



University Academy 92 Limited
Annual Report and Financial Statements
Year ended 31 July 2023

Company number: 11064939

University Academy 92 Limited

Contents

Reference and administrative details	3
Strategic Report and Directors' Report	4
Statement of Corporate Governance and Internal Control	13
Directors' responsibilities statement	17
Independent Auditor's Report on the Financial Statements	18
Consolidated and Institution Statement of Changes in Reserves	22
Consolidated and Institution Statement of Comprehensive Income and Expenditure	23
Consolidated and Institution Statement of Financial Position	24
Consolidated Statement of Cash Flows	25
Statement of Principal Accounting Policies	26
Notes to the Financial Statements	31

University Academy 92 Limited

Reference and Administrative Details

Board of Directors

GA Neville:	Shareholder Representative
AJ Schofield:	Shareholder Representative
MJ Millard:	Non-Executive Chair
GJ Wilson:	Non-Executive
SE Prowse:	Chief Executive Officer
CG Oglesby:	Shareholder Representative

Senior Leadership Team

SE Prowse:	Chief Executive Officer ('CEO')
G Pritchard:	Chief Academic Officer ('CAO')
M Rimmer:	Chief Finance Officer ('CFO')
B Mohammed:	Director of People and Operations
G Smith:	Executive Director of Student Life and Strategy

Registered Office:

University House, Bailrigg, Lancaster, England LA1 4YW

Principal place of business:

UA92 Campus, Brian Statham way, Old Trafford, Stretford, Manchester M16 0PU

Professional advisors

Financial statement auditors	BDO LLP, Manchester
Solicitors	Kuits Solicitors, Manchester
Bankers	HSBC, Lancaster

University Academy 92 Limited

Strategic and Directors' report

STRATEGY

Legal status

University Academy 92 Limited ('UA92') is a Limited Company established under the Companies Act 2006 and is registered with the Office for Students and Companies House (England and Wales). UA92 is a public benefit entity.

Objectives and Strategy

The Directors present their annual report and the audited financial statements of University Academy 92 Limited (the 'Institution' or 'UA92') and the Consolidated Group (the 'Group'), which is the Company and its wholly owned subsidiary UA92 Old Trafford Limited for the year ended 31 July 2023.

The Institution is a joint venture between Lancaster University and several individual shareholders drawn from former Manchester United footballers' 'Class of 92' and their associates. In August 2022, the leading commercial property company, Bruntwood, also partnered with UA92 with the investment of £1.25m in ordinary shares. The Institution provides education services and awards Lancaster University degrees. The Institution focuses on the provision of academic development that has been shaped with business partners input, which meets the skills gaps that are being flagged by Greater Manchester businesses.

The current strategic plan focuses on the first 5 years of the Institution's life, delivering education services and achieving a critical mass of students so that it is financially self-sufficient. Our progress against the plan is measured through metrics which include student numbers, liquidity and profitability. Other important metrics include student and staff satisfaction.

As would be expected in an early-stage business, the Board meet on a regular basis to support and engage the CEO and the Senior Leadership Team with the implementation of the UA92 strategy and its associated objectives. The CEO provides fortnightly updates to the Board and the financial performance and position of the Institution are considered at all meetings of the Board.

In the year under review, year 4 of the strategic plan, the business has performed in line with the Board of Directors ('Board') expectations and has demonstrated resilience as the country continues to recover following the Covid Pandemic.

Mission, Vision, Philosophy

Mission: To change lives by making Higher Education accessible to all and to meet the skills and talent needs of industry.

Vision: Game-changing leaders of tomorrow. We believe in giving our students the tools, challenges, support, and confidence to become their best selves and achieve their dreams. Alongside their academic studies, our students embark on a personable development journey to prepare them to reach their full potential and to get them ready for the world of work.

Philosophy: Unlock your greatness. There is more to success than timing and talent. Tenacity, preparedness, passion, and hard work all play an equally important role. Add commitment, inner fire and the right preparation and

you can compete at a level far beyond your inborn potential whether this be delivering the presentation of a lifetime, performing in front of the camera, or chairing the Board.

Resources

UA92 employed an average of 92 people throughout the year. This was made up of 31 permanent academic staff and 61 administrative. We also employ external academics on a part-time basis where appropriate.

During the current year UA92 enrolled 505 students across our multiple entry points. UA92's student population includes 65% domestic higher education students, 35% international students.

During the year, Bruntwood partnered with UA92 by investing £1.25m in exchange for ordinary shares. In addition, our existing shareholders exchanged £3.75m of unsecured loans for shares. These transactions have resulted in a £5m increase in called up share capital and a £3.75m reduction in shareholder loans.

Our total shareholder investment now stands at £14m with £13m invested as share capital and the remainder as a long-term loan. The Institution also benefits from shareholder guarantees on specific lease arrangements. This continues to show the level of support we receive from our shareholder group. The Institution and Group has net liabilities of £1.0m which is a significant improvement on the prior year (2022:£4.5m).

University Academy 92 Limited is registered with the Office for Students, our registration category is 'Approved (fee cap)', and we trade under the name UA92. As a new institution we held a 'Provisional' TEF status as at the year-end although this was upgraded to 'Silver' status in September 2023. Our degrees are awarded by Lancaster University.

