



UNIVERSITY of  
BRADFORD

# Financial Statements



FOR THE YEAR ENDED 31 JULY 2020

We can arrange for this material to be transcribed into an accessible format such as Braille, large print, E-text (compatible with screen-reading software) or digital audio such as CD.

Please contact Finance on  
**01274 233128**

The University of Bradford - **Confronting Inequality: Celebrating Diversity™**  
The University of Bradford is committed to promoting equality, diversity and an inclusive and supportive environment for students, staff and others closely associated with the University in conformity with the provisions of its Charter.

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# Foreword by the Vice-Chancellor

**As we entered 2019/2020, we threw our energies into refreshing our University's strategy, embarking on a period of continued consolidation and renewal, and - of course - doing everything we could to help our students achieve their potential. As the COVID-19 pandemic emerged, it forced us - as it did other universities, businesses and households across the globe - to act swiftly to ensure we could operate effectively under more remote and virtual conditions, and to look after the health and safety of our students and staff. 2019/2020 was indeed a year of two halves. As we publish this report, we are still dealing with the impact of COVID-19, and of course taking stock of the changes in behaviours, expectations, uses of technology, and our mode of delivery, which we believe will be enduring, if not irreversible**

Against this background, our financial results have once again showed that, COVID-19 notwithstanding, the University of Bradford continues to make solid progress in pursuit of its financial strategy. We are confident we can weather the headwinds the pandemic has blown in: we have seen the UK market stabilise as we anticipated, significantly, we have exceeded our enrolment targets for home full-time and part-time undergraduate students and we are managing the vicissitudes of the international markets. This performance indicates continued confidence in higher education and the benefits it brings. I do not underestimate the challenges of the external environment, nor am I complacent about the need to drive our performance harder. No Vice Chancellor can ignore the long-term conundrum posed by the sustainability of our pension schemes.

But I am confident that our strategy is wise, and our mission well chosen. I particularly feel that our drive for inclusion is morally right. This year has led us to reflect on many things - about how we live, how we do and should treat each other, and how we treat and mistreat the world's resources. Ensuring our University's endeavours are tuned to tackling injustice, and to promote sustainability, lies at the heart of our moral purpose. I am particularly pleased that our partners and stakeholders welcome the University's endeavours to engage more actively in local and regional matters, and to be, not just the University of Bradford, but the University for Bradford.

I feel that we are better connected with our locality now. This means a great deal for the University's ability to be a force for good, not only for our students, but for the place we live in more broadly. I am very grateful to our wonderful students and staff for their hard work, forbearance and creativity during 2019/20. Working together, they have ensured the University is well placed to drive sustainable social and economic development through outstanding teaching, research and innovation.

**Prof Shirley Congdon**  
Vice Chancellor  
November 2020





# External Advisors

## External Auditors

BDO LLP  
6th Floor, Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

## Internal Auditors

RSM  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

## Legal Advisors

Eversheds LLP  
Cloth Hall Court  
Infirmary Street  
Leeds  
LS1 2JB

Mills & Reeve  
78-84 Colmore Row  
Birmingham  
B3 2AB

## Main Bank

Lloyds Bank  
Bradford City Centre Branch  
45 Hustlergate  
Bradford  
BD1 1NT

# Membership of Council

Name	Position	End of Office
<b>EX-OFFICIO:</b>		
Baroness A Taylor	Chair of Council and Pro-Chancellor	2021
Mr T Hartwell	Pro-Chancellor and Treasurer	2021
Mr K Bates	Pro-Chancellor	2022
Professor S Congdon	Vice Chancellor	n/a
<b>MEMBERS:</b>		
Ms S Ali	Co-opted lay member	2021
Mr C Chambers	Co-opted lay member	2023
Ms K England	Co-opted lay member	2021
Mr A Hussain	Co-opted lay member	2022
Ms K McMahon	Co-opted lay member	2021
Ms S Neocosmos	Co-opted lay member	2023
Ms S Smith	Co-opted lay member	2020 (demitted July 2020)
Mr M Watkins	Co-opted lay member	2021
Mr S Watson	Co-opted lay member	2021
Mr M Ziff	Co-opted lay member	2022
Mr M Bell	Appointed by the Court	2020
Dr P Bagley	Appointed by Senate	2020
Mr D Bolton	Appointed by Senate	2022
Professor R Qahwaji	Appointed by Senate	2022
Professor V Weerakkody	Appointed by Senate	2022
Ms A Malik	UBU Sabbatical Officer	2020 (demitted June 2020)
Ms S Shabir	UBU Sabbatical Officer	2021
Mr A Abdussalam	UBU Sabbatical Officer	2021
Mr M Pandor	Graduate of the University	2022
Ms J Beaumont	Non-academic staff member	2020

# Financial Headlines

	2019/20 £000's	2018/19 £000's
Income (£000s)	112,018	109,160
Expenditure excluding pension adjustment	109,953	108,470
Earnings before interest, depreciation and revaluation and exceptional items:		
Total	12,718	10,172
As % of income	11.4%	9.3%
Net cashflow inflow (outflow) from operating activities	3,143	4,472
Year-end cash balance	25,917	23,983

"ANOTHER OPERATING RESULT AHEAD OF BUDGET, WITH TIGHT COST CONTROL, AND STRONGER LIQUIDITY. OUR FINANCIAL STRATEGY IS SUCCEEDING, AS WE FACE THE PANDEMIC HEADWINDS OF 2020/21."

# Stories of the Year

2019/20 was a year of two very distinct halves. The first was characterised by new leadership, a refreshed vision and strategy, a good recruitment round, very much business as usual in teaching, learning and research, and recognition of our credentials in social inclusion. The second half - an experience mirrored across the globe - was dominated by our response to the COVID-19 pandemic: a rapid move off campus for most of our activity, combined with intensive planning for the 2020/21 academic year against a hugely uncertain backdrop.

The story of this extraordinary year is echoed below in the tableau of events, achievements and incidents.

## August

The Physiotherapy and Sport Rehabilitation team at the University of Bradford was recognised nationally with a Collaborative Award for Teaching Excellence (CATE) from AdvanceHE, the most prestigious team award available for learning and teaching in Higher Education.

## February

In keeping with the University's core strategy goal of equality, diversity, inclusion, we hosted a powerful performance by the Girlington Unity Girls Group that explored the issue of bullying. 'Beat The Bully, Be a Buddy' identified ways of tackling mental health through art, drama and music.

## December

The University received £1.6m funding from the European Regional Development Fund for a three-year project to help local chemical manufacturing businesses. 'Chemistry Assets for Yorkshire Manufacturing', also known as 'Project CAYMAN', helps SMEs access cutting-edge technology, such as high-field nuclear magnetic resonance facilities, based at the University. The money also paid for 30 research and innovation projects.

## October

The University of Bradford's nursery was rated 'outstanding' by Ofsted following an inspection in September 2019.



## September

The Times and Sunday Times named the University of Bradford as the UK's University of the Year for Social Inclusion 2020. This prestigious national award recognised Bradford's outstanding impact on social inclusion and our ambition to ensure students from all backgrounds are supported throughout their academic careers, reflecting our core strategic aims of promoting equality, diversity and inclusion.

## November

The University of Bradford raised awareness of antibiotic resistance and the impact it may have on society in a series of events for World Antibiotic Awareness Week. The World Health Organisation campaign ran from November 18-24 and tied in with the European Antibiotic Awareness Day (EAAD) on November 18.

## January

A state-of-the-art moot court was officially opened at the University of Bradford by renowned judge Lady Brenda Hale. The new facility, named the Lady Hale Court, will provide students with a unique opportunity to experience a court atmosphere and develop their professional legal skills. Lady Brenda Hale was awarded an honorary degree from the University in 2019. Professor Engobo Emeseh, Head of the School of Law said: "Producing job-ready graduates equipped not only with knowledge of the law, but also practical legal skills, is an intrinsic part of legal education here at the School of Law and the Lady Brenda Hale Court will go some way in helping us achieve that."



## March

The University's Distance Learning MBA, run by the School of Management, retained its Top 10 status in the 2020 Financial Times online MBA world rankings. The two year part-time course was ranked best value for money in the world, 10th for career progress and 10th overall. The FT also placed the programme 3rd in the UK overall.

COVID-19 lockdown starts.



## April

April was busy with COVID-19-related stories as the university facilitated the unprecedented deployment of over 400 students and staff into frontline healthcare roles. Nurses, paramedics and teaching staff took up positions across the district in the fight against COVID-19, with some teaching staff 'gifting' their time to the NHS to train frontline workers, including at the NHS Nightingale Hospital Yorkshire and the Humber in Harrogate. In addition, front end web developers from University campus-based Working Academy pulled out all the stops to deliver medical web apps to help existing NHS staff transition to critical departments like A&E and ICU.

## May

University engineers began manufacturing thousands of face shields to help in the fight against COVID-19.

Professors Tim Gough and Ben Whiteside, along with Michael Hebda, David Barker, John Hornby and Glen Thompson worked tirelessly to custom build machine parts. And supply chain management expert Dr Liz Breen made a splash with her prescient story about post-lockdown 'revenge buying'.



## June

One of our biggest stories of the year, seen by millions around the globe, was the discovery of the so-called Durrington Pits, near Stonehenge. The story about a 2km-wide series of underground shafts dating to 2500BC was covered by 639 outlets, generating a combined audience running into the tens of millions. Outlets included Channel 4, Sky News, New York Times, Daily Mail, The Economist, The Guardian, Hindustan Times, ABC Australia Online, Deutsche Welle, Zawya (Middle East) and USA Today to name just a few. A one-minute University YouTube clip clocked up over 200,000 views within 48 hours. Currently, a documentary is being made about the find for the Discovery Channel.

## July

Vice Chancellor Professor Shirley Congdon became the first woman to be appointed Yorkshire Universities chair. She praised universities' response to COVID-19, adding: "Universities will be vital in the recovery through research and innovation, knowledge exchange and nurturing talent."

Meanwhile, our archaeologists found confirmation of a historic mega tsunami thought to have raged across the North Sea in 6130BC.



## August

FT PETRONAS trackside fuel engineer and Bradford graduate Stephanie Travers (BEng in Chemical Engineering 2016), who shared the winners podium with Lewis Hamilton, urged students to 'seize the moment' and go to university.

In other news, The University' School of Pharmacy and Medical Sciences was ranked highest in the country for student satisfaction in this year's NSS results.

# A Strategy for 2020-2025

Values: Excellence, Inclusion, Innovation, Trust

## Our Strategy

Entering the 2020s, the University revamped its strategy, which builds on our heritage, a continued focus on the application of knowledge, and vigorous pursuit of a mission to create opportunity.

The spirit of the Strategy 2020-2025 is captured thus:

- At the University of Bradford we focus on creating the conditions for social, cultural and economic impact. Through this focus our research, innovation and teaching shapes the futures of individuals and societies. Our rich heritage of, and commitment to, applied research, teaching and social inclusion will be used to drive partnerships which extend our influence and impact, while achieving our strategic ambitions.

- Below, we set out the progress made in pursuing the ambitions of each of the strategy's components.
- The components of the Strategy are summarised in the graphic below.

Our **mission** is to drive sustainable social and economic development through outstanding teaching, research and innovation.

Our **vision** is a world of inclusion and equality of opportunity where people want to, and can, make a difference. We will be known as the place to be to make that difference.





## EXCELLENCE

### University Values

Underpinning the Strategy, the University has adopted four values which guide its endeavours, approaches, and the relationships between people:

### Progress in Delivering Our Strategy

- In the next section, we set out the progress made in pursuing our four strategic themes and the enabling strategies.



## INCLUSION

- **Excellence:**  
at the heart of everything
- **Inclusion:**  
diversity is a source of strength and must be understood, valued, supported and leveraged



## INNOVATION

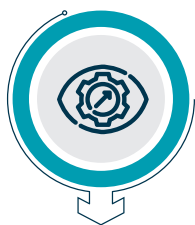
- **Innovation:**  
we give invention light and celebrate creativity and innovation
- **Trust:**  
is the foundation of our relationships, underpinned by integrity in all we do.



## TRUST

# Strategic Themes

## Learning Teaching and Student Experience



### VISION

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To create an inclusive learning culture and transformative university experience that empower our students to realise their ambitions and make a positive difference to the world.



### OUTCOMES

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- Inclusive Curriculum
- Inclusive Experiences
- Inclusive Community





## PRIORITIES

- Use principles of Universal Design for Learning
- Expand research-led and research-engaged learning
- Embed academic, technical, professional, and life skills through applied learning, scholarship, and enterprise education
- Ensure equality of access in the Bradford student journey
- Integrate digital
- Connect formal and informal learning to career development - 'more than a degree'
- Develop, recognise, and reward staff development and teaching excellence
- Establish students as partners and co-creators
- Recognise mutual interest and common aspirations



## ENABLERS

- Curriculum architecture
- Student support and success strategy
- Staff development and scholarship scheme
- Assessment regulations
- Digital strategy
- Community and industry engagement
- Quality Monitoring and Enhancement Framework
- Learning Environment
- Decolonisation Project



## MEASURES

- Student survey results
- Progression, completion and reassessment rates
- Attainment
- Attainment gaps between students of different characteristics
- Conduct and misconduct measures
- Graduate outcomes
- Added value progression measures
- Data on short course, lectures captured etc
- Placement and internship data
- Data on faculty staff characteristics and achievement
- Participation in peer assisted learning schemes

# Case Study

## Learning Teaching and Student Experience

**The University of Bradford delivers transformative educational experiences that enable our students to realise their aspirations to make a difference to society, culture, and the economy.**

In doing that, we implement principles for co-created programme design that promote applied learning, respond to local and global challenges, and prepare students for productive professional and civic lives. We offer learning experiences that engage students in their development through inspirational teaching, high-quality resources, and personalised support.

We provide inclusive and flexible environments that will give equality of access to resources, learning, and success for all students. We embed the use of technology into the delivery of high-quality learning experiences that expand digital capabilities and equip graduates for success in a changing world. We inspire and support creative, critical and entrepreneurial thinking and entrepreneurship.

And all of this is delivered in a research-enriched, practice-informed and intellectually stimulating academic environment for all students.

The **University of Bradford** plays a crucial role in the training of nurses in the region and its reputation is renowned across the region.



**98%**

of those who graduate go on to find paid employment within six months.



**400**

2nd and 3rd year students took up roles in frontline care as part of the university's response to the COVID-19 pandemic.

**Third year nursing student, Abi Kirkby said:**



"I'm incredibly proud to be a third-year student about to qualify. From a nursing perspective, Bradford is incredibly diverse and the experience you get here, you do not get anywhere else. The support we have received from lecturers and the university since starting work has been excellent."

The table below shows more data about the pursuit of our Learning, Teaching and Student Experience Strategy.

	2019/20	2018/19
<b>STUDENT SURVEY RESULTS</b>		
National Student Survey Overall Satisfaction	81%	78%

#### PROGRESSION, COMPLETION AND REASSESSMENT RATES

(Note that special procedures were put in place in 2019/20 for students unable to attend assessments on campus, leading to some higher pass rates).

% Progression Year 1 to 2	95.0%	90.1%
Undergraduate Module Pass rate	90.8%	85.1%
Attainment % Good Honours	89.3%	80.4%

#### ATTAINMENT GAPS BETWEEN STUDENTS OF DIFFERENT CHARACTERISTICS

Male	Female	88.3%	90.0%	78.0%	81.9%
White	BAME	93.1%	89.3%	88.4%	78.3%
Disabled	Not Disabled (inc. not known/declared)	92.8%	88.7%	82.4%	80.0%

#### ADDED VALUE

The Guardian Added value progression measures (Scale from 0-10)	6.6	6.8
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#### PLACEMENTS AND INTERNSHIPS (ALL SCHEMES AFFECTED BY COVID-19 IN 2020)

Graduate Internships	10 + 6 additional outcomes arising	19 + 18 additional outcomes arising
Extra-curricular summer experience internships	15	83
On-campus work contracts	474	574
In-programme placements	5,900	6,076
International inbound student exchanges	152	148
International outbound student exchanges	118	186

# Strategic Themes

## Research and Innovation



### VISION

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The University empowers and encourages its researchers to deliver internationally leading, interdisciplinary research and innovation that will shape and benefit future societies.



### OUTCOMES

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- Delivering open research and innovation that is conducted and delivered with honesty and integrity, and is recognized by our academic peers, industry and third sector partners as being of the highest quality and delivering tangible impacts on society and the economy at local, regional, national and international scales





## PRIORITIES

- Build on excellence in advanced materials engineering, polymer micro and nano technology, pharmaceutical engineering science, automotive engineering, sustainable societies and environments, skin sciences, cancer therapeutics, applied dementia studies, peace and international development, and archaeological sciences
- Focus our research on shaping future societies via the impact we create in Health, Care, the Engineered Environment and Sustainable Societies
- Address global challenges, strategic development goals or issues to which the University has the capability to respond
- Use the City of Bradford as our local platform for international impact, reinforcing our status as the University of Bradford and the University for Bradford



## ENABLERS

- Investing in and developing our research staff capability and credentials
- Robust linkage between research and teaching
- Investment in research infrastructure and physical environment
- Collaboration and interdisciplinary partnerships
- Dedicated in-house Research and Innovation Services team



## MEASURES

- Quality of research measured by proportion on Research Excellence Framework (REF) eligible outputs at 3\* and 4\*
- % of academics with significant responsibility for research
- % of academics with external grants
- % of academics supervising post graduates
- Research grant income and diversity of funding
- Number and performance of postgraduate researchers
- Number and output of collaborative projects
- Research outputs arising from internal teaching and research
- Measure of impact of research

# Case Study

## Research and Innovation

**We continually build upon our academic strengths to increase the quality, impact and quantity of our research and knowledge exchange, pursuing solutions to locally and globally significant challenges. In doing that, we empower and encourage our researchers to deliver internationally leading, interdisciplinary research and innovation that will shape and benefit future societies, nurturing those areas of research that display potential for excellence.**

The University of Bradford has a rich history of creating knowledge through fundamental and applied impactful research.

In 2019, the first researchers moved into a new Bradford-based centre, working to improve the health and wellbeing of children and the elderly.



The Centre was made possible thanks to a £1m award from national charity The Wolfson Foundation, which gives grants to support and promote excellence.

### The Wolfson Foundation key health priorities:

Healthy Childhood  
Healthy Ageing  
High Quality and Safe Care



### Dr Pamela Bagley, Dean of Health Studies, said:



"The Wolfson Centre is a great opportunity for us to engage in a forward thinking research agenda with clinical and research colleagues. It will provide exciting new pathways for our early career researchers and facilitate new partnerships, locally, nationally and internationally. We are really pleased to be part of this joint initiative."

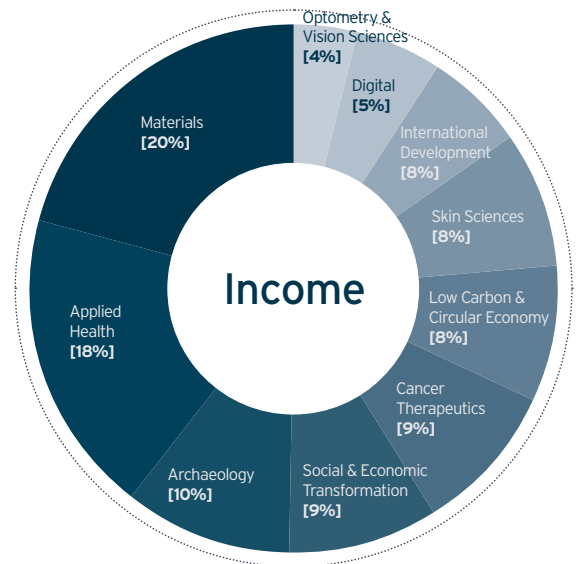
### Areas of Research and Innovation Strength

The University has a strong research and innovation credentials especially in these ten areas:

- Skin Sciences
- Cancer Therapeutics
- Pharmaceutical Engineering Science
- Applied Dementia Studies
- Advanced Materials Engineering
- Polymer Micro & Nano Technology
- Automotive Engineering
- Visual Computing
- Sustainable Environments
- Archaeology

### Share of Total Research and Innovation Income

The chart opposite shows the current composition of research and innovation income by category:



### Academic research and innovations 2019/20 include:

- The discovery of a major new archaeological monument near Stonehenge, offering new insights in our Neolithic ancestors.
- Our response to the COVID-19 pandemic including: production of face shields; scientific support to a national testing centre, and hosting a drive-in testing centre on the campus; research to mitigate the virus' risks to BAME people; in the early phases, giving away all our PPE; student nurses working in hospitals; guidance to support people with dementia and family carers facing isolation as a result of COVID-19; and media graduates helping devise user-friendly apps and websites for the NHS.
- Addressing International challenges: using funding for research to address problems faced by developing countries. Projects included the Entrepreneurs Across Border programme, which allowed students and entrepreneurs a hands-on international perspective; tackling eye disease in India, community based water programmes in India, Indonesia and Sri Lanka, a circular economy approach to improve maternal healthcare in Tanzania, issues facing those caring for elderly relatives in China.

### Our commercial and public sector research highlights feature:

- Project CAYMAN (Chemistry Assets for Yorkshire Manufacturing), started in October 2019, a 3-year ERDF funded programme to develop a new Nuclear Magnetic Resonance (NMR) suite for SMEs projects and training. Examples of projects so far include a Huddersfield based micro-SME developing a unique hair product, for whom the team will investigate the polymer composition of one of the key components of their new product. We are also discussing a R&D project with the development team at Astonish, a thriving Bradford based SME focused on manufacture and marketing of a range of home cleaning products.
- The Media Academy's contribution to the region's improved digital health agenda.
- Our knowledge transfer partnership with Rakusens, a Leeds-based kosher food manufacturer working with our computing department to improve product consistency (and shortlisted for national Knowledge Transfer Network award).

