



**AECC
University College**

*Transforming lives
through Health Sciences*

**Annual Report and
Financial Statements**

Year Ended 31 July 2023

Company number 00653859

Transforming lives through Health Sciences

Legal and Administrative Information

Company Number
00653859

Registered Office
Parkwood Campus
Parkwood Road
Bournemouth
BH5 2DF

Independent Governors

M Barnes
J Bremner (Chair)
J Conway (appointed 10.10.22)
P Dingley (retired 31.07.23)
K Frost
M Gibson
M Gurden
B Larkin (appointed 10.10.22)
P Roberts (retired 08.01.23)
D Tarrant (resigned 31.07.23)
G Thornton
P Vandervelde
K Wilkes
A Broadfield (appointed 19.10.23)
A Reyes-Hughes (appointed 19.10.23)
N Palmer (appointed 19.10.23)

Staff Governor

P Hume (resigned 30.08.23)

Student Governors

M Dalton (to 23.04.23)
F Helmore (to 23.04.23)
L Jenkinson (from 24.04.23)
S Tast (from 24.04.23)

Key Management Personnel / Executive Team

L Haig (Vice-Chancellor & Governor ex officio)
K McGhee (Deputy Vice-Chancellor)
J Currin (resigned 31.08.22)

Company Secretary

G Sanger-Stevens (to 21.06.23)
S Thomas (from 22.06.23)

Subsidiary

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Company Number: 03736325

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Solicitors

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BH23 1PZ

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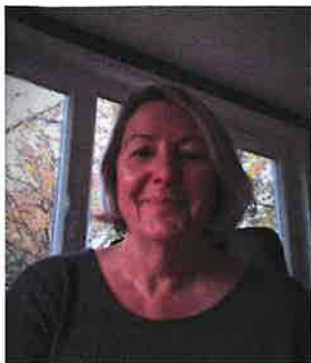
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Picture: Aerial view of AECC University College



Welcome from the Chair

2022/2023 has been a very exciting time for the University College. In May 2023 we began discussions with the University College of Osteopathy (UCO) about a merger that would make AECC University College the only Health Sciences University in the world with such a breadth of MSK disciplines. For us it is a natural progression from the development of our Integrated Rehabilitation Centre - a physical base with state-of-the-art equipment to support and develop interdisciplinary working. While there is much work to do to complete the merger, it is a pleasure to be working closely with UCO to develop our shared vision.

We are also delighted to be able to host a mobile MRI for the NHS on campus and are in continuing discussions with the NHS to play our part in the development of AECC University College as a spoke site for the Community Diagnostic Centre Programme for Dorset.

All of the work we do is grounded in our five-year strategy and values and at the heart of that is the well-being of our people. This year we have been very aware of the financial climate which impacts our staff and students. During Winter we have kept our campus open to provide warm spaces and have also increased the amount and number of hardship payments that are available to students. We also made a one-off cash payment to our staff in December 2022 in recognition of the soaring cost of living.

As one of four new pre-registration Allied Health courses, our new course in Podiatry began this year and as part of their work students are working with a local homeless charity to ensure that the residents get access to good foot care. We are committed to supporting the local community and take our role as an anchor institution seriously. In July 2023 we held our Neighbourhood Festival, inviting our neighbours and partners onto campus. We have visited local schools to encourage young people to think about STEM subjects and careers, including days focused on attracting young women to STEM. We are committed to developing opportunities in STEM and healthcare education and we will continue to develop this work in the coming years.

We had a number of goodbyes this year. First to our Company Secretary - Gabriele Sanger-Stevens. Gabi has been a lynchpin in the development of the Board and governance of the University College and she left big shoes to fill. Fortunately, we were lucky enough to welcome Steven Thomas from Birmingham City University as Academic Registrar & University Secretary, supported by Emma Charles as Governance Administrator; it is a real pleasure to work with them.

We also said goodbye to two longstanding governors Peter Dingley and Peter Roberts. Both were members of the board who took the decision to go for Taught Degree Awarding Powers and we are hugely in their debt for their vision and courage in taking this path. All that we are becoming is rooted in the work that they and their fellow board members did. Two other excellent governors also decided to move on – Denise Tarrant and staff governor Philip Hume. A huge thank you to all of these colleagues. At the same time, we welcomed new governors to our board - Andy Broadfield, Adrian Reyes-Hughes and Nick Palmer who all bring a wealth of experience and skills to the board and it is great to have the opportunity to work alongside them.

The reality of the context for Higher Education requires that as a board we carefully navigate the University College through these challenging times. The board is focused on ensuring that the University College continues to thrive and develop over the years to come. It is clear from this Annual Report that we have much to be very proud of.

A handwritten signature in black ink, appearing to read 'Jeni Bremner', with a horizontal line underneath.

Jeni Bremner

Chair of Board of Governors
14 December 2023



Vice-Chancellor's Foreword

A Synopsis of our Achievements in 2022-23

On behalf of AECC University College, I am pleased to present our Annual Report and Financial Statements for the year ended 31 July 2023.

The University College is a small and specialist higher education provider, operating across health, rehabilitation and sports science disciplines. Our historic chiropractic foundation remains a strong part of our heritage and identity, with a positive national and international reputation; we continue to be the primary base for chiropractic education, research and practice development in the UK.

Since gaining taught degree awarding powers (TDAP) in 2017 we have grown the number of courses from 6 to 26 and, as an anchor institution, we are committed to support the workforce development needs of our partners in the NHS, private, voluntary and independent organisations.

Numerous staff and alumni are in leading positions of national and international importance within their professions, in particular chiropractic, physiotherapy, and sports medicine. Despite the impact of Brexit and the increase in the number of competitors at home and overseas, our global reputation in health sciences still attracts substantial proportion of overseas students primarily from Europe, EEA and Southeast Asia (33%).

This year marked the second full year of our Strategic Plan 2021-2026, 'Fit for the Future' and we continued to deliver on our ambitions for continued excellence, growth and partnership. We also continued to respond to developments across the HE sector as they unfolded, as well as the needs of the health and care sector, which continues to transform at speed in an attempt to cope with the multi-layered complexity of an ageing society, and the lingering impact of the Covid-19 pandemic.

Due to the continued hard efforts of our talented staff, we have enjoyed another positive year, with around 10% growth in student numbers, and a 19% increase in income. We spent over £1.5m on campus and facility improvements and pump primed new academic and clinical developments, whilst achieving a 5% surplus and maintaining cash reserves minimally changed from July 2022 levels.

This provides an excellent platform for us to navigate the challenges we face as a small specialist provider of health sciences education which are not insignificant: the ongoing erosion of the value of the tuition fee; increasing cost base affected by inflation; ongoing high levels of energy expenditure; increasing market competition; the ongoing impact of Brexit; and, following the post-Covid surge, a reduction in applications to health care degrees. We remain strategically aware, and must make full use of our agility and strong partnerships to identify sustainable opportunities for growth and development. Much of the work we have undertaken this year will provide a solid foundation for future developments in an operating environment where constant change is the new normal.

In order to better represent our diversified status, and having gained eligibility for full 'University' title, we made a submission to the Office for Students in May 2023 to change the name of the institution to the 'Health Sciences University'. This currently remains under review and is subject to consultation, but is critical in facilitating our institutional visibility and growth. Our heritage 'AECC' acronym already sits more appropriately with the AECC School of Chiropractic, alongside our second School of Health and Rehabilitation Sciences.

In the same month we commenced discussions with the University College of Osteopathy to merge our organisations. If successful, this will bring together our two exemplary institutions with their strong heritage and professional leadership in osteopathy and chiropractic together with our 7 new professional taught course disciplines, and the breadth of professionals we educate in imaging, First Contact Practice and Advanced Clinical Practice such as paramedics, operating department practitioners, nurses, midwives and medics.

Providing an outstanding student experience and delivering excellent graduate outcomes is our primary aim. During the year we approved new strategies for Student Engagement and for Education which will form the basis for our work in the coming years. We voluntarily submitted to the Teaching Excellence Framework (TEF) 2023 which, whilst based on historic data, provided a focal point for deeper analysis of our own data sets, especially since gaining taught degree awarding powers (TDAP). Our outcome is currently 'pending'.

Developing a sense of belonging and promoting student mental health and wellbeing is a key focus of our student engagement work at the University College, as it is across the sector. We were delighted to launch a new drop-in centre for students, the 'University Retreat' in partnership with Bournemouth University and the Arts University Bournemouth. We run events to promote mental health, such as the World mental health Day Event held in October in association with Dorset Mind and have a joint Suicide Prevention Strategy for staff and students with the other two Bournemouth universities. We have relocated our own Student Services suite to a more visible and accessible location, which has resulted in increased engagement with wellbeing services.

Early in the year we established a staff-student 'Planning in Partnership Group' and conducted a survey to identify actions which were delivered to support students during the cost of living crisis, including access to low cost meal options, an expanded laptop loans scheme, an international student emergency fund, and advice and guidance on financial management. We also more than doubled our Student Support Fund which was distributed to students needing additional financial assistance.

We are also committed to supporting under-represented students coming to study at the University College through a dedicated Transition Programme, and this year ran a successful Peer Assisted Learning programme for students entering the Gateway (Foundation year). All students – new and returning – have access to a new online guide to our library and learning resources.

Our commitment to expand our education and training programmes to support the health workforce continued with the launch in January 2023 of a suite of new pre-registration MSc courses in Podiatry, Speech and Language Therapy, Occupational Therapy and Dietetics. In addition, we validated a new Professional Development Framework, along with around 30 new credit-bearing units, PGCerts in First Contact Practice (FCP) and Health Education. In recognition of the quality of the new FCP course, we were one of 2 universities nationally commissioned by Health Education England (HEE) to deliver this course across all 5 eligible professions for the next 3 years.

With the increasing focus on apprenticeships in health and care education, we crucially gained entry onto the Register for Apprenticeship Training Providers and will be delivering our first apprenticeships in the coming months.

Our flagship Integrated Rehabilitation Centre (IRC) was officially opened in October 2022 with extensive coverage in local and regional media and it fully opened to patients in November 2022, as our newly branded Clinical and Rehabilitation Services. The IRC adds a large rehabilitation space and an additional 9 consulting rooms to the capacity of our existing main clinic (33 consulting rooms) and diagnostic imaging services, all of which support student practice-related education and the delivery of care to residents from the local community. During the year we have developed several new services including MSK and neurological physiotherapy, cognitive rehabilitation occupational therapy, a range of rehabilitation classes, podiatry, massage and Pilates.