Stakeholders

UA92 has many stakeholders including:

- **Current, future and past students.** We are now building our Alumni network following the graduation of our first two graduating classes in 2022 and 2023.
- **Staff:** The senior leadership team are named on page 3. UA92 have colleagues who members of the University and College Union, National Education Union and Unison.
- **Employers we work with:** We are proud to work with over 80 Industry partners, some of the brightest and best brands in the Digital, Business, Media, and Sporting Sectors. Our industry partners not only co-develop our curriculum but are an integral part of the learning experience. Our industry partners include Microsoft, KPMG, TalkTalk, Manchester United, Lancashire Cricket Club, THG, Gateley, Salford City FC, Cisco, Sedulo and JD Group. We continue to have active discussions to bring on more partners as we continue to grow our student base.
- **Lancaster University:** Our primary shareholder and academic partners.
- **The wider college community:** Colleges and Schools across Greater Manchester and the North West of England.
- **Local Government:** Trafford Council, Salford City Council and the Greater Manchester Combined Authority.
- **The Board and the Class of 92 and its associates**
- **Creditors:** Various suppliers including our landlord, advisors and outsourced arrangements.

- **Public benefit**

In delivering its mission, whilst it is not a registered Charity, the Directors have had regard to the Charities Commission pronouncements on public benefit. UA92 provides identifiable public benefits through the advancement of education to students, of which 21% of those under 21 come from the lowest participation quintile (POLAR4 Quintile 1) and with more learners coming from the POLAR4 Quintile 1 than from POLAR4 Quintile 5 (The most advantaged area). Our aspirations in this regard are detailed in our Access and Participation Plan approved by the Office for Students. The 21% for POLAR 4 Quintile 1 is more than 1.5 times the sector average of just under 13%.

UA92 offers a generous support package worth a minimum of £5000 to students who have previously been in receipt of free school meals, our “Make it For Real” program provides them with a laptop, free data allowance, free transport to UA92, free lunch and a home voucher. UA92 also has a £5000 “Reboot” package for those impacted by unemployment generated by the COVID-19 pandemic or who are in receipt of Universal Credit.

In addition, for 2023/24, UA92 has also launched additional bursaries as we continue to develop our support offering for students:

- **Greatness Unlocked Bursary:** Provides free tuition to two students for the length of their course.
- **Moulding Foundation Bursary:** In July 2023, the Moulding Foundation announced they would gift £0.25m to the charity, Foundation 92 to provide 25 bursaries to students from across Greater Manchester during the completion of their UA92 courses.

All UA92 courses are designed with the input of employers, so that upon graduation, the students have the skills required by local employers.

DEVELOPMENT AND PERFORMANCE

The current financial year included a number of significant milestones for UA92 as we continued our growth journey. All revenue lines have grown over the last year with total revenue of £9.3m (2022: £4.0m) and our students numbers have grown by over 100% with 752 undergraduate students enrolled at the year-end.

Developments

During the year UA92 has continued to grow in all key segments. This includes growth in UK tuition fees of £1.2m (44%) on prior year. International tuition fee grew by £3.1m (325%) on prior year. In addition, our Apprenticeship, Bootcamp and B2B revenues showed combined growth £0.6m (439%) of are also showing improvement year-on-year in line with our strategic objectives. Total revenue growth is £5.3m (132%) with total revenue for the year of £9.3m.

This growth has led to us outgrowing our current Old Trafford site. As a result, there was significant investment towards the end of the year in expanding our campus in the form of the UA92 Business School which is based near Spinningfields at the heart of the Manchester business community. We are immensely proud of this achievement and confident that it will support our next stage of growth over the next 2-3 years. The business school accepted the first student intake in September 2023 and will cater for over 1,000 students once at full capacity.

Our partnership with Lancaster University is something we are extremely proud of and it is this association which has always assured the quality of our degree programmes. However, we are also proud of the teaching excellence which we are developing independently as UA92. Our development in this area has been demonstrated recently as we

achieved Silver status in the Government's "Teaching Excellence Framework" (TEF). We are the youngest institution to receive a Silver TEF rating.

As well as achieving growth and enhancing the quality of our provision, we have also made great strides in our core mission of making education accessible to all. During the year, we launched the Bursary 92 programme and we have secured significant support from key partners. We are particularly grateful to the Moulding Foundation who have gifted £0.25m to the charity, Foundation 92 which will be used to provide 25 bursaries to students from across Greater Manchester during the completion of UA92 courses.

As discussed previously, we continue to receive the full support of our shareholder group who continue to support our growth. Our focus now moves to optimising our existing assets and moving into profit and cash generation as we continue to grow the student base.

Financial Results/Performance

Our student intake in 2022-23 of 505 students took the total number of students on campus up to 752 vs. 368 in prior year.

The Institution is reaching the end of the start-up phase of its lifecycle with the rate of loss reducing to £1.6m (2022: £2.1m). The Institution has performed in line with Directors expectations and achieved its budgeted student numbers and financial targets for the year. Consequently, the Directors are satisfied with the Institution and Group's performance in the year.

The Financial Statements are set out on pages 22-39 and comprise the Consolidated and Institution Statements of Comprehensive Income, Financial Position, Changes in Reserves; and the Consolidated Statement of Cash Flows.

Income arising in the period included: Tuition fees £7.8m (2022: £3.6m), Grants £0.7m (2022: £0.3m) and other income of £0.8m (2022: £0.1m). As our student numbers grow, we continue to invest in staffing and other areas to ensure that they get an unrivalled experience and this led to overall expenditure increasing to £10.9m (2022: £6.1m). As noted above, this led to an overall loss for the year of £1.6m which is an improvement on the prior year (£2.1m) and in line with expectations.

