviewing the financial performance of the organisation to ensure that these guidelines are being followed and ensuring that contingency actions are put into place if issues arise which might threaten their achievement.

Prior to recommending these Financial Statements to the Board for approval, the Finance & General Purposes Committee made a thorough review of various scenarios and their potential adverse impact on the financial stability of the group. These included the assessment of possible reductions in student numbers, new courses and clinical activity not materialising and the impact on costs through inflation, increased energy costs, interest rate rises and additional pay awards. Although it was recognised that these scenarios would impact adversely on financial performance, the current level of reserves of the organisation meant that it could still continue to operate as a going concern.

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

5. *Basis of consolidation*

The Consolidated financial statements include the financial statements of the Institution and its subsidiary for the year to 31 July 2022.

Intra-group transactions are eliminated on consolidation.

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

6. *Income recognition*

Income from the sale of goods or services, for example Clinic Income, MRI and imaging income, is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Tuition fee income is stated gross of any expenditure and credited to the Consolidated Statement of Comprehensive Income over the period in which students are studying. Where the amount of the tuition fee is reduced by a discount, income receivable is shown net of the discount.

Bursaries and scholarships are accounted for gross as expenditure and not deducted from income. Education contracts are recognised when the Institution is entitled to the income, which is the period in which the students are studying, or where relevant, when performance conditions have been met.

Investment income is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

Grants

- a. Revenue grants, including funding council block grants and research grants, are recognised in income over the periods in which the institution recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred, it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate in the Statement of Financial Position.

- b. Capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the Institution is entitled to the funds, subject to any performance related conditions being 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 Institution 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 income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the Institution 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 other restriction applied to the endowment fund.

There are two main types of donations and endowments identified within reserves:

- a. Restricted donations. – the donor has specified that the donation must be used for a particular objective
- b. Unrestricted donations. – the donor has not specified what the donation must be used for

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

7. Accounting for retirement benefits

The three pension schemes for the Institution's staff are the Teachers' Pension Scheme (TPS), the Local Government Pension Scheme (LGPS), which are defined benefit schemes and a Scottish Widows stakeholder pension scheme which is a defined contribution plan.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Institution 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 schemes

A defined benefit scheme is a post-employment benefit plan other than a defined contribution plan. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. Under defined benefit plans, the Institution'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 Institution.

The Teachers' Pension Scheme (TPS) is a defined benefit scheme whereby the assets of the TPS are held in a separate Trustee-administered fund. Because of the nature of the scheme, the scheme's assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. The University College 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 this scheme on a consistent and reasonable basis and therefore as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the schemes in respect of the accounting period.

The Dorset Local Government Pension Scheme (LGPS) is a defined benefit scheme whereby the University College is able to identify its share of the assets and liabilities. The liability recognised in the Statement of Financial Position in respect of this defined benefit plan is the lower of the fair value of the plan assets at the reporting date less the present value of the defined benefit obligation at the reporting date and the net present value of the estimated future contributions to the scheme. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. The cost of the defined benefit plan recognised in operating expenditure in the Statement of Comprehensive Income as staff costs comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments and settlements. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Statement of Comprehensive Income as 'interest and other finance costs'.

Further detail of the specific defined benefit pension schemes is provided in note 17 to the accounts.

8. *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 Institution. Any unused benefits are accrued and measured as the additional amount the Institution expects to pay as a result of the unused entitlement.

Termination benefits are amounts payable as a result of a decision by the University College to terminate the employment of employees before the normal retirement date or an employee's decision to accept voluntary redundancy and are charged on an accruals basis to the Consolidated Statement of Comprehensive Income and Expenditure.

9. *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 lease term.

10. *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 reporting 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 Surplus or Deficit for the year.

11. *Property, plant and equipment*

Land and buildings

Land and buildings are capitalised at cost on initial recognition. After initial recognition land and buildings are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

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

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives as follows:

Freehold buildings	50 years
Refurbishments and repairs	20 years

No depreciation is charged on assets in the course of construction.

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

Equipment

Equipment, including computers and software costing less than the Institution's de minimis threshold for capitalisation of fixed assets (£1,000) is recognised as expenditure. All other equipment is capitalised.