As a Care Quality Commission (CQC) registered facility and an Integrated Care System partner, we continue to work closely with colleagues in NHS Dorset to support their clinical delivery, including in the past year: contracts to deliver ultrasound scanning; hip and knee orthopaedic triage services; MRI and X-ray; and FCP service delivery in the local GP surgeries. We have been named by NHS England as a Community Diagnostic Centre Spoke site for NHS Dorset which will involve the establishment of CT and ultrasound scanning services at the University College. Our close partnership working resulted in our involvement in the development of the Dorset Health Village concept with NHS Dorset which was recognised as 'highly commended' in the annual Health Service Journal Awards.

We also partner with the Dorset MSK service and Lewis Manning Hospice Care to provide clinics onsite, and have a large number of contracts with NHS and independent health care providers wishing to refer patients to our imaging services, including our open upright MRI scanner – one of only 7 in the UK. Funded by Livewell Dorset, local residents from low socio-economic groups are able to access our services for assessment and rehabilitation.

In addition to inter-professional learning in the academic domain, our status as an HE provider and a registered healthcare provider provides a unique opportunity for our students to experience person-centred and inter-professional clinical education onsite, co-produced in its development by our community patient group. Our environment fully supports our students to 'learn through practice, and practice through learning'.

We are core members of the Health Foundation-funded Dorset Innovation Hub and Founding Partners of Wessex Health Partners, and are currently consulting on our new Research and Innovation Strategy which will inform our work and guide our development towards Research Excellence Framework (REF) 2028. We were delighted to enrol our first PhD students this year onto our research degree programme, validated by Solent University. We also made our first submission to the Knowledge Exchange Framework (KEF) during the year, which provided a useful baseline and benchmark for our knowledge exchange activity.

More widely, we have begun work on a new Digital Strategy and Roadmap and have strengthened our support for cybersecurity with a new officer role. We are out to tender for the development of a new website and are undertaking a student lifecycle review to optimise student satisfaction and our operational effectiveness. Under the guidance of our new Head of Estates and Facilities, we have conducted key pieces of work on space utilisation and student accommodation. In addition, we opened our new Podiatry suite and ADL (Activities of Daily Living) facility to support student education and clinical services.

Although we have returned to our normal teaching practices post-Covid, whilst retaining good practice, it is clear that the high number of students on our 4 and 5-year programmes of study in chiropractic who are our main NSS respondents were significantly impacted during their practice-based education in their formative years. Despite ongoing efforts to ensure student engagement, their excellent degree outcomes and full graduate employment, impact on the final year cohorts are evident in the NSS scores and comments, which remain disappointing.

As an institution we have not been significantly affected by outcomes of major consultations on academic quality and standards, and the response to the Augar Review of post-18 education and funding, other than the ongoing impact of the unchanging tuition fee. We have reviewed and strengthened our internal policies and practices around harassment and sexual misconduct, and have taken steps to increase our support for student mental health and financial assistance. We remain vigilant and aware of the potential impact of the Lifelong Learning Entitlement and pre-election policy changes which may be brought in in the coming year. We are directly engaged in discussions around the impact of the NHS Long term Workforce Plan at local and regional levels, which will inform workforce implications and education and training provision required across our developing health care systems. We also play a significant role in regeneration of our local neighbourhoods, as part of a Towns Fund Board and in our work to enhance the health and wellbeing, and associated economic productivity, of local residents in Boscombe, across Bournemouth and Dorset.

I am grateful to all our staff, students, patients and partners, and our dedicated Board of Governors for their commitment to supporting our institutional ambition to transform lives and make a difference in all we do. It is a privilege and pleasure to work with such committed and dedicated colleagues within a mutually supportive community, and I look forward to an exciting year ahead.



Prof. Lesley Haig
Vice Chancellor
14 December 2023

Strategic Report

1. Statement of Public Benefit

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

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

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

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

The main beneficiaries are current and prospective students for whom AECC University College provides access, foundation, undergraduate and postgraduate programmes of study and continuing professional development in the subject areas of chiropractic, radiology, physiotherapy, rehabilitation and sports and exercise sciences. In addition, the University College has begun to broaden its portfolio further to include degree apprenticeships.

Whilst obtaining Exempt Charity status and therefore no longer registered with the Charity Commission, the Board of Governors has had due regard to the Charity Commission's guidance on the reporting of public benefit and its supplementary public benefit guidance on the advancement of education. Through its range of activities, AECC University College provides benefits to different sections of the public as follows:

Teaching and Learning

Across our three Academic Schools of Chiropractic; Radiology; and Rehabilitation, Sport and Psychology; the University College enrolled a total of 1268 students, 1021.8 FTE students: 891 undergraduates, 849.2 FTE and 377 taught postgraduates, 172.6 FTE from the UK, EU and overseas. This is a 21.8% increase in total student numbers from last year or 10.3% FTE, demonstrating our commitment to expanding and diversifying our curriculum offer. Of note, is that although the student numbers increased, particularly in postgraduate provision, the overall percentage FTE growth was lower than last year (13.5%). This reflects the part-time and CPD offering of postgraduate provision and whilst it is encouraging to report, it highlights the need for more full-time provision as the University College continues to grow.

The School of Chiropractic continues to provide innovative and globally-respected education and training in chiropractic. With a focus on research-led, evidence-informed care, the School is the largest and most highly regarded in Europe and leads the way in terms of applied research and clinical education in this field. In addition to credit-bearing courses, such as the flagship MChiro, the Graduate-entry MSc Chiropractic and the new MSc Musculoskeletal Paediatric Health, the School offers a wide range of musculoskeletal-focused continuing professional development (CPD) courses and workshops delivered by world-leading experts.

The School of Radiology portfolio grew to include an MSc Breast Imaging course to add to the excellent ultrasound education with postgraduate accredited courses including advanced practice, CPD and short courses up to full Masters-level multi-professional courses in Medical Ultrasound. Placement opportunities grew as well, with BSc (Hons) Radiography (Diagnostic Imaging) and BSc (Hons) Radiography (Radiotherapy and Oncology) seeing growth to c.25 and c.15 respectively, as a result of the continued development of a strategic partnership with University Hospitals Dorset NHS Foundation Trust (UHD), leading to a future Radiography Academy.

The School of Rehabilitation, Sport and Psychology provides excellent education, delivered by experts practising and researching in their respective fields. An annual programme of specialist expert lectures complements a growing portfolio of undergraduate and postgraduate courses in sports psychology and sport and exercise sciences, together with a growing body of research. The school offers four undergraduate courses and three postgraduate courses, based around sport and rehabilitation and in addition, offers five pre-registration MSc degrees: Physiotherapy; Dietetics; Podiatry; Occupational Therapy; Speech and Language Therapy. Again, this is testament to listening to NHS partners, identifying workforce needs, creating relevant accredited courses and contributing to the University College strategic plan.



Picture: Force Sensing table in one of the technique rooms
Enabling Access and Participation

This was the third year of our 2020-25 Access and Participation Plan. This plan sets ambitious targets to be delivered through longer term initiatives and projects. We continue to focus primarily on: access for a number of groups under-represented in the University College; continuation of studies for students from Low Participation Neighbourhoods (LPN's), low income backgrounds and students with a disability; and progression after university for Black and Ethnic Minority students. We review our bursary offer in line with the annual evaluation of financial support and tailor this to our students' needs. We continued to apply a Bursaries and a Scholarship Policy to support the financial burden of higher education and widen access to disadvantaged students. We now also operate a Student Support Fund, put into place initially for students requiring additional support during the period of the Covid pandemic, which included distribution of the OfS hardship funding allocation, to assist students suffering from short term financial difficulties, and to help meet the current high levels of inflation within the UK economy. For 2023-24 this funding has been doubled from £20k to £40k to help address the increasing numbers of students requiring financial assistance.

We have continued to engage with local schools, and we have worked with approximately 600 pre-16 students and just over 700 post-16 students, totalling 1338 school students. Activities included our popular psychology seminar club, transition programmes, virtual summer schools, careers week talks, peer tutoring for GCSE students and British Science Week workshops, separate boys' and girls' science festivals. We continue to be a member of the Southern Universities Network and work collaboratively with their team.

In addition, we developed resources and initiatives to support our students to reach their potential during their studies. We have continued to develop our transition programme for new students from under-represented groups in the University College to help them integrate at the start of their courses. We also concluded a working group of staff and students to look at and address the progression gap experienced by some Black and Ethnic Minority students entering the Chiropractic profession. We also developed a Peer Assisted Learning Scheme (PAL) with the aim to foster cross-year support between students on the same course and we introduced a Reverse Mentoring project to give Black, Asian and Ethnic Minority Students the opportunity to mentor senior staff and share their experiences of being an AECC Student.

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



Picture: Clinical Skills Suite for Radiography digital x-ray teaching Research and Knowledge Transfer

Building upon our successful outcome from the Research Excellence Framework (REF 2021) and receipt of Knowledge Exchange money in academic year 2021/22, income for the University College grew, receiving a second award of c.£200,000 from Research England in this academic year for Knowledge Exchange (KE) purposes. It was used for KE activity in a variety of ways to allow smaller providers, not in receipt of Higher Education Innovation Funding (HEIF), to build capacity to address government-set priorities.

Additionally, QR, Specialist Provider Element, additional QR (November 2022), Participatory Research Fund and the Enhancing Research Culture grants brought the total Research England funding to c.£340,000 for that academic year. This initially funded 15 projects, following an internal competitive process, with five of those later not progressing further. The remaining funding was reallocated to the most successful projects. It also funded staff time and licences to enhance the KE and research culture, conference attendance and publications with open access fees. In May 2023, a new Research and Knowledge Exchange Manager joined the University College to enhance the RKE infrastructure.

The new Academic Framework officially started in September 2022, providing a strong framework for academic staff to be supported to development their careers along a research or professional practice pathway. Staff who have been identified to have a significant responsibility for research have been supported to have the equivalent of one day per week on average per year dedicated to research through a new workload model. This is helping us to focus and increase our research capacity, environment, impact and outputs.

In October 2022 our first PhD students enrolled onto our research degree programme validated by Solent University registered as part of the University College's longer-term aspiration to obtain research degree awarding powers (RDAP). Whilst the majority of research activity assessed included national and international representation at chiropractic professional and interdisciplinary conferences, the research is becoming increasingly diverse as a result of the recruitment of new academic staff to support the delivery of our expanding academic portfolio in allied health. Across the University College 16 PhD students are supervised in some capacity by seven staff. Our Professoriate has expanded from four to 11, by including the newly created post of Associate Professor.

Clinical and Rehabilitation Services

Our excellent clinical and rehabilitation services provide affordable healthcare tailored to our patients' needs, support healthcare delivery across the NHS, local authority, voluntary and private providers, and provide practice learning opportunities for our students.