# Strategic Themes

## Equality Diversity and Inclusion



### VISION

To bring about, and be recognised as an exemplar of transformational diversity, inclusion and social mobility and emphasise the critical role of leadership in embedding intersectional EDI in order to make our diversity count and deliver impact.

As the graphic opposite illustrates, our approach to Equality, Diversity and Inclusion is intersectional.



### OUTCOMES

- **Making Our Diversity Count:** leverage the the diversity of students and staff to increase representation, participation, creativity and innovation that comes from diversity of thought
- **Climate for Inclusion:** so students and staff work in a culturally safe environment
- **Culture of Equality and Outcomes for all:** advance demonstrable equality of opportunity for staff and students



## PRIORITIES

- **Making Our Diversity Count:** increase diversity and improve inclusion across the student and staff community
- **Climate for Inclusion:** support students and staff to work in a culturally safe environment, and drive social and economic equality in all we do
- **Culture of equality and outcomes:** advance demonstrable equality of opportunity for students and staff, reducing or removing differential outcomes, including in attainment and working conditions



## ENABLERS

- Empowered people
- Competence and confidence
- Dignity and respect as convention
- Communication and engagement
- Resource deployment
- Positive action framework
- Continuous improvement
- Engaging leaders, managers and governing bodies



## MEASURES

- Staff survey data
- Student survey data
- Intersectional analysis of staff and student experience surveys
- Access and Participation plan outcome analysis
- University of Sanctuary Award
- Research Information System data
- Advance HE charter marks - Athena SWAN, REC
- EDI related pledges -BAME Attainment, Social Mobility, COVID-19, Stand Alone, Care Leavers, Armed Forces Covenant
- Stonewall Workplace Equality Index
- Disability Confident Employer Scheme

# Case Study

## Equality, Diversity and Inclusion

**Here at Bradford we embed consideration of the impact of equality and diversity into all aspects of our work. We will build on our strengths in access and participation to advance demonstrable equality of opportunity for staff and students, seeking to remove differential outcomes including attainment gaps.**

The University of Bradford is widely recognised as an Equality, Diversity and Inclusion [EDI] - leading institution. We have a systematic approach through which our EDI is embedded in our culture, strategies, policies and practices. Our goal is to enable all those within the University community to develop their understanding of EDI matters, in order to build the confidence to contribute and act to deliver change in our University. We are proud of the achievements we have made to advances towards equality, elimination of discrimination and promotion of an inclusive working and learning environment. We have forged a path in our long-standing practice of making diversity matter that is evidenced in our recent award as the Times and Sunday Times University of the Year for Social Inclusion 2020.

We are working hard to increase diversity and improve inclusion across both the student and staff community, developing and implementing mechanisms to support staff and students to work and study in a culturally safe environment, and to be themselves.

We will use robust evidence to drive and evaluate the outcomes of our equality, diversity and inclusion activities, with the aim of being recognised as an exemplar of transformational diversity, inclusion and social mobility.

**The UK's University of the Year for Social Inclusion 2020.**



The Times and Sunday Times

**Alastair McCall, Editor of The Sunday Times Good University Guide, said:**

“Bradford is a university for its city and the wider region, and it offers lessons to the rest of British higher education on how to effectively embrace social diversity on campus.”



**The EDI Team have continued to offer bespoke training to staff and students and events to celebrate and promote our embedded EDI. Some event highlights of the last year include Trans training with Jessica Lynn, Black History Month 'Inequality in Sports' event that was featured on BBC 5 Live, a virtual event to commemorate the International Women in Science and Engineer Day, and International Women's Day, among others. Staff equality networks were active, the LGBT+ Staff forum was re-established, and the Neurodivergent Staff Network created.**

**We gained the following chartermarks:**

3 Athena Swan Bronze Awards in April 2020:

- Faculty of Health Studies,
- School of Archaeology and Forensic Science,
- School of Optometry and Vision Science being awarded Bronze in April 2020, to complement the existing Bronze award gained by the School of Chemistry and Biosciences.

- Race Equality Charter Mark (REC): The University established its Self-Assessment Team, and working groups, collecting data to link in with our decolonisation project.
- The University have been awarded the Disability Confident Award for level 2 and are planning to apply for level 3 in the coming year.
- Work is underway to become a member of Stonewall.

- We acknowledge there is still much to do. For example, we can see from our data that there is disparity in representation and participation, including pay inequality. Launched in July 2020, our decolonisation project seeks to support the university to become an anti-racist institution. In the next academic year, we will develop many strands of work to progress our decolonisation project including initiatives to equip managers and leaders to promote strong leadership and build up decolonisation ambassadors and champions across the institution. The EBConnect programme - twinning senior leaders with black students - will achieve a more embedded, positive change at the individual, team and organisational level.

# Strategic Themes

## Business and Community



### VISION

We see ourselves as the University of and for Bradford. Our strategy for business and community engagement starts from the vision that “Bradford will be a university city that shares knowledge in order to strengthen health, wealth and confidence across the many communities in which our students, staff and alumni participate.”



### OUTCOMES

- Educational opportunity for under-represented groups
- New firms to rebuild the economy in the post-COVID-19 world
- A city of research and invention, improving lives around the world
- We celebrate economic recovery and social growth as a brilliant City of Culture in 2025
- Future-proofing established firms through diversity, inclusion and widening work-place participation
- Working with communities to solve local problems that reflect global challenges
- A growing population of innovating, high-productivity social and commercial enterprises
- Leadership for Bradford's future





## PRIORITIES

- Maintain and cultivate strategic partnerships
- Enhance pride in Bradford within the University and outside through engaging with the public
- Engage people living locally in co-designing solutions which will make a difference to our lives
- Engage employers in co-creation of curricula
- Provide outstanding work-place experiences for students
- Create inclusive approaches for developing innovation awareness, capability and capacity in society
- Provide clear routes for accessing the University's research and innovation capabilities
- Deploy our inventions and discoveries for societal benefit



## ENABLERS

- Academics, students, alumni
- Enterprise education
- External communications
- External advisory networks
- Leadership and values
- Access and participation plan
- Culture of openness
- Diverse offer to partners
- HE policy networks
- Capacity and configuration



## MEASURES

- Placements
- Experience
- Contribution
- Income
- Policy

# Case Study

## Business Engagement

**The University aims to build and maintain strategic partnerships to support business innovation locally, nationally and internationally. We work to develop innovation awareness, capability and capacity in business and enable them to access the University's Research and Innovation capabilities.**

Engaging business in the co-creation of our curricula not only underpins the strengthening of these partnerships, but ensures that we provide relevant, in-demand skills, leading to outstanding work-related experiences for all our students.

An important element of our engagement with business is the deployment of our inventions and discoveries by licensing intellectual property to businesses and establishing new technology-based companies, to the ultimate benefit of society.

2019/20 saw the University engaging in business and community in myriad ways.

Other examples of our community engagement work are included in the Public Benefit Statement.

**West Yorkshire** is home to a very significant proportion of the UK Chemicals and Polymers sector.



**Project  
CAYMAN**

Helping local SMEs access cutting-edge technology to help their business grow.



**£1.6m**

CAYMAN, part-funded by the ERDF over 3 years.



**Lead on the project, Professor Steve Rimmer said:**

“This is a major initiative that will allow us to transfer our significant recent work, especially around polymers, biomaterials and active pharmaceuticals to the benefit of regional businesses.”

# Case Study

## Impact of COVID-19 on SMEs

The COVID-19 outbreak has had a devastating impact, none more so than on small and medium-sized enterprises (SMEs). These account for approximately 50 per cent of the total revenue generated by UK businesses. The government has implemented unprecedented measures to support UK SMEs, such as the Business Interruption Loan Scheme, Business Rates support and tax payment extensions to counter the multiple challenges posed by the COVID-19 crisis, yet the effectiveness of these and the true impact of COVID-19 remain to be seen.

**Recognising this, The University of Bradford's School of Management has been undertaking research, with its aim as follows:**

- To investigate the impact of and response to COVID-19 in small and micro businesses and entrepreneurs in Yorkshire and thereby support plans for local economic recovery post COVID-19.
- This work will help to model the socio-economic impact of COVID-19 on small business at local and regional levels, contribute to recovery plans, identify the support needed by these businesses post the current crisis and impact positively on the success of Yorkshire businesses in recovering from COVID-19. The research is being undertaken in two phases.
  - Phase One of the research is completed and focused on understanding the impact of COVID-19 across all small businesses in the region. This included a survey of SMEs, Microbusiness and Entrepreneurs (with over 600 responses) and eight focus groups with 65 participants from SMEs and other stakeholders.
  - Phase Two is in development and will focus specifically on the needs of BAME-led businesses in the region. Research has already indicated that the COVID-19 infection has had a significant and differential impact on the BAME community. Moreover, respondents in Phase One of this research have expressed how many BAME-led businesses have also been disproportionately affected by COVID-19, and that their owners and managers have not always accessed the support currently available for small firms. This research will assist in bringing these important issues to the forefront of the post COVID-19 recovery debate.
  - Phase Two will commence with a Senior Leaders Roundtable Forum, where leaders from stakeholder groups within the region who are interested in the research's agenda will be invited to hear initial insights from Phase One and provide their insights and input into the research and its findings as well. Alongside these a second set of focus groups will be run that will draw out further understanding of the continuing impact of COVID-19 on BAME-led and other SMEs. These will allow us to assess any changes in attitudes in the fast-moving environment created by 'Lockdown'.
- Following these, training and development for the leaders of these businesses to support their recovery and growth will be developed and implemented, alongside a trial of peer-to-peer action learning sets with sector specific groups of small firms (led by an experienced action learning facilitator). These will meet online fortnightly over a two month period, with the intent of assessing the utility and effectiveness of this activity for supporting business recovery post COVID-19 with participant firms. The impact of these will be evaluated as part of the business case for a more extensive programme of action research and intervention for these firms which will allow the University of Bradford (through the School of Management) and its partners.

### Project Team:

Dr. David Spicer,  
Senior Lecturer in People,  
Organisations & Entrepreneurship

Prof. Sankar Sivarajah,  
Professor of Technology Management  
and the Circular Economy

Dr. Kamran Mahroof,  
Lecturer in Supply Chain Analytics

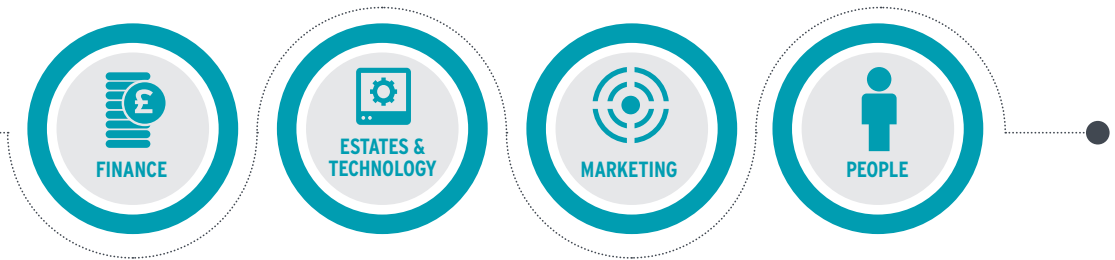
Dr. Samuel Adomako,  
Lecturer in Strategy and  
Entrepreneurship

Prof. Vishanth Weerakkody,  
Professor of Digital Governance

# Enabling Strategies

## Financial Performance 2019/20

The University deploys four enabling strategies in support of its ambitions, addressing:

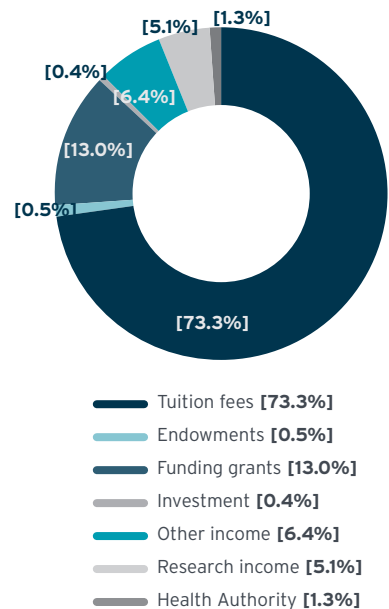


Once again, the University has delivered an operating result ahead of plan, and bolstered its liquidity. Against the pandemic headwinds, in 2019/20 we made good progress in implementing our Financial Strategy.

Having set a cautious and taut budget for the year, the University's financial operating performance was carefully managed through the key cycles of recruitment and enrolment, with continuous tight control of operating and investment expenditure, underpinned by a focus on cash management, and strong oversight by the Executive Board. Even despite the pandemic, operating performance exceeded budget target, for the second year running, with a management accounts outturn of £2.3m surplus compared to an originally budgeted deficit of £2m.

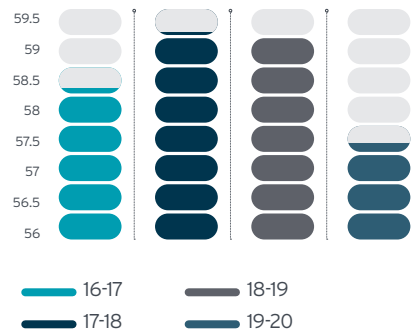
- Total income in 2019/20 was £112.0m, up 2% from £109.6m in 2018/19. All the growth came from our core underlying activity where we have seen a rise of £5.1m (3.5%) in our international student income. The home and EU market remained flat year on year, in a competitive and decreasing market. We saw our total student population grow by 1.5%, which, alongside inflationary rises in international fees, enabled the university to deliver a strong core income growth and overachieve on our budgeted position.
- Total research income was impacted by the temporary halt and slowdown of some research activity during the pandemic: we witnessed delayed project starts and project funding. All of this has resulted in a decrease of 22% from £7.3m to £5.7m. The impact of the pandemic on our commercial operations and income streams resulted in a decrease year on year from £10.7m to £8.2m.

Composition of Income



- Underlying employment costs decreased by 1.4% from £65.1m to £64.2m, now representing 57.3% of underlying income (2018/19: 59%), which is in line with the University's ambition. Over the last three years we have reshaped internally to align with the student profile, and to realise the benefits of technology enhancements enabling a balance of academic to non-academic employment. In 2019/20 there were 524 academic posts compared to 700 non-academic resulting in a percentage split of 43/57%, which is 2% ahead of the financial strategy target.
- Operating expenses increased by £1.2m largely due to additional support for our increasing overseas population. All other costs largely remained static with a small decrease in travel and subsistence due to the pandemic.
- The adjusted EBITDA - commonly used in the sector - is one of our key financial sustainability metrics. It measures earnings before FRS 102 pension adjustments, interest, tax, depreciation, and amortisation shown in the table below. We aim for adjusted EBITDA to be at least 5-8% of income, excluding one-off items. This allows for long term fund generation to achieve our capital investment plans and service our debt. It represents a better indicator of our financial performance as it excludes accounting charges such as depreciation and movement to pension provisions. The table demonstrates a positive movement of £2.5m, resulting in 11.4% as a percentage of income, a continued upward trajectory over the previous 3 years.

Staff costs as % of income (excluding pension changes)



The adjusted EBITDA - commonly used in the sector - is one of our key financial sustainability metrics.

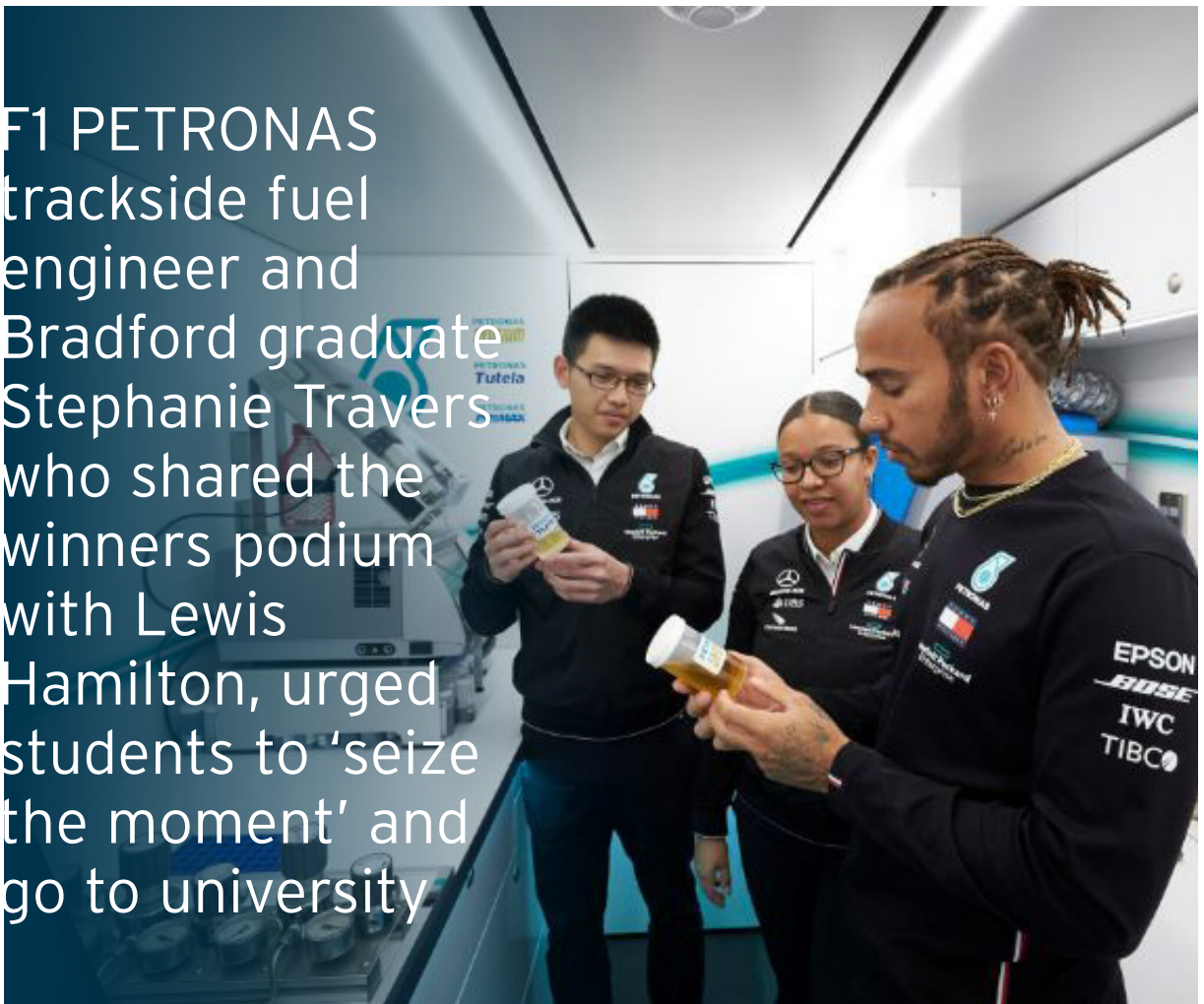
	JULY 20 - £M	JULY 19 - £M
Surplus/(deficit) before Tax	3.0	-21.6
USS movement	(12.8)	18.6
WYPF movement	2.4	2.6
Impairment of fixed assets	8.3	2.3
Depreciation & amortisation	7.6	7.8
Interest	2.5	1.6
Loss/(gain) on Investments	1.1	-1.5
Restructure costs	0.6	0.5
Adjusted EBITDA	12.7	10.2

# Enabling Strategies

## Financial Performance 2019/20

- Once again, pension-related transactions have had a dramatic effect on the Statements of Comprehensive Income and of Financial Position. In the case of the Universities Superannuation Scheme (USS), we see a swing in the in-year expense, with a credit of £12m compared to a debit of £18m last year, giving a provision of £16m on the balance sheet. The in-year charge for the West Yorkshire Pension Fund (WYPF) is a further £22.5m following £19.3m last year, creating a provision of £56.3m. The WYPF actuaries have derived this year's numbers from a full review of the University's share of assets and liabilities following a valuation for March 2019 (whereas last year they had relied on "rolling forward" from the March 2016 valuation). Doing so has allowed them to consider the full impact of landmark judgements about entitlement (the McCloud case and the treatment of Guaranteed Minimum Pension). In our separate discussions with the scheme actuary about the annual actual cost to the University of membership of the scheme (which uses a different basis of valuation), we have agreed that the percentage oncost on salaries used as the basis for payment to the fund, will slowly decrease over the next two years. The total pensions provisions of £72.4m dominate the balance sheet.
- The quandary about how the sector will manage its pensions schemes over the very long period is far from settled. The ongoing consultation about the USS is particularly fraught, with a consensus between stakeholders - members, employers, the scheme and the pensions regulator - still elusive.
- We report a material change in the plans for one of our campus sites resulting in an impairment of £8.3m..
- Our net asset target, before provision for pension liabilities, incorporated into the financial strategy was £75m and currently stands at £67.5m, which is due to the impairment in year of £8.3m.
- All this results in a deficit for the year and a fall of £15.6M in our net assets, resulting in a negative reserve balance.
- In the context of the spectrum of financial risks, our Financial strategy continues to put cash and liquidity at its centre. Operating activities generated a net inflow of £3.1m, which is lower than the previous year by £1.3m. We drew down the remaining balance on our long-term loan with Santander resulting in our cash flow from financing activities to be even. This all resulted in cash and cash equivalents finishing the year at £25.9m, up from £24.0m the previous year. Our long-term investment portfolio, valued at £17.3m, saw a decrease in the year due to the uncertainty in the economy. It continues to provide the University with an excellent source of stability in the medium to long term.
- Capital investment of £4.1m was part funded from new borrowings of £2m. Loans, which are all unsecured, totalled £24.2m at year end.
- The University's Medium-Term Financial Strategy is refreshed each Autumn. Following turnaround years in 2018/19 and 2019/20, it aims for annual operating surpluses in the range of 3% of turnover, to generate cash for investment. Internally, we operate a model which challenges faculties to generate contribution levels commensurate with the input costs associated with the programmes. Professional and support services are challenged to deliver value from cash-limited budgets. All units are required to deliver continuous efficiencies, including through the management of staff turnover.
- That the 2019/20 result exceeds plan, means that the University is on track to deliver the Medium-Term Financial Strategy, before the impact of COVID-19. The impact of the pandemic, although not immediately obvious in the 2019/20 results, is expected to be materialise in 2020/21 - discussed in more detail later in this report.