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

Office equipment, furniture and fittings	4 to 10 years
IT equipment	4 to 7 years
Medical and teaching equipment	4 to 12 years
Plant and machinery	4 to 12 years

Where an item of equipment comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement of components is capitalised as incurred.

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

Impairment

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

12. Investments

Investment in the subsidiary is carried at cost less impairment in the Institution's separate financial statements.

13. Stock

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

14. Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

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

15. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

A contingent liability arises from a past event that gives the Institution 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 Institution. 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 Institution 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 Institution.

Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

16. 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 reporting date.

The Institution is a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010. It is potentially exempt from UK Corporation Tax 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 Institution receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on expenditure (revenue and capital) is included in the costs of such expenditure. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The Institution's subsidiary company is subject to Corporation Tax and VAT in the same way as any commercial organisation.

17. Reserves

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

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

18. Critical accounting estimates and judgements

The preparation of the Institution's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses.

These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the area set out below to be that where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities:

Retirement benefit obligations - The cost of defined benefit pension plans is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Details of the retirement benefit obligations is provided at note 17.



Picture: Relocation of the Student Services team

Notes to the Accounts

	Year Ended 31 July 2022		Year Ended 31 July 2021	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
1 Tuition fees and education contracts				
Full-time home fee status students	6,777	6,777	5,592	5,592
Full-time international students	2,575	2,575	2,149	2,149
Part-time students	484	484	556	556
Office for Students Funding Received via Bournemouth University	30	30	61	61
	9,866	9,866	8,358	8,358
2 Grant income	£'000	£'000	£'000	£'000
Funding body grants				
Office for Students	988	988	778	778
Research England	60	60	4	4
Capital grant	30	30	75	75
	1,078	1,078	857	857
Other grant income				
Health Education England (HEE) funding	15	15	36	36
HMRC coronavirus job retention scheme (CJRS) grant income	-	-	47	47
Release of deferred capital grants	22	22	-	-
Research grants and contracts	6	6	32	32
	43	43	115	115
	1,121	1,121	972	972
3 Sources of grant and fee income	£'000	£'000	£'000	£'000
Office for Students (OfS) grant income	1,025	1,025	853	853
OfS Grant income received via Bournemouth University	30	30	61	61
Grants from other bodies	30	30	83	83
Fee income for research awards	66	66	36	36
Fee income from non-qualifying courses	149	149	229	229
Fee income for taught awards	9,697	9,697	8,068	8,068
	10,987	10,987	9,330	9,330

AECC University College (a company limited by guarantee)
Year Ended 31 July 2022

	Year Ended 31 July 2022		Year Ended 31 July 2021	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
4 Other income				
Clinic income	743	743	551	551
MRI income	430	430	352	352
Catering income	106	106	29	29
Royalties	4	-	8	-
Profit on disposal of assets	30	30	-	-
Other income	102	102	124	124
	1,415	1,411	1,064	1,056
5 Investment income				
Interest receivable	16	16	3	3
	16	16	3	3
6 Donations and endowments				
Unrestricted donations	7	7	38	38
	7	7	38	38
7 Staff costs				
Salaries	5,441	5,441	4,797	4,797
Social security costs	511	511	412	412
Pension costs	1,203	1,203	983	983
	7,155	7,155	6,192	6,192

A more detailed breakdown of pension costs is shown in note 17.

Total remuneration of the head of the Institution

	Year ended 31 July 2022 £000s	Year ended 31 July 2021 £000s
Basic salary	204	128
Pension contributions and payments	26	16
Private Medical Insurance	2	3
	232	147

AECC University College operates under the CUC HE Code of Governance and endeavours to make fair, appropriate and justifiable levels of remuneration. There is a common process for all levels of staff regarding appraisal and remuneration. Oversight of the head of institution's remuneration is within the terms of reference of the Remuneration and Human Resources (R&HR) Committee, which is independent and competent and which makes recommendations to the Board of Governors.