Cash flows and liquidity

The year-end cash position was £0.6m (2022: £0.5m). The shareholders have continued to support the Institution in the form of direct equity investment and long-term loans. The Institution has been compliant with the OfS 30 days liquidity target throughout the year. Other than shareholders loans and finance leases, the Institution and Group has no other external borrowings.

Reserves

The loss for the year of £1.6m (2022: £2.1m) has been taken to reserves.

UA92 does not currently have a formal Dividend Policy with the current focus being on profit and cashflow generation.

Group companies

UA92 has one subsidiary company, UA92 Old Trafford Limited ('UA92OT'), which is a company incorporated in England and Wales. The principal activity of UA92OT is as an education provider, but the entity has not traded during the current year.

KEY PERFORMANCE INDICATORS

UA92's key performance indicators, targets and results are set out below.

Key performance indicator	2022/23	2021/22
Student number targets (average)	752	368
Student achievement/progression	77%	91%
Good Hons	70%	68%
Cash Liquidity days	80 days	69 days
Loss for the year	£1.57m	£2.13m

FUTURE PROSPECTS

Future developments

The Institution continues to invest in its facilities with current student cohorts are already benefiting from the new Digital Academy and enhanced gym facilities. These facilities also create new revenue-generating opportunities with paid access available to our network of partners. Our current investment plan is focussed on the UA92 Business School which opened in September 2023 in Salford, adjacent to the Spinningfields area of central Manchester. This site provides a top-class facility and location for our students to study whilst also creating capacity for future years.

The focus in the coming years is around securing our position in Greater Manchester. We will optimise our resources, grow our student base and focus on financial efficiency and cash generation as we seek to move into profit making territory in the next financial year. Our ambition is to then re-invest the proceeds of growth back into the student experience in Greater Manchester..

Financial plan

In the year, the Directors approved the financial plan which sets our objectives and financial targets for the 2023-24 academic year. The expectation is that during that year the business will become profitable as we transition from our start-up phase and prepare for further growth.

PRINCIPAL RISKS AND UNCERTAINTIES

UA92 has strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation and financial stability. The Board of Director's have overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Corporate Governance.

The risk register is reviewed at least annually by the Board and more frequently by the Audit and Risk Committee.

The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on UA92 and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The key risk factors affecting UA92 are outlined below along with the action taken to minimise them. Not all the factors are within the Institution's control, and other factors besides those listed below may also adversely affect the Institution.

Risk	Potential Impact	Mitigators
The business will need working capital injections until the growth in student numbers reaches the critical mass.	Challenges in meeting obligations as they fall due.	Shareholders continue to support the business through guarantees and working capital support when needed. We have invested into the Finance function with the appointment of an experienced CFO. A key objective of this appointment is to improve our forecasting accuracy, risk management and cash management processes.
As an early stage business, UA92 needs to continue to develop its processes and controls in line with the business's growth.	Failure of a process or control could result in delays in collecting and reporting data to the OfS or SLC.	Detailed management review counters the risk of manual data processes. The level of manual intervention will be reduced significantly as our new CRM tool comes online across the business.
The market for academic staff is competitive.	Failure to recruit and retain academic staff could impinge upon delivery and growth ambitions.	Ensure we have an appropriate reward strategy for recruiting and retaining staff. Develop and support staff to strengthen retention rates.

Covid-19

The requirements placed upon employers and employees under the Health and Safety at Work Act 1974, apply to the risk associated with Covid-19 as any other workplace risk. UA92, under its duty of care, has needed to ensure that risks were kept as low as is reasonably practicable and that the health and wellbeing of staff, students and visitors were of primary consideration.

The University has sought to manage such risk via a number of controls that focused on implementation of social distancing plans, hygiene controls and administrative controls such as a blended learning approach so as to manage the number of people attending campus each day, as well as the provision of training and the raising awareness. UA92 worked with the Public Health team in Trafford to operate a lateral flow testing centre on campus for staff and students.

At every stage of the process, the University has ensured that its activities were in alignment with the current guidance from central government, adhering to restrictions set out. Activities were also in line with advice and guidance from the Health and Safety Executive (HSE), Public Health England (PHE), industry bodies such as Universities UK.

Environmental sustainability

UA92 remains committed to environmental sustainability and minimising the environmental impact of its activities and operations. With the support of our landlord, UA92 utilises both technical interventions and measures, as well as culture and behaviour change to help us and our students reduce our environmental impact.

We are cognisant of our responsibilities under the Modern Slavery Act and require our suppliers to confirm compliance with the Act.

Disability statement

UA92 seeks to achieve the objectives set down in the Equality Act 2010:

From UA92's inception the institution has worked to create an inclusive and accessible environment and curricula for our students, to attract disabled students and ensure we are meeting their needs. As a result of the measures the institution has put in place and a commitment to continual growth and improvement in this area, UA92 attracts more disabled students than most other Higher Education Institutions with the most recent benchmark data (2021/22) showing that UA92 had 19% compared to 17% as a national average.

USPs of UA92, which are particularly attractive to disabled students are:

- A spacious and accessible campus
- Small teaching classes
- A structured and unchanging AM or PM timetable

Through the creation of the 'Inclusive Curriculum,' UA92 has demonstrated a commitment to delivering academic courses in a way that is accessible as possible, particularly for disabled students whether or not they choose to disclose their disability. The Inclusive Curriculum provides guidance for our academics to embed reasonable adjustments into the curricula as standard, across all UA92's courses.