F1 PETRONAS  
trackside fuel  
engineer and  
Bradford graduate  
Stephanie Travers  
who shared the  
winners podium  
with Lewis  
Hamilton, urged  
students to 'seize  
the moment' and  
go to university



# Value for money

**We are pleased to include in this year's report a fuller articulation of how the University has deployed resources to deliver value for students, and more generally taxpayers and society.**

- During the year, we developed, as part of our Medium Term Financial Strategy, an approach to measuring value for money. It was important to do this, not least because despite much debate in the sector, not least by the regulator, there is no accepted definition of what value for money is.
- Our definition was informed by: the adoption of tried-and-tested models of VFM used in public sector settings, which

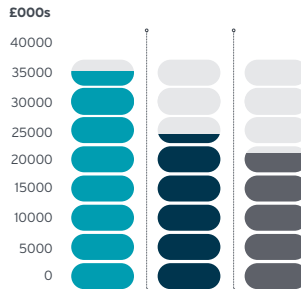
distinguish between inputs, activities, outputs and outcomes; reference to surveys about what students regard as useful activities and outputs for their learning and general experience at university; and consultation with the University of Bradford Union leaders.

- We identified a series of indicators of VFM we report here, showing what resources were allocated to support: learning and achievement; the student journey; the activity of academic staff; research; facilities; and non-curriculum activities.
- The way in which we have linked spending to non-financial indicators is illustrated in the graphics overleaf.

## How are student tuition fees spent?

Around £84m of University income - or 75% total income - is earned from tuition fees. That equates to the total expenditure on what students experience in the input from our academic staff, student journey and employability support, and campus facilities.

- Input from academic time
- Student journey & employability
- Facilities



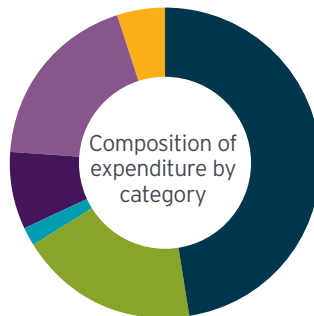
The chart below shows the distribution of expenditure on Learning and Achievement between teaching and assessment, and research.

- Teaching & assessment
- Research

## How does the University spend the income it receives?

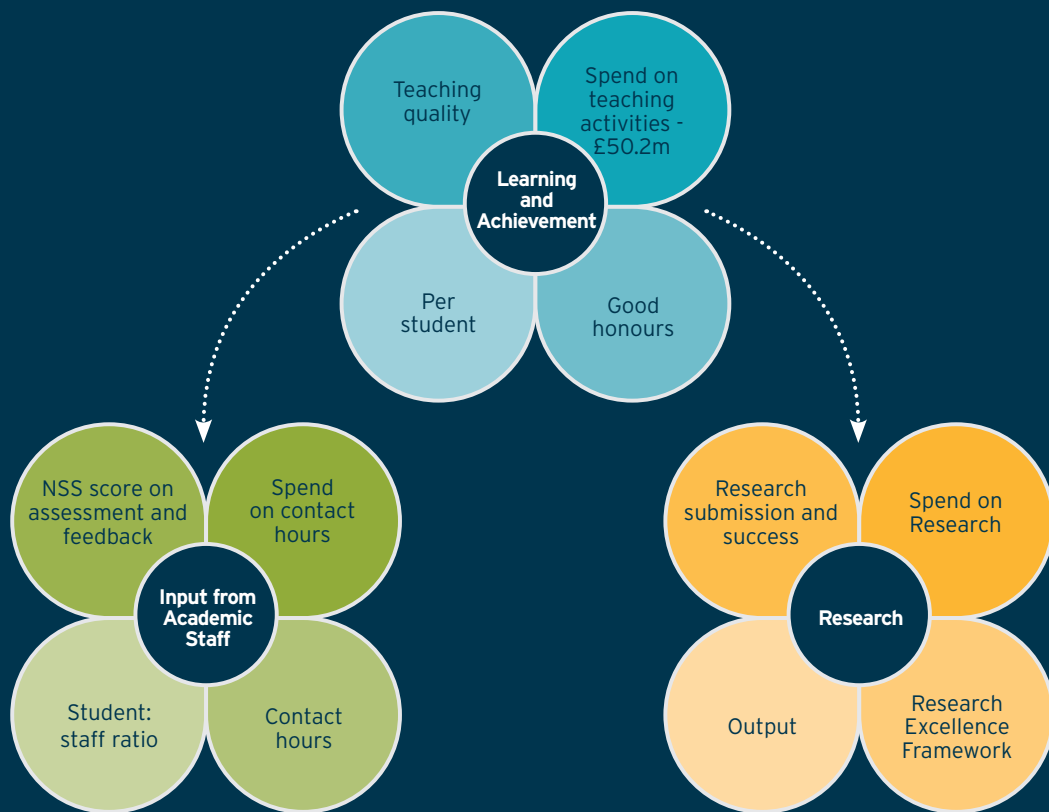
The total income the University earns is spent on six main categories of activity.

- Day to day operations
- Employability
- Facilities
- Learning and achievement
- Non curriculum
- Student journey & wellbeing





How we link expenditure with non-financial performance indicators in our concept of value for money.



How we link expenditure with non-financial performance indicators in our concept of value for money.



**What arrangements are in place to ensure we use students' fees and taxpayers money wisely and responsibly?  
Here are some examples...**

Professional procurement teams negotiating competitive prices from reputable suppliers of goods and services.



Scrutiny of all capital investment proposals, to ensure we invest in the most important assets, equipment, and facilities.



Special controls on expenditure such as overseas travel, use of consultants.



Workload modelling tools for managing how academic staff allocate their time.



Staff employed on nationally agreed pay rates, and terms and conditions agreed with trade unions.



Effective arrangements for collecting fees to ensure everyone pays their fair share.



Periodic reviews of organisation structures, and the balance between services carried out by staff versus services carried out by external suppliers.



Special controls to ensure research and commercial contracts are viable.



Subsidies to ensure students receive affordable, good quality catering, retail, gym and nursery services.



Annual budgets set with an in-built requirement to deliver a 5% efficiency gain.



Governance and ethical policies to ensure money is managed responsibly and accountably.



Surveys which tell us what students value most, and where we could do better.



# Value for Money Metrics

## Over Two Years

INDICATOR AND PURPOSE	2018/19		2019/20		COMMENTARY
	£	NON-FINANCIAL INDICATORS	£	NON-FINANCIAL INDICATORS	
<b>University Support Services/ Day to Day Operations</b>	£9.2M total £1,022 per student	No student-centric data available	£8.4M total £1,009 per student	No student-centric data available	The day to day functions are all of the backroom staff such as Finance, HR and legal. We aim to run these services as efficiently as possible to ensure value for money to our students.
<b>Spend on Employability</b>	£1.6M total £214 per student	574 work contracts for students undertaking work on campus In programme placements - 6,076	£1.8M total £211 per student	474 work contracts for students undertaking work on campus In programme placements - 5,900	The spend on employability and number of work related activities were affected by COVID-19. For the 6 months until March the University made positive progress to increase students employability.
<b>Spend on Facilities</b>	£22.3M total £2,308 per student	NSS Score - Learning Resources: 86%	£19.8M total £2,349 per student	NSS Score - Learning Resources: 87%	The University is committed to ensuring resources spent on facilities to support the student journey is at the forefront of all investment decisions. Spend has been ringfenced in the University Financial Strategy allowing this to continue in the future. The impact of COVID-19 slowed down some of the investment projects.
<b>Spend on Learning and Achievement</b>	£50.2M total £6,071 per student	Times Teaching Quality: 74.3% NSS Teaching on my course: 78% Good Honours: HESA: 80.4%	£50.2M total £5,992 per student	Times Teaching Quality: 76.5% NSS Teaching on my course: 81% Good Honours: HESA: 89.3%	The University's results in the NSS and Times survey/league tables both show a positive shift in learning and resources. The University went through a period of change 2 years ago allowing it to stabilise its spend on learning and achievement.
<b>Spend on Non Curriculum</b>	£6.4M total £631 per student	NSS: Learning Community: 77%	£5.2M total £623 per student	NSS: Learning Community: 79%	Non curriculum spend includes all of the commercial operations including the gym, bars and shops and the close work we do with school and the community. Universities are an important part of the local economy. We see this work as an integral part of our award-winning drive for Social Inclusion.
<b>Spend on Student journey and wellbeing</b>	£19.2M total £2,400 per student	Overall Satisfaction: 66% Student Voice: 68%	£19.9M total £2,369 per student	Overall Satisfaction: 69% Student Voice: 72%	Spend on the student journey and wellbeing during the pandemic has not slowed down with the University supporting students both on line and in person. As we move into new ways of learning we have ensured our investment reflects the importance of this.



The discovery of the so-called Durrington Pits, near Stonehenge

# Enabling Strategies

## Estates, Information Technology and Marketing

### Estates

- The consolidation of the Faculty of Management, Law and Social Sciences into the refurbished Ashfield and Pemberton buildings was completed, which allowed the property at Emm Lane to be mothballed, and our hospitality and training centre at Heaton Mount to run at low turnover. Options to dispose of them were explored during the year, which excited interest from prospective buyers. The properties will be marketed from late November 2020, with a variety of uses in the offing subject to planning permission.
- The long-term maintenance plan focused on chemistry laboratories, upgrades to the Library, and consolidation of student support functions into Student Central, a hub of student life. New facilities were created for paramedics, medical imaging, and clinical teaching skills.
- After lockdown was imposed, the Property teams were fully occupied initially securing the campus for minimal occupation. There followed a period preparing the campus for partial re-occupation, and setting up arrangements for safe operations for staff and contractors under COVID-19 conditions.
- During the year, we completed the termination of our financial obligations and operational role in managing The Green on-campus accommodation. The residence remains the recommended place for students to stay, but the University now has no responsibility for its day to day operation. Unlike many universities, this meant that as the pandemic hit, and many students returned home, we were not exposed to a loss of income.

### Information Technology

The principal Information Technology projects pursued in the year included:

- Migration to new hardware and software platform of the Student Records systems.
- Upgrade of contact centre telephony platform.
- Continuing rollout of windows 10.
- Upgrade and refurbishment of Audio Visual equipment in lecture theatres, labs, teaching spaces and meeting rooms.
- Redevelopment of space in library to create large collaborative learning space.

When lockdown was imposed the IT team swiftly and successfully enabled remote learning and working to very short timescales, including:

- Introduction of new remote access solution for staff.
- Rollout of Microsoft Teams to all staff and students.
- Purchase build and deployment of 200 laptops for student use and 380 for staff use.

### Marketing

- In our marketing, our This is Bradford campaign continued to prove attractive in the home market. Analytical fine-tuning of our target market segments, plus renewing relationships with feeder institutions, laid the foundations for the recruitment round for 2020/21. In the international markets, we were successful in diversifying our channels.
- Mid-year, the pandemic heavily disrupted planned marketing campaigns, alongside accelerating trends towards online content. We ran virtual open days in the run up to clearing, which proved popular and effective.
- Towards the end of the year, we were caught up in the uncertainty caused by the cancellation of normal exams and assessments.

Opposite an example of our 'This is Bradford' 2020 campaign >>





**this is bradford**

**this is education**

# Enabling Strategies

## Our People

- Our staff are the University's most important asset. As at the end of the year, we employed 1,418 staff, whose composition and characteristics are detailed in the graphic opposite.

## During the year:

- The Staff Survey launched in September 2019 received an excellent 77% response, and allowed Faculties and Directorates to target evidence-based improvements in their People Plans.
- A series of World Café events ran for all staff to talk about our new university strategy and associated values and behaviours.

## We launched:

- A new framework to support academic career development and progression: The Bradford Academic.
- An Academic Leadership Development programme.
- Management & Leadership apprenticeships.
- In partnership, the Regional Cross-institutional Action Learning for Women.
- A suite of Wellbeing initiatives with supporting information, guidance and support mechanisms has been introduced. This continues to evolve to respond to the changing needs of our staff.

- We invested significantly in the University nursery - which looks after the children of staff, students, and local parents - which led to an OFSTED 'Outstanding' rating.
- In the second half of the year, pandemic disruption concentrated our minds on how we keep staff and students safe in responding to COVID-19. From the outset, people's health, safety and wellbeing were at heart of our plan. It built on a suite of wellbeing initiatives - information, guidance and support mechanisms - which were introduced during the year, and evolved to cover working from home, and all the new realities we now face.

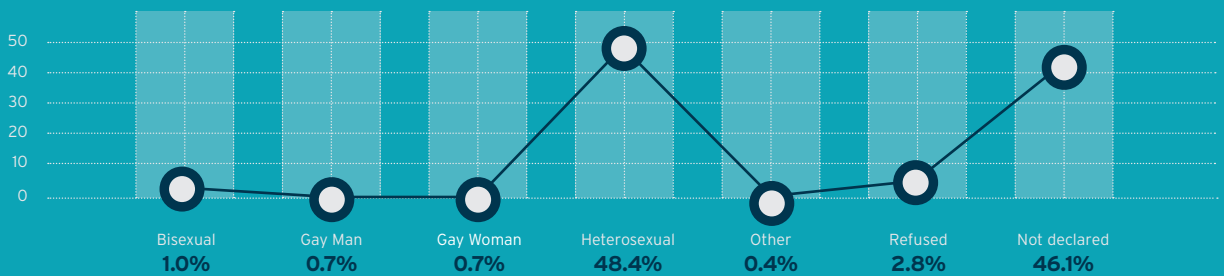
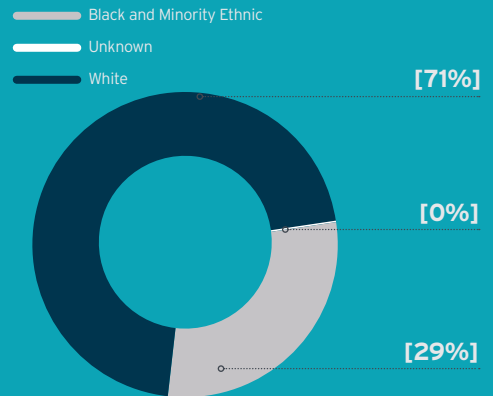




No disability [92.2%]

Information refused [1.6%]

Disability declared [6.3%]



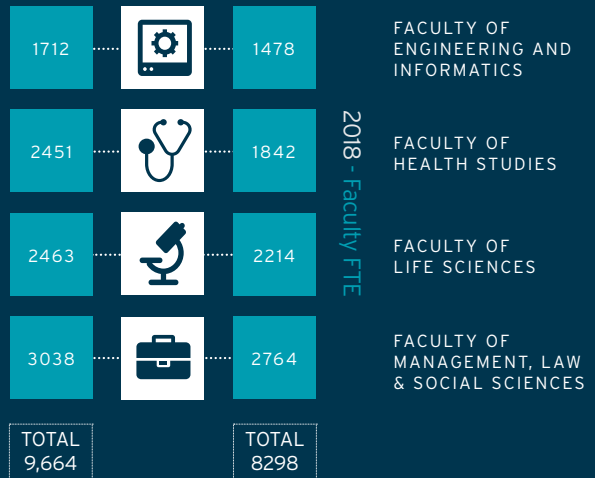
Source: Human Resources

# Our Students

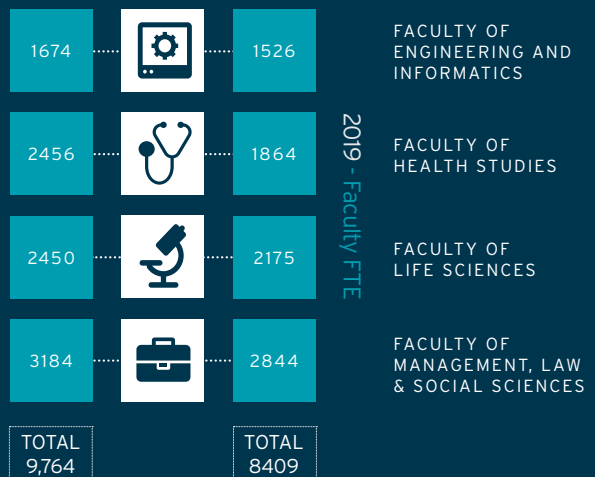
- Bradford prides itself on being a friendly and inclusive University, characterised by a relatively high proportion of local students and a global outlook.
- During the year, the relationship between the University leadership and the University of Bradford Union, the Students' Union, was constructive and cordial, and student leaders played a prominent role in the formal and informal conduct of business.
- The charts refer to the 9,764 students reported through the sector-standard method (HESA) of counting students. In addition, during 2019/20 the University provided services to a further of 1,109 students. 447 were non-UK distance learners, 397 students at partners or an overseas campus, 171 incoming exchange students and 94 completing their studies with too little remaining activity in the session to be included as active in the HESA submission. The income and expenditure associated with these students is included in the financial statements.

The figures on the following pages illustrate the composition of the student population measured by headcount or full-time equivalent as indicated.

2018/19 - Faculty Headcount



2019/20 - Faculty Headcount



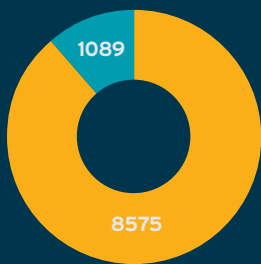
## 2018/19 - Sex Headcount



## 2019/20 - Sex Headcount



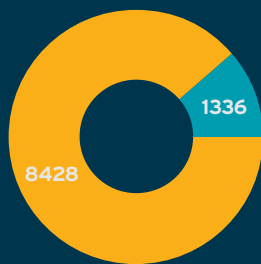
2018/19  
Students by Region  
Home/EU and Overseas



Home  
Overseas

TOTAL 9,664

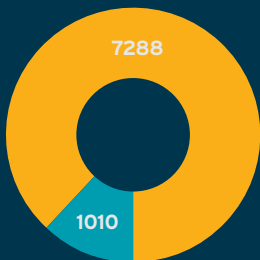
2019/20  
Students by Region  
Home/EU and Overseas



Home  
Overseas

TOTAL 9,764

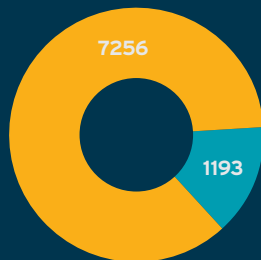
2018/19  
Students by Region  
Home/EU and Overseas [FTE]



Home  
Overseas

TOTAL 8,298

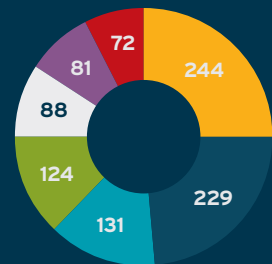
2019/20  
Students by Region  
Home/EU and Overseas [FTE]



Home  
Overseas

TOTAL 8,409

2019/20  
Our 1,336 overseas students come from 76 countries. 7 countries have more than 50 students, with a total of 969.

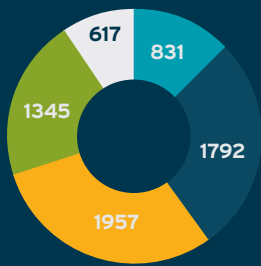


- Kuwait
- China
- India
- Pakistan
- Nigeria
- Overseas domiciled in England
- Hong Kong

TOTAL 969

# Our Students

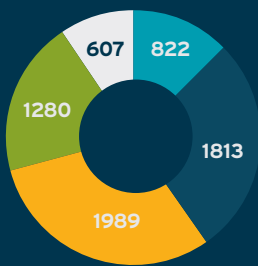
2018/19  
POLAR (UG UK)



TOTAL 6,542

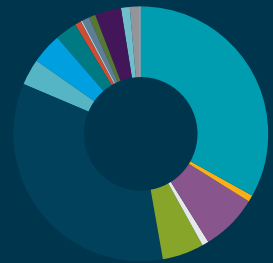
POLAR is the Participation Of Local Areas which assigns a 5-point scale to each UK postcode indicating the average rate at which people enter higher education by age 19, where 1 indicates the 20% of areas with the lowest rates, 2 the next 20% of areas, and so on up to 5 which corresponds to the 20% of areas with the highest rates.