The Office for Students (OfS) Regulatory advice 9: Accounts Direction, published on 25 October 2019 requires that the relationship between the head of provider's remuneration and that for all other employees employed expressed as a pay multiple must include all employees who are required to be included in real-time reporting to HMRC. This comparator therefore includes all casual employees, predominantly students, and also people who are deemed employees under the Intermediaries Legislation (IR35). The median salary on this basis is £28,778 (2021: £21,828) and the median gross remuneration is £32,231 (2021: £24,229).

i. The head of the Institution's basic salary was 6.43 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the payments made to all workers included in real-time reporting to HMRC (2021: 5.84 times this median pay).

7 Staff costs (continued)

ii. The head of the Institution's total remuneration was 6.43 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of all workers included in real-time reporting to HMRC (2021: 5.84 times this median total remuneration).

Calculating the median pay based upon all workers included in real-time HMRC information might not present readers of these financial statements with a representative view of the Vice-Chancellor's pay ratio. This is because the University College has employed a large number of student workers who each work few hours and are paid at the National Minimum Wage. Using an additional, unaudited, calculation of median pay based upon permanent, full-time and part-time, employees, the median salary on this basis is £35,840 (2021: £32,486) and the median gross remuneration is £40,141 (2021: £36,059).

It should be noted that the decrease in median pay is not an indicator that employees have had a reduction in pay between the two years. It is, however, a reflection on the utility of a median average calculation which is easily skewed by a shift in the population of employees, for example if we employ a greater number of casual student workers

iii. The head of the Institution's basic salary was 5.16 times the median pay of staff where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its permanent employees (2021: 3.92 times this median pay of staff)

iv. The head of the Institution's total remuneration was 5.16 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its permanent employees (2021: 3.92 times this median total remuneration of staff).

The Vice-Chancellor's remuneration is recommended by the Remuneration & HR Committee to the Board, with increments being considered and agreed on an annual basis. Final approval of the Vice-Chancellor's remuneration lies with the Board of Governors. In common with all staff, the Vice-Chancellor is eligible for a cost of living / merit award; any increase is based on the outcome of the Vice-Chancellor's annual appraisal, with the percentage increase being the same as that awarded to staff. The R&HR Committee also has the power to recommend the award of an additional increase in the Vice-Chancellor's base pay. There is no annual bonus scheme, but the R&HR Committee does have the power to award bonuses in exceptional cases. During the year ended 31 July 2021 no bonuses were awarded

The Vice-Chancellor's appraisal is undertaken by the Chair of the Board as her line manager Key inputs to the appraisal include:

- feedback from Chair of the Board, other Governors and senior staff
- the delivery of the detailed operational plan to achieve the agreed strategy
- performance on key priorities identified in the previous appraisal and through the year if appropriate
- resolution of any relevant issues arising during the year

The outcome of the appraisal is reported to the Remuneration & HR Committee and the committee then makes its recommendations to the Board.

In assessing the level of the Vice-Chancellor's remuneration, the Remuneration & HR Committee undertook a thorough review of vice-chancellor remuneration with assessments and recommendations from external benchmarking across relevant institutions in the sector. The Remuneration & HR Committee thereafter made a recommendation to the Board to bring the Vice-Chancellor's pay in line with others in the sector.

HR Committee thereafter made a recommendation to the Board to bring the Vice-Chancellor's pay in line with others in the sector.

During the year ended 31 July 2022 an increase in basic salary for the Vice Chancellor was agreed from £128,775 pa to £185,000 pa, backdated to 1 April 2021. The table below therefore includes the pay relating to before 1 August 2021 but paid in the year ended 31 July 2022.

There is no formal annual bonus scheme, but the R&HR Committee does have the power to award bonuses in exceptional cases. During the year ended 31 July 2022 a bonus of 1% was paid to all permanent members of staff based on the financial performance of the Institution during the year ended 31 July 2021

The number of staff with a basic salary of over £100,000 per annum has been included below. The Vice-Chancellor is the only employee with a basic salary greater than £100,000.