UA92 also has AccessAble accreditation and detailed access guides for all visitors, guests, colleagues and students, to ensure disabled people have additional accessibility information required before they arrive on campus. This information is shared with prospective students before they arrive for open days or school/college campus visits.

For all disabled students, UA92 ensures we meet with them and provides:

- Learning Support Plans (listing reasonable adjustments to be made by academic colleagues)
- Assessment Memos for students with Specific Learning Difficulties.
- Support to apply for and access support through Disabled Students' Allowances, such as laptops, assistive software, mentoring, study skills tutoring etc.
- Personal Emergency Evacuation Plans for students requiring support to exit campus in an emergency.

UA92 offers free screenings for any student who suspects they may have a Specific Learning Difficulty (SpLD) and the institution has covered the full cost of a full diagnostic assessments with an educational psychologist who can determine and diagnose students with a SpLD.

UA92 has also recently installed a Changing Places toilet with a changing table and ceiling track hoist. This will help us to cater for and attract more disabled students, particularly those with more complex needs.

UA92 is a widening participation institution. It has an Approved Access and Participation Plan in place with the Office for Students enabling the institution to charge higher level fees. UA92 runs a number of programmes targeted at disadvantaged groups to support them with accessing Higher Education, this includes our Make It For Real scheme which provides learners who were in receipt of free school meals with a free package worth £5,000 to support them in accessing higher education and unlocking the career of their dreams

GOING CONCERN

The Institution is now reaching the end of its start-up phase and consequently the financial statements reflect a position where, we continue to invest in recruiting students and developing a strong, capable workforce. Revenues are growing as a result of this investment and the rate of loss is reducing year-on-year.

The student intake numbers continue to grow annually but have not yet reached the point where the business is self-funding. As a consequence, as in prior years, additional working capital has been provided by the shareholders.

Management have performed a going concern assessment covering 12 months from the date of signing the financial statements, by preparing forecasts (including cash forecasts) that look at the financial position of the entity. Management have prepared these forecasts on a scenario basis, which entailed anticipated student numbers and also if the student numbers were lower than expected to determine the maximum funding required.

The results of the above scenario analysis has indicated that there may be a need for some further working capital and the shareholders have indicated that they will continue to provide working capital for the 12 months from the signing date of the financial statements. The shareholders have provided letters of intent to provide working capital should it be necessary. Whilst the letters of intent are not legally binding the shareholders have clearly demonstrated their support over recent years with a total of £14m currently invested into UA92.

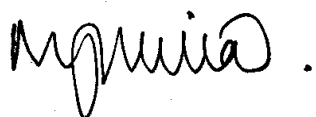
Given the above and the dependence upon future student intake numbers, there is a material uncertainty related to events or conditions that may cast doubt on the Institution and Group's ability to continue as a going concern and to meet its obligations as they fall due. Nevertheless, the Directors have a reasonable expectation for at least twelve months from the date of approval of these financial statements that the required financial support will be received from the shareholders, and for this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements. Consequently, the financial statements do not include the adjustments that would arise if the Institution and Group was unable to continue as a going concern.

DISCLOSURE OF INFORMATION TO AUDITORS

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Institution's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the Institutions' auditors are aware of that information.

Approved by order of the Board of Directors on 19th December 2023 and signed on its behalf by:

MJ Millard OBE
Chair

A handwritten signature in black ink, appearing to read 'MJ Millard', followed by a period.

University Academy 92 Limited

Statement of Corporate Governance and Internal Control

Corporate Governance

The following statement is provided to enable readers of the UA92 annual report and accounts to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2022 to 31 July 2023 and up to the date of approval of the annual report and financial statements.

Governance Code

UA92 is registered with the OfS as a higher education provider and awards Lancaster University degrees. As such, it operates within the Regulatory Framework for Higher Education in England and complies with the public interest governance principles.

UA92 is committed to best practice with respect to Corporate Governance and conducts its business:

- In accordance with the seven principles identified by the Committee on Standards in Public Life ('Nolan Principles'), being: selflessness, integrity, objectivity, accountability, openness, honesty and leadership;
- In compliance with the guidance on corporate governance provided for the sector by the Committee of University Chairs (CUC), including the Higher Education Code of Governance. The Board adopts the latest revision of the code and seeks to align its procedures accordingly.

Board of Directors

The Directors during the year and up to the date of signature of this report were as listed in the table below:

	Date of Appointment	Term of office	Date of resignation	Board sub-committees served	Board attendance in 2022/23
GA Neville	27 June 2018	N/A*	-		8
AJ Schofield	4 August 2020	N/A*	-		9
MJ Millard (Chair)	21 May 2019^	3 years	-	Remuneration, Audit	11
GJ Wilson	21 May 2019^	3 years	-	Remuneration, Audit	11
SE Prowse	10 May 2021	N/A*	-	#	10
CG Oglesby	5 August 2022	N/A*	-		5**

* As shareholders there is no period of appointment.

Attends Remuneration and Audit Committee by invitation.

^ Terms of office were renewed on 1 March 2022 for a further three year period until 28th February 2025.

**Appointed September 2022.

The governance framework

The Board of Directors (the 'Board') are responsible for bringing independent judgement and challenge to bear on issues of strategy, performance, resources and standards of conduct.