2019/20  
POLAR (UG UK)



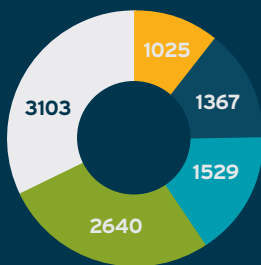
TOTAL 6,511

2018/19  
Ethnicity



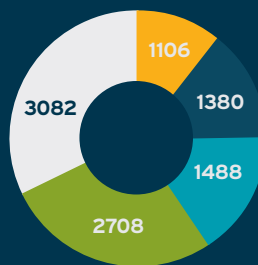
- White
- Black or Black British [Caribbean]
- Black or Black British [African]
- Other Black background
- Asian or Asian British [Indian]
- Asian or Asian British [Pakistani]
- Asian or Asian British [Bangladeshi]
- Chinese
- Other Asian background
- Mixed
- White and Black Caribbean
- Mixed
- White and Black African
- Mixed
- White and Asian
- Other mixed background
- Arab
- Other ethnic background
- Not known
- Information refused

2018/19  
Age Group  
(as at 31/08 in reporting year)



TOTAL 9,664

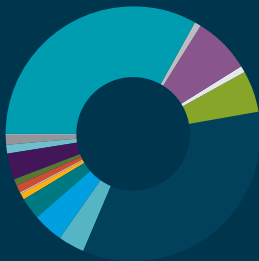
2019/20  
Age Group  
(as at 31/08 in reporting year)



TOTAL 9,764

TOTAL 9,664

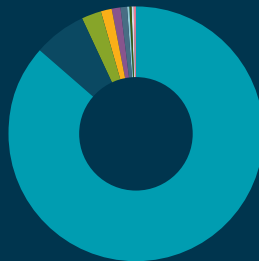
2019/20  
Ethnicity



- White
- Black or Black British [Caribbean]
- Black or Black British [African]
- Other Black background
- Asian or Asian British [Indian]
- Asian or Asian British [Pakistani]
- Asian or Asian British [Bangladeshi]
- Chinese
- Other Asian background
- Mixed White and Black Caribbean
- Mixed White and Black African
- Mixed White and Asian
- Other mixed background
- Arab
- Other ethnic background
- Not known
- Information refused

TOTAL 9,674

2018/19  
Disability



- No known disability
- A specific learning difficulty such as dyslexia, dyspraxia or AD(H)D
- A mental health condition, such as depression, schizophrenia or anxiety disorder
- A long standing illness or health condition such as cancer, HIV, diabetes, chronic heart disease, or epilepsy
- Two or more impairments and/or disabling medical conditions
- A disability, impairment or medical condition that is not listed above
- A physical impairment or mobility issues, such as difficulty using arms or using a wheelchair or crutches
- Blind or a serious visual impairment uncorrected by glasses
- A social/communication impairment such as Asperger's syndrome/other autistic spectrum disorder
- Deaf or a serious hearing impairment

TOTAL 9,664

2019/20  
Disability



- No known disability
- A specific learning difficulty such as dyslexia, dyspraxia or AD(H)D
- A mental health condition, such as depression, schizophrenia or anxiety disorder
- A long standing illness or health condition such as cancer, HIV, diabetes, chronic heart disease, or epilepsy
- Two or more impairments and/or disabling medical conditions
- A disability, impairment or medical condition that is not listed above
- A physical impairment or mobility issues, such as difficulty using arms or using a wheelchair or crutches
- Blind or a serious visual impairment uncorrected by glasses
- A social/communication impairment such as Asperger's syndrome/other autistic spectrum disorder
- Deaf or a serious hearing impairment

TOTAL 9,674

## Access and Participation

Access and Participation Plans set out the ways in which the University strives to ensure that all students, regardless of background, can access, succeed in, and progress from, Higher Education.

The 2019/20 Access and Participation Plan was produced in April 2018, as the Office for Students began to be established. The Plan set out the University's targets and ambitions for the 2019/20 academic year. During 2018/19, the Office for Students revised its approach to Access and Participation, resulting in a shift to more strategic, five year Access and Participation Plans which set the agenda for ambitious aims and objectives over a long term period. The University approved its first five year plan, covering the period 2020/21 to 2024/25 in July 2019. The University has therefore approached 2019/20 as a year in which work to deliver against 2019/20 targets has been set in the context of the wider ambitions of the 5 year plan.

### Key achievements for 2019/20 are shown below.

#### Access

- Delivery of a refugee and asylum seeker webinar programme, 'Navigating Higher Education Access', providing information, advice and guidance for refugee and asylum seeker students applying to University.
- Running the on campus mentoring and visit programme 'Arise Mentoring' for young refugees and asylum seekers from local schools.
- Our partnership with Bradford Bulls has enabled us to engage with white-working class boys and their families, including hosting a higher education information event on campus in November 2019 attended by over 50 people.
- The University runs the Bradford branch of 'Children's University', a scheme which raises aspirations amongst year 6 and 7 students. Eligibility for the scheme further seeks to support schools in POLAR low participation neighbourhoods.
- Delivery of a dedicated on campus care leavers event for young people at Key Stage 3 and 4 and their carers. This event included a campus tour and engineering subject specific taster session, focusing on renewable energy.
- Engagement as a pilot institution in developing the NNECL standard for care leavers in higher education.

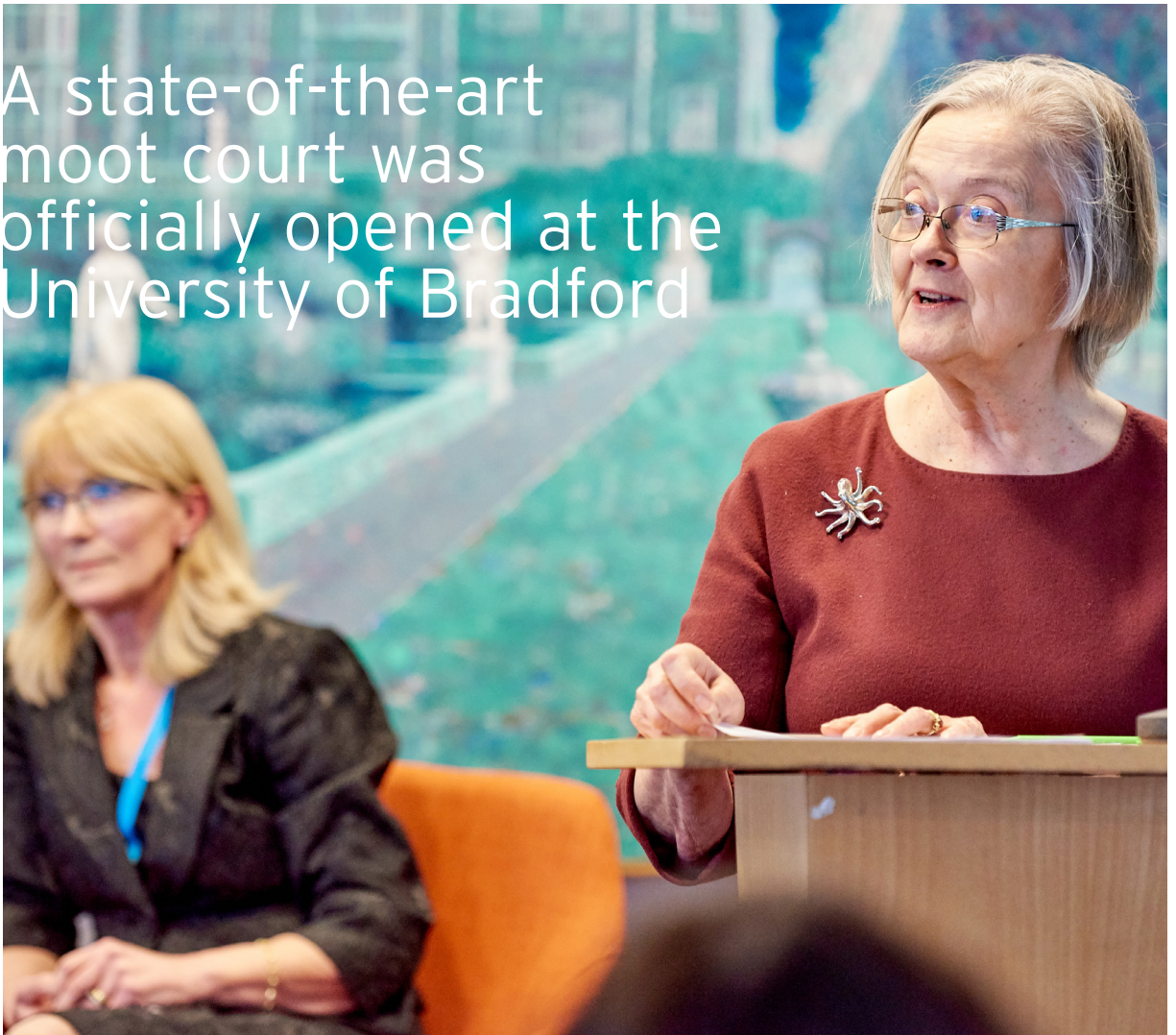
#### Success

- Approval of a new Learning, Teaching and Student Experience Strategy that is centred on three 'pillars of inclusivity' and a commitment to 'deep inclusivity'. This, along with its nine enabling projects will shape the University's approach to inclusive educational experiences for the next five years.
- Delivery of peer mentoring schemes
- Delivery of a BTEC success project, which provided support and skills development in a number of key modules.
- Partnership with Bradford District Care Foundation Trust, to embed a Wellbeing College model within the University and improve referral times to NHS services.
- Improvement and redesign of University transition schemes, with support for wellbeing embedded into delivery.
- Establishing work to create an Anti-Racist University.

#### Progression

- The University was awarded £300,000 from the Office for Students to support BAME students, and in particular Asian students, to progress to graduate level employment. The project has commenced during 2019/20, with 14 partners across the Bradford region and has already shown tangible results. The project addresses a) the unemployment and underemployment of BAME graduates and b) the recruitment, skill gaps, and diversity challenges of 3 priority sectors for Bradford (Health and Social Care, Engineering and Manufacturing, Public Services - Police, Education).
- The University was successful in attracting £1.27m Erasmus funding to support student mobility and international opportunities. With this award, the University became the second largest Erasmus+ provider in the UK, and the largest in England.
- In partnership with Bradford4Everyone and Grant Thornton launched the Bradford Inclusive Employer Network.
- Expansion of Career Booster activities to support students to develop employability skills.
- Continued operation of the summer and graduate internship programmes to support students to develop employability skills.

A state-of-the-art  
moot court was  
officially opened at the  
University of Bradford





# Public Benefit Statement

## Education, Research and Knowledge Transfer

- The University of Bradford is an exempt charity under the terms of Charities Act 2011 and therefore is a public benefit entity. In setting and reviewing the University's objectives and activities, Council has had due regard to the Charity Commission's guidance on the reporting of public benefit and particularly to its supplementary public benefit guidance on the advancement of education. We provide public benefit through delivery of our teaching of students at undergraduate and postgraduate level, by enhancing knowledge through our research and through effective transfer of knowledge to business and the community. The University is one of a group of higher education institutions that are both highly research engaged as well as business and technology-focused.

## Employment

- We secured £300K Office for Students funding for the Graduate Workforce Bradford Project (September 2020-2022) to address firstly, the unemployment and underemployment of BAME graduates and secondly the recruitment, skill gaps, and diversity challenges of 3 priority sectors for Bradford (Health and Social Care, Engineering and Manufacturing, Public Services - Police, Education). 9%/74 graduates (Sector 4%) of 2017/18 Bradford graduates (known and available) were unemployed 15 months after graduation. Bradford Council is anticipating the unemployment rate in Bradford to rise to 13% during the Autumn as an impact of COVID-19.

Our Career and Employability Services works smart and hard to help graduates progress into employment. Some key statistics from 2019/20 are shown in the box below.



of 2017/18 Bradford UK full-time undergraduates were in employment. (86.82% across HE sector).



were in highly skilled employment. (Sector 71%).



progressed into higher level full-time study (Sector 8%). (HESA 2017/18 Graduate Outcomes Survey).

**We ran 101 Employability Workshops with 1858 student/graduate attendances, hosted 134 employers on campus/virtually for recruitment and career fairs, promoted 2894 vacancies, and organised 55 mentoring partnerships.**

**We managed 474 work contracts for students undertaking work on campus, organised 5900 in-programme placements, 152 International inbound student exchanges, and 118 International outbound student exchanges.**

The Graduate Workforce Bradford project is just one of the ways in which the University is providing support to graduates and local employers.

- CES worked in partnership with Aspire-Igen to design and deliver the Graduate2Work programme. 58 unemployed graduates (resident in Bradford and from a range of universities) completed the programme funded (£80K) by the Department for Work and Pensions.
- CES successfully bid for additional Erasmus+ contracts and was awarded £1.271m. With this award the University became the 2nd largest Erasmus+ provider in the UK.
- Looking ahead, we will continue to engage with employer professional organisations, local, regional, national, international businesses, and local authorities, to understand the impact of COVID-19 on graduate employment.

## Scholarships and Bursaries

- We make available a wide range of scholarships and bursaries, some funded by alumni and other donors. They enable students to access and participate in the University, who otherwise may be unable to afford to. As a result, we have a diverse student body, with proportions of minority ethnic, mature, disabled, and international students which are amongst the highest in universities in the UK. In turn, this yields outcomes and prospects for students who otherwise may not have the opportunities we enable.



## Welfare

- The University operates a broad range of specialist support services, supporting students with mental health, disability, financial hardship, accommodation, emergency support, and faith and belief. Students are supported with their studies through our library services, academic skills and language support, and a range of peer support schemes, and there is extensive support for students to develop employability skills and find post-study employment. Specific initiatives in 2019/20 included a new partnership with the NHS to improve referral times to NHS mental health services, with an NHS mental health practitioner working on campus providing CBT support to students referred from the University counselling service.
- The University significantly increased its welfare services, providing a food delivery service, supplying approximately 200 laptops to students studying remotely during lock down, delivering all services remotely and creating a range of self-access mental health and wellbeing tools. The University also set up a 'virtual campus' to support students remaining in Bradford, and provided a continued sense of community for students who returned home. The virtual campus included online exercise classes from our gym, store cupboard cooking tips from our chefs, quizzes, an online book club, online mindfulness classes and daily spiritual tweets from our multi-faith chaplaincy team.

## The University for Bradford

- The University of Bradford is proud to be a part of the City of Bradford, the District and the City Region. We believe that through collaboration we contribute positively to developing the Bradford's local and regional economy. We are a University with a comparatively high proportion of local students, thereby acting as a key agent of economic prosperity and social improvement. The University is one of the city's recognised "anchor" institutions and one of its major employers. We create effective partnerships, both formal and informal, with stakeholders in the district in the voluntary, public and private sectors. This dimension is now being given greater emphasis through our business and community engagement strategy.

### Examples during the year include:

- Participation in the Go Higher West Yorkshire programme, to boost participation in higher education by under-represented groups.
- The work of our Digital Health Enterprise Zone, to stimulate innovation in health care.
- Our continued sponsorship of University Academy Keighley.
- Cash and in-kind support to the Bradford Culture Company, which is overseeing the bid for Bradford to become City of Culture in 2025.
- Supporting the Bradford Literature Festival.
- Playing a leading role in the Bradford Health and Social Care Economic Partnership is of paramount importance to the University. We continue to work in collaboration with the Bradford Institute for Health Research (BIHR), to support Applied Health Research in Bradford.

## Science, Technology, Maths and Engineering (STEM) and Bradford's Industrial Centres of Excellence

- In 2019 the STEM centre engaged nearly 1,900 school students in a wide range of activities including lab experiences on campus. Many activities involved detailed experiments such as synthesising aspirin or measuring vitamin C levels. Students came from Bradford schools and colleges and beyond.
- The STEM team are leading 2 Bradford Opportunity area projects to support school pupils outside of school hours for homework from years 9 through 13 and maths catchup tutorials for year 11 students.
- We collaborated closely with the Bradford Council Careers and Technical Education (CTE) service including through the Industrial Centres of Excellence (ICE). The university has academic representation all ICE boards to help develop collaborative interactions with industrial colleagues to raise aspiration and career awareness in school students.
- Bradford's CTE and ICE teams will be collating on campus with our STEM team (COVID-19 aside) to increase our synergistic activities.

# Sustainability

## We rank 15th in the UI Green Metric World Rankings for 2019.

- During 2019/20 the University adopted the Sustainability Leadership Scorecard approach developed by the Association of University Directors of Estates, to give renewed impetus to our sustainability activity. This model, illustrated in the graphic below, emphasises that sustainability is not just about carbon management, but addresses social and economic sustainability too - very much in keeping with our University strategy.
- Our campus features gardens, pick-your-own herbs and fruit bushes, and carries Green Flag status.
- In the International Student Barometer survey 2020, we scored 1st in the UK and 14th in the world for our eco-friendly attitude.
- One upside of the pandemic was the very dramatic reduction in vehicle and energy use, in the wake of reduced commuter journeys and use of campus. Going into 2020/21, our Travel Plan will be refreshed to reflect these new habits.
- A highlight of the year was the Virtual Sustainability Day sustainability which showcased research interests across the four Faculties, and brought together students from different programmes with common interests in climate crisis, sustainability, our ecological and carbon footprint and reducing waste. While several months of planning went into this event, due to COVID-19, students unanimously agreed to move this to virtual mode. It was held to coincide with the UN World Environment Day on June 5. It included a presentation by students on a Voluntary Street Cleaning project.



### University for Bradford Sustainability Approach



#### LEADERSHIP & GOVERNANCE

- Staff engagement & human resources
- Leadership
- Health & Wellbeing
- Risk



#### PARTNERSHIP & ENGAGEMENT

- Community & public engagement
- Business & industry interface
- Procurement & supplier engagement
- Food & drink



#### LEARNING, TEACHING & RESEARCH

- Research
- Learning & teaching
- Student engagement



#### ESTATES & OPERATIONS

- Resource efficiency & waste
- Biodiversity
- Construction & renovation
- Water
- Travel & transport
- Climate change adaption
- Energy

Students adopted a street near a local primary school in the vicinity of the University and have used social media campaign to engage with the school to raise awareness of sustainability matters.



### Energy Consumption Key to Sustainability

- Our environmental impact and sustainability performance are significantly determined by energy usage. From the HE benchmark year of 2005/6, we have reduced our energy emissions (scope 1 and 2) by 6,535 tonnes, which equates to a 49.7% reduction against baseline.

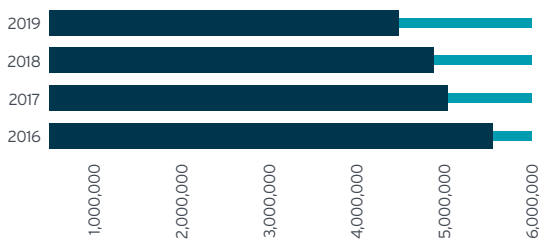
We are better-than-benchmark in our energy costs per square meter of internal area.

### Energy Efficiency

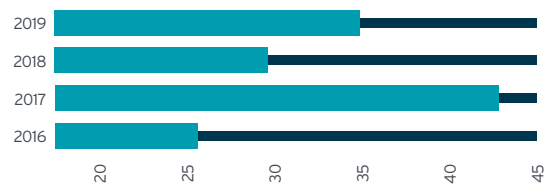
- With a broad mix of age and purpose in our building stock, the energy required to operate each building varies, with research-based space needing a more energy intensive infrastructure than general office or library spaces.
- The efficiency of each building is measured annually with the production of a display energy certificate and we have successfully improved the performance of our buildings from 28% to 35% rated as being A or B efficient.

The figures provide information and commentary about utility generation and consumption, waste and water.

Energy consumption grid electricity [kWh]



% of space with energy efficiency category A&B



# Sustainability

## Energy Generation

■ To reduce our environmental impact, our site uses renewable sources, and we generate our own energy through PV panels, Combined Heat and Power Plant, Solar Thermal and Biomass which benefits every building on campus. The power generated from these sources varies for a number of reasons such as seasonal impacts and plant down time for maintenance and in doing so reflects in the direct emissions attributable to the University. However the accumulative impact of their introduction has been to offset in excess of 57 Million Kwh on-site which would be enough to power over 15,000 average sized homes for a year.\*

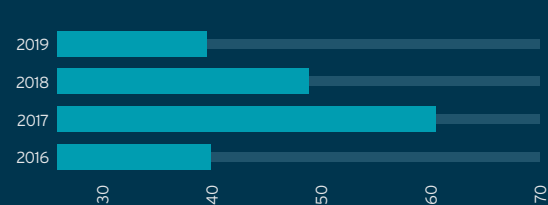
\*Energy Saving Trust Av per annum.

## Supporting the National Grid and Exporting Electricity

■ Typically during winter periods as the campus demand drops we export electricity onto the national grid at times of national peak demand. The amount of electricity we export is linked to heat demand and efficient operation of four combined heat and power plants that we have installed on city campus.

The figures provide information and commentary about utility generation and consumption, waste and water.

% of energy with energy used generated on-site



Total generation of electricity exported to the grid [kWh]



### Waste

- We have done well to reduce waste tonnage. Zero percent of our waste goes to landfill with all waste either recycled, composted, or used to create energy.
- The waste we produce, measured as mass per student and staff, is about half the sector average.

### Total waste mass [t]



The mass of waste produced per student and staff FTE is well below the sector median.

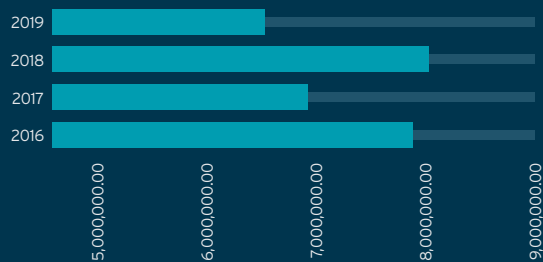
### Water Use

- Reducing our water consumption remains a priority. Due to our stringent flushing regimes to protect against Legionella, our usage is relatively constant. However initiatives implemented in recent years have ensure that we have dropped below the median across all universities in respect of usage against space footprint and staff/student FTE.

### Carbon Emissions

- Finally, our carbon emissions reduced in 2019 from the previous year, a trend we strive to continue.