In addition to our 33-consultation room clinic, we opened our new Integrated Rehabilitation Centre in November 2022, providing a large rehabilitation space and an additional 9 consulting rooms. Within this we have continued to diversify and expand our clinical and imaging service provision to deliver musculoskeletal physiotherapy, neurological physiotherapy, occupational therapy-led cognitive rehabilitation, human performance and wellbeing testing, massage therapy, a range of low-cost classes for general well-being, balance and conditioning, and Pilates. Patients can also access highly specialist equipment in the rehabilitation centre including an anti-gravity treadmill, balance training equipment and a treadmill for high performance athletes.

Our High-Performance Centre helps our patients to lead more active lives and enables us to assess and manage more complex athletic conditions. We are the official Sports Science Partner to the Armed Forces Para Snowsport Team and we deliver consultancy in sports physiology and sport psychology to local teams, military personnel and athletes.

Our Clinical Imaging services consisting of multiple Samsung ultrasound machines and a digital x-ray suite, are further enhanced by having on site the only regional open upright MRI scanner, working with a team of local radiologists supporting our own radiographers. This MRI service provides a highly specialist diagnostic facility for patients referred from the local and wider health care community as well as a highly desirable research tool. Our ultrasound clinic is a centre of excellence in ultrasound education, training and diagnosis. With state-of-the-art equipment and a team of highly qualified sonographers and visiting specialists at hand, we have developed a national reputation particularly within the area of musculoskeletal diagnostic ultrasound. The ultrasound clinics delivered for NHS patients also provides capacity for MSc student placements.

To support other clinicians and private practices locally we have commenced a Clinical Partnerships Programme to support imaging referrals for their patients, and provided a suite of free continuing professional development sessions on subjects including headache, respiratory disease management and musculoskeletal decision-making. Our Clinical and Rehabilitation Services team has developed a 'Clinical Insights' series of case studies, opinion leadership series and evidence-based practice updates delivered via social media.

Community Engagement

Our work as an anchor institution engaging with the local community and working with others takes place through several mechanisms.

Firstly, our Care Quality Commission-registered clinical services which continue to grow and evolve, providing much-needed care to local residents and additionally provide opportunities for our students to learn through practice through undertaking placements onsite. We have recently extended this to student-led podiatry and physiotherapy services.

As part of the Dorset integrated care system (ICS) we continue to deliver ultrasound services on behalf of UHD, and clinic imaging and musculoskeletal services for Dorset Healthcare University NHS Foundation Trust (DHC). In February 2023 NHS England announced AECC University College as one of the Community Diagnostic Centre spoke sites in Dorset. If this progresses as planned, a CT scanner and additional ultrasound provision would be located at AECC University College in partnership with UHD.

We also continue to provide First Contact Practice Services on behalf of the local Bournemouth East Collaborative Primary Care Network (PCN) and provide a free breastfeeding clinic onsite in partnership with colleagues from the midwifery course at Bournemouth University. In addition to the NHS work supporting the local community, we are also providing health checks for Public Health Dorset, wellbeing assessments and rehabilitation for patients referred by Livewell Dorset from low socio-economic group backgrounds, and reduced cost care to local athletes from Bournemouth Athletics Club.

In addition to providing clinical care, we also work in partnership with our local NHS Trusts and other health care providers, the local authority, Schools and charities to support the recruitment, development and retention of their local workforce through joint roles, co-production and delivery of their education and training requirements, recruitment events and student placements. We are working in partnership with the Lewis-Manning Hospice Charity to enable the delivery of lymphedema care to patients in a community setting, and we host the NHS Dorset Musculoskeletal Service within our main clinic building.

The University College is fully committed to contributing to the levelling up agenda, particularly within the Bournemouth, Christchurch and Poole (BCP) conurbation and our local neighbourhood in Boscombe and Bournemouth East. We aspire to improve local leadership, living standards, public services and civic pride. During the year we worked with colleagues from across Dorset and the Dorset Chamber of Commerce to generate the Dorset Local Skills Improvement Plan. We are working with BCP Council colleagues as part of their Executive Board, and in oversight and delivery of the Bournemouth Boscombe Towns Fund 'Town Deal' and its respective project groups. We actively support local groups such as the Dorset Race Equality Council and the Boscombe and Pokesdown community, including hosting regular meetings onsite. We are also connected to other local voluntary groups as a member of the Community Action Network and the Dorset Chamber of Commerce.

We continue to host a Forest School onsite for a local primary school, support local events such as the Bournemouth Bay Run and provide our own 'Guidance and Advice' events for the local community, for example a sports injury evening in March 2023 and, as a student outreach activity, an advice session in the Sovereign Shopping Centre in Bournemouth during Chiropractic Awareness Month in April 2023.

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

Our Vision

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

Our Mission

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

Our Values

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

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

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

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

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

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



Picture: Sport chiropractic students inside the integrated rehabilitation centre

Review of Progress Against Objectives to Achieve Strategic Aims














2022-23 saw us complete year 2 of our Corporate Strategic Plan for 2021-2026. The aims and progress outlined below relate to the delivery of this plan. We are currently refreshing our non-financial institutional and operational KPIs for 2023/24 as part of the annual operating plan and to support risk management activity as we finalise our suite of business information data.

This plan is defined by our ambitions for continued excellence, growth and partnership. We have exceptional graduate outcomes which we have maintained. We will continue to deliver on activity which will ensure our success and relevance as a specialist university supporting local, regional workforce expansion and development as the NHS delivers its long-term plan. We will work closely with local groups and the regeneration of Boscombe to ensure we are its local university and anchor institution.

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

The following table sets out progress during the 2022-23 academic year against the specific targets to be achieved in support of our objectives to deliver the six strategic aims.

Strategic aim	We will achieve these strategic aims through the following objectives:	Progress
Strategic aim 1: Provide an outstanding student experience and deliver excellent graduate outcomes for all	Developing a new student experience strategy with our students as partners	
	Maintaining our outstanding graduate outcomes	
	Addressing gaps in success between different groups of students	
	Providing a unique opportunity for students to study and practice together in a multi-professional health science environment	
	Providing more support for student enterprise/entrepreneurialism	
	Investing in learning spaces and facilities	
	Developing lifelong learning skills	
Strategic aim 2: Support the expansion and development of the health workforce by providing demand-led high-quality education and training programmes	Expanding our portfolio of Health programmes and grow student numbers to c.2000 at foundation through to postgraduate levels	
	Increasing the breadth and number of CPD programmes and short courses to support flexible, inclusive learning	
	Developing and strengthening relationships to ensure we are aware of workforce development requirements	
	Being agile and responsive to the needs of our stakeholders	
Strategic aim 3: Provide affordable patient-centred care through multidisciplinary clinical, rehabilitation and diagnostic services	Creating a hub of learning, teaching and applied research in a care setting	
	Developing new patient services	
	Developing a new Integrated Rehabilitation Centre with a community rehabilitation facility, providing a new model of care recognised as a Centre of Excellence	
	Expanding placements and practice learning opportunities for students across all clinical education and training courses	
	Working with partners across the Dorset ICS to support the transformation of health and care services	

Strategic aim 4: <i>Position ourselves as a first-choice partner within specialisms for research and innovation in the health science community</i>	Aligning our research and innovation activities to local and regional priorities	
	Increasing research income and enhancing quality	
	Increasing the number of research partnerships we have with the health and care sector	
Strategic aim 5: <i>Establish ourselves as an anchor institution for knowledge exchange and economic development within our local community</i>	Developing local community partnerships	
	Developing an engagement strategy which encompasses outreach, civic and business engagement	
	Aligning our activities with local and regional priorities	
Strategic aim 6: <i>Create an inclusive and sustainable environment in which we support our people and develop our activity, spaces and facilities to be fit for the future</i>	Creating flexible, high quality physical spaces in an environmentally sustainable way	
	Developing our digital environment to support the activities of our staff and students	
	Creating a transformational and inclusive culture that is person-centred, values led and ambitious	
	Being financially independent, environmentally aware and sustainable	
	Implementing effective organisational structures and processes to promote and facilitate efficiency, agility and innovation	
	Developing operational strategies and plans that will support our growth and the delivery of our strategic priorities	
 = achieved	 = partially achieved or in progress	 = not yet achieved or started or data not yet known

Understanding and Managing our Risks

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

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

Individual risk owners assess gross and residual risks at departmental and team level within their individual risk registers and they report emerging and changing risks to the Senior Management Group (SMG) as these emerge and report any updates formally on a monthly basis at SMG meetings. Any significant new risks are reported to the Audit and Risk Assurance Committee which formally reviews and updates the Corporate Risk Register and makes recommendations for approval by the Board of Governors. Target risk tolerances are set by the Board linked to the risk appetite and tolerance framework, which direct the urgency with which mitigating actions should be taken.

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

Risk Register

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

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

Ref.	Risk Category	Mitigating actions / Controls
1	Legal, regulation and governance:	
	<ul style="list-style-type: none"> • Failure of Board to discharge responsibilities in respect of Companies Act, Charity Commission and HE Code of Governance. 	Appropriate skills mix and appointment of governors with relevant experience. Regular development and training seminars. Compliance with CUC guidelines and OfS registration condition of public interest governance principles. Independent review.
	<ul style="list-style-type: none"> • Failure to comply with Office for Students Conditions of Registration. 	Data collection and availability. Sufficient capacity and expertise to prepare and submit reports, with contingency for staff absence.
	<ul style="list-style-type: none"> • Failure to meet statutory reporting requirements. 	Appropriate management information, sufficient staff capacity and expertise. Regular review of information, plans and reports at relevant AECC UC Committees / Groups. Regular updates and reports of completed submissions to relevant Board Committees and full Board, gaining approval as required.
	<ul style="list-style-type: none"> • Failure to comply with Data Protection Act, General Data Protection Regulations (2018) and failure to comply with copyright law in the appropriate production and use of teaching and learning resources. 	Robust information governance systems in place reinforced by staff and student training on GDPR. Copyright policy and guidelines in place for staff and students. Separate and secure PACS storage for imaging services.
	<ul style="list-style-type: none"> • Failure to and comply with health and safety legislation/regulations in relation to estate and services. 	Appropriate expertise and capacity to assess, develop and deliver actions to ensure compliance. Health and Safety policies, risk assessments and action plans, mandatory staff training. Disability audits
	<ul style="list-style-type: none"> • Failure to comply with CQC Regulations. 	CGG oversight for governance, ref to CQC guidance, regular Audit.
2	Financial Sustainability	
	<ul style="list-style-type: none"> • Failure to recruit and retain students. 	Targeted marketing activity. Robust admissions policies and procedures. Use of overseas recruitment agencies where appropriate. Placement capacity identification and planning. Student academic support. Student support services and guidance Student engagement policy.
	<ul style="list-style-type: none"> • Impact of comprehensive spending review changes on University College plans. 	Focus on high value subjects. Potential reduction in staffing and staff costs as appropriate. Efficiency savings where required.
	<ul style="list-style-type: none"> • Failure to expand and diversify education provision. 	Strategic alignment, sufficient demand informed by market data and intelligence, in-house expertise / networks to source external expertise, financial planning and professional services support, estates capacity planning. Stakeholder engagement.