	Year Ended 31 July 2022		Year Ended 31 July 2021	
	Consolidated	Institution	Consolidated	Institution
Basic salary per annum	No.	No.	No.	No.
£100,000 - £104,999	-	-	-	-
£105,000 - £109,999	-	-	-	-
£110,000 - £114,999	-	-	-	-
£115,000 - £119,999	-	-	-	-
£120,000 - £124,999	-	-	-	-

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Year Ended 31 July 2022

£125,000 - £129,999	-	-	1	1
£130,000 - £134,999	-	-	-	-
£135,000 - £139,999	-	-	-	-
£140,000 - £144,999	-	-	-	-
£145,000 - £149,999	-	-	-	-
£150,000 - £154,999	-	-	-	-
£155,000 - £159,999	-	-	-	-
£160,000 - £164,999	-	-	-	-
£165,000 - £169,999	-	-	-	-
£170,000 - £174,999	-	-	-	-
£175,000 - £179,999	-	-	-	-
£180,000 - £184,999	-	-	-	-
£185,000 - £189,999	-	-	-	-
£190,000 - £194,999	-	-	-	-
£195,000 - £199,999	-	-	-	-
£200,000 - £204,999	1	1	-	-
	1	1	1	1

Average staff numbers by major category (full time equivalent of permanent employees):

	2022	2021
	FTE	FTE
Academic	36.3	28.3
Clinical	19.6	12.7
Executive	3.0	2.5
Manual Workers	8.0	8.2
Professional Services	55.5	56.6
Research	1.2	2.2
Total number of staff	123.6	110.5

Average staff numbers by major category (headcount of all workers):

	2022	2021
	No.	No.
Academic	43	33
Clinical	20	18
Executive	3	3
Manual Workers	11	12
Professional Services	82	75
Research	1	3
	160	144
Casual / Bank Staff (including student workers)	77	57
Workers who are deemed employees under intermediaries' legislation (IR35) off-payroll rules	4	3
Total number of staff	241	204

Compensation for loss of office

During the year redundancy and compensation for loss of office payments totalling £67k were made to 3 employees (2021: £33k to 7 employees). No payments were made for additional pension contributions (2021: £nil)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institution. Staff costs includes compensation paid to key management personnel. Key management personnel are defined as the Executive Team members.

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Key management personnel compensation	449	301

Board of Governors

The University College's governors are the trustees for charitable law purposes. Due to the nature of the University College's operations and the compositions of the Board of Governors, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisations in which a member of the Board of Governors may have an interest are conducted at arms-length and in accordance with the University College's Financial Regulations and usual procurement procedures.

Other than the Vice-Chancellor and the Staff Governor, no governor has received any remuneration / waived payments from the Group during the year (2021 - nil). The total expenses paid to or on behalf of 9 Board member were £6,243 (2021: £113 to or on behalf of 1 Board member). This represents travel and subsistence expenses incurred in attending Board of Governors, Committee meetings and Charity events in their official capacity.

		Year ended 31 July 2022		Year ended 31 July 2021	
	Notes	Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
8 Interest and other finance costs					
Bank charges		47	47	24	24
Increase / (decrease) in provision for bad and doubtful debts		-	-	12	12
Net interest on the defined pension liability	17	56	56	54	54
		103	103	90	90
9 Analysis of total expenditure by activity		£'000	£'000	£'000	£'000
Academic and related expenditure		2,528	2,528	2,926	2,926
Academic Support Services		1,279	1,279	927	927
Chiropractic Clinical services		803	803	424	424
MRI and Imaging		604	604	397	397
Administration and central services		3,624	3,624	2,997	2,997
Premises		1,826	1,826	1,242	1,242
Residences, catering and conferences		167	167	103	103
Research grants and contracts		147	147	216	216
Other expenses		2	-	55	55
		10,980	10,978	9,287	9,287
Other operating expenses include:					
Operating Leases - Equipment & Vehicles	20	8	8	7	7
External auditor's remuneration in respect of audit services		44	44	41	38
All other assurance services		2	2	2	2
Taxation compliance services		-	-	22	22
Total non-audit services		2	2	24	24

10 Taxation

The University College is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation and Chargeable Gains Act 1992 to the extent that these gains are applied to its charitable objects.

	£'000	£'000	£'000	£'000
Recognised in the statement of comprehensive income				
Current tax expense	0	0	1	-

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	£'000	£'000	£'000	£'000
Surplus before taxation	1,445	1,443	1,147	1,140
UK corporation tax at 19% (2021: 19%)	275	274	218	217
Effect of: Surplus falling within charitable exemption	(275)	(274)	(217)	(217)
Total tax expense	-	-	1	-

The taxable profit all relates to AECC Enterprises Limited.