### Total scope 1 and 2 carbon emissions [kg co2e]



# Policy and Operating Environment

## Outlook

**The policy and operating environment evolved very rapidly during 2019/20, causing the University to take reactive measures, and to reset its thinking about the future.**

**The arrival of COVID-19, and the response by government and society, not only triggered immediate in-year responses, but started a chain reaction of longer-term considerations, including:**

- The question of what the offer to students should be, our response being the emergence of a blended approach of remote and on-campus activities as appropriate, in the context of externally imposed public health measures.
- Accentuation of technology as an enabler to learning, research and work - or conversely, a barrier, if a person faces, for whatever reason, digital exclusion.
- A dramatic change, mirrored across society, in personal behaviour, use of space, ways of communicating, learning, researching, and working.
- Equipping the physical environment with engineered and visual measures.
- Speculation about the future of the learning environment and the working environment.

**The financial consequences of these drivers showed through in:**

- Some limited use of the Government's furlough scheme, only where we could demonstrate the link between income directly lost and the associated labour costs.
- Additional resources being committed to support students at risk of digital exclusion.
- Additional health-and-safety-driven expenditure on sanitisation.
- A revision of capital expenditure plans to reflect slowdown and deprioritisation of projects no longer consistent with social distancing.
- Displacement of resources to deal with the pandemic - continuity planning and measures, preparing for the new term.
- New arrangements for executing the 2020 recruitment round, including some outsourced call-handling, and getting ready for the 2020 exam results round.

- Student markets have been disrupted by the pandemic, with many what-ifs emerging after March 2020 in the minds of students and their families. Evidence from the UK 2020 recruitment round is that, despite the turbulence, for the University of Bradford, the market normalised to a large degree with acceptances in the main and clearing phases from undergraduate and postgraduate being at pre-COVID-19 planned levels.
- By contrast, behaviour in international markets remained less easy to predict, with factors varying from country to country depending on national governmental positions, the cultural and public health experience, applicant and family attitude to risk, and the logistical factors of flight availability, and visa administration. By the end of October 2020, our international enrolment was well underway, but still below target levels. The financial impact is expected to lead to an operating deficit in 2020/21, with a squeeze on liquidity.
- Insofar as COVID-19 remains at large, and difficult to control, it will continue to dominate the University's operating environment into 2020/21.
- Public health aside, other environmental factors affecting the University's outlook include some familiar ones. The impact of the actual exit from the EU is yet to be fully felt. Our main challenge is that EU students will no longer be eligible for UK style fees and funding arrangements for the 2021 intake. As at October 2020, we had around 400 students from EU countries, which cohorts will graduate over the next 3 years.

- The general economic climate is ambivalent. The UK looks set for a continued low inflation, low interest rate economy, which assists in narrowing the typical gap between zero inflation on most fees and cost rises. In addition, a high unemployment period can make studying more attractive than employment, as students invest in themselves to boost employment prospects. We may also see lower pay rises for all groups of employees in the short-term, which eases pressure on the cost base.
- On the downside, sluggish economic activity depresses demand for commercial research and business outlays on training and development. The University's ability to manage efficiency gains at relatively low costs has been bolstered in recent years by natural staff turnover. We expect this turnover to slow, which is did in the second half of 2019/20.
- Turning to our supplier and partner chain, we surveyed the robustness of our supply chain during the early days of the pandemic. Although we recognise the strain many went through, including in changes in their workforce, the University did not encounter any supply interruptions. Our procurement arrangements, which include consortia, framework and individual contracting mechanisms, remained effective, also in the acquisition of sanitisation and other health and safety supplies in response to pandemic measures.
- In 2018/19, sector results were dominated by adverse movements in pension fund deficits. This year, while all eyes have been on the pandemic, pension issues have not gone away. A tough fiscal and investment environment will dampen returns for pension funds, putting fund deficits up, adding to actuarial caution. We expect the accounting cost of deficits, and, potentially, the costs of contribution for both employers and employees, to still feature prominently in the analysis of sector sustainability. Ongoing discussion proposed debt monitoring, and *pari passu* security rights, could have implications.
- In tracking Government policy towards the higher education sector, and more widely, the University's assessment is that opportunities can be discerned amid the uncertainty.
- The Government's stance is increasingly to emphasise the importance of higher education as a route to employment, with value being perceived through the lens of employability and delivering graduate level economic returns, rather than through the intrinsic value of education, learning and reflection, and student perception. This includes an ambition to implement a more integrated approach to education and skills, and to expand and strengthen vocational and technical routes to address skills shortages (particularly at higher technical level - levels 4-5). For the University and its local and regional communities, closer collaboration between higher and further education offers opportunities to increase educational attainment and progression rates to higher education and improve the region's skills base and social mobility, in keeping with the University's mission.
- The Government's response to the Augur Review may see pushes towards reforms in the structure of the curriculum and modes of delivery, where part-time, modular and distance learning may become more prevalent.
- Policies to deal with Post-Pandemic Economic Growth, including through the Comprehensive Spending Review (CSR) 2020, plus the Government's Research and Development Roadmap, may provide opportunities to support research, training including through apprenticeships, and, playing to our strengths, strengthening the country's preventative and reactive public health and medical capability.
- The West Yorkshire devolution deal presents a further opportunity, with the distribution of in total £1.8bn funds under regional governance. During 2019/20, the University strengthened its relationships with and indeed membership of local and regional governance.

# Risk Management

## During 2019/20 and Beyond

**2019/20 became a case study in risk management, scenario planning and rapid response. At the start of the year, the University-wide risk assessment featured concerns about improving the student experience, threats to our ambition to maintain market share in the UK and to gently grow in international markets - and the financial consequences arising. From the middle of the year, the risks - some of which crystallised - were driven by the immediate impact of lockdown, the uncertainties for recruitment in the domestic and overseas markets, and the threat to liquidity. By the end of the year, concerns about significant destabilisation of the home market had abated; but the other factors remained.**

**From an operational and delivery perspective, the risks and issues materialised in relation to:**

- How to enable students to learn and researchers to work effectively with more remote, online delivery? Here, we made very rapid progress in putting in place, then developing further, a blended learning offer, which reflects first that students do not want an entirely remote programme, and secondly that many of our programmes - and much of our research activities - require campus-based facilities, practical demonstration, and equipment that cannot be afforded at home. In addition, we recognised that some students need more support to access, because of their own limited access to hardware, software, and connectivity.
- How to ensure that professional service and support functions can work effectively "from home"? Here - like myriad organisation across the globe - the majority of knowledge workers found working from home possible, productive, and in many cases offering advantages for flexibility. Some colleagues tackled home schooling their children alongside their days jobs; for others again, personal health, caring responsibilities, and household structure made homeworking difficult. Plainly, some roles - librarians, the estates and campus teams - can only be carried out on campus. Others still, particularly in the commercial retail services and the gym, could not operate at all, and indeed continued to be affected directly by the Government's tiered restrictions as the 2020/21 year got underway.
- The identification and management of health and safety risks became everyone's business, and rightly so.



# CORONAVIRUS

## STAY ALERT TO THE RISK OF INFECTION

As we entered 2020/21, the pandemic landscape home and abroad was still turbulent, resource-intensive, and posed more questions. Our approach to managing in a COVID-19 world will continue to be multi-faceted.

- ✓ Teaching, learning, researching and working which blends face to face and on-line, on campus and remote
- ✓ Collaborating with local public health and government officials and NHS partners to manage University and community health
- ✓ Creating a University community which observes the COVID-19 code
- ✓ Communicating tirelessly
- ✓ Adopting official COVID-19 rules and practice
- ✓ Agility and ability to switch to alternate modes of delivery
- ✓ Engaging at sector level to influence policy and practice
- ✓ Business continuity planning as a constant
- ✓ Health and safety as a priority

**STAY ALERT ▶ CONTROL THE VIRUS ▶ SAVE LIVES**

# Risk Management

## During 2019/20 and Beyond

### Financial Stress Testing

- Against a backdrop of routine financial risk analysis, the pandemic occasioned more fundamental financial scenario planning and stress testing.

#### In March, we identified a spectrum of financial scenarios, with assumptions varying in relation to how the pandemic would affect:

- **Income:** existing UK and international students in the last third of the 2019/20 academic year including their use of on-site commercial services; the prospects for applications in the main UCAS cycle and in clearing for the domestic market in 2020/21; applications, enrolments and arrivals by international students for 2020/21; the propensity for existing students to return for 2020/21; interruption and loss of research activity;
- **Expenditure:** cost reductions possible in the light of more remote working and the suspension of some on-site functions; additional health and safety costs; additional technology expenditure to support remote working and online learning; disruption and delay to capital investment and maintenance activity.
- This analysis, conducted continuously from the middle of 2019/20 identified three main phases in the evolution of uncertainty.
- The impact on 2019/20 financial performance proved to be reasonably limited. A key factor here was that earlier in the year we had completed the termination of our accommodation nominations agreement, which meant that Bradford, unlike many universities, was not exposed directly to loss of income from accommodation. Losses of

income from ancillary and commercial sources were typically offset by the related delivery cost reductions, partly funded by the Government's furlough scheme.

- The UK exam results and clearing period was the next phase of risk. Even with the twists and turns of the exam results episodes, and the need reconfigure clearing operations to cope with local lockdown restrictions, the clearing phase went well for the University. While this happened after the balance sheet date, it is a significant factor in our financial outlook, as a once potential source of risk - disruption to the UK market - did not materialise.
- Finally, uncertainties about how international markets would pan out continued well into the start of the 2020/21 operating year. As we tracked Home and International recruitment and enrolment at the start of the new academic year, we grew increasingly confident that the UK market had held up, and the expected slowdown in international markets was materialising. However the extent of its impact remains unclear in a still dynamic environment.
- Our financial scenario planning also confirmed - unsurprisingly - that the biggest threat was to liquidity. Our healthy cash position meant that this threat would not likely materialise until beyond 2020, but we took early steps to assess the merits of cashflow support through the Government's Coronavirus Large Business Interruption Loan Scheme. The decision by the Government to front-load student loan company payments was an important factor in this assessment. As at the date of these accounts, our financial forecast for 2020/21 and beyond, based on actual enrolments in the first quarter of 2020/21, shows that we do not require any additional liquidity facility in order to retain a positive cash balances of at least £8m at any stage, which is the cash balance target metric in our Financial Strategy. However, the University will continue to consider securing a revolving credit facility, which will provide further liquidity resilience to expected depressed incomes in financial year 2020/21.
- Our continuous assessment of the risks posed by COVID-19 during 2019/20 and beyond also considered the University's ability to satisfy the covenants of existing debt with Barclays and Santander. We have been in discussion with Santander for over a year now about adjusting one of their covenants, regarding minimum net asset values excluding pension provisions, from £70m to £60m, prompted by our intention to sell the site at Heaton Mount and Emm Lane. The completion of this amendment has been held up due to the amount of Covid-19 business for Santander's credit committee. Meanwhile, Santander have provided the University with a letter of comfort that the amendment will be completed in due course. All other covenants with both banks are met at the end of 2019/20 without the need for waiver or amendment. The same applies prospectively for the year end 2020/21 based on our financial estimates for that year as at the publication of these statements. The University continues to engage with its banks about its financial position and outlook, and continues to enjoy their support. Our stress testing shows that, should one of the banks step in to require immediate repayment, a combination of projected working

cash balances and liquidation of all or part of our £17m long-term investment portfolio, would allow us to repay capital without interrupting operations. Based on current forecasts and market intelligence, the University believes this scenario to be unlikely.

- Our analysis furthermore concluded that our longer term sustainability is manageable, on the assumption that COVID-19 poses a temporary disruption to business which will be recovered as we - along with other universities and students across the globe - adopt new post-pandemic operating practices.
- We assess on a continuous basis our ability to meet the conditions of registration with the Office for Students. During the latter half of the year, the OfS amended its requirements to focus more on liquidity. It also engaged in more active dialogue with its institutions. Our risk assessment, projections and continuing discussion with the OfS lead us to conclude we meet the ongoing conditions of registration.
- Our financial stress testing - shared with auditors in undertaking their going concern assessment, allowed us to identify the limits to the strain the University could bear. Our conclusion is that the University, not only remains a going concern for the purposes of formal financial reporting, but will continue to be financially viable and sustainable. Moreover, its fundamental strategies are the right ones to pursue. Based on the above analysis, Council is satisfied that the University continues to be a going concern, and the financial statements have thus been prepared on this basis.

### Investment Policy

- Under the University's governance, the Investment Committee is responsible for long and short term investments, including developing policy, appointing Investment Managers and Advisers and monitoring performance.

### Long Term Investment Policy

- The long-term investment portfolio was managed by Cazenove Capital Management during 2019/20. The chief objective was to maximise returns from the portfolio within the constraints and risk tolerance of the University Investment Policy and to target capital growth at a rate of 3% per year plus RPI. We have appointed Sarasin to take over from Cazenove for 2020/21 onwards.

### Treasury Management Policy

- Treasury management refers to day to day balances at the bank, cashflow, working capital management, and investing surplus funds as required for varying periods of up to a year. The University use Royal London, a company specialising in Treasury Management. The key objectives are to ensure the University has funds available to meet day to day operational requirements, to safeguard University cash balances through effective management and control of funds and to maximise returns from the short term investment of University cash balances within the constraints and risk tolerances of the Treasury Management Policy.



# Corporate Governance

## Governance Structure, Roles and Development

**The University is committed to its values of excellence, innovation, inclusion, and trust. In-keeping with these values the University is committed to the highest standards and practice of good governance. The University acts, at all times, consistently with the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.**

The University also adheres to the principles set out in the Higher Education Code of Governance published by the Committee of University Chairs and the Office for Students ongoing conditions of registration for management, governance and accountability.

- The University is a body corporate established by Royal Charter and is governed in accordance with this charter and the University Statutes as approved by the Privy Council.
- In accordance with its Charter, the University operates under a bicameral system in which Council and Senate, each with clearly defined functions and responsibilities oversee and manage its activities. The Charter and Statutes define the roles of the Council and Senate, in addition to other core decision making bodies and officers.

### The Senate

- The Senate is the ultimate academic authority of the University, chaired by the Vice-Chancellor, and draws its membership predominately from the University's academic staff, with

additional representation of other categories of staff and of students. It is particularly concerned with issues relating to the academic governance, quality and standards of the University. The role of Senate is, in summary, to oversee teaching and research and be responsible for maintaining the academic quality and standards of the University and for the admission and regulation of students. The Senate met four times in 2019-20.

### The Council

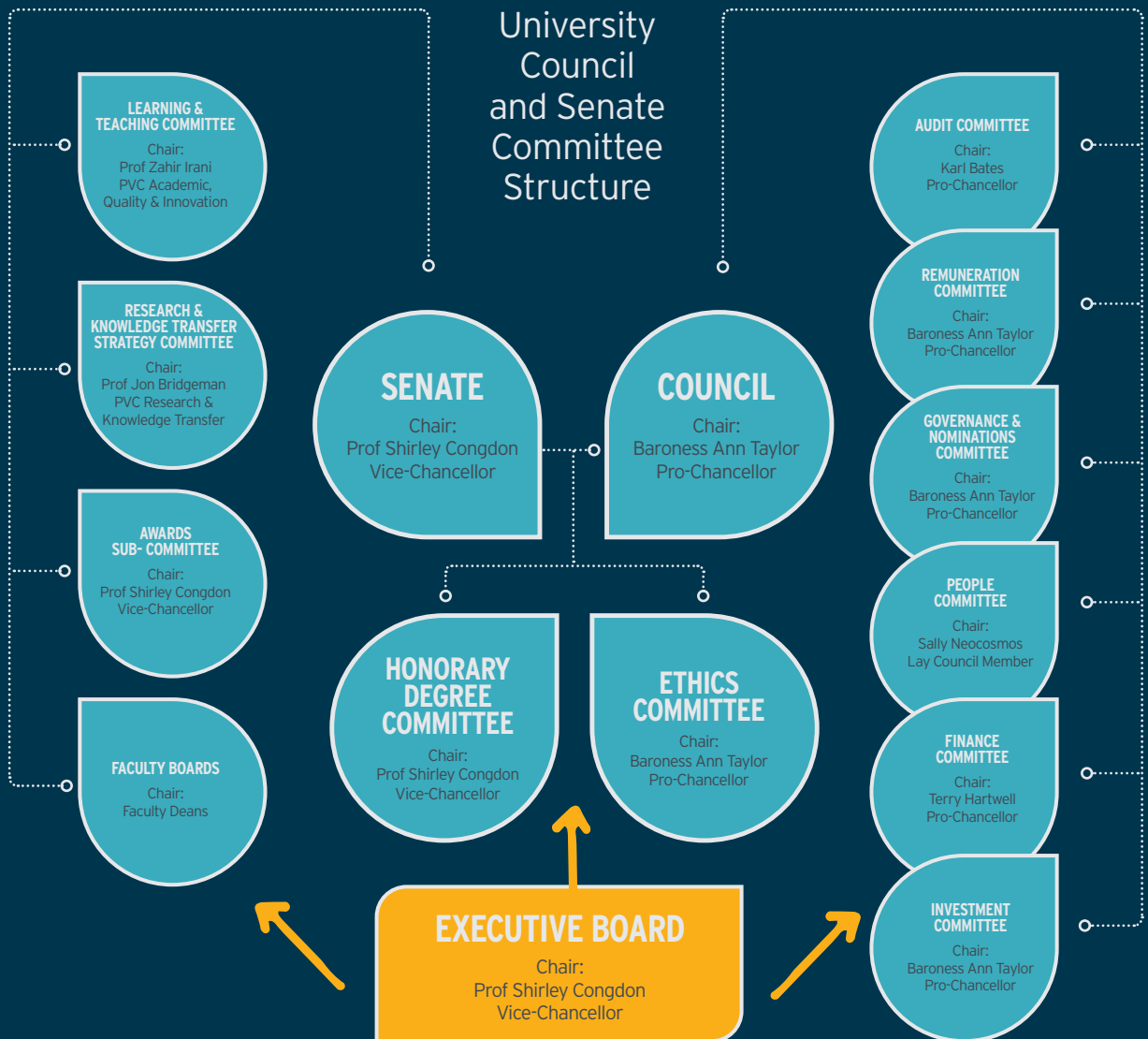
- The Council is the University's governing body responsible for the approving and monitoring the overall strategic direction of the University with overall responsibility for the management and administration of the revenue and property of the University; and for the conduct of the affairs of the University with authority to delegate its powers as provided in the Statutes.
- Council brings independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The powers and function of the Council are defined in the University Statutes. The Council is unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit.
- Council has a clear majority of lay members, from whom its Chair is drawn. Representatives of the staff of the University and the student body also sit on Council.
- The Chair of Council receives an honorarium in recognition of her significant role in ensuring the

success of the University. The power to remunerate the Chair has been approved by the Privy Council and is incorporated into the University's governing instruments. No other lay member receives any payment, apart from the reimbursement of reasonable expenses, for the work they do for the University.

- In 2019-20, the Council met formally on four occasions, two of which were held remotely due to the COVID-19 pandemic. In addition, the Council held one strategic planning event in October 2019. Two of the formal meetings were preceded by lunch with members of the Executive followed by a presentation on topics of interest or relevance to the University or sector.

**In 2019-20, among other things, and in consultation with Senate as appropriate, Council agreed the following:**

- Revised University Strategy 2020-2025
- Learning teaching and Student Experience Sub-Strategy 2020-2025
- Research and Innovation Sub-Strategy 2020-2025
- Equality Diversity and Inclusion Sub-Strategy 2020-2025
- Business and Community Engagement Sub-Strategy
- University Financial Strategy
- Development Plan for the University Estate
- Institutional Overview of Academic Quality and Standards
- University Budget 2020-21
- Establishment of an International Foundation Year College



# Corporate Governance

## Governance Structure, Roles and Development

- The University's Prevent statement and data return for submission to the Office for Students;
- the University's Modern Slavery Statement;
- the University Risk Management Policy for 2019/20;
- the University Corporate Risk Register;
- the reappointment of the University's internal audit service (RSM LLP)
- the appointment of the University's external audit service (BDO LLP)
- In addition to routine business, Council also considered a range of business relating to the University's sustainability, student recruitment, assurance of academic quality and standards, the student experience, and institutional key performance indicators.
- Council delegates certain responsibilities and detailed scrutiny of a range of matters to its Committees, namely the Finance Committee, the Audit Committee, the Governance and Nominations Committee, the Remuneration Committee, Ethics Committee and the People Committee. The recommendations and decisions of these committees are formally reported to the Council, and where relevant, to the Senate.
- Each Council Committee is formally constituted with clear terms of reference and has a majority of lay member representation. The remit and responsibilities of these committees are set out on the next page.

### Audit Committee

- The Audit Committee is responsible for providing assurance to the Council on the effectiveness of the University's management and systems of internal control. To this end, it meets with the external auditors to discuss their audit findings, and with the internal auditors to consider detailed internal audit reports and recommendations for the improvement of the University's systems of internal control, together with management responses and implementation plans. The Audit Committee also keeps the University's corporate risk register under review. The Committee receives and considers reports from the OfS and other bodies (such as the National Audit Office) which affect the University's business and monitors adherence to regulatory requirements. The Committee reviews the University's annual financial statements together with the accounting policies and advises Council on the appointment of internal and external auditors. Whilst senior executives attend meetings of the Audit Committee as necessary, they are not members of the Committee and the Committee meets privately with internal and external auditors for independent discussions at least annually. The Audit Committee met four times in 2019/20. The Committee is constituted in line with guidance issued by the CUC and comprises lay members of the University Council and an external co-opted member with specialised expertise. Committee members meet both the Internal and External Auditors on their own for independent discussions before each meeting.