- Failure to grow and diversify patient services income. Effective marketing strategy and implementation. Monitoring competition and meeting market need. Ensuring value for money by regular review.
- Failure to mitigate the impact of increasing pension costs and liabilities. Keep under review by Finance & Performance as part of committee business. R and HR approved recommendations for employer contribution - for financial approval as part of annual planning. Annual actuarial valuation of defined pension schemes.
- Failure to mitigate the impact of increased energy costs. Actions to reduce expenditure including systems and behavioural actions. Engage energy consultant.

3 Estates and Facilities

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

4 Information Assurance

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

5 Processes and Digital Infrastructure

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

6 Community Engagement and Partners

- Failure to raise the reputation and profile of the organisation to be acknowledged as an important anchor institution. Local memberships / hosting and involvement with community groups. Integrated Rehabilitation Centre development has leveraged many opportunities to speak with stakeholders from BCP Council, the local NHS and our locality.
- Failure to achieve successful partnerships with key local regional and national organisations. MOUs (Memorandum of Understanding)/ contracts in place where appropriate. Engagement register and contacts list. Contracts register maintained.

Attendance and involvement in relevant chiro / AHP (Allied Health Professionals) , NHS, HEE (Health Education England), BCP Council, DLEP (Dorset Local Enterprise Partnership), R and D Groups.

7 Education and Training

- Failure to develop or secure sufficient practice learning opportunities to support proposed course developments. Systematic and regular engagement with HEE and external stakeholders who will be supporting and providing practice placements.
- Failure of courses to meet expected professional and academic standards. External review including QAA (Quality Assurance Agency), external examiners, PSRB (Professional, Statutory and Regulatory Body) accreditations. Robust quality assurance framework in place. Internal review and monitoring by academic committees. Investment in staff development.

8 Student Experience and Graduate Outcomes

- Failure to provide a quality student experience Investment in estates, resources, staff and Student Union. Inclusion of students in academic committee membership, regular meetings with students and SU, student representation at Board level. Formal and informal student feedback with closed feedback loops.
- Failure to demonstrate successful graduate outcomes. Data collection and availability. Sufficient capacity and expertise to prepare and submit reports, with contingency for staff absence.

9 Research and Innovation

- Failure to develop and implement a sufficiently ambitious research and innovation strategy. Support staff to carry out research through structural and resource-based opportunities
Deliver on institutional Research Strategy to guide and build research capacity, productivity and income generation.

10 People and Culture

- Failure to recruit and retain well qualified staff and plan for succession. Robust and efficient staff recruitment processes. Advertising widely as appropriate. Staff appraisal, salary review and promotion pathways. Range of pension schemes. Maintain competitive status in sector in relation to pay and conditions.
Staff development programme rolled out for line managers. Regular staff development days. Pay benchmarking. Streamlined Appraisal system

11. Patient Safety / Safeguarding

- Failure to safeguard vulnerable individuals. Safeguarding Institutional Lead, Principal Safeguarding Officers (PSO Student Services): Clinical, Registry, Student Services. Safeguarding Training for staff / mandatory eLearning.

- Clinical negligence/significant adverse events and injury. Staff professional / Statutory registration status checked on recruitment and at regular intervals. Staff induction and training. Regular maintenance schedules in place. Incident reporting system and analysis. Clinic Manuals and Handbooks, Policies and Procedures in place. Risk assessments conducted.
12. **Reputation**
- Failure to provide a satisfactory patient / service user experience. Regular patient satisfaction surveys / service user feedback across all clinical services.
13. **Business and Enterprise**
- Failure to develop an environment which supports the development and delivery of business and enterprise ideas and projects Knowledge Exchange Manager in post supporting project development and submission of funding proposals. Enterprise proposal forms and processes. Tendering and procurement policy and processes.
14. **Projects**
- Failure to successfully achieve the objectives, outputs and outcomes of the Integrated Rehabilitation Centre Programme as agreed with the Dorset LEP (separate Risk Register). Timely progress subject to appropriate due diligence, Professional Adviser as Project Manager, embedding of project activities into curriculum development plans for Schools and Clinic Strategy.

Future Developments

There are several key projects in progress currently, including the proposed name change and proposal to merge with the University College of Osteopathy. If successful, this merger will bring together our two exemplary institutions with their strong heritage and professional leadership in osteopathy and chiropractic alongside, at AECC University College, multiple professional groups across allied health and related disciplines. We are aware that this work requires a great deal of cultural sensitivity as well as complex planning.

As AECC University College, we will continue to pursue our own ambitious plan of growth and diversification in the year ahead with a suite of new taught courses to be validated for delivery from 2024, the ramping up of validated CPD units delivered through the Professional Development Framework. We will continue to expand the delivery of NHS-funded First Contact Practice and Health Education courses.

We are planning to launch a new Centre for Workforce and Systems Innovation to act as a hub supporting workforce transformation, promoting knowledge exchange, and offering comprehensive professional development programmes for healthcare professionals, healthcare educators, healthcare leaders and policymakers. The centre will continue to develop our apprenticeship awards in response to sector demand.

With respect to institutional structure, future student numbers and new course development the Executive team decided in the last quarter of 22/23 to merge the two smaller schools of *Radiology* and *Rehabilitation, Sport and Psychology* to become the School of Health and Rehabilitation Science (HRS). This will be progressed further in the new year to establish two main Schools – the AECC School of Chiropractic and the School of Health and Rehabilitation Sciences. This will strengthen and re-establish and protect the AECC brand identity of chiropractic at School level which will be essential as we take on a new University name.

With PhD studentships offered from October 2022 our PGR environment is starting to grow. Recurrent QR funding and additional small specialist KE income for two years in a row, has allowed us to build infrastructure around research and professional practice. Our work with the Dorset Innovation Hub continues, with the University College hosting events on site.

Following student consultation, commissioned projects to identify much-needed student accommodation locally and on space utilisation of the current estate are being carried out which will inform estates planning and development, leading to an Estates Strategy and Masterplan which will be finalised once the outcome of the UCO merger proposal is known. Softcat were appointed as IT consultants and will be delivering a digital strategy and roadmap in the coming year. This will also require detailed planning to prioritise and deliver the various projects.

Growing capacity across the University College overall will provide greater opportunities for student involvement, optimising use of our expertise and estate and increasing income generation to support capital work and new projects.



Picture: Occupational Therapy clinical skills simulated environment

2. Financial Review

AECC University College continues to grow with total income in 2022-23 increasing by 19% over the previous year, from £12.4m to £14.8m. This means that we have now grown in excess of 60% during the 4 years since 2018-19, despite the considerable disruption caused as a result of the Covid pandemic during that period.

The operating surplus for the 2022-23 year was lower than in the last two years at £758k, but still means that we were able to fund our annual capital expenditure investments from this year's activities, enabling us to retain a healthy cash balance, which at the end of July 2023 was £7.27m, only £44k down on the same time last year. This strong cash position, together with a lack of borrowings, means that we are in a good position to continue with our ambitious plans to invest in the organisation going forward.

This healthy growth in the year was primarily due to the ongoing strategy to diversify from our core Chiropractic business. The Integrated Rehabilitation Centre was opened in November 2022 and income from this new facility has grown steadily over the year, and is anticipated to continue to increase over the next few years as we introduce new services.

We also launched four new Pre-Registration courses in January 2023 in NHS related allied health professions. Recruitment for this first year has been modest, with the exception of Speech & Language Therapy, which recruited better than anticipated. However, as these are two-year full-time courses, there will be a second cohort starting in January 2024, and currently indications are that recruitment will exceed the January 2023 intake.

We also expanded our Continued Professional Development provision during the year and are now able to offer PG Cert courses in First Contact Practitioners and Health Sciences Education and, following our successful application to be admitted onto the Register of Apprentice Training Providers, have started an MSc in Advanced Clinical Practice as a degree apprenticeship. We have also continued to develop our ties with NHS Trusts in the region and are offering bespoke health related courses geared to the needs of their staff.

We have also accelerated our investment in research activities, which has been boosted by £200k of Knowledge Exchange Funding during the 2022-23 year from UK Research and Innovation and will continue with Higher Education Innovation Fund support of £273k for the coming year. This has enabled us to appoint a full time Head of Research and a Research Manager to help accelerate the development of this programme, in line with our Strategic Plan.

AECC has also benefited from higher UK interest rates during the last 12 months with interest received increasing 11-fold from the previous year.

Staffing numbers and costs have continued to increase over the period in line with our increased activity. During the year we made a pay award of 3.5% to all staff, plus an additional amount of £500 per full time employee for all lower paid staff. In addition, all staff received a one-off "cost of living" payment of £600 as a contribution towards the impact of inflation, which was particularly high over the winter period. As a consequence of this, plus the investment made in additional key posts, the amount of income spent on staffing has increased from 57.6% to 61.1%.

In line with virtually all organisations AECC was hit by a large increase in the price of energy, with costs for gas and electricity increasing by almost two thirds from the previous year to £467k. This, together with other pressures as a result of the growth of the organisation and high levels of UK inflation meant that non-staffing expenditure, excluding depreciation, increased by 30% to £4.265m.

Income and Expenditure for the year	Year Ended 31 July 2023	Year Ended 31 July 2022
	£'000	£'000
Income:		
Tuition fees & education contracts	11,057	9,866
Funding body grants	1,624	1,078
Other grant income	254	43
Clinical Income	1,482	1,173
Catering Income	146	106
Investment income & donations	187	23
Other income	41	136
Total Income	14,791	12,425
Expenditure:		
Staff costs	9,037	7,155
Other operating expenses	4,187	3,167
Depreciation	731	555
Interest & other finance costs	78	103
Total Expenditure:	14,033	10,980
Surplus before tax	758	1,445
Taxation	-	-
Surplus for the year	758	1,445

Statement of Financial Position as at 31 July 2023

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

	As at 31 July 2023	As at 31 July 2022
	£'000	£'000
Tangible assets	11,017	10,194
Net current assets	4,937	5,230
<i>of which 'Cash or cash equivalents'</i>	7,269	7,313
Deferred Capital Grants	(3,157)	(3,385)
Pension provisions	-	(828)
Total net assets	12,797	11,211
Income and expenditure reserve - restricted reserve	241	254
Income and expenditure reserve – unrestricted	12,556	10,957
Total reserves	12,797	11,211

Tangible assets

AECC invested nearly £1.6m in capital improvements during the 2022-23 academic year, virtually all of which was funded from operational activities during the year. Of that, £546k was for the completion of the construction and fitting out of the Integrated Rehabilitation Centre, £254k on a new ultrasound system, for use both clinically and as an educational resource, £138k on Teaching equipment and £616k on improvements to the premises and IT infrastructure of the University.