11 Tangible Assets

Tangible assets comprise:	As at 31 July 2022		As at 31 July 2021	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Property, plant and equipment	10,194	10,194	6,390	6,390
	10,194	10,194	6,390	6,390

Consolidated and Institution	Freehold Land and Buildings £'000	Assets in the Course of Construction £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost					
At 1 August 2021	6,798	373	2,610	2,269	12,050
Additions	199	2,886	883	391	4,359
Disposals	-	-	-	-	-
At 31 July 2022	6,997	3,259	3,493	2,660	16,409
Depreciation					
At 1 August 2021	1,851	-	1,887	1,922	5,660
Charge for the year	227	-	183	145	555
Disposals	-	-	-	-	-
At 31 July 2022	2,078	-	2,070	2,067	6,215
Carrying amount					
At 31 July 2022	4,919	3,259	1,423	593	10,194
At 31 July 2021	4,947	373	723	347	6,390

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
12 Stock				
Catering supplies for resale	10	10	5	5
	10	10	5	5
13 Trade and other receivables	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	348	347	86	86
Prepayments and accrued income	347	347	346	346
	695	694	432	432

14 Cash and cash equivalents

	At 1 August 2021	Cash Flows	At 31 July 2022
	£'000	£'000	£'000
Consolidated			
Cash and cash equivalents	5,987	1,326	7,313
	5,987	1,326	7,313
Institution			
Cash and cash equivalents	5,965	1,330	7,295
	5,965	1,330	7,295

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
15 Creditors: amounts falling due within one year				
Trade payables	960	958	301	294
Social security and other taxation payable	135	135	117	117
Other creditors	140	140	85	85
Accruals	936	936	869	869
Deferred income	617	617	591	591
	2,788	2,786	1,963	1,956

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	£'000	£'000	£'000	£'000
Deferred Capital Grants	81	81	473	473
Deferred Research Grants	239	239	-	-
Other Deferred income	297	297	118	118
	617	617	591	591

The deferred capital grant relates to income received as at 31 July 2022 from Dorset Local Enterprise Partnership (LEP), Health Education England (HEE) and Office for Students (OfS) in respect of our Integrated Rehabilitation Centre, which is an asset in the course of construction, plus various items of medical and teaching equipment. This deferred capital grant will be released and matched to depreciation charges once the underlying assets are brought into operational use.

16 Creditors: amounts falling due after more than one year

Consolidated and Institution	Deferred Capital Grants £'000	Total Creditors £'000
At 1 August 2021	-	-
Additions	(3,385)	(3,385)
At 31 July 2022	(3,385)	(3,385)

17 Pension Schemes

The Group participates in three pension schemes – The Teachers' Pension Scheme and The Local Government Superannuation Scheme, which are both defined benefit schemes, and the Scottish Widows Scheme, which is a defined contribution scheme.

The University College has capped its contributions to these pension arrangements at an effective rate of 12% with effect from 1st April 2022 (prior to this date this effective rate was 11.0%). This is implemented by contractual arrangements with employees who take a reduction in salary when institution contribution rates exceed this percentage, for example with the Teachers' Pension Scheme and Local Government Superannuation Scheme.

The total monthly contributions outstanding at the year end was £101,829 (2021: £78,241). The total pension cost for the year may be analysed as follows (this is shown at the employers' full contribution rate and does not include the mitigating reduction in salary mentioned above or salary reduction):

	2022 £'000	2021 £'000
Local Government Pension Scheme (LGPS)	477	354
Teachers' Pension Scheme (TPS)	413	386
Scottish Widows	313	243
	1,203	983

Local Government Pension Scheme (LGPS)

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings.

The administering authority for the Fund is Dorset County Council (DCC). The Pension Fund Committee oversees the management of the Fund whilst the day to day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers.

As administering authority to the Fund, DCC, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The most recent actuarial valuation of the Fund was carried out as at 31 March 2019 and set contributions for the period from 1 April 2020 to 31 March 2023. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

The agreed contributions rates for future years range from 5.5% to 12.5% for employees depending on their salary, and are currently set at 23% for employers (increased from 22% from 1 April 2022).