### Finance Committee

- The Finance Committee is responsible for recommending to Council the University's annual Financial Statements, financial forecasts and annual budgets, for monitoring the University's overall financial health and advising on financial strategy and significant investment decisions. In doing so, it reviews key financial risks, seeking explanation and clarification as appropriate and reviews financial regulation, policies and procedures to ensure that they are robust and follow best practice. The Finance Committee met four times in 2019/20. The Finance Committee is supported by the Investment Committee, which oversees the performance of the University's long-term investment portfolio. The Investment Committee met once during 2019/20.

### Governance and Nominations Committee

- The Governance and Nominations Committee considers nominations for membership of Council and reports to Council on the overall effectiveness of governance arrangements. The Committee ensures that there is an appropriate range of skills and expertise on Council and that there is effective succession planning. Members of Council are appointed for an initial term of three years, renewable for a maximum of two further terms, i.e. for a maximum of nine years, which is consistent with the provisions of the CUC Code of Governance. The Governance and Nominations Committee undertakes an annual light-touch effectiveness review with a periodic external review of effectiveness also. The Committee approves University nominated directors to subsidiary and associated companies. The Governance and Nominations met three times in 2019/20.

### Remuneration Committee

- The Remuneration Committee determines the pay and conditions of the University's most senior staff, including the Vice-Chancellor. The Committee also receives reports on equal pay, pensions, and other staffing related matters. The Remuneration Committee met twice in 2019/20. The Committee operates in accordance with the CUC Higher Education Senior Staff Remuneration Code.

### University Ethics Committee

- The University Ethics Committee oversees and monitors the University Ethics Code and how the Code and principles contained within it are embedded across the University. During 2019/20, the Committee met once.

### People Committee

- In 2019-20, the University established arrangements for a new People Committee, which has been instituted for 2020-21. The People Committee is responsible for providing advice and assurance to Council on the University's approach to:
  - Equality, Diversity and Inclusion
  - Health, Safety and Wellbeing; and
  - People (Staff and Students)
- This Committee replaced the existing Health, Safety and Wellbeing Committee, as the primary governance oversight of Health and Safety matters at the University.
- During 2019-20, the Health, Safety and Wellbeing Committee provided assurance to Council that the University's statutory obligations in relation to health and safety were being met and that appropriate reporting mechanisms and policies were in place and being implemented. The Health Safety and Wellbeing Committee met three times in the year.

- The 2019/2020 academic year was a busy time for Health & Safety, particularly during the COVID-19 pandemic and the unique challenges that this has brought. The University is in a strong position in relation to its Health & Safety provision with a suite of compliant policies and procedures in place including its response to the COVID-19 pandemic. These have been strengthened by the training rolled out to staff including IOSH Managing Safely, Manual Handling and Risk Assessment and the improved Accident and Incident reporting tool and data.

### Vice-Chancellor

- The principal academic and administrative officer of the University is the Vice-Chancellor who has a general responsibility to the Council and the Senate for maintaining and promoting the efficiency and good order of the University. The responsibilities of the Vice-Chancellor are defined in summary in the University's Statutes. In addition, the Vice-Chancellor is the Accountable Officer to the Office for Students and is formally responsible for ensuring that the University operates consistently with and continues to satisfy its ongoing conditions of registration as a higher education provider. In effect, the Vice-Chancellor is the Chief Executive Officer of the University.



# Corporate Governance

## Governance Structure, Roles and Development

### The Executive Board

- The Executive Board is chaired by the Vice-Chancellor and is the University's senior management team, supporting the Vice-Chancellor in the exercise of the general delegation from the Council. The Executive Board supports the Vice-Chancellor in ensuring the effective leadership, coordination and management of the activities of the University. The Executive Board, inter alia, proposes to Council, through the Finance Committee, the University's annual revenue and capital budgets and manages and monitors performance in relation to approved budgets. In respect of its strategic planning and development responsibilities - and as the planning and budgeting processes involve matters falling within the powers of both bodies - the Council and Senate receive recommendations and advice from the Executive Board.

### Council Member Support and Development

- All members of Council have access to independent professional advice from the University Secretary. The University Secretary is a member of the University's Executive Board however, for the purpose of their role as Clerk to Council, acts independently and is accountable to the Council. Members of Council receive independent advice and guidance from the University Secretary on their individual responsibilities as members and as Charity Trustees and are made aware of the collective nature of decision making of the Council, for example through induction and briefings and a dedicated members'

handbook. The Council ensures that each of its lay members is independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement, both through a Register of Interests and a formal declaration of interest at each meeting. A formal induction programme is offered to all new Council members which includes an overview of the higher education sector, details about how the University is governed and regulated as well as an overview of key strategic, financial and operational matters for the Council. New lay member induction also includes meetings with the Chair, the Vice-Chancellor and members of the Executive Team. All members are also eligible to take part in relevant training and development as part of a governor development programme run by sector-recognised providers. Council members also receive regular briefings and awareness sessions in relation to different elements of the University. In 2019-20 a Council Engagement Plan was introduced to further develop and enhance Council member understanding and interaction with the University.

- Council members are involved in many aspects of University life which ensures that they are part of the wider community of the University and are appropriately briefed on activities and challenges, for example, by attending key events such as graduation ceremonies, lecturers, exhibitions, by serving on the Committees of Council, and by being involved in recruitment and disciplinary panels.

### Statement of Council Primary Responsibilities

- The University Council has adopted a Statement of Primary Responsibilities which sets out the principal responsibilities of the governing body. It is based on the Model Statement contained in The Higher Education Code of Governance, published by the Committee of University Chairs.
- The University is an exempt charity under the terms of the Charities Act 2011 and is therefore subject to charity legislation. Charity status confers particular responsibilities on members of the Council who are the charity trustees in law.

#### In summary, Trustees must:

- ensure the charity is carrying out its purposes for the public benefit, and that its assets are applied solely for its charitable purposes; comply with the charity's governing document and the law;
- act in the charity's best interests, including by managing conflicts of interest;
- ensure the charity is accountable; manage the charity's resources responsibly, including by managing risks and protecting its assets and people; act with reasonable care and skill.



**The primary responsibilities of Council are as follows:**

1. To approve the mission, strategic vision, long-term academic and business plans and key performance indicators of the University and to ensure that these meet the interests of students, staff and other stakeholders.
2. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the plans and approved key performance indicators, which should be benchmarked against other comparable institutions.
3. To appoint the Vice-Chancellor as the chief academic and administrative officer of the University and the Office for Students (OfS) Accountable Officer and to put in place suitable arrangements for monitoring his/ her performance and setting appropriate remuneration (through the Remuneration Committee).
4. To delegate authority to the Vice-Chancellor for the effective academic, corporate, financial, estate and human resource management of the University and to establish and keep under review the policies, procedures and limits under which such authority is exercised.
5. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and clear procedures for handling internal grievances, whistleblowing, and for managing conflicts of interest.
6. To establish processes to monitor and evaluate the performance and effectiveness of the Council and its sub-committees, with a formal effectiveness review of the Council at least once every four years.
7. To conduct its business in accordance with best practice in HE corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life embracing selflessness, integrity, objectivity, accountability, openness, honesty, and leadership; and to observe the principles relating to 'fit and proper' persons for the purpose of managing and governing the University.
8. To receive assurance that adequate measures are in place to safeguard the reputation and values of the University and to be responsible for the ethical governance of the University.
9. To commit to open debate and discussion, and freedom of speech and academic freedom as referenced in the Higher Education and Research Act 2017.
10. To appoint a Secretary to the Council and to ensure that, if the person appointed has managerial responsibilities in the University, there is an appropriate separation in the lines of accountability.
11. To approve the annual budget and financial statements, and to have overall responsibility for the University's assets, property and estate.
12. To ensure that systems are in place for meeting all the University's legal obligations, including those which relate to health and safety and equal opportunities and those which arise from contracts and other legal commitments made in the University's name. The Council is responsible for determining the custody and use of the Common Seal of the University.
13. To receive assurance that adequate provision has been made for the general welfare of students.
14. To receive assurance that the Students' Union operates in a fair and democratic manner and is accountable for its finances.
15. To receive assurance that any property, legacy, endowment, bequest or gift made to the University is used to support its work.
16. To ensure that the University's Charter and Statutes are followed at all times and that appropriate advice and support is available to enable this to happen.

# Corporate Governance

## Statement on Internal Control and Risk Management

- The Council has responsibility for ensuring that a sound system of internal control is in place. This supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which the Council is responsible, in accordance with the responsibilities assigned to the Council in the Charter and Statutes and as part of the University's ongoing conditions of registration. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.
  - The system is based on a continuous process 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 effectively, efficiently and economically.
  - The process has been reviewed by Internal Audit and the annual opinion provided is that for the 12 months ended 31 July 2020, based upon and limited to the work undertaken by the internal auditors, the organisation has an adequate and effective framework for risk management, governance internal control and economy, efficiency and effectiveness. The work of the internal auditors also identified further enhancements to this framework to ensure that it remains adequate and effective.
  - As part of this system of internal control, the University maintains a robust strategic and operational planning process that sets the strategic direction of the University and translates this to operational delivery. A strategy development process commenced in 2019-20 and is continuing in 2020-21 following a period of disruption during which the strategic planning process was deferred to manage COVID-19 business continuity matters. As part of this process, the University is defining a new set of key performance indicators (KPIs) to replace the existing KPIs, and which align to the new University Strategy and Sub-Strategies. The Council monitors the institutional KPIs in order to hold management accountable for the delivery of the University's strategic objectives.
  - Annual policy review process to ensure policies and procedures are kept up to date and reflect current regulatory requirements.
  - A comprehensive Risk Management Framework.
- Risk Management**
- The University maintains a comprehensive Risk Management Framework which embeds a consideration of risk management at all levels of University decision making. A robust risk prioritisation methodology based on probability, impact and controls is applied; Faculty and University risk registers are used and updated regularly to monitor risks, controls and management action are kept under review; and where risks materialise as events, they are learned from. Risk awareness is embedded into University decision making at all levels and includes the requirement to assess risks on all new projects requiring a business case. The Risk Management Policy is approved by the Audit Committee annually, along with the University's Risk Appetite Statement, and the Audit Committee considers the Corporate Risk Register quarterly. Operational oversight of the Risk Management Framework is maintained through the Risk Oversight Group, chaired by the University Secretary, which keeps the corporate and local risk registers under review and up to date. The University has also implemented a risk event reporting process for capturing any risk events where an incident has exposed a gap or failure in controls, as a mechanism for identifying such instances and reviewing mitigations and assurances relating to these gaps.

**In delivering its strategic objectives and enabling activities, key elements of the internal control framework are:**

- Scheme of delegated authority from Council to the Vice-Chancellor and sub-delegation to appropriate University officers.
- Clear and detailed Financial Regulations and associated procedures which establish a system of financial control at the University.
- Detailed anti-fraud, corruption and bribery policies and procedures to ensure the highest standards of ethical conduct.
- Maintenance of a register of interests of members of the Council, members of the Committees of the Council, including co-opted members, and senior officers of the University. The register is published on the University website.

- In 2019/20, the University undertook a major review of its Corporate Risk Register to align its corporate risks with the revised University Strategy.
  - During 2019/20, additional detailed corporate risk assessments and business continuity plans relating to the specific risks associated with the COVID-19 pandemic were undertaken and mitigations implemented to manage the risks arising to students, staff and the wider University community, in addition to ensuring continuity of the University's operations. These plans were developed in consultation with the local public health authorities.
  - The internal audit review of risk management in 2019-20 determined that the Council could take reasonable assurance that the controls upon which the organisation relies to manage the identified area are suitably designed and consistently applied.
- The Council's oversight of the effectiveness of the system of internal control is informed by:**
- Internal audit, which operates to standards designed to conform to the International Standards for the Professional Practice of Internal Auditing and the International Professional Practices Framework as published by the global Institute of Internal Auditors. The internal auditors submit regular reports that include their independent opinion on the adequacy and effectiveness of the institution's system of internal control, with recommendations for improvement;
  - Scrutiny of internal and external audit plans, reports and management actions at the University's Audit Committee;
  - Receiving a Risk Management Annual Report providing assurance that risk management control is effective;
  - The work of the executive managers within the institution, who have the responsibility for the development and maintenance of the internal control framework; and
  - The comments made by the external auditors in their management letter and other reports.
  - The Council is of the view that there is an ongoing process for identifying, evaluating and managing the University's significant business, operational, compliance and financial risks, that it has been in place for the year ended 31 July 2020 and up to the date of approval of the financial statements, that it is regularly reviewed by the Governing Body and that it accords with the internal control guidance for directors on the UK Corporate Governance Code as deemed appropriate for Higher Education.

### Modern Slavery and Human Trafficking

- The University's values include excellence, trust and inclusion and import a duty to apply the best ethical standards in everything that we do. Accordingly, the University is committed to employing staff, engaging with and supporting students, acquiring goods, services and works, and otherwise conducting its business in an ethical way and without causing harm to others. The University is committed to supporting the UK Government's approach to implementing the Guiding Principles on Business and Human Rights. The University has outlined how it is supporting this approach through its Slavery and Human Trafficking Statement, published on the University website.

# Independent Auditors' Report

## to the Council of the University of Bradford (the "institution")

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of the University of Bradford ("the Institution") and its subsidiaries ("the Group") for the year ended 31 July 2020 which comprise the Consolidated and Institution Statement of Comprehensive Income, the Consolidated and Institution Statement of Changes in Reserves, the Consolidated and Institution Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Institution's affairs as at 31 July 2020 and of the Group's and the Institution's income and expenditure, gains and losses, changes in reserves and of the group's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

### Other information

The Council is responsible for the other information. Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### Opinion on other matters required by the Office for Students ("OfS") and Research England

In our opinion, in all material respects:

- Funds from whatever source administered by the Institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- Funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met

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

- The Institution's grant and fee income, as disclosed in the notes to the accounts, has been materially misstated.
- The Institution's expenditure on access and participation activities for the financial year has been materially misstated.

### Responsibilities of the Council

As explained more fully in the Statement of Primary Responsibilities statement set out on pages 64 and 65, Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

# Independent Auditors' Report

## to the Council of the University of Bradford (the "institution")

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

### Use of our report

This report is made solely to the Council, as a body, in accordance with Section 75 of the Higher Education and Research Act 2017. Our audit work has been undertaken so that we might state to the Institution's Council 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 Institution and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Kyla Bellingall (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Birmingham

Date:

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

# Statement of Principal Accounting Policies

## Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS 102) and the requirements of the Office for Students' ("OfS's") Accounts direction (OfS 2019.41). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention.

The financial statements are prepared on a going concern basis. This means the University Council has taken into account all factors and risks in the University's operating environment that are expected, for at least 12 months from the date the statements are approved, to affect its ability to continue as a going concern. The assessment has considered not only the University's ability to meet its financial obligations as they fall due, but to operate effectively in the delivery of its services to students and to conduct research.

The assessment is made in a combination of: a medium-term Financial Strategy considered by Finance Committee and approved by Council each at the same time as the Financial Statements are approved; a detailed three year cashflow projection; the ongoing assessment of financial and other risks which is made on a continuous basis through the University's Risk Oversight Group, with reports to Executive Board, and the stress testing undertaken as part of the annual reporting preparation.

The assessment covers: risks to income from domestic and overseas markets; the University's ability to control the cost base and absorb, through cost contingency, unplanned cost pressures and their likelihood of materialising; cost commitments arising from capital expenditure decisions and plan as well as operating activities; cashflow forecasts sensitivities, especially the timing of income receipts; the university's ability to satisfy lender covenants or repay the debt; prospective pension cost obligations; and bad debt and other provisions.

These forecasts confirm that the University has sufficient available resources to meet its obligations as they fall due under a range of reasonable scenarios.

For the reasons set out above, the University Council believe that whilst uncertainty exists, this does not pose a material uncertainty that would cast doubt on the University's ability to continue as a going concern for the foreseeable future, which is a period of at least 12 months from the signing of the accounts and audit report. The University Council therefore considers it appropriate for the accounts to be prepared on a going concern basis.

Having taken into account all of factors in relation to Going Concern, and in light of the University meeting working capital requirements under various scenarios, the University Council considers that the University has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the signing of these accounts. Accordingly, it continues to adopt the going concern basis in preparing the annual financial statements.

## Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2020. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of income and expenditure from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union. Although the Students' Union is predominantly funded by grants from the University it is separately governed by sabbatical officers directly elected by the student body, assisted by a permanent staff body and independent trustee board. As such the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method.

## Income recognition

Income is credited to the Consolidated Statement of Comprehensive Income when the services are supplied.

Fee income is stated gross of any expenditure which is not a discount 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 for prompt payment, income receivable is shown net of the discount.

Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

# Statement of Principal Accounting Policies

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

Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

## Grant funding

Government revenue grants including funding council block grant and research grants are recognised in income over the periods in which the University 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.

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

## Donations and endowments

Non-exchange transactions are those transactions whereby an entity receives (or gives) value from/to another entity without directly giving/receiving approximately equal value in exchange.

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

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

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

### **There are four main types of donations and endowments identified within reserves:**

Restricted donations - the donor has specified that the donation must be used for a particular objective.

Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.

Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.

Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

## Capital grants

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

## Employment benefits

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

## Accounting for retirement benefits

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the West Yorkshire Pension Fund (WYPF). The schemes are defined benefit schemes which are externally funded and contracted out of the State Second Pension (S2P). The USS also has a defined contribution element for salaries over a certain level. Each fund is valued every three years by professionally qualified independent actuaries.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities relating to University members due to the mutual nature of the scheme. Therefore this scheme is accounted for as a defined contribution retirement benefit scheme, as per FRS 102.

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



### Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts if the fund does not hold sufficient assets to pay all the benefits relating to employee service in the current and prior periods.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

### Defined Benefit Plan

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

### Finance leases

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

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

### Operating leases

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

### Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised



# Statement of Principal Accounting Policies

directly in Other Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of Other Comprehensive Income.

## Exceptional Items

Items that are considered to be unusually large or uncommon in the normal course of business are treated as Exceptional Items. Such items are identified separately in the accounts. Management use their judgement to determine which items to be classified within the exceptional items.

## Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses.

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

## Useful life in relation to valuation of tangible assets

Assumptions have been made in relation to the potential future cash flows to be determined from separable tangible assets acquired. This assessment involves assumptions relating to potential future revenues, appropriate discount rates and the useful life of such assets. These assumptions impact the income statement over the useful life of the intangible asset.

## Land and buildings

Land and buildings are included in the balance sheet at historical cost. Buildings and their component parts are depreciated over their expected useful economic life to the University of 3-100 years. Land is not depreciated.

Finance costs which are directly attributable are directly attributable to the construction of land and buildings are not capitalised as part of those costs.

Buildings under construction are accounted for at cost, based on the value of costs incurred to 31 July. They are not depreciated until they are brought in to use.

Expenditure on building enhancements over £20,000 is capitalised and depreciated over its useful economic life to the University of between 7 and 20 years.

## Plant and Machinery & Fixtures, Fittings and Equipment

Purchases costing less than £10,000 per individual item are written off to operating expenses in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Plant, Machinery, Fixtures, Fittings and Equipment: 3-25 years

Computer Software: 3 years

Vehicles: 4 years

## Impairment - Fixed Assets

A review for impairment of a fixed asset is carried out at each reporting date if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

## Indicators of impairment include:

- evidence of obsolescence or physical damage of an asset;
- a significant adverse change in the environment or competitive market.

- This may be caused by, for example: the entrance of a new supplier of a course or service; changes in the regulatory or statutory environment; or significant changes in the value of an indicator used to measure the fair value of a non-current asset on acquisition. Such changes may include income streams from courses underperformance against the recurrent funding agreement with the funding body;
- an asset's market value has declined significantly more than expected, for example due to a slump in property prices;
- significant changes have occurred, or are planned imminently, to the way the asset is used, may require a restructure or business plans leading to courses being withdrawn and assets becoming idle; and
- evidence indicates that the economic performance of an asset is significantly worse than expected.

### Investments

Non-current asset investments are held on the Balance Sheet at fair value with movements recognised at fair value through the Statement of Comprehensive Income.

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment in the University's accounts.

Current asset investments are held at fair value with movements recognised within the Statement of Comprehensive Income.

### 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. An investment only qualifies as a cash equivalent when it has a short maturity, typically three months or less from the date of acquisition.

### Financial Instruments

The University has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments, which include debtors and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.



# Statement of Principal Accounting Policies

Where the contractual obligations of financial instruments are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Financial assets classified as receivable within one year are not amortised.

## Impairment - Financial Assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

## Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

## Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## Derecognition of financial liabilities

Financial liabilities are derecognised when the University's contractual obligations expire or are discharged or cancelled.

## Provisions, contingent liabilities and contingent assets

The use of a provision is restricted to a liability where there is some uncertainty as to the timing or amount that has been incurred. Provisions are recognised in the financial statements where the following three conditions are met:

- there is an obligation at the reporting date as a result of a past event, and the University has no realistic alternative to settlement;
- the transfer of economic benefits in settlement is more likely than not; and
- the value of the obligation can be estimated reliably.

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 when an event leads to:

- a possible rather than a present obligation;
- a possible rather than a probable outflow of economic benefits; and
- an inability to measure the economic outflow.

A contingent asset arises if it is possible that an asset may arise from a past event. If in any period it becomes virtually certain that an inflow of economic benefits will occur then the asset and its associated gain is recognised in that accounting period.

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

#### Provision of Doubtful Debts

At each balance sheet date the collectability of trade receivables is evaluated and provisions for doubtful debts are recorded based on experience, including comparisons of the relative age of accounts and consideration of actual write-off history. The actual level of debt collected may differ from the estimated levels of recovery and could impact future operating results positively or negatively.