The Board are provided with regular and timely information on the overall financial performance of UA92 together with other information such as performance against KPIs, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Board typically meets every other month, or more frequently where deemed necessary. The Board also meet for a strategic day at least once every financial year.

The Board have several matters that are for its consideration and conducts some of its business through a number of committees. Each committee has terms of reference, which have been approved by the Board. These committees are Audit and Risk, and Remuneration. A Property committee was also set up in 2022 to support our strategic growth ambitions going forward. Full minutes of all meetings are retained by the CEO.

A register of financial and personal interests of the Directors is maintained.

All Directors can take independent professional advice in furtherance of their duties at the Institutions' expense and have access to the Registrar, who is responsible to the Board of Directors for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Registrar, or the Chief Executive Officer are matters for the Board of Directors as a whole.

Formal agendas, papers and reports are supplied to the Board in a timely manner, prior to Board meetings. Briefings are provided on an ad hoc basis.

The Board has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Board considers that each of its non-executive Directors is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair of the Board, The Chief Executive and the Accounting Officer (who is also the Chief Academic Officer) are separate.

The adequacy and effectiveness of arrangements for corporate governance, risk management and oversight of any statutory and other regulatory responsibilities, including compliance with the OfS's ongoing conditions of registration and any terms and conditions of funding, are kept under regular review to ensure that they remain fit-for-purpose. This is achieved through a range of review mechanisms including internal, by our partner university, and the external auditors. These arrangements also ensure that the regularity and propriety in the use of public funding.

Appointments to the Board

Any new member appointments to the Board are a matter for the consideration of the Board as a whole.

The Non-Executive Directors are appointed for a term of office not exceeding four years.

Board performance

The Board has carried out a self-assessment of its own performance in the year.

The Board is committed to development and has drawn upon support from colleagues at Lancaster University and an external consultant in the past and will consider external review not less than 3 years from the last external review.

Remuneration Committee

Throughout the year ending 31 July 2023 the Remuneration Committee comprised the two Non-Executive Directors. The Committee’s responsibilities are to make recommendations to the Board on the remuneration and benefits of the Chief Executive Officer, the Accounting Officer and other members of the Senior Leadership Team.

Details of remuneration for the year ended 31 July 2023 are set out in note 4 to the financial statements.

Audit and Risk Committee

The Audit and Risk Committee (‘ARC’) comprises the two independent Non-Executive Directors of the Board. The ARC operates in accordance with written terms of reference approved by the Board.

The ARC meets three times during the year and provides a forum for reporting by the Institution’s External Auditors and the Registrar, who have access to the Committee for independent discussion without the presence of UA92 management. The ARC also receives and considers any reports from the External Auditor.

The ARC review UA92’s Annual Report and Financial Statements. The ARC also has oversight of risk management and provides an annual report to the Board which sets out its opinion on the adequacy and effectiveness of the University’s arrangements for risk management, control and governance; economy, efficiency and effectiveness (VFM) and the management and quality assurance of data (and in particular data submitted to the Higher Education Statistics Agency, the Student Loans Company, the Office for Students, and any other bodies).

In the view of the Board, UA92 does not currently require an Internal Auditor and this decision is reviewed on an annual basis. The current size of the Institution means that assurances on internal control, risk management controls and governance processes have been obtained from the Chief Executive Officer, the Chief Academic Officer (who is the Accounting Officer), the Registrar and from the Academic Quality review performed by Lancaster University during the course of the year.

The ARC also advises the Board on the appointment and removal of the external auditor and their remuneration for audit and non-audit work. The external auditor has not performed work other than the external audit in the year.

The audit committee met three times in the year to 31 July 2023. The members of the committee and their attendance records are shown below:

ARC member	Meetings attended
GJ Wilson (Chair)	3
MJ Millard	3

As a matter of course, the CEO, CFO, Registrar, Financial Controller and External Auditor attend ARC meetings where their input is deemed appropriate and necessary.

INTERNAL CONTROL

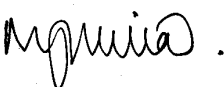
The Board is responsible for maintaining a system of internal control that supports the achievement of the policies, aims and objectives of UA92, while safeguarding the public and other funds and assets for which we are responsible. It does this in accordance with its articles of association, its shareholder agreement and the OfS terms and conditions. The system of internal control is based on an ongoing process designed to identify and mitigate the principal risks to the achievement of policies, aims and objectives. It is designed to manage rather than eliminate the risk of failure and can therefore only provide reasonable and not absolute assurance of effectiveness against material mis-statement or loss. The following processes have been established by the Board and have been in place for the year ended 31 July 2023 and up to the date of approval of the Financial Statements:

- The Board delegates the day-to-day operational responsibility to the CEO and CAO for maintaining a sound system of internal control that supports the achievement of the Institution's policies, aims and objectives, whilst safeguarding the public funds and assets for which the CAO is personally responsible, in accordance with the responsibilities assigned to him by the OfS.
- The CEO and CAO attend Board meetings and have the opportunity to raise any matter that they believe needs bringing to the attention of the Board.
- The Board meets at regular intervals to consider the plans and strategic direction of the Institution.
- The Board receives regular reports on progress in relation to Key Performance Indicators, the Financial Budgets and Projections, the Risk Register, and any ongoing or future Capital Program.
- The Board has requested the ARC provide oversight of the Institution's management of risks, and also considers the Register itself Annually.
- The Board has approved a Scheme of Delegation.
- The Chair of Audit Committee attends facilitated workshops which are held for UA92 managers to identify and keep up to date the record of risks facing the Institution.
- The need for internal audit services is considered annually by the ARC.
- A system of reporting on risk management has operated by the Registrar throughout the year.
- At the end of the year the Chair of the Audit Committee formally reports to the full Board on the Committee's activities during the year. This report includes an assessment of the effectiveness of the internal control system (including risk management) which is informed by the Registrar and Accountable Officer.
- Financial and Academic Quality reports are presented to the Board.