During the year the University College made additional contributions of £257k (2020-21 : £80k) to the Scheme to reduce the overall net liability. The organisation plans to continue with these additional contributions as long as they do not materially affect the liquidity of the Institution.

17 Pension schemes (continued)

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019, using financial assumptions that comply with FRS 102:

	As at 31 July 2022	As at 31 July 2021
Rate of increase in salaries	3.75%	3.80%
Rate of increase in pensions	2.75%	2.80%
Discount rate for scheme liabilities	3.40%	1.60%
Inflation assumption (CPI)	2.75%	2.80%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	As at 31 July 2022	As at 31 July 2021
<i>Retiring today</i>		
Males	22.1	23.1
Females	24.2	24.6
<i>Retiring in 20 years</i>		
Males	23.4	24.4
Females	25.6	26.1

The University College's share of the assets and liabilities in the scheme was:

	As at 31 July 2022	As at 31 July 2021
	£'000	£'000
Equities	2,749	2,411
Liability Driven Investment	565	521
Cash	67	61
Other Bonds	249	251
Diversified Growth Fund	341	298
Property	520	396
Infrastructure	374	277
Multi Asset Credit	227	212
Total market value of assets	5,092	4,427
Present value of defined benefit obligations	(5,920)	(8,372)
Deficit in scheme	(828)	(3,945)

Amounts recognised in the statement of comprehensive income and expenditure are:

	As at 31 July 2022	As at 31 July 2021
	£'000	£'000
Service cost	334	354
Net interest on the defined liability	56	54
Administration expenses	3	3
Total charge	393	411

17 Pension schemes (continued)

Reconciliation of opening and closing balances of the fair value of Fund assets:

	As at 31 July 2022	As at 31 July 2021
	£'000	£'000
Opening fair value of Fund assets	4,427	3,610
Interest on assets	77	50
Return on assets less interest	(133)	589
Administration expenses	(3)	(3)
Contributions by employer including unfunded	781	273
Contributions by Scheme participants and other employers	39	43
Estimated benefits paid plus unfunded net of transfers in	(96)	(135)
Closing fair value of Fund assets	5,092	4,427

Reconciliation of opening and closing balances of the defined benefit obligation:

	As at 31 July 2022	As at 31 July 2021
	£'000	£'000
Opening defined benefit obligation	8,372	7,774
Current service cost	334	354
Interest cost	133	104
Change in financial assumptions	(3,041)	476
Change in demographic assumptions	(302)	(97)
Experience loss on defined benefit obligation	481	(147)
Estimated benefits paid net of transfers in	(96)	(135)
Contributions by Scheme participants and other employers	39	43
Closing defined benefit obligation	5,920	8,372

Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS102 discount rate, have increased significantly since 31 July 2022, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore while both gross defined benefit obligations and assets will have fallen, it is difficult to estimate the impact of these changes on the net balance sheet position.

The return on the Fund (on a bid value to bid value basis) for the year to 31 July 2022 is estimated to be -1.17%. The actual return on Fund assets over the year may be different. AECC University College allowed for actual CPI inflation from September 2021 to the accounting date.

Teachers' Pension Scheme

The Teachers' Pensions Scheme (TPS) is a statutory, contributory, defined benefit scheme. The TPS operates under the Teachers' Pension Scheme Regulations 2014. Retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as-you-go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001 to 31 March 2011, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%) which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pensions Scheme

Every four years there is a formal actuarial review of the Teachers' Pension Scheme (England and Wales). The Government Actuary's Department (GAD) was appointed as scheme actuary by the Secretary of State for Education to carry out an actuarial valuation as at 31 March 2016 (the effective date), as required by Regulation 225 and Schedule 4 of the Teachers' Pension Scheme Regulations 2014 (as amended). The valuation was undertaken in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (as amended) ('the Directions'). The Directions specified a number of assumptions, including the use of the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate.