#### Accounting for Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

In respect of its interests in jointly controlled operations, the University recognises in its financial statements:

- the assets that it controls and the liabilities that it incurs; and
- the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint venture.
- In respect of its interest in a jointly controlled asset, the University recognises in its financial statements:
- its share of the jointly controlled assets, classified according to the nature of the assets;

- any liabilities that it has incurred;
- its share of any liabilities incurred jointly with the other ventures in relation to the joint venture;
- any income from the sale or use of its share of the output of the joint venture, together with its share of any expenses incurred by the joint venture; and
- any expenses that it has incurred in respect of its interest in the joint venture.

#### Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

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

The University is partially exempt in respect of Value Added Tax (VAT), so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

#### Reserves

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

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

# Statement of Principal Accounting Judgements

The preparation of the University'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. These are reviewed on a regular basis by the senior management team. Significant estimates and material judgements used in the preparation of the financial statements are as follows;

## Revenue Recognition

Grant and research revenue are recognised in the statement of comprehensive income when the performance conditions are satisfied. Management apply judgement in deferring income received for conditions not yet satisfied, accruing for income not yet received. To assess these amounts, Management consider the individual grant conditions and the progress and expenditure incurred on each agreement.

## Provisions

Management apply judgement to arrive at the best estimate for any obligation required. The amount recognised as a provision is management's best estimate of the present value of the amount required to settle the obligation. To arrive at this amount, Management assess the likelihood and extent of any future settlement and make judgements based on these.

## Recoverability of debtors

The provision for doubtful debts is based on our estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

## Impairments

Management make judgements as to whether any indicators of impairment are present for any of the University's assets.

## Retirement Benefit obligation

The University has obligations to pay pension benefits to certain employees who are members of the West Yorkshire Pension Fund (WYPF) and Universities Superannuation Scheme (USS). The cost of these benefits and the present value of the obligation depend on a number of factors including: life expectancy, salary increases, asset valuations, the duration of liabilities and the discount rate on corporate bonds. Management estimates these factors, using external professional advice, in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.



# Definition of Terms

**The definitions which follow, have been adopted for the purposes of this statement.**

**Accounts** comprise the Statement of Comprehensive Income, the Balance Sheets, the Statement of Changes in Reserves, and the Statement of Cash Flows.

**Capital grants** are grants which have been specifically identified by the grantor to be used for the purchase, construction or development of assets.

**Deferred capital grants** are capital grants where an asset purchased with such a grant has been capitalised. The deferred capital grant related to the asset is included in the balance sheet and released to the Statement of Comprehensive Income over the life of the asset to which it relates.

**General income** is that which can be applied to any activity of the University at the discretion of the University. Examples of such income are Funding Council recurrent grant, students' tuition fees and income from general endowments.

**Endowment assets** are those investments held for endowment funds where the income and/ or the capital of the funds are required to be used for specific purposes of the University as determined by the terms of the endowment.

**Financial statements** comprise the accounts, the statement of accounting policies and the notes to the accounts.

**Fixed assets** are those assets intended to be held for use on a continuing basis in the activities of the University.

**Investments within current assets** are investments other than investments within fixed assets or endowment asset investments.

**Investments within fixed assets** are those investments intended to be held for use on a continuing basis in the activities of the University. An investment is classified as a fixed asset only where an intention to hold the investment for the long term can clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment.

**Reports and financial statements** comprise the financial statements, a statement of corporate governance, a statement of the responsibilities of Council, the Auditors' report and the Operating and Financial Review.

**Specific endowments** are those bequests and gifts where the use of the capital and income, or only the income, is for a specific purpose or activity so designated by the donor and which can only be used for that purpose or activity.

**Specific income** is that which can only be applied to a specific purpose or activity so designated by the grantor or donor. Examples of such income are Funding Council grants for specific purposes, research grants and some contracts and income from specific endowments.

**Subsidiary undertaking** is analogous to that as defined in the Companies Act and Financial Reporting Standard 2 and is a body corporate or partnership or unincorporated association carrying on a trade or business with or without a view to profit and control may be exercised by the University.

# Consolidated and Institution Statement of Comprehensive Income

## for the Year Ended 31 July 2020

	Note	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £000	Institution £000	Consolidated £000	£000
<b>Income</b>					
Tuition fees and education contracts	1	83,497	83,497	78,565	78,565
Funding body grants	2	14,586	14,586	13,854	13,854
Research grants and contracts	3	5,710	5,710	7,308	7,308
Other income	4	7,164	7,159	8,565	8,478
Investment income	5	480	480	574	574
Donations and endowments	6	581	581	294	294
<b>Total Income</b>		<b>112,018</b>	<b>112,013</b>	<b>109,160</b>	<b>109,073</b>
<b>Expenditure</b>					
Staff costs	7	54,883	54,763	86,647	86,439
Fundamental restructuring costs		617	617	533	533
Other operating expenses	8	33,994	34,499	33,546	33,586
Depreciation and amortisation	12	7,605	7,605	7,776	7,776
Interest and other finance costs	9	2,454	2,454	1,551	1,524
<b>Total expenditure</b>	10	<b>99,553</b>	<b>99,938</b>	<b>130,053</b>	<b>129,858</b>
<b>Surplus/(deficit) before other gains / (losses) and share of operating deficit of joint ventures and associates</b>		<b>12,465</b>	<b>12,075</b>	<b>(20,893)</b>	<b>(20,785)</b>
Loss on disposal of fixed assets		(10)	(10)	0	0
(Loss)/Gain on Investments		(1,116)	(1,116)	1,513	1,513
Share of operating (deficit)/surplus of joint venture	14	(40)	0	32	0
Impairment of fixed assets	12	(8,260)	(8,260)	(2,291)	(2,291)
<b>Surplus/(deficit) before tax and deficit for the year</b>		<b>3,039</b>	<b>2,689</b>	<b>(21,639)</b>	<b>(21,563)</b>
<b>Other Comprehensive Income</b>					
Actuarial (loss)/gain in respect of pension schemes	24	(22,471)	(22,471)	(19,347)	(19,347)
<b>Total comprehensive expense for the year</b>		<b>(19,431)</b>	<b>(19,782)</b>	<b>(40,986)</b>	<b>(40,910)</b>
Represented by:					
Endowment comprehensive income for the year		(55)	(55)	78	78
Restricted comprehensive (expense) / income for the year		(1,076)	(1,076)	(104)	(104)
Unrestricted comprehensive expense for the year		(18,300)	(18,651)	(40,960)	(40,884)
		<b>(19,431)</b>	<b>(19,782)</b>	<b>(40,986)</b>	<b>(40,910)</b>

All items of income and expenditure relate to continuing activities.



# Consolidated and Institution Statement of Changes in Reserves

for the Year Ended 31 July 2020

Consolidated	Income & Expenditure reserve			Total
	Endowment £000	Restricted £000	Unrestricted £000	£000
<b>Balance at 1 August 2018</b>	1,190	1,514	52,837	<b>55,541</b>
Surplus/(deficit) from the income and expenditure statement	78	(104)	(21,613)	<b>(21,639)</b>
Other comprehensive income	0	0	(19,347)	<b>(19,347)</b>
<b>Total comprehensive (expense) / income for the year</b>	<b>78</b>	<b>(104)</b>	<b>(40,960)</b>	<b>(40,986)</b>
<b>Balance at 1 August 2019</b>	1,268	1,409	11,878	<b>14,555</b>
Surplus from the income and expenditure statement	(55)	(1,076)	4,171	<b>3,040</b>
Other comprehensive expense	0	0	(22,471)	<b>(22,471)</b>
<b>Total comprehensive (expense) / income for the year</b>	<b>(55)</b>	<b>(1,076)</b>	<b>(18,300)</b>	<b>(19,432)</b>
<b>Balance at 31 July 2020</b>	<b>1,213</b>	<b>333</b>	<b>(6,423)</b>	<b>(4,877)</b>

Institution	Income & Expenditure reserve			Total
	Endowment £000	Restricted £000	Unrestricted £000	£000
<b>Balance at 1 August 2018</b>	1,190	1,514	53,100	<b>55,804</b>
Surplus from the income and expenditure statement	78	(104)	(21,536)	<b>(21,562)</b>
Other comprehensive income	0	0	(19,347)	<b>(19,347)</b>
<b>Total comprehensive (expense) / income for the year</b>	<b>78</b>	<b>(104)</b>	<b>(40,883)</b>	<b>(40,909)</b>
<b>Balance at 1 August 2019</b>	1,268	1,409	12,217	<b>14,894</b>
Surplus/(deficit) from the income and expenditure statement	(55)	(1,076)	3,820	<b>2,689</b>
Other comprehensive expense	0	0	(22,471)	<b>(22,471)</b>
<b>Total comprehensive (expense) / income for the year</b>	<b>(55)</b>	<b>(1,076)</b>	<b>(18,651)</b>	<b>(19,782)</b>
<b>Balance at 31 July 2020</b>	<b>1,213</b>	<b>333</b>	<b>(6,434)</b>	<b>(4,888)</b>

# Consolidated and Institution Statement of Financial Position

as at 31 July 2020

	Note	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>Non-current assets</b>					
Fixed assets	12	99,128	99,128	112,013	112,013
Investments	13	17,155	17,272	18,020	18,139
Investment in joint ventures	14	4	0	32	0
Other receivables falling due after more than one year	15	1,074	1,074	997	997
		<u>117,361</u>	<u>117,474</u>	<u>131,062</u>	<u>131,149</u>
<b>Current assets</b>					
Stock		74	74	69	69
Trade and other receivables	15	10,630	10,635	9,517	9,972
Investments	16	32	32	41	41
Cash and cash equivalents		25,917	25,787	23,983	23,877
		<u>36,653</u>	<u>36,528</u>	<u>33,610</u>	<u>33,959</u>
Less Creditors: amounts falling due within one year	17	(27,034)	(27,032)	(27,084)	(27,181)
<b>Net current assets</b>		<u>9,619</u>	<u>9,494</u>	<u>6,526</u>	<u>6,778</u>
<b>Total assets less current liabilities</b>		<u>126,980</u>	<u>126,970</u>	<u>137,588</u>	<u>137,927</u>
Creditors: amounts falling due after more than one year	18	(59,461)	(59,461)	(59,315)	(59,315)
<b>Provisions</b>					
Pension provisions	19	(72,397)	(72,397)	(59,218)	(59,218)
Other provisions	19	0	0	(4,500)	(4,500)
<b>Total net (liabilities)/assets</b>		<u>(4,877)</u>	<u>(4,888)</u>	<u>14,555</u>	<u>14,894</u>
<b>Restricted Reserves</b>					
Income and expenditure reserve - endowment reserve	20	1,213	1,213	1,268	1,268
Income and expenditure reserve - restricted reserve	21	333	333	1,409	1,409
<b>Unrestricted Reserves</b>					
Income and expenditure reserve - unrestricted		(6,423)	(6,434)	11,878	12,217
<b>Total Reserves</b>		<u>(4,877)</u>	<u>(4,888)</u>	<u>14,555</u>	<u>14,894</u>

The financial statements were approved by the Council on 25 November 2020 and signed on its behalf by:



**Baroness A Taylor**  
Chair of council



**Professor S Congdon**  
Vice-Chancellor

# Consolidated Statement of Cash Flows

for the Year Ended 31 July 2020

Note	Year ended 31 July 2020 £000	Year ended 31 July 2019 £000
<b>Cash flow from operating activities</b>		
Surplus/(deficit) for the year	3,039	(21,639)
<b>Surplus/(deficit) for the year adjustment for non-cash items</b>		
Depreciation	7,605	7,776
(Increase)/decrease in debtors	(1,113)	1,540
(Increase)/Decrease in stock	(5)	0
(Decrease)/Increase in creditors	(586)	733
(Decrease)/Increase in other provisions	(9,292)	21,583
(Decrease)/Increase	(4,500)	(4,900)
Loss /(Gain) on endowments, donations & investments	1,151	(1,494)
Impairment of fixed assets	8,260	2,291
Share of operating loss/(surplus) in joint venture	40	(32)
<b>Adjustment for investing or financing activities</b>		
Investment income	(480)	(574)
Interest payable	1,382	1,141
Endowment income	(581)	(294)
Loss on the sale of fixed assets	0	0
Capital grant income	(1,777)	(1,659)
<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>3,143</u></b>	<b><u>4,472</u></b>
<b>Cash flows from investing activities</b>		
Proceeds from the sale of fixed assets	400	0
Investment income	480	574
Payments made to acquire fixed assets	(4,150)	(6,052)
Capital grant receipts	2,327	1,907
Withdrawal of deposits	111	115
New non-current asset investment acquisitions	(397)	(385)
Disposal of non-current asset investments	0	3,500
<b>Net cash outflow from investing activities</b>	<b><u>(1,229)</u></b>	<b><u>(341)</u></b>
<b>Cash flows from financing activities</b>		
Interest paid	(1,382)	(1,141)
Endowment cash received	581	294
Endowment payments	(101)	(15)
New unsecured loans	2,000	2,000
Repayments of amounts borrowed	(1,078)	(1,163)
<b>Net cash (outflow) / inflow from financing activities</b>	<b><u>20</u></b>	<b><u>(25)</u></b>
<b>(decrease)/Increase in cash and cash equivalents in the year</b>	<b><u>1,934</u></b>	<b><u>4,106</u></b>
Cash and cash equivalents at beginning of the year	23,983	19,877
Cash and cash equivalents at end of the year	<b><u>25,917</u></b>	<b><u>23,983</u></b>
	<b><u>1,934</u></b>	<b><u>4,106</u></b>

# Notes to the Financial Statements

## for the year ended 31 July 2020

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>1. Tuition fees and education contracts</b>				
Full-time home and EU students	56,455	56,455	54,373	54,373
Full-time international students	19,608	19,608	14,539	14,539
Part-time students	5,998	5,998	5,655	5,655
Health Education Training Contract	1,436	1,436	3,998	3,998
	<u>83,497</u>	<u>83,497</u>	<u>78,565</u>	<u>78,565</u>
<b>1a. Fee income</b>				
Taught award	79,875	79,875	74,600	74,600
Research award	3,012	3,012	3,430	3,430
Non-qualifying courses	610	610	535	535
	<u>83,497</u>	<u>83,497</u>	<u>78,565</u>	<u>78,565</u>
<b>2. Funding body grants</b>				
Recurrent grant:				
Office for Students	6,879	6,879	5,602	5,602
Research England	3,946	3,946	4,969	4,969
Education and Skills Funding Agency	1,056	1,056	849	849
Specific grants (HEIF)	928	928	775	775
Deferred capital grants released in the year				
Buildings	1,777	1,777	1,269	1,269
Equipment	0	0	390	390
	<u>14,586</u>	<u>14,586</u>	<u>13,854</u>	<u>13,854</u>
<b>3. Research grants and contracts</b>				
Research Council	1,483	1,483	2,017	2,017
UK based charities	621	621	935	935
Government (UK and overseas)	1,944	1,944	2,353	2,353
Industry and commerce	1,341	1,341	1,787	1,787
Other	321	321	216	216
	<u>5,710</u>	<u>5,710</u>	<u>7,308</u>	<u>7,308</u>
<b>Total Grant &amp; Fee income</b>	<u>103,793</u>	<u>103,793</u>	<u>99,727</u>	<u>99,727</u>
<b>4. Other income</b>				
Residences, catering and conferences	900	900	2,190	2,189
Other services rendered	1,784	1,784	1,433	1,433
Other capital grants	680	680	726	726
Other income	3,800	3,795	4,216	4,130
	<u>7,164</u>	<u>7,159</u>	<u>8,565</u>	<u>8,478</u>

Other Income includes £211k in respect of Coronavirus Job Retention Scheme grants received from HM Government.

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>5. Investment income</b>				
Investment income on endowments	41	41	72	72
Other investment income	439	439	502	502
	<u>480</u>	<u>480</u>	<u>574</u>	<u>574</u>
<b>6. Donations and endowments</b>				
New endowments	0	0	294	294
Donations with restrictions	244	244	0	0
Unrestricted donations	337	337	0	0
	<u>581</u>	<u>581</u>	<u>294</u>	<u>294</u>
<b>7. Staff costs</b>				
Salaries	55,046	54,945	55,723	55,546
Social security costs	4,738	4,729	4,790	4,775
Movement in USS past service cost	(12,788)	(12,794)	18,615	18,615
Other pension costs	7,887	7,883	7,519	7,503
	<u>54,883</u>	<u>54,763</u>	<u>86,647</u>	<u>86,439</u>
			Year ended 31 July 2020	Year ended 31 July 2019
<b>Total remuneration of the Vice-Chancellor</b>			Consolidated £000	Institution £000
Basic salary			£000	£000
Pension contributions			230	251
Total charge			5	0
			<u>235</u>	<u>251</u>

# Notes to the Financial Statements

## for the year ended 31 July 2020

Note	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated Number	Institution Number	Consolidated Number	Institution Number
Basic remuneration of other higher paid staff, exc. pension contributions				
£100,000 - £104,999	1	1	1	1
£110,000 - £114,999	2	2	2	2
£115,000 - £119,999	0	0	2	2
£125,000 - £129,999	4	4	2	2
£130,000 - £134,999	0	0	2	2
£135,000 - £139,999	1	1	2	2
£140,000 - £144,999	3	3	3	3
£155,000 - £159,999	1	1	0	0
£160,000 - £164,999	1	1	0	0
£170,000 - £174,999	0	0	1	1
£175,000 - £179,999	0	0	1	1
£190,000 - £194,999	1	1	0	0
			Year ended 31 July 2020 Number	Year ended 31 July 2019 Number
Full time equivalent staff numbers by major category				
Academic and research			474	477
Technical			50	53
Administrative			628	626
Other			72	89
Total			<u>1,224</u>	<u>1,245</u>
			Year ended 31 July 2020 £000	Year ended 31 July 2019 £000
Compensation for loss of office payable				
Compensation payable recorded within staff costs			<u>418</u>	<u>2,155</u>
Number of employees			<u>25</u>	139

### Key management personnel

Key management personnel are those persons having authority for planning, directing and controlling the activities of the Institution, being the Chair of Council and the Institution's Senior Management team. Staff costs include compensation paid to key management personnel.

	Year ended 31 July 2020 £000	Year ended 31 July 2019 £000
Key management personnel compensation	<u>1,143</u>	<u>1,196</u>

(a) Median salary on FTE basis is £32,817. This is inclusive of all academic and non-academic staff. Temporary and agency workers have been included in this years median salary calculation. A total of 230 casual/part time hourly staff and 3 agency workers have been incorporated. Note there are a number of casuals who are paid a set fee on an output basis.

(b) The head of the provider's basic salary is 7.0 times the median pay of staff (2019/20: 7.35 times). Where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

The remuneration package for the Vice Chancellor (Head of Institution) is justified based on pay benchmarking data and the value and performance of the post holder, as measured against set objectives through an annual performance review process which is reviewed annually by the Remuneration Committee in line with CUC Guidance. Pay benchmarking data indicates that the average salary is £255.7k (UCEA Benchmarking) for heads of providers across all institutions, and £287.4k across pre-92 institutions (UCEA Benchmarking), therefore the current remuneration for our Vice Chancellor (Head of Institution) is below the average salary.

Key management personnel remuneration includes £20,000 (2019: £20,000) payable to the Chair of Council.

### Council Members

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

Transactions with Council members are disclosed in note 25.

# Notes to the Financial Statements

## for the year ended 31 July 2020

### 7b. Access and Participation

Access Investment	
Financial Support	
Disability Support (excluding expenditure included in the two categories above)	
Research and Evaluation	

Year ended 31 July 2020	Year ended 31 July 2019
£000	£000
1,081	
0	
243	
73	
<u>1,397</u>	n/a

### 8. Other operating expenses

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
Consumables and laboratory expenses	5,073	5,073	6,247	6,247
Travel and subsistence	1,651	1,648	2,044	2,046
Casual staff costs	1,075	1,075	1,016	1,016
Books and periodicals	1,650	1,650	1,927	1,927
Bursaries, scholarships and prizes	5,966	5,966	5,101	5,101
Heat, light, water and power	1,802	1,802	1,811	1,811
Repairs and general maintenance	1,820	1,820	1,272	1,271
Minor works and long term maintenance	1,081	1,081	677	677
Grants to Institution of Bradford Students' Union	1,338	1,338	1,345	1,345
Rents and insurances of buildings	481	433	218	164
Rates	458	458	477	467
Telephone	236	235	336	335
Postage, advertising, printing and stationery	2,132	2,144	2,070	2,072
External auditors' remuneration	120	120	89	84
External auditors' remuneration in respect of other services	0	0	3	0
Other auditors' remuneration	14	14	6	6
Internal auditors' remuneration	85	85	104	104
Legal and professional fees	3,254	3,242	3,098	3,082
International agency fees	2,322	2,456	1,977	2,176
Amortisation	88	88	88	88
Equipment and furniture	1,724	1,724	1,089	1,089
Other expenses	1,624	2,047	2,551	2,478
	<u>33,994</u>	<u>34,499</u>	<u>33,546</u>	<u>33,586</u>

Amortisation relates to the Institution's capital contribution towards the student village at The Green. This is being written down over 20 years.



	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>9. Interest and other finance costs</b>				
Net charge on pension scheme	1,072	1,072	410	410
Loan interest	<u>1,382</u>	<u>1,382</u>	<u>1,141</u>	<u>1,114</u>
	<u>2,454</u>	<u>2,454</u>	<u>1,551</u>	<u>1,524</u>
<b>10a. Analysis of total expenditure by activity</b>				
Academic and related expenditure	50,384	50,384	92,669	92,671
Administration and central services	32,658	34,043	2,547	2,547
Premises (including service concession cost)	8,822	8,822	(814)	9,186
Residences, catering and conferences	1,119	1,119	1,716	1,716
Research grants and contracts	5,570	5,570	6,153	6,153
Other expenses	0	0	27,782	17,585
	<u>99,553</u>	<u>99,938</u>	<u>130,053</u>	<u>129,858</u>
<b>10b. Access and Participation</b>				
Access Investment	1,110	1,110	-	-
Financial Support	2,686	2,686	-	-
Disability Support	464	464	-	-
Research and Evaluation (i)	73	73	-	-
	<u>4,333</u>	<u>4,333</u>	<u>n/a</u>	<u>n/a</u>

£1,397k of these costs are already included in the overall staff costs figures included in the financial statements, see note 7b.