The Board's approach to risk is to manage UA92's exposure to it. UA92 seeks to recognise risk and mitigate adverse consequences where possible whilst embracing appropriate opportunities. Board recognises that in pursuit of its mission and academic objectives it may choose to accept an increased level of risk. It will do so subject to ensuring that the benefits and risks are fully understood before activities are authorised and that appropriate measures to mitigate risk are established.

The Board's review of the effectiveness of this system of internal control and for delivering value for money, is also informed by the work of the Institutions's managers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Approved by order of the members of the Board on 19th December 2023 and signed on its behalf by:



MJ Millard OBE

Chair



G Pritchard

Accounting Officer

University Academy 92 Limited

Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires that the directors prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102 ('FRS102') and the Statement of Recommended Practice ('SORP') for Further and Higher Education (2019 edition).

The financial statements are required to give a true and fair view of the state of affairs of the Institution and its surplus / deficit of income over expenditure for that period.

In preparing the financial statements, the Directors are required to:

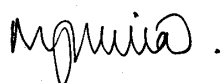
- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the Institution will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Institution and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation and relevant accounting standards. The Directors are also responsible for taking steps that are reasonably open to them to safeguard the assets and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of its website; the work carried out by auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that to the best of their knowledge the auditors have been made aware of all relevant information and matters.

Approved by order of the Board on 19th December 2023 and signed on its behalf by:



MJ Millard OBE
Chair of governors



G Pritchard
Chief Academic Officer

Independent Auditors Report to the Board of University Academy 92

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Institution's affairs as at 31 July 2023 and of the Group's and the Institution's income and expenditure, gains and losses, changes in reserves and of the Group's and the Institution's cash flows for the year then 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.

We have audited the financial statements of University Academy 92 Limited ("the Institution") and its subsidiary (the "Group") for the year ended 31 July 2023 which comprise consolidated and institution statement of changes in reserves, consolidated and institution statement of comprehensive income, consolidated and institution statement of financial position, consolidated statement of cashflows, statement of principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - material uncertainty relating to going concern

We draw attention to point 20 in the Statement of principal accounting policies, which sets out the Directors considerations over going concern and that the Group and Institution is dependent on the continued financial support of its shareholders and future student intake numbers. As stated in note 20, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group and Institution's ability to continue as a going concern. In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report

Our opinion is not modified in respect of this matter.

Other information

The board is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other

information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the annual report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report, which are included in the annual report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Institution and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Opinion on other matters required by the Office for Students ("OfS")

In our opinion, in all material respects:

- Funds from whatever source administered by the Institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS have been applied in accordance with the relevant terms and conditions
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met.

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

- The Institution grant and fee income, as disclosed in notes 1 and 2 to the accounts, has been materially misstated.
- The Institution expenditure on access and participation activities for the financial year, as has been disclosed in note 7 to the accounts, has been materially misstated.

Responsibilities of the board members

As explained more fully in the directors' responsibilities statement, the board members (who are also the directors of the University for the purposes of company law) are 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 board members 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 board members are responsible for assessing the Group and the Institution 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 board members either intend to liquidate the Group or 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

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management, those charged with governance and audit & risk committee;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;
- Direct representation from the Accountable Officer;

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

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

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred;

Fraud

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

- Enquiry with management, those charged with governance and audit & risk committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.

- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting inappropriate journals to manipulate financial results, management bias in accounting estimates and incorrect recognition of income throughout the period.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias, including useful economic useful lives of property, plant and equipment and recoverability of debtors; and
- Testing a sample of income by agreeing to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the board members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Institutions board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institution and the board members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Sarah Anderson

911B7AE40D374FC...

Sarah Anderson (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Manchester, UK

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

21 December 2023

Consolidated and Institution Statement of Changes in Reserves

Year ended 31 July 2023

Consolidated	Income and expenditure reserve Unrestricted £	Called up share capital £	Total £	Total £
Balance at 1 August 2021	(10,349,529)	8,000,000	(2,349,529)	(2,349,529)
(Deficit) for the year	(2,126,941)	-	(2,126,941)	(2,126,941)
Total comprehensive income for the year	(2,126,941)	0	(2,126,941)	(2,126,941)
Balance at 1 August 2022	(12,476,470)	8,000,000	(4,476,470)	(4,476,470)
Share Issue		5,000,000	5,000,000	5,000,000
(Deficit) for the year	(1,572,328)		(1,572,328)	(1,572,328)
Total comprehensive income for the year	(1,572,328)	5,000,000	3,427,672	3,427,672
Balance at 31 July 2023	(14,048,798)	13,000,000	(1,048,798)	(1,048,798)