Cash and cash equivalents

Throughout the period the University College has maintained a strong cash position, with consolidated cash and cash equivalents decreasing by £44k from £7.31m to £7.27m.

Pension provisions

The pension provision, which relates to the Dorset Local Government Pension Scheme, has been written off in the year giving a gain of £828k. This was made possible by the changes in financial assumptions made by the actuaries, particularly in relation to the discount rate used which has resulted in them reporting a net surplus of £324k in the scheme at 31 July 2023.

Reserves

Overall consolidated reserves increased by 14.1% from £11.21m to £12.797m. This increase has been driven by the operating surplus made during the 12 months plus the gain as a result of the revaluation of the Dorset LGPS pension liability.

Key Performance Indicators

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

KPI	Description	2023	2022
Profitability	Surplus as a percentage of total income	5.1%	11.63%
Current ratio	Current Assets : Current Liabilities	2.51:1	2.88:1
Total reserves	Total Reserves held on the balance sheet	£12.80m	£11.21m
Cash	Level of cash at bank or in hand	£7.27m	£7.31m

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

KPI	2023	2022
Overall student satisfaction (%) <i>- NSS 2022/23 'overall satisfaction' score for undergraduate students</i>	n/a	49.79%
Completion rate <i>- For undergraduate students (end of final year)</i>	98.6%	99%
Staff : Student Ratio <i>- For undergraduate students (as of 1 December)</i>	1:13	1:19
Non-UK students (%) <i>- For undergraduate students (EU & overseas students (as of 1 Dec)</i>	33%	37%
Total student numbers (FTE) <i>- Undergraduate, Postgraduate and Research students</i>	1023.8	925.7
Total new Undergraduate entrants <i>- Undergraduate Students (as of 1 Dec)</i>	234	215

Total new Postgraduate entrants	130	95
- <i>Postgraduate students (as of 1 Dec)</i>		
Academic staff with teaching qualification and/or FHEA (%FTE)	44%	58%
- <i>Academic staff with HESA recordable teaching qualification</i>		
Number of peer reviewed papers	36	24

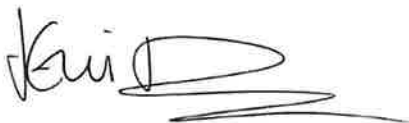
Of note, is that the NSS 2022/23 results no longer has Q.27 'overall satisfaction, therefore as advised by the Office for Students, we did not make a public comparison with last year's score. Completion rates were 0.4% down on last year but total student number (FTE) is up by 10.6% on last year. The target by the end of the strategic plan is 2000 students. The overall University College student:staff ratio has improved significantly from 1:19 to 1:13 most likely influenced by the employment of new staff for newer courses, many of which had lower recruitment in the first year of delivery. It would be expected to rise again for next year, as numbers increase on the newer courses but an overall SSR of 1:16 across the strategic plan is acceptable. This might also explain, in part, why the FHEA or PG Cert Education qualification KPI is lower than last year; many of our new pre-reg masters courses are taught by experienced clinicians from the NHS and private healthcare and will enrol on our own PG Cert Education over the next two years. Whilst the percentage of non-UK students is down compared to last year, both UG and PG numbers have increased. Of note, is that the number of PG students reported in the table above, is from 1st December 2022 and does not consider the 140 January 2023 students that started on our pre-reg masters (n=120) or the PG Cert First Contact Practice (n=20).

Treasury Management

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

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

This report was approved by the Board of Governors on 14 December 2023 and signed on its behalf by:



Jeni Bremner
Chair of the Board of Governors



Prof. Lesley Haig
Vice-Chancellor and Governor

Corporate Governance and Internal Control Statement

The Governors present their annual report and audited financial statements for the year ended 31 July 2023. This report also covers the Trustees' Report as required by Chapter 4 Section 162 of the Charities Act 2011 ("Charities Act").

Legal status

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

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

Composition of the Board

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

There are currently 15 Governors (excluding the Vice-Chancellor as ex officio member) and they are appointed for a term of four years (with the exception of the Student Governors, who are appointed for one year). Terms are extendable, normally to a maximum of eight years but may be extended further in exceptional circumstances upon the recommendation of the Governance & Nominations Committee and with the agreement of the Board of Governors.

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

Organisational structure

The Vice-Chancellor, as Chief Executive of the University College and the Deputy Vice-Chancellor, as the second member of the Executive team, attend Board meetings. This enables the Board to have a close working relationship with the Executive and to focus on important strategic issues in a complex higher education market, in both the UK, Continental Europe and internationally.

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

Committees of the Board

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

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

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

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

People & Places Committee. This Committee provides strategic oversight for Equality, Diversity, Inclusion & Belonging in respect of staff, as well as promoting this more broadly. It also oversees the development and delivery of the Estates Strategy, enhancing opportunities for environmental sustainability and biodiversity across the campus, and regularly reviews staff pay and service conditions and considers HR policies as well as regular reports on HR performance. Within its overall remit to represent the working practices of staff and students, it also provides input into the oversight of the digital strategy.

Remuneration Committee. This Committee oversees the recruitment, performance and remuneration and considers the salary and conditions of service of the Vice-Chancellor and of other Executive team members.

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

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

Members of the Board

The table below gives the members of the Board during 2022-23 together with their Board attendance and membership of Committees. The '% Attended' reflects the percentage of expected attendance for each individual, taking into account those meetings for which they were eligible and invited to attend, and start and finish dates within specific Committees.

Board & Committee Attendance 2022/2023

Total Number of Meetings held					6	4	4	3	3
Governors	Type of Governor	Start of term of office	End of term of office / date of resignation	% of all meetings attended *	Board	Audit & Risk Assurance	Finance & General Purposes	Governance & Nominations	Remuneration & HR
Monika Barnes	Independent	06/09/2021	05/09/2025	94%	5	N/A	N/A	2	3
Jeni Bremner	Independent	01/10/2019	31/07/2024	92%	6	N/A	3	3	N/A
Joy Conway	Independent	10/10/2022	09/10/2026	100%	4	N/A	N/A	N/A	N/A
Matt Dalton	Student	07/05/2022	24/04/2023	89%	5	N/A	2	2	N/A
Peter Dingley	Independent	05/07/2014	31/07/2023	100%	6	N/A	4	3	3
Kim Frost	Independent	06/09/2021	05/09/2025	71%	4	3	N/A	N/A	N/A
Mike Gibson	Independent	01/11/2019	31/10/2023	100%	4	N/A	3	N/A	N/A
Mark Gurden	Independent	19/11/2011	30/06/2025	42%	5	N/A	N/A	N/A	0
Lesley Haig	Vice-Chancellor	03/01/2019	N/A	72%	5	N/A	4	1	N/A
Fran Helmore	Student	07/05/2022	24/04/2023	70%	3	N/A	3	1	N/A
Philip Hume	Staff	08/04/2017	30/08/2023	63%	5	N/A	4	1	1
Louis Jenkinson	Student	24/04/2023	24/04/2024	83%	1	N/A	1	1	N/A
Barnaby Larkin	Independent	10/10/2022	09/10/2026	75%	6	N/A	1	N/A	N/A
Peter Roberts	Independent	22/11/2014	08/01/2023	100%	3	N/A	N/A	N/A	1
Denise Tarrant	Independent	01/09/2019	31/07/2023	80%	3	1	N/A	N/A	N/A
Silja Tast	Student	24/04/2023	24/04/2024	100%	1	N/A	1	1	N/A
Greg Thornton	Independent	06/06/2022	05/06/2026	88%	6	3	N/A	N/A	N/A
Peter Vandervelde	Independent	06/09/2021	05/09/2025	100%	6	4	N/A	N/A	N/A
Keith Wilkes	Independent	01/10/2019	30/09/2027	100%	6	N/A	N/A	N/A	3

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

Governance

The University College is committed to exhibiting best practice in all aspects of corporate governance and has adopted the Committee of University Chairs (CUC) Higher Education Code of Governance. The Board continues to review compliance with the up to date CUC Code of Governance and remains highly satisfied by the levels of compliance sustained and the improvements implemented during the year.

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

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

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

Commercial activities are conducted through a separate entity, AECC Enterprises Ltd, and have conformed to the requirements of the Companies Act.

There is an effective and proactive system of risk management in place by which risks are rigorously assessed, understood and effectively managed across the organisation. Risk Management and the risk register are reviewed by the A&RA Committee, and input is also received from all Committees relating to those risks that fall within their remit. An update of the areas of risk relevant to each Committee is presented routinely at meetings and the risk register is an agenda item for all Board meetings.

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

Governance Effectiveness Review

The Board of Governors has implemented recommendations and suggestions arising from the governance effectiveness review undertaken by The Halpin Partnership in 2021. The Governance & Nominations Committee has since reviewed the implementation of the recommendations and remains assured of the high standards of effectiveness in place. A further review is scheduled to take place in 2024.

Skills of the Board and Recruitment

The governor skills matrices support the Board in its succession planning to maintain the skills mix required for an effective Board. In recruiting new governors, applications are sought in a variety of ways, including advertising in the press and within the Higher Education sector, with the National Associations, and publicising vacancies to staff and graduates of the University College. Non-executive search organisations have also been used to help ensure that the Board is represented broadly in terms of skillset, background and geographical location.

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

Training of Governors

All new governors receive an induction.

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

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

All governors are eligible to attend Committee meetings of which they are not members, and are encouraged to do so to broaden their awareness and understanding of University College activities.

Board of Governor Appraisals

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

Register of Business Interests

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

Fit and Proper Person Declarations

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

Automatic Disqualification Declarations

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

Risk Register

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

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

Chancellor and senior managers. Revisions are made by the Board of Governors or the Audit & Risk Assurance Committee, if appropriate, to reflect discussions / developments reported at the meetings.