The published access and participation plan can be found at <https://www.bradford.ac.uk/student-contract/student-contract-201920/access-and-participation-plan-2019-20.pdf>

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>11. Taxation</b>				
UK Corporation Tax receivable / (payable) on the profit of subsidiary companies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

# Notes to the Financial Statements

## for the year ended 31 July 2020

	Freehold Land and buildings	Plant & Machinery	Fixtures, Fittings & Equipment	Assets in the course of construction	Total
	£000	£000	£000	£000	£000
<b>12. Fixed Assets</b>					
<b>Cost</b>					
At 31 July 2019	138,606	36,115	24,202	2,287	201,210
Additions	0	64	143	3,944	4,151
Disposals	(1,305)	(773)	0	(13)	(2,091)
Transfers	1,476	1,508	2,149	(5,133)	0
Impairment	(8,260)	0	0	0	(8,260)
At 31 July 2020	<u>130,517</u>	<u>36,914</u>	<u>26,494</u>	<u>1,085</u>	<u>195,010</u>
<b>Accumulated depreciation</b>					
At 31 July 2019	50,735	20,426	18,036	0	89,197
Charge for the year	4,024	1,618	1,963	0	7,605
Disposals	(752)	(168)	0	0	(920)
Transfers	0	0	0	0	0
At 31 July 2020	<u>54,007</u>	<u>21,876</u>	<u>19,999</u>	<u>0</u>	<u>95,882</u>
<b>Carrying amount</b>					
At 31 July 2020	<u>76,510</u>	<u>15,038</u>	<u>6,495</u>	<u>1,085</u>	<u>99,128</u>
At 31 July 2019	<u>87,871</u>	<u>15,689</u>	<u>6,166</u>	<u>2,287</u>	<u>112,013</u>

At 31 July 2020, freehold land and buildings included £2.2m (2019: £2.0m) in respect of freehold land which is not depreciated. Buildings with a net book value of £32.7m (2019: £32.6m) have been funded by Treasury sources. Should these buildings be sold, the Institution would either have to surrender the proceeds to the Treasury or use them in accordance with the Financial Memorandum with OfS.

A £8.2m diminution charge has been recognised in the year in respect of certain property held by the University. This charge is reflected within 'impairment of fixed assets' in the Consolidated and Institution Statement of Comprehensive Income.

	Subsidiary companies	Other fixed asset investments	Total
	£000	£000	£000
<b>13. Non-Current Investments</b>			
<b>Consolidated</b>			
As at 31 July 2019	0	18,020	18,020
Additions	0	397	397
Disposals	0	(111)	(111)
Revaluation	0	(1,151)	(1,151)
As at 31 July 2020	-	<u>17,155</u>	<u>17,155</u>
<b>Institution</b>			
As at July 31 2019	119	18,020	18,139
Additions	-	397	397
Disposals	-	(111)	(111)
Revaluation	-	(1,151)	(1,151)
As at 31 July 2020	<u>119</u>	<u>17,155</u>	<u>17,274</u>
<b>Other non-current investments consist of:</b>			<b>Consolidated and Institution £000</b>
Long term asset portfolio			17,095
Others			<u>60</u>
			<u>17,155</u>

The Institution as principal sponsor of the University Academy Keighley ("UAK") can appoint the majority of the board, though it currently does not hold a majority. However it does not consolidate the financial statements of UAK in to the Institution group financial statements.

This is because the Institution cannot obtain any benefits or exercise rights over assets and management as defined in FRS 102. The Institution does not derive any financial or non-financial benefit (based on the memorandum and articles). The Institution also does not have the power to control UAK on the basis of the Secretary of State intervention powers over the Academy, including the secretary of state's right to assets on wind up.

#### 14. Investment in joint venture

The Institution holds a 50% share of Inprint+Design Limited. This is a joint venture company owned equally by the Institution and Bradford College. The arrangement is treated as a joint venture and is accounted for using the equity method, such that 50% of the company's gross assets and liabilities are incorporated in to the consolidated balance sheet of the Institution and 50% of its net income is reported in the Institution's consolidated statement of comprehensive income.

# Notes to the Financial Statements

## for the year ended 31 July 2020

	Year ended 31 July 2020		Year ended 31 July 2019	
	£000	£000	£000	£000
<b>Income and expenditure account</b>				
Income		1,007		1,183
Result before tax		(81)		64
Share of (loss)/profit		(40)		32
<b>Balance Sheet</b>				
Fixed assets	74		94	
Current assets	192		247	
		266		341
Creditors: amounts due within one year		(258)		(277)
		8		64
Share of net assets		4		32

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>15. Trade and other receivables</b>				
Prepayments - capital contribution to student village	875	875	963	963
Other amounts falling due after more than one year	199	199	34	34
Amounts falling due after more than one year	1,074	1,074	997	997
Research grant receivables	847	847	1,446	1,446
Other trade receivable	5,501	5,501	5,438	5,415
Other receivables	249	249	117	117
Prepayments and accrued income	4,033	4,028	2,516	2,506
Amounts due from subsidiary companies	0	10	0	488
	10,630	10,635	9,517	9,972
<b>16. Current investments</b>				
Short term investment in shares	32	32	41	41

### 17. Creditors: amounts falling due within one year

Unsecured loans	1,275	1,275	1,078	1,078
Trade payables	1,502	1,502	1,790	1,789
Social security and other taxation payable	2,633	2,633	2,667	2,647
Accruals and deferred income	21,624	21,622	21,549	21,539
Amounts due to subsidiary companies	0	0	0	128
	27,034	27,032	27,084	27,181

### 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.

Research grants received on account	3,383	3,383	3,571	3,571
Grant income	546	546	2,538	2,538
Other income	11,416	11,416	8,119	8,119
	15,345	15,345	14,228	14,228

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
<b>18. Creditors: amounts falling due after more than one year</b>				
Deferred income	36,475	36,475	37,055	37,055
Unsecured loans	<u>22,986</u>	<u>22,986</u>	<u>22,260</u>	<u>22,260</u>
	<u>59,461</u>	<u>59,461</u>	<u>59,315</u>	<u>59,315</u>
Analysis of unsecured loans:				
Due within one year or one demand	1,275	1,275	1,078	1,078
Due between one and two years	1,160	1,160	1,275	1,275
Due between two and five years	3,632	3,632	3,554	3,554
Due in five years or more	<u>18,194</u>	<u>18,194</u>	<u>17,431</u>	<u>17,431</u>
Due after more than one year	<u>22,986</u>	<u>22,986</u>	<u>22,260</u>	<u>22,260</u>
Total unsecured loans	<u>24,261</u>	<u>24,261</u>	<u>23,338</u>	<u>23,338</u>
Included in loans are the following:	Amount £000	Term £000	Interest Rate %	Borrower
<b>Lender</b>				
Barclays Bank plc	16,016	2030	5	Institution
HEFCE	245	2020	0	Institution
Santander	<u>8,000</u>	2025	6.4	Institution
	<u>24,261</u>			
<b>19. Provision for liabilities</b>				
<b>Consolidated and Institution</b>				
At 31 July 2019	28,409	30,809	59,218	4,500
Utilised in year	(12,788)	0	(12,788)	(4,420)
Unused amounts reversed in year	-	-	-	(80)
Charged to Statement of Comprehensive Income in 2019/20	449	25,518	25,967	0
At 31 July 2020	<u>16,070</u>	<u>56,327</u>	<u>72,397</u>	<u>0</u>

**USS deficit**

The obligation to fund the past deficit on the Universities Superannuation Scheme arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. Management have assessed future staff levels within the USS scheme and salary payment over the period of the contracted obligation and salary inflation in assessing the value of this provision. Key assumptions are set out in note 24.

Following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed of which more detail is given in note 24. This new plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As a consequence the deficit provision has decreased significantly from the prior year of which £16.1m is due to the change in the deficit contributions contractual commitment.

# Notes to the Financial Statements

## for the year ended 31 July 2020

The major assumptions used to calculate the obligation are:

	2020	2019
Discount rate	0.73%	1.58%
Salary growth	3%	3%

### Sensitivity analysis

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Change in assumptions at 31 July 2020	Approx impact £000
0.5% pa decrease in discount rate	392
0.5% pa increase in salary inflation over duration	384
0.5% pa increase in salary inflation year 1 only	79
0.5% increase in staff changes over the duration	392
0.5% increase in staff changes over year 1 only	80
1 year increase in term	3,175

### Premature Retirement Fund

This provision relates to payments paid in the year, and amounts anticipated to be paid, in relation to employees who signed up to the Voluntary Severance Scheme. The amounts paid in year relate to a combination of pension and salary payments. All amounts outstanding are due to be paid within one year.

	Restricted permanent endowments £000	Expendable endowments £000	2020 Total £000	2019 Total £000
<b>20. Endowment reserves</b>				
Balances at 1 August 2019				
Capital	189	660	849	850
Accumulated income	<u>216</u>	<u>203</u>	<u>419</u>	<u>340</u>
	<u>405</u>	<u>863</u>	<u>1,268</u>	<u>1,190</u>
New endowments	0	13	13	40
Investment income	6	27	33	54
Expenditure	<u>0</u>	<u>(101)</u>	<u>(101)</u>	<u>(15)</u>
	<u>6</u>	<u>(61)</u>	<u>(55)</u>	<u>39</u>
At 31 July 2020	<u>411</u>	<u>802</u>	<u>1,213</u>	<u>1,268</u>
Represented by:				
Capital	189	654	843	849
Accumulated income	<u>222</u>	<u>148</u>	<u>370</u>	<u>419</u>
	<u>411</u>	<u>802</u>	<u>1,213</u>	<u>1,268</u>
Analysis by type of purpose:				
Lectureships	0	253	253	241
Scholarships and bursaries	348	266	614	681
Prize funds	63	69	132	132
General	<u>0</u>	<u>214</u>	<u>214</u>	<u>214</u>
	<u>411</u>	<u>802</u>	<u>1,213</u>	<u>1,268</u>

## Analysis by asset:

Current and non-current asset investments  
Cash and cash equivalents

2020 Total £000	2019 Total £000
32	41
<u>1,181</u>	<u>1,227</u>
<u>1,213</u>	<u>1,268</u>

**21. Restricted reserves**

Balances at 1 August 2019

New donations

Investment income

Expenditure

At 31 July 2020

Analysis of restricted funds by type of purpose:

Lectureships

Scholarships and bursaries

Research support incl DHEZ

General

Year ended 31 July 2020		Year ended 31 July 2019	
Consolidated £000	Institution £000	Consolidated £000	Institution £000
1,409	1,409	1,513	1,513
177	177	144	144
1	1	15	15
(1,254)	(1,254)	(263)	(263)
<u>333</u>	<u>333</u>	<u>1,409</u>	<u>1,409</u>
2	2	2	2
(174)	(174)	(160)	(160)
485	485	1,547	1,547
20	20	20	20
<u>333</u>	<u>333</u>	<u>1,409</u>	<u>1,409</u>
654		972	

**22. Capital and other commitments**

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

Commitments contracted for

**23. Subsidiary undertakings**

The subsidiary companies wholly-owned or effectively controlled  
by the Institution are as follows:

Name of undertaking	Country of incorporation	Description of business	Holding
Bradford Education Consulting (Beijing) Co. Ltd	China	Marketing of the Institution	100%
DHEZ Ltd	United Kingdom	SME Support	90%

# Notes to the Financial Statements

## for the year ended 31 July 2020

### 24. Pension schemes

The two principal pension schemes for the Institution's staff are the Universities Superannuation Scheme (USS) and the West Yorkshire Pension Fund (WYPF) administered by the City of Bradford Metropolitan Council. The assets of the schemes are held in separate trustee-administered funds. The main assumptions of the most recent valuations are as follows:

	USS		WYPF	
Latest actuarial valuations	31 March 2018		31 March 2019	
Valuation Method	Projected Unit		Projected Unit	
Investment returns per annum	5.20%		3.8%	
Salary scale increases per annum	3.00%		3.35%	
Value of notional assets	£63,700 million		£14,321 million	
Proportion of members' accrued benefits covered by the actuarial value of assets	95%		98%	

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated	Institution	Consolidated	Institution
	£000	£000	£000	£000
<b>Statement of comprehensive income - net pension cost in year</b>				
USS	(12,788)	(12,794)	18,615	18,615
WYPF including FRS 102 adjustments	7,887	7,883	7,519	7,503
	<u>(4,901)</u>	<u>(4,911)</u>	<u>26,134</u>	<u>26,118</u>
<b>Other comprehensive income - actuarial loss in respect of pension schemes</b>				
WYPF including FRS 102 adjustments	(22,471)	(22,471)	(19,347)	(19,347)
	<u>(22,471)</u>	<u>(22,471)</u>	<u>(19,347)</u>	<u>(19,347)</u>
<b>Statement of Financial Position</b>				
<b>- Pension scheme liability</b>				
WYPF including FRS 102 adjustments	56,327	56,327	30,809	30,809

The contributions payable by the Institution in respect of the USS scheme during the year were equal to employer contributions of 20.8% of salary. The Institution paid contributions of 19% in respect of the WYPF scheme for the accounting year as recommended by the actuary.

### USS

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee Benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Consolidated Statement of Comprehensive Income.



The total cost charged to the Consolidated Statement of Comprehensive Income is £6.604M (2019: £5.936M) excluding the impact of the change in the deficit recovery plan, as shown in note 24.

Deficit recovery contributions due within one year for the institution are £714,413 (2019: £567,182)

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2018 ("the valuation date"), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the institution cannot identify its share of Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly to CPI - 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21 +: CPI + 1.55%
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Pension increase (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
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The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

Pre-retirement	71% of AMCO0 (duration 0) for males and 112% of AFc00 (duration0) for females
Post-retirement	97.6% of SAPS SINMA "light" for males and 102.7% of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

	2018 Valuation	2017 Valuation
The current life expectancies on retirement at age 65 are:		
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

# Notes to the Financial Statements

## for the year ended 31 July 2020

The funding position of the scheme has since been updated on an FRS 102 basis:

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%, until 31 March 2028. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2020	2019
Discount rate	0.73%	1.58%
Pensionable salary growth	4.10%	4.10%

In the year ended 31 July 2019, the liability was based on the previous deficit recovery plan, which required payment of 5% of salaries over the period 1 April 2020 to 30 June 2034.

The reduction in the term of the deficit recovery plan has given rise to a substantial reduction in the deficit provision which has decreased from £28.4m to £16.1m as set out in note 19. £12.1m of this decrease is attributable to the change in the deficit contributions contractual commitment. See also Staff costs note 7 in respect of significant one-off pension costs / gains.

In September 2020, the Trustee of the USS Pension Scheme (USS) launched a consultation with Universities UK on key aspects of the scheme's 2020 valuation. The scope of this exercise covers a wide range of potential outcomes - reflecting issues still to be resolved on employer support as well as uncertainties for the higher education sector and financial markets in general - but, based on the proposals put forward, the Trustees have indicated that the fund's deficit at 31 March 2020 could range from between £9.8bn and £17.9bn. This would represent a significant deterioration from the £3.6bn deficit established under the 2018 valuation (and against which the current recovery plan is set) and a return to the levels of shortfall experienced under the previous 2017 valuation (£11.8bn). At this stage, an outcome is far from agreed and the USS Trustee has until 30 June 2021 to conclude the valuation. As an early indication of the scale of impact though, it has been estimated that the cost of continuing to offer current benefits in this context could reach between 40.8% to 67.9% of payroll. However, this is range is purely an illustration and is before any other measures are considered to reduce the deficit and is still being widely debated across the sector and by the Trustee of the Pension Scheme.

### West Yorkshire Pension fund

The West Yorkshire Pension Fund valuation was updated by the Institution's actuary on an FRS 17 basis as at 31 July 2020, 31 July 2019 and 31 July 2018. The major assumptions used in this valuation were:

	2020	2019	2018
Rate of increase in salaries	3.00%	3.55%	3.35%
Rate of increase in pensions in payment and deferred pensions	2.30%	2.30%	2.10%
Discount rate applied to scheme liabilities	1.40%	2.10%	2.80%
Inflation Assumption	2.30%	2.30%	2.10%

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

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

	2020	2019
<b>Retiring today</b>		
Males	21.8	22.2
Females	24.6	25.4
<b>Retiring in 20 years</b>		
Males	22.5	23.2
Females	25.7	27.2

In its June 2010 budget, the government announced that it intended for future increases in public sector pension schemes to be linked to changes in the Consumer Prices Index (CPI) rather than, as previously, the Retail Price Index (RPI). The Institution considered the West Yorkshire Pension Fund scheme rules and associated members' literature and has concluded that a revised actuarial assumption about the level of inflation indexation should be made, with the resulting gain recognised through the Statement of Comprehensive Income. No change in treatment is proposed in the current year.



# Notes to the Financial Statements

for the year ended 31 July 2020

	2019-20 £000	2018-19 £000	2017-18 £000	2016-17 £000	2015-16 £000
<b>Movement in deficit during year</b>					
Deficit in scheme at beginning of year	(30,809)	(8,701)	(14,796)	(37,051)	(18,249)
Current service cost	(4,624)	(3,287)	(3,766)	(3,997)	(3,220)
Contributions paid	2,286	2,952	2,535	2,491	2,244
Past Service cost	(86)	(2,223)	(78)	(305)	(150)
Other finance costs	(623)	(203)	(352)	(824)	(599)
Actuarial (loss)/gain	(22,471)	(19,347)	7,756	24,890	(17,077)
(Deficit) in the scheme at end of year	<u>(56,327)</u>	<u>(30,809)</u>	<u>(8,701)</u>	<u>(14,796)</u>	<u>(37,051)</u>
<b>Asset and Liability Reconciliation</b>					
<b>Reconciliation of Liabilities</b>					
Liabilities at start of year	181,671	152,606	151,307	160,529	130,948
Current service cost	4,624	3,287	3,766	3,997	3,220
Interest cost	3,763	4,193	3,875	3,648	4,511
Employee contributions	681	692	780	799	815
Actuarial loss/(gain)	11,939	25,165	(1,798)	(13,264)	25,879
Benefits paid	(5,716)	(6,495)	(5,402)	(4,707)	(4,994)
Past service costs	86	2,223	78	305	150
Liabilities at end of year	<u>197,048</u>	<u>181,671</u>	<u>152,606</u>	<u>151,307</u>	<u>160,529</u>
<b>Reconciliation of Assets</b>					
Assets at start of year	150,862	143,905	136,511	123,478	112,699
Expected return on assets	3,140	3,990	3,523	2,824	3,912
Actuarial gain	(10,532)	5,818	5,958	11,626	8,802
Employer contributions	2,286	2,952	2,535	2,491	2,244
Employee contributions	681	692	780	799	815
Benefits paid	(5,716)	(6,495)	(5,402)	(4,707)	(4,994)
Assets at end of year	<u>140,721</u>	<u>150,862</u>	<u>143,905</u>	<u>136,511</u>	<u>123,478</u>

The estimate for the contribution for the defined benefit scheme for the year to 31 July 2021 is £5.9m.

## 25. Related Party Transactions

The Institution owns 50% of the ordinary shares of Inprint & Design Limited. Transactions with the company in the year were:

### Charged by the Institution:

	Year ended 31 July 2020 £000	Year ended 31 July 2019 £000
Rent	77	77
Salary recharges	354	365
Other	<u>26</u>	<u>16</u>
	<u>457</u>	<u>458</u>

### Purchases made by the Institution:

Print services	403	400
Owed to the Institution at 31 July	169	160

Two members of Council were officials of the Institution of Bradford Students' Union during the year. Transactions with the Students' Union in the year were:

### Charged by the Institution:

Rent	538	538
Salary recharges	582	592
Other	<u>11</u>	<u>28</u>
	<u>1,131</u>	<u>1,158</u>

### Purchases/grants made by the Institution:

Grants	1,338	1,338
Other	<u>166</u>	<u>180</u>
	<u>1,504</u>	<u>1,518</u>

Owed to the Institution at 31 July

Owed by the Institution at 31 July

49

96

207

180

## 26. Financial Commitments

At 31 July the Institution had annual commitments under non-cancellable operating leases as follows:

### Land and buildings

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £000	Institution £000	Consolidated £000	Institution £000
Expiring within one year	112	68	112	68
Expiring within two and five years	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>112</u>	<u>68</u>	<u>112</u>	<u>68</u>

# Notes to the Financial Statements

for the year ended 31 July 2020

	At 1st August 2019 £000	Cashflow £000	Other non cash charges £000	At 31st July 2020 £000
<b>27. Net debt reconciliation</b>				
<b>Cash and Cash equivalents</b>				
Cash	11,653	891	0	12,544
Cash Equivalents	<u>12,330</u>	<u>1,043</u>	<u>0</u>	<u>13,373</u>
	23,983	1,934	0	25,917
<b>Borrowing</b>				
Debt due within one year	(1,078)	1,078	(1,275)	(1,275)
Debt due after one year	<u>(22,260)</u>	<u>(2,000)</u>	<u>1,275</u>	<u>(22,985)</u>
	(23,338)	(922)	0	(24,260)
<b>Total</b>	<u>645</u>	<u>1,012</u>	<u>0</u>	<u>1,657</u>



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