Institution	Income and expenditure reserve Unrestricted £	Called up share capital £	Total £	Total £
Balance at 1 August 2021	(10,349,429)	8,000,000	(2,349,429)	(2,349,429)
(Deficit) for the year	(2,126,941)	-	(2,126,941)	(2,126,941)
Total comprehensive income for the year	(2,126,941)	0	(2,126,941)	(2,126,941)
Balance at 1 August 2022	(12,476,370)	8,000,000	(4,476,370)	(4,476,370)
Share Issue		5,000,000	5,000,000	5,000,000
(Deficit) for the year	(1,572,328)		(1,572,328)	(1,572,328)
Total comprehensive income for the year	(1,572,328)	5,000,000	3,427,672	3,427,672
Balance at 31 July 2023	(14,048,698)	13,000,000	(1,048,698)	(1,048,698)

Consolidated and Institution Statement of Comprehensive Income

Year Ended 31 July 2023

	Notes	Year ended 31 July 2023		Year ended 31 July 2022	
		Consolidated £	Institution £	Consolidated £	Institution £
Income					
Tuition fees and education contracts	1	7,871,814	7,871,814	3,627,224	3,627,224
Funding body grants	2	690,113	690,113	252,323	252,323
Other income	3	768,810	768,810	142,492	142,492
Total income		9,330,737	9,330,737	4,022,039	4,022,039
Expenditure					
Staff costs	4	(4,765,172)	(4,765,172)	(2,893,789)	(2,893,789)
Other operating expenses	6	(5,238,545)	(5,238,545)	(2,837,571)	(2,837,571)
Depreciation and amortisation	9/10	(815,354)	(815,354)	(436,313)	(436,313)
Interest and other finance cost	5	(83,994)	(83,994)	(20,545)	(20,545)
Total expenditure		(10,903,065)	(10,903,065)	(6,188,218)	(6,188,218)
Surplus/(deficit) before other gains/(losses) and share of surplus/(deficit) of joint ventures and associates.		(1,572,328)	(1,572,328)	(2,166,179)	(2,166,179)
Surplus / (Deficit) before tax		(1,572,328)	(1,572,328)	(2,166,179)	(2,166,179)
Taxation	8	-	-	39,238	39,238
Surplus / (Deficit) for the year		(1,572,328)	(1,572,328)	(2,126,941)	(2,126,941)
Total comprehensive income for the year		(1,572,328)	(1,572,328)	(2,126,941)	(2,126,941)
Represented by:					
Unrestricted comprehensive income for the year		(1,572,328)	(1,572,328)	(2,126,941)	(2,126,941)
Attributable to the Institution		(1,572,328)	(1,572,328)	(2,126,941)	(2,126,941)
Surplus for the year attributable to:					
Institution		(1,572,328)	(1,572,328)	(2,126,941)	(2,126,941)

All items of income and expenditure relate to continuing activities.

The accompanying notes and policies on pages 26 to 39 form part of these financial statements.

Sara Prowse, CEO



Gary Pritchard, CAO



Dated: 19.12.23

Consolidated and Institution Statement of Financial Position

		As at 31 July 2023		As at 31 July 2022	
	Notes	Consolidated £	Institution £	Consolidated £	Institution £
Non - current assets					
Intangible assets	9	109,947	109,947	67,658	67,658
Tangible assets	10	3,567,780	3,567,780	3,497,147	3,497,147
Investment in subsidiaries	11	-	100	-	100
		3,677,727	3,677,827	3,564,805	3,564,905
Current assets					
Stock	12	58,784	58,784	4,770	4,770
Trade and other receivables	13	970,699	970,699	313,975	313,975
Cash and cash equivalents	17	583,023	583,023	460,049	460,049
		1,612,506	1,612,506	778,794	778,794
Less: Current; liabilities	14	(3,758,681)	(3,758,681)	(3,015,248)	(3,015,248)
Net current (liabilities)/assets		(2,146,175)	(2,146,175)	(2,236,454)	(2,236,454)
Total assets less current liabilities		1,531,551	1,531,651	1,328,351	1,328,451
Non current liabilities	15	(2,580,350)	(2,580,350)	(5,804,821)	(5,804,821)
Total net liabilities		(1,048,798)	(1,048,698)	(4,476,470)	(4,476,370)
Unrestricted Reserves					
Income and expenditure reserve – unrestricted		(14,048,798)	(14,048,698)	(12,476,470)	(12,476,370)
Called up share capital		13,000,000	13,000,000	8,000,000	8,000,000
Total Reserves		(1,048,798)	(1,048,698)	(4,476,470)	(4,476,370)

The financial statements were approved by the Governing Body on 19th December 2023 and were signed on its behalf on that date by:

Sara Prowse, CEO



Gary Pritchard, CAO



Dated: 19.12.23

The accompanying notes and policies on pages 26-39 form part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 July 2023

	Notes	Year Ended 31 July 2023 £	Year Ended 31 July 2022 £
Cash flow from operating activities			
Surplus for the year before tax		(1,572,328)	(2,166,179)
Adjustment for non-cash items			
Depreciation	9/10	815,354	436,313
Loss on disposal		104,033	-
Donations received		(54,238)	-
Increase in bad debt provision		31,075	-
(Increase)/decrease in stock		(14,890)	1,301
(Increase) in debtors	13	(687,799)	(151,671)
Increase in creditors	14	1,021,793	610,484
Adjustment for investing or financing activities			
Interest payable	5	83,994	20,545
Capital grant income	2	(617,252)	(249,348)
Cash flows from operating activities		(890,258)	(1,498,555)
Taxation	8	-	39,238
Net cash inflow from operating activities		(890,258)	(1,459,317)
Cash flows from investing activities			
Proceeds from sales of tangible assets		25,000	-
Capital grants receipts		-	2,000,000
Payments made to acquire tangible assets		(797,038)	(2,002,755)
Payments made to acquire intangible assets	9	(60,753)	67,658
		(832,791)	(70,413)
Cash flows from financing activities			
Interest element of finance lease and service concession payments	5	(83,994)	(20,545)
Share Issue	22	1,250,000	1,500,000
New Concessionary Loans	16	1,050,000	-
Repayments of finance lease		(369,983)	(215,798)
		1,846,023	1,263,657
		122,974	(266,073)
(Decrease)/increase in cash and cash equivalents in the year			
Cash and cash equivalents at beginning of the year	17	460,049	726,122
Cash and cash equivalents at end of the year	17	583,023	460,049