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

Academic Registrar & University Secretary ('the Clerk')

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

Academic Governance

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

Institutional Management and Structure

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

- Access and Participation Steering Group
- Clinical Governance Group
- Health and Safety Group
- Radiation Protection Group
- Student Recruitment Operational Group
- Senior Management Group



Picture: Medical Ultrasound simulated learning

Statement of Internal Control

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

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

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

- Give a true and fair view of the state of the affairs of the University College as at 31 July 2023 and of the Group and University College's income and expenditure, gains and losses, changes in reserves and of the Group's cash flows for the year then ended;
- Have been properly prepared in accordance with UK accounting standards (including FRS102) and with the Statement of Recommended Practice (SORP): Accounting for Further & Higher Education and the Companies Act 2006

- Meet the requirements of Accounts Direction to higher education institutions for 2022/23 financial statements issued by the Office for Students

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

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

The internal auditors' (Bishop Fleming LLP) opinion below, based on the reviews undertaken, the follow up audits completed during the period, and in the context of materiality contained in their annual report for 2022-23 confirms the adequacy of AECC University College's internal controls:

Design and effectiveness of risk management, control and governance arrangements

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

Design and effectiveness of value for money arrangements

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

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

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

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

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

- An approved risk appetite statement and risk tolerance framework
- An approved Risk Management Policy
- A Corporate Risk Register with departmental risk registers and a process to escalate and de-escalate risks to/from the Corporate Risk Register
- An Audit & Risk Assurance Committee, with appropriate terms of reference, which meets a minimum of three times a year providing oversight of the process of internal control. The Board receives reports from the Audit & Risk Assurance Committee at every meeting.
- An annual assurance report from the Internal Auditors of their independent opinion on the adequacy and effectiveness of specific systems of internal control together with recommendations for improvement

- The Internal Auditors' review of Risk Management
- Comment made by the External Auditor in its management letter and other reports
- The work of AECC University College managers with responsibility for the development and maintenance of the internal control framework, and by comments made by other external review agencies and stakeholders, e.g. QAA, OfS.
- An Integrated Rehabilitation Centre (IRC) Programme specific Risk Register was developed to manage key risks in the build and establishment of this new clinic and this was regularly considered by the IRC Programme Board and reported to Governors.

The Governors are satisfied that internal control processes have been in place throughout the year to 31 July 2023 and up to the date of signing these accounts.

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

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

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

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

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

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

The Board of Governors are also responsible for ensuring that:

- funds from whatever source administered by the Group or the University College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them;

- there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- the economical, efficient and effective management of the University College resources and expenditure is secured.

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



Picture: Study spaces around AECC campus

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AECC University College (the 'institution') for the year ended 31 July 2023 which comprise the statement of Comprehensive Income and Expenditure, the statement of Changes in Reserves, the statement of Financial Position, the statement of Cash Flows, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 Institutions affairs as at 31 July 2023 and of its income and expenditure, gains and losses and changes in reserves and of the Group's cash flows, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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

In auditing the financial statements, we have concluded that the Board of Governors use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Strategic report and the Statement of Governance and Internal Control, other than the financial statements and our auditor's report thereon. The governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Strategic report and the Statement of Governance and Internal Control; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in their statement set out on pages 32 and 33, the Board of Governors (the members of which are the Directors of the Institution's company for the purposes of company law) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors 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 governors are responsible for assessing 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 governors either intend to liquidate the institution or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>

This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Report on other legal and regulatory requirements

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

In our opinion, in all material respects:

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

Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the Institution has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the College's expenditure on access and participation activities for the financial year disclosed in Note 22 has been materially misstated.

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

We have nothing to report in these respects.

Use of our report

This report is made solely to the Board of Governors in accordance with chapter 3 of part 16 of the Companies Act 2006 and paragraph 38.1 of the Institution's Articles of Government and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the institutions governors those matters we are required to state to them in an auditors' 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 institutions governors as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Jon Noble (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor

21 December 2023

Athenia House
10-14 Andover Road
Winchester
Hampshire
United Kingdom
SO23 7BS

Consolidated Statement of Comprehensive Income and Expenditure
Year Ended 31 July 2023

	Notes	Year ended 31 July 2023		Year ended 31 July 2022	
		Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Income					
Tuition fees and education contracts	1	11,057	11,057	9,866	9,866
Funding body grants	2	1,624	1,624	1,078	1,078
Other grant income	2	254	254	43	43
Other income	4	1,669	1,666	1,415	1,411
Investment income	5	184	184	16	16
Donations and endowments	6	3	4	7	7
Total income		14,791	14,789	12,425	12,421
Expenditure					
Staff costs	7	9,037	9,037	7,155	7,155
Other operating expenses		4,187	4,185	3,167	3,165
Depreciation and amortisation	11	731	731	555	555
Interest and other finance costs	8	78	78	103	103
Total expenditure	9	14,033	14,031	10,980	10,978
Surplus before tax		758	758	1,445	1,443
Taxation	10	-	-	-	-
Surplus for the year		758	758	1,445	1,443
Other comprehensive income					
Actuarial gain in respect of pension schemes	17	828	828	2,860	2,860
Total comprehensive gain for the year		1,586	1,586	4,305	4,303
Represented by:					
Restricted comprehensive (loss) for the year		(13)	(13)	(12)	(12)
Unrestricted comprehensive gain for the year		1,599	1,599	4,317	4,315
		1,586	1,586	4,305	4,303
Surplus for the year attributable to:					
Institution		1,586	1,586	1,443	1,443
Wholly owned subsidiary		-	-	2	-

All items of income and expenditure relate to continuing activities.

The accompanying notes and policies on pages 42 to 62 form part of these financial statements.

Consolidated and University College Statement of Changes in Reserves

Year Ended 31 July 2023

Consolidated

	Income and expenditure reserve		
	Restricted £'000	Unrestricted £'000	Total £'000
Balance at 1 August 2021	266	6,640	6,906
Surplus for the year	-	1,445	1,445
Other comprehensive loss	-	2,860	2,860
Release of restricted funds spent in year	(12)	12	-
Total comprehensive gain / (loss) for the year	(12)	4,317	4,305
Balance at 1 August 2022	254	10,957	11,211
Surplus for the year	-	758	758
Other comprehensive gain	-	828	828
Release of restricted funds spent in year	(13)	13	-
Total comprehensive gain / (loss) for the year	(13)	1,599	1,586
Balance at 31 July 2023	241	12,556	12,797

Institution

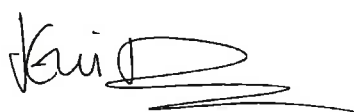
	Income and expenditure reserve		
	Restricted £'000	Unrestricted £'000	Total £'000
Balance at 1 August 2021	266	6,625	6,891
Surplus for the year	-	1,443	1,443
Other comprehensive loss	-	2,860	2,860
Release of restricted funds spent in year	(12)	12	-
Total comprehensive (loss) / gain for the year	(12)	4,315	4,303
Balance at 1 August 2022	254	10,940	11,194
Surplus for the year	-	758	758
Other comprehensive gain	-	828	828
Release of restricted funds spent in year	(13)	13	-
Total comprehensive (loss) / gain for the year	(13)	1,599	1,586
Balance at 31 July 2023	241	12,539	12,780

Consolidated and University College Statement of Financial Position

As at Year Ended 31 July 2023

	Notes	As at 31 July 2023		As at 31 July 2022	
		Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Non-current assets					
Tangible assets	11	11,017	11,017	10,194	10,194
		11,017	11,017	10,194	10,194
Current assets					
Stock	12	13	13	10	10
Trade and other receivables	13	921	921	695	694
Cash and cash equivalents	14	7,269	7,249	7,313	7,295
		8,203	8,183	8,018	7,999
Less Creditors: amounts falling due within one year	15	(3,266)	(3,263)	(2,788)	(2,786)
Net current assets		4,937	4,920	5,230	5,213
		15,954	15,937	15,424	15,407
Total assets less current liabilities		15,954	15,937	15,424	15,407
Creditors: amounts falling due after more than one year	16	(3,157)	(3,157)	(3,385)	(3,385)
Provisions					
Pension provisions	17	-	-	(828)	(828)
		12,797	12,780	11,211	11,194
Total Net assets		12,797	12,780	11,211	11,194
Restricted Reserves					
Income and expenditure reserve - restricted reserve	18	241	241	254	254
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		12,556	12,539	10,957	10,940
		12,797	12,780	11,211	11,194
Total Reserves		12,797	12,780	11,211	11,194

The accompanying notes and policies on pages 42 to 62 form part of these financial statements, which were approved by the Governing Body on 14 December 2023 and signed on its behalf on that date by:



Jeni Bremner
Chair of the Board of Governors



Prof. Lesley Haig
Vice-Chancellor

Consolidated and University College Statement of Cash Flows

Year Ended 31 July 2023

	Notes	As at 31 July 2023		As at 31 July 2022	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Cash flow from operating activities					
Surplus for the year after tax		1,586	1,586	1,445	1,443
Adjustment for non-cash items					
Depreciation	11	731	731	555	555
(Increase) in stock	12	(3)	(3)	(5)	(5)
Decrease / (Increase) in debtors	13	(226)	(227)	(263)	(262)
(Decrease) / increase in creditors due within 1 year	15	478	477	(2,190)	(2,185)
Increase / (decrease) in creditors due in more than 1 year	16	(228)	(228)	3,385	3,385
Difference between pensions charges and cash contributions		(828)	(828)	(257)	(257)
Adjustment for investing or financing activities					
Investment income	5	(184)	(184)	(16)	(16)
Profit on disposal of assets		-	-	(30)	(30)
Interest and other finance costs	8	78	78	103	103
Capital grant income	2	(100)	(100)	(30)	(30)
Net cash inflow from operating activities		1,304	1,302	2,697	2,701
Cash flows from investing activities					
Capital grants receipts		100	100	3,045	3,045
Investment income		184	184	16	16
Proceeds from disposal of assets		-	-	30	30
Payments made to acquire tangible assets	11	(1,554)	(1,554)	(4,359)	(4,359)
		(1,270)	(1,270)	(1,268)	(1,268)
Cash flows from financing activities					
Interest and other finance costs		(78)	(78)	(103)	(103)
Increase / (decrease) in cash and cash equivalents in the year		(44)	(46)	1,326	1,330
Cash and cash equivalents at beginning of the year	14	7,313	7,295	5,987	5,965
Cash and cash equivalents at end of the year	14	7,269	7,249	7,313	7,295

Statement of Accounting Policies

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

1. *General information*

AECC University College (the Institution) is a company limited by guarantee registered in England and Wales. It is also an exempt charity and as a higher education provider with the Office for Students. AECC University College was granted Exempt Charity status on 15 June 2023.

The address of the registered office is:

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

2. *Statement of Compliance*

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

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

3. *Basis of preparation*

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

The Consolidated and Institution financial statements have been prepared under the historical cost convention.

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

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

4. *Going Concern*

The Board of Governors sets guidelines in relation to the level of cash reserves and surplus that they assessed to be acceptable to ensure the going concern status of the organisation and budgets for 2023-24 and medium-term forecasts were approved which meet those criteria.

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

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

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

5. Basis of consolidation

The Consolidated financial statements include the financial statements of the Institution and its subsidiary, AECC Enterprises Ltd. (Company No : 03736325) for the year to 31 July 2023. AECC University College has provided a financial guarantee over the liabilities of the subsidiary company which has allowed it to be exempt from independent audit in accordance with section 479C of the Companies Act 2006.

Intra-group transactions are eliminated on consolidation.