17 Pension schemes (continued)

The key results of the valuation were:

- Uncorrected employer contribution rate effective over the implementation period: 19.5% of pensionable pay;
- Corrected employer contribution rate payable over the implementation period: 22.8% of pensionable pay;
- Effective date of change 1 September 2019;
- Adjustment to employer contribution to reflect payment of new rate from 1 September 2019 rather than 1 April 2019: 0.8% of pensionable pay;
- Corrected employer contribution rate determined at 31 March 2016, applicable from 1 September 2019: 23.6% of pensionable pay;
- Administrative charge: 0.08% of pensionable pay;
- Employer contribution payable with effect from 1 September 2019: 23.68% of pensionable pay.

The scheme was assessed to have whole scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22 billion.

18 Restricted Reserves

Reserves with restrictions are as follows:

Consolidated and Institution	2022	2021
	£'000	£'000
As at 1 August	266	279
New grants and donations	-	-
Expenditure	(12)	(13)
Total restricted comprehensive income for the year	(12)	(13)
At 31 July	254	266

Analysis of other restricted reserves by purpose / donor	£'000	£'000
Rehabilitation Grant	15	15
Clinic Fundraising (released to cover annual depreciation charge)	209	214
MRI Fundraising (released to cover annual depreciation charge)	22	28
Other Funds	8	9
	254	266

19 Financial instruments

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Financial assets				
<i>Financial assets that are debt instruments measured at amortised cost</i>				
Cash and cash equivalents	7,313	7,295	5,987	5,965
Other debtors	348	347	86	86
	7,661	7,642	6,073	6,051
Financial liabilities				
<i>Financial liabilities measured at amortised cost</i>				
Trade creditors	960	958	301	294
Other creditors	140	140	85	85
	1,100	1,098	386	379

The financial assets are held as cash and cash equivalents, spread across accounts with three reputable organisations and are highly liquid. This enables the University College to respond to opportunities as they arise. The principal risk relating to the financial assets arises from low interest rates, whereby their value does not keep pace with inflation and so diminishes in real terms.

20 Lease obligations

Total rentals payable under operating leases:	Year ended 31 July 2022		Year Ended 31 July 2021
	Plant and Machinery	Total	Total
Consolidated and Institution	£'000	£'000	£'000
Payable during the year	8	8	7
Future minimum lease payments due:			
Not later than 1 year	7	7	7
Later than 1 year and not later than 5 years	-	-	8
Later than 5 years	-	-	-
Total lease payments due	7	7	15

21 Related party transactions

Owing to the nature of the AECC University College's operations and the composition of the Board of Governors being partly drawn from local public and private sector organisations, it is likely that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisation in which a member of the Board of Governors may have an interest, including those identified below, are conducted at arm's length and in accordance with the institution's Financial Regulations and usual procurement procedures.

During the year the University College paid £5,400 to a firm of consultants, where one of the governors is a Consultant Fellow, for advice on new Articles of Association. The governor was not involved in the consultation process and has declared his interest in the firm at all Board and Committee meetings.

No other material transactions occurred during the year and there were no outstanding balances at the year end.

22 Access and Participation

	Year ended 31 July 2022 £'000	Year Ended 31 July 2021 £'000
Access Investment	97	68
Financial Support	93	61
Disability Support (excluding expenditure included in the two categories above)	18	36
Research and Evaluation	9	8
	217	173

Access investment includes all expenditure in the financial year on activities and measures that support the ambitions set out in our Access and Participation plan, where these relate to higher education.

Financial support is the expenditure, such as bursaries, scholarships etc, directed at under-represented and disadvantaged groups.

Disability support relates to support for students with a disability in the financial year, which can include, but is not limited to, the disabled students' premium. This excludes expenditure included in the categories of Access Investment and Financial Support above.

Research and evaluation is expenditure on research and evaluation related to access and participation activities in the financial year.

The amounts identified as expenditure on Access and Participation include staff costs where these are intrinsic to the delivery of access and participation activities. Staff costs relating to Access and Participation activities amount to £70,511 (2021: £48,391). These costs are included within the overall staff costs figures included in the financial statements, disclosed at Note 7.

Our published Access and Participation plans for 2020-25 can be found at :

<https://www.aecc.ac.uk/about/how-we-work/access-and-participation/plans/>



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