Statement of Principal Accounting Policies

for the year ended 31 July 2023

1 Accounting convention

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 (2019 edition). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. Additionally, the financial statements conform to the guidance published by the Office for Students.

2 Basis of preparation

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 operational and financial review which forms part of the Board's Report. The Board's Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities. The Board has a reasonable expectation that the Institution has adequate resources to continue in operational existence for the foreseeable future.

3 Exemptions under FRS 102

The Institution has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the Institution in its separate financial statements.

4 Basis of consolidation

The consolidated financial statements include the financial statements of the Institution and all its subsidiaries for the financial year to 31 July 2023.

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated.

Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity, the part relating to the Institution's share is eliminated.

5 Income recognition

Income from the sale of goods or services 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 which is not a discount and credited to the Consolidated Statement of Comprehensive Income over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income. Education contracts are recognised when the Institution is entitled to the income, which is period in which students are studying, or where relevant, when performance conditions have been met.

Grant funding

Government revenue grants including funding council block grant 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.

Capital grants

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

6 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.

7 Finance leases

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

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

8 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.

9 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 Surplus or Deficit.

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

10 Property, plant and equipment

Property

Capitalised leasehold improvements are stated at cost and depreciated over its expected useful life as follows:

Leasehold improvements	8 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 de minimus per individual item is recognised as expenditure. All other equipment is capitalised.

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

Plant and Machinery	5 years
Furniture, fixtures and fittings	5 years

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

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

11 Intangible assets and Goodwill

Intangible assets

Intangible assets purchased separately from a business are initially recognised at its cost.

Intangible assets acquired in a business combination are recognised separately from goodwill when all the following three conditions are satisfied:

- (a)) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.
- (b) the intangible asset arises from contractual or other legal rights; and
- (c) the intangible asset is separable (i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged either individually or together with a related contract, asset or liability).

The cost of that intangible asset is its fair value at the acquisition date.

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment.

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The useful economic lives of intangible assets are as follows:

IT Development costs – 5 years

12 Investments

Investments in subsidiaries are carried at cost in the Institution's separate financial statements.

Investments are held in the Statement of Financial Position as basic financial assets and are measured at cost less impairment.

13 Stock

Stock is valued at the lower of cost or net realisable value.

14 Cash and cash equivalents

Cash includes cash in hand.

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 probable 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.

Statement of Principal Accounting Policies (continued)

for the year ended 31 July 2023

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 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.

17 Reserves

Reserves are classified as restricted or unrestricted.

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. In preparing these financial statements, management has made the following judgements: Considering whether there are indicators of impairment of the group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset. Intangible and tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed. Residual value assessments consider issues such as future market conditions and the remaining life of the asset.

Recoverability of Debtors -The provision for doubtful debts is based on our estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customers, the age profile of the debt and the nature of the amount due. At 31st July 2023, the total provision for doubtful debts was £31k (31 July 2022: £0)

19 Financial Instruments

The Institution has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement and disclosure of financial instruments.

Financial Assets

Basic financial assets include trade and other receivables, cash and cash equivalents. These assets are initially recognized at transaction price and are assessed for indicators of impairment at each Statement of Financial position date. If there is objective evidence of impairment, an impairment loss is recognized in the Statement of Comprehensive Income. Financial assets are de-recognised when the contractual right to the cashflows from the asset expire or are settled or substantially all of the risks and reward of the ownership of the asset are transferred to another party. The Institution has no assets which are valued using the amortised cost method.

Financial Liabilities

Basic financial instruments include trade and other payables. These liabilities are initially recognized at transaction price. The Institution applies the provisions of FRS 102 (PBE 34.87 – 34.97) when accounting for shareholder loans. As a result, the loans are initially recorded at cost and carry no interest rate. The loans are treated as non-current liabilities based on shareholder expectations on repayment dates. The institution has no other liabilities which are valued using the amortised cost method.

20 Going concern

The Institution is now reaching the end of its start-up phase and consequently the financial statements reflect a position where we continue to invest in the costs of establishing a campus, recruiting students and continuing to develop a strong capable workforce. Revenues are growing as a result of this investment and the rate of loss is reducing year-on-year.

The student intake numbers continue to grow annually but have not yet reached the point where the business is self-funding. As a consequence, as in prior years, additional working capital has been provided by the shareholders.

Management have performed a going concern assessment covering 12 months from the date of signing the financial statements by preparing forecasts (including cash forecasts) that look at the financial position of the entity. Management have prepared these forecasts on a scenario basis, which entailed anticipated student numbers and also if the student numbers were lower than expected to determine the maximum funding required.

The results of the above scenario analysis indicated that there may be a need for further working capital support for the 12 months from the signing of the financial statements. The