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

6. Income recognition

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

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

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

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

Grants

- a. Revenue grants, including Office for Students block grants and research grants, are recognised in income over the periods in which the Institution recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred, it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate in the Statement of Financial Position.
- b. Capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the Institution is entitled to the funds, subject to any performance related conditions being met.

Donations and endowments

Donations with donor-imposed restrictions are recognised in income when the Institution is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions, at which point income is released to general reserves through a reserve transfer.

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

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

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

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

7. Accounting for retirement benefits

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

Defined contribution plan

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

Defined benefit schemes

A defined benefit scheme is a post-employment benefit plan rather than a defined contribution plan. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. Under defined benefit plans, the Institution's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne in substance by the Institution.

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

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

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

8. Employment benefits

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

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

9. Operating leases

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

10. Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Surplus or Deficit for the year.

11. Property, plant and equipment

Land and buildings

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

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

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

Freehold buildings	50 years
Refurbishments and repairs	20 years

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

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

Equipment

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

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

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

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

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

Impairment

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

12. Investments

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

13. Stock

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

14. Cash and cash equivalents

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

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

15. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

A contingent liability arises from a past event that gives the Institution a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Institution. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the Institution a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Institution. Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

16. Taxation

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

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

The Institution receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on expenditure (revenue and capital) is included in the costs of such expenditure. Any irrecoverable VAT allocated to fixed assets is included in their cost.

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

17. Reserves

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

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

18. Critical accounting estimates and judgements

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

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

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

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

Notes to the Accounts

	Year Ended 31 July 2023		Year Ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
1 Tuition fees and education contracts	£'000	£'000	£'000	£'000
Full-time home fee status students	7,126	7,126	6,777	6,777
Full-time international students	3,216	3,216	2,575	2,575
Part-time students	715	715	484	484
Office for Students Funding Received via Bournemouth University	0	0	30	30
	11,057	11,057	9,866	9,866
2 Grant income	£'000	£'000	£'000	£'000
Funding body grants				
Office for Students	1,208	1,208	988	988
Research England	316	316	60	60
Capital grant	100	100	30	30
	1,624	1,624	1,078	1,078
Other grant income				
Health Education England (HEE) funding	24	24	15	15
Release of deferred capital grants	146	146	22	22
Research grants and contracts	84	84	6	6
	254	254	43	43
	1,878	1,878	1,121	1,121
3 Sources of grant and fee income	£'000	£'000	£'000	£'000
Office for Students (OfS) grant income	1,369	1,369	1,025	1,025
OfS Grant income received via Bournemouth University	-	-	30	30
Grants from other bodies	173	173	30	30
Fee income for research awards	400	400	66	66
Fee income from non-qualifying courses	307	307	149	149
Fee income for taught awards	10,686	10,686	9,687	9,687
	12,935	12,935	10,987	10,987

	Year Ended 31 July 2023		Year Ended 31 July 2022	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
4 Other income				
Clinic income	1,021	1,021	743	743
MRI income	461	461	430	430
Catering income	146	146	106	106
Royalties	3	-	4	-
Profit on disposal of assets	-	-	30	30
Other income	38	38	102	102
	1,669	1,666	1,415	1,411
5 Investment income	£'000	£'000	£'000	£'000
Interest receivable	184	184	16	16
	184	184	16	16
6 Donations and endowments	£'000	£'000	£'000	£'000
Unrestricted donations	3	3	7	7
Donation from subsidiary company	-	1	-	-
	3	4	7	7
7 Staff costs	£'000	£'000	£'000	£'000
Salaries	7,072	7,072	5,441	5,441
Social security costs	672	672	511	511
Pension costs	1,293	1,293	1,203	1,203
	9,037	9,037	7,155	7,155

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

Total remuneration of the head of the Institution

	Year ended 31 July 2023 £'000s	Year ended 31 July 2022 £'000s
Basic salary	185	204
Pension contributions and payments	24	26
Private Medical Insurance	2	2
	211	232

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

7 Staff costs (continued)

The Office for Students (OfS) Regulatory advice 9: Accounts Direction, published on 25 October 2019 requires that the relationship between the head of provider's remuneration and that for all other employees employed expressed as a pay multiple must include all employees who are required to be included in real-time reporting to HMRC. This comparator therefore includes all casual employees, predominantly students, and also people who are deemed employees under the Intermediaries Legislation (IR35). The median salary on this basis is £38,500 (2022: £28,778) and the median gross remuneration is £39,000 (2022: £32,231).

i. The head of the Institution's basic salary was 4.81 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the payments made to all workers included in real-time reporting to HMRC (2022: 6.43 times this median pay).

ii. The head of the Institution's total remuneration was 5.31 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of all workers included in real-time reporting to HMRC (2022: 6.43 times this median total remuneration).

Calculating the median pay based upon all workers included in real-time HMRC information might not present readers of these financial statements with a representative view of the Vice-Chancellor's pay ratio. This is because the University College has employed a large number of student workers who each work few hours and are paid at the National Minimum Wage. Using an additional, unaudited, calculation of median pay based upon permanent, full-time and part-time, employees, the median salary on this basis is £39,000 (2022: £35,840) and the median gross remuneration is £43,680 (2022: £40,141).

iii. The head of the Institution's basic salary was 4.74 times the median pay of staff where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its permanent employees (2022: 5.16 times this median pay of staff)

iv. The head of the Institution's total remuneration was 4.74 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its permanent employees (2022: 5.16 times this median total remuneration of staff).

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

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

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

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

7 Staff costs (continued)

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

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

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

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

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

Basic salary per annum	Year Ended 31 July 2023		Year Ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	No.	No.	No.	No.
£185,000 - £189,999	1	1	-	-
£190,000 - £194,999	-	-	-	-
£195,000 - £199,999	-	-	-	-
£200,000 - £204,999	-	-	1	1
	1	1	1	1

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

	2023	2022
	FTE	FTE
Academic	47.9	36.3
Clinical	34.1	19.6
Executive	2.1	3.0
Manual Workers	9.3	8.0
Professional Services	60.3	55.5
Research	0.3	1.2
Total number of staff	154.0	123.6

7 Staff costs (continued)

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

	2023 No.	2022 No.
Academic	71	43
Clinical	43	20
Executive	2	3
Manual Workers	10	11
Professional Services	61	82
Research	1	1
	188	160
Casual / Bank Staff (including student workers)	83	77
Workers who are deemed employees under intermediaries' legislation (IR35) off-payroll rules	3	4
Total number of staff	274	241

Compensation for loss of office

During the year redundancy and compensation for loss of office payments totalling £3k were made to 1 employee (2022: £67k to 3 employees). No payments were made for additional pension contributions (2022: £nil)

Key management personnel

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

	Year ended 31 July 2023 £'000	Year ended 31 July 2022 £'000
Key management personnel compensation	331	449

Board of Governors

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

Other than the Vice-Chancellor and the Staff Governor, no governor has received any remuneration / waived payments from the University College during the year (2022 - nil). The total expenses paid to or on behalf of 7 Board members were £3,675 (2022: £6,243 to or on behalf of 9 Board members). This represents travel and subsistence expenses incurred in attending Board of Governors, Committee meetings and Charity events in their official capacity.

	Notes	Year ended 31 July 2023		Year ended 31 July 2022	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
8 Interest and other finance costs					
Bank charges		50	50	38	38
Currency Exchange differences		5	5	9	9
Net interest on the defined pension liability	17	23	23	56	56
		78	78	103	103
9 Analysis of total expenditure by activity		£'000	£'000	£'000	£'000
Academic and related expenditure		3,341	3,341	2,528	2,528
Academic Support Services		1,666	1,666	1,279	1,279
Chiropractic Clinical services		1,341	1,341	803	803
MRI and Imaging		657	657	604	604
Administration and central services		4,471	4,471	3,624	3,624
Premises		2,029	2,029	1,826	1,826
Residences, catering and conferences		185	185	167	167
Research grants and contracts		341	341	147	147
Other expenses		2	-	2	-
		14,033	14,031	10,980	10,978
Other operating expenses include:					
Operating Leases - Equipment & Vehicles	20	7	7	8	8
External auditor's remuneration in respect of audit services		31	31	44	44
All other assurance services		2	2	2	2
Taxation compliance services		-	-	-	-
Total non-audit services		2	2	2	2

10 Taxation

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

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Recognised in the statement of comprehensive income				
Current tax expense	-	-	-	-

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

	£'000	£'000	£'000	£'000
Surplus before taxation	758	758	1,445	1,443
UK corporation tax at 19% (2022: 19%)	(144)	(144)	275	274
Effect of: Surplus falling within charitable exemption	144	144	(275)	(274)
Total tax expense	-	-	-	-

The taxable profit all relates to AECC Enterprises Limited.

11 Tangible Assets

Tangible assets comprise:	As at 31 July 2023		As at 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Property, plant and equipment	11,017	11,017	10,194	10,194
	11,017	11,017	10,194	10,194

Consolidated and Institution	Freehold Land & Buildings £'000	Assets in the Course of Construction £'000	Plant and Machinery £'000	Fixtures, Fittings & Equipment £'000	Total £'000
Cost					
At 1 August 2022	6,997	3,259	3,493	2,660	16,409
Additions	283	459	458	354	1,554
Transfer to Freehold Buildings	3,718	(3,718)	-	-	-
Disposals	-	-	-	-	-
At 31 July 2023	10,998	-	3,951	3,014	17,963
Depreciation					
At 1 August 2022	2,078	-	2,070	2,067	6,215
Charge for the year	304	-	277	150	731
Disposals	-	-	-	-	-
At 31 July 2023	2,382	-	2,347	2,217	6,946
Net Book Value					
At 31 July 2023	8,616	-	1,604	797	11,017
At 31 July 2022	4,919	3,259	1,423	593	10,194

12	Stock	As at 31 July 2023		As at 31 July 2022	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
	Catering supplies for resale	13	13	10	10
		13	13	10	10
13	Trade and other receivables	£'000	£'000	£'000	£'000
	Amounts falling due within one year:				
	Trade receivables	455	455	348	347
	Prepayments and accrued income	466	466	347	347
		921	921	695	694
14	Cash and cash equivalents				
		At 1 August 2022	Cash Flow	At 31 July 2023	
	Consolidated	£'000	£'000	£'000	
	Cash and cash equivalents	7,313	(44)	7,269	
		7,313	(44)	7,269	
	Institution	£'000	£'000	£'000	
	Cash and cash equivalents	7,295	(46)	7,249	
		7,295	(46)	7,249	
15	Creditors: amounts falling due within one year	As at 31 July 2023		As at 31 July 2022	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
	Trade creditors	805	802	960	958
	Social security and other taxation	188	188	135	135
	Other creditors	120	120	140	140
	Accruals	1,004	1,004	936	936
	Deferred income	1,149	1,149	617	617
		3,266	3,263	2,788	2,786

Deferred income

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

	£'000	£'000	£'000	£'000
Deferred Capital Grants	163	163	81	81
Deferred Research Grants	215	215	239	239
Deferred Tuition Fees	416	416	244	244
Other education income deferred	278	278	16	16
Clinical income deferred	77	77	37	37
	1,149	1,149	617	617

The deferred capital grants relate to income received from Dorset Local Enterprise Partnership (LEP) in respect of the construction of the Integrated Rehabilitation Centre, plus Health Education England (HEE) and Office for Students (OfS) in respect of various items of medical and teaching equipment. These deferred capital grants are being released in line with the depreciation of the underlying assets.

The deferred tuition fees relate to courses with a January start date which straddle two financial years.

16 Creditors: amounts falling due after more than one year

Consolidated and Institution	Deferred Capital Grants £'000	Total Creditors £'000
As at 1 August 2022	3,385	3,385
Re-profiling of Grants release	(82)	(82)
Release of Grants	(146)	(146)
As at 31 July 2023	3,157	3,157

17 Pension Schemes

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

The University College has capped its employer's contributions to these pension schemes at an effective rate of 12% with effect from 1st April 2022. This is implemented by contractual arrangements with employees who take a reduction in salary when institution contribution rates to the defined benefit schemes exceed this percentage.

The total monthly contributions outstanding at the year end was £122k (2022: £102k).

17 Pension schemes (continued)

The total pension cost for the year was payable as follows (this is shown at the employers' full contribution rate and does not include the mitigating salary reduction arrangements mentioned above):

	2023	2022
	£'000	£'000
Local Government Pension Scheme (LGPS)	181	477
Teachers' Pension Scheme (TPS)	647	413
Scottish Widows Scheme	465	313
	1,293	1,203

Local Government Pension Scheme (LGPS)

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

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

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

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The most recent actuarial valuation of the Fund was carried out as at 31 March 2022 and set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

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

During the year the University College made additional contributions of £nil (2021-22 : £257k) to the Scheme to reduce the overall net liability.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022, using financial assumptions that comply with FRS 102:

	At 31 July 2023	aAt 31 July 2022
Rate of increase in salaries	3.85%	3.75%
Rate of increase in pensions	2.85%	2.75%
Discount rate for scheme liabilities	5.15%	3.40%
Inflation assumption (CPI)	2.85%	2.75%

17 Pension schemes (continued)

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

	At 31 July 2023	At 31 July 2022
<i>Retiring today</i>		
Males	21.8	22.1
Females	23.9	24.2
<i>Retiring in 20 years</i>		
Males	23.1	23.4
Females	25.3	25.6

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

	At 31 July 2023	At 31 July 2022
	£'000	£'000
Equities	3,319	2,749
Liability Driven Investment	-	565
Cash	78	67
Other Bonds	348	249
Diversified Growth Fund	360	341
Property	462	520
Infrastructure	409	374
Multi Asset Credit	369	227
Total market value of assets	<u>5,345</u>	<u>5,092</u>
Impact of asset ceiling	(324)	-
Present value of defined benefit obligations	<u>(5,021)</u>	<u>(5,920)</u>
Surplus / (Deficit) in the scheme	<u>-</u>	<u>(828)</u>

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

	At 31 July 2023	At 31 July 2022
	£'000	£'000
Service cost	181	334
Net interest on the defined liability	23	56
Administration expenses	3	3
Total charge	<u>207</u>	<u>393</u>

17 Pension schemes (continued)

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

	As at 31 July 2023 £'000	As at 31 July 2022 £'000
Opening fair value of Fund assets	5,092	4,427
Interest on assets	177	77
Return on assets less interest	(81)	(133)
Other actuarial losses	(93)	-
Administration expenses	(3)	(3)
Contributions by employer including unfunded	343	781
Contributions by Scheme participants and other employers	40	39
Estimated benefits paid plus unfunded net of transfers in	(130)	(96)
Closing fair value of Fund assets	5,345	5,092
Impact of asset ceiling	(324)	-
Fund assets recognised in the Statement of Financial Position	5,021	5,092

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

	As at 31 July 2023 £'000	As at 31 July 2022 £'000
Opening defined benefit obligation	5,920	8,372
Current service cost	181	334
Interest cost	200	133
Change in financial assumptions	(1,742)	(3,041)
Change in demographic assumptions	(94)	(302)
Experience loss on defined benefit obligation	646	481
Estimated benefits paid net of transfers in	(130)	(96)
Contributions by Scheme participants and other employers	40	39
Closing defined benefit obligation	5,021	5,920

Teachers' Pension Scheme

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

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases).

17 Pension schemes (continued)

Valuation of the Teachers' Pensions Scheme

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

The key results of the valuation were:

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

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

18 Restricted Reserves

Consolidated and Institution	2023	2022
	£'000	£'000
As at 1 August	254	266
New grants and donations	-	-
Expenditure	(13)	(12)
Total restricted comprehensive income for the year	(13)	(12)
At 31 July	241	254
Analysis of other restricted reserves by purpose / donor	£'000	£'000
Rehabilitation Grant	14	15
Clinic Fundraising (released to cover depreciation charge)	203	209
MRI Fundraising (released to cover depreciation charge)	16	22
Other Funds	8	8
	241	254

19 Financial instruments	As at 31 July 2023		at 31 July 2022	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Financial assets				
<i>Financial assets that are debt instruments measured at amortised cost</i>				
Cash and cash equivalents	7,269	7,249	7,313	7,295
Trade receivables	455	455	348	347
	7,724	7,704	7,661	7,642
Financial liabilities				
<i>Financial liabilities at amortised cost</i>				
Trade creditors	805	802	960	958
Other creditors	120	120	140	140
	925	922	1,100	1,098

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

20 Lease obligations

Total rentals payable under operating leases:	Year ended 31 July 2023		Year Ended 31 July 2022
	Plant and Machinery £'000	Total £'000	Total £'000
Consolidated and Institution			
Payable during the year	7	7	8
Future minimum lease payments due:			
Not later than 1 year	1	1	7
Later than 1 year and not later than 5 years	-	-	-
Later than 5 years	-	-	-
Total lease payments due	1	1	7

21 Related party transactions

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

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

22 Access and Participation

	Year ended 31 July 2023 £'000	Year Ended 31 July 2022 £'000
Access Investment	82	97
Financial Support	109	93
Disability Support (excluding expenditure included above)	24	18
Research and Evaluation	3	9
	218	217

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

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

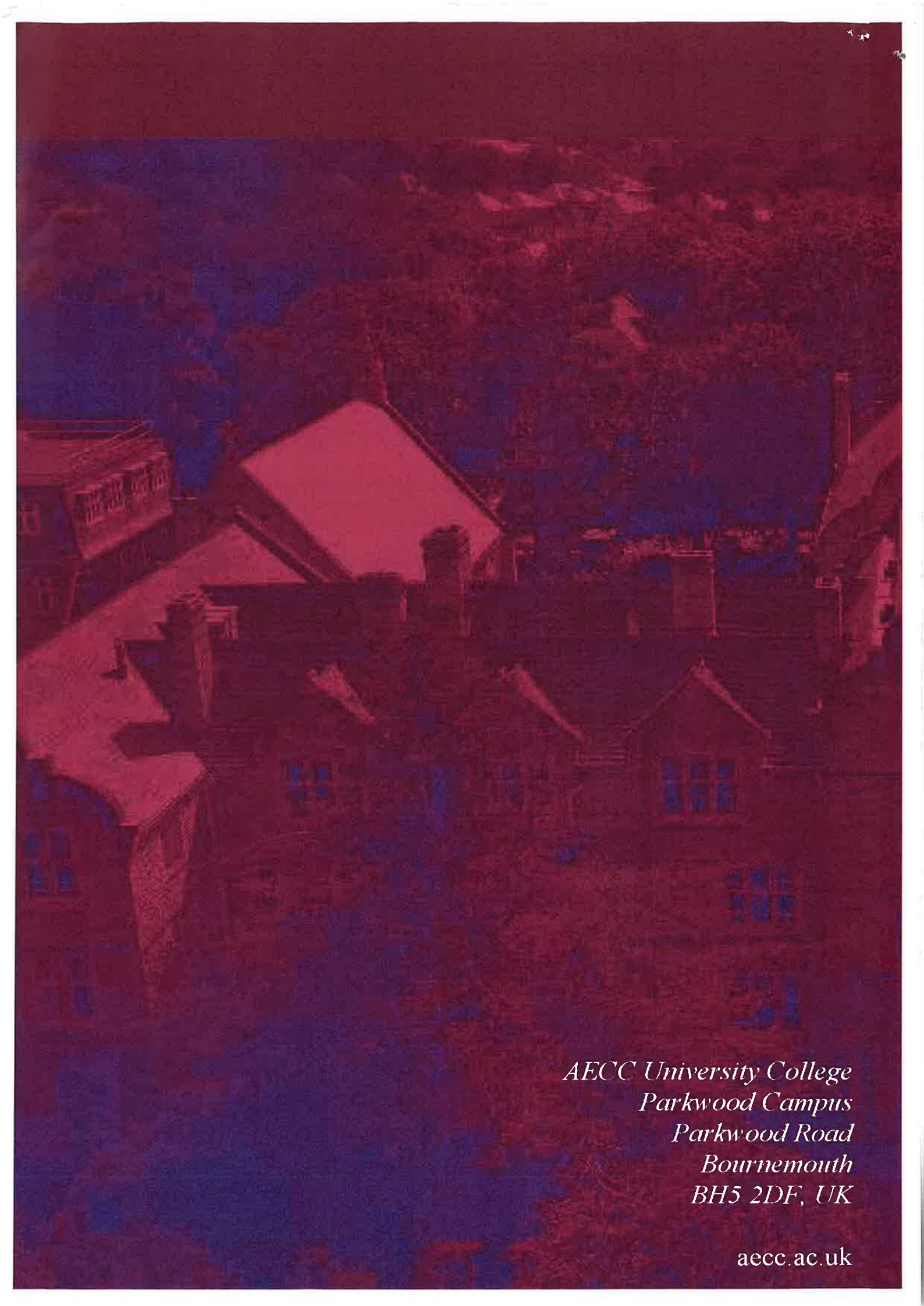
Disability support relates to support for students with a disability in the financial year, which can include, but is not limited to, the disabled students' premium. This excludes expenditure included in the categories of Access Investment and Financial Support above.

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

The amounts identified as expenditure on Access and Participation include staff costs where these are intrinsic to the delivery of access and participation activities. Staff costs relating to Access and Participation activities amount to £81,724 (2022: £70,511). These costs are included within the overall staff costs figures included in the financial statements, disclosed at Note 7.

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

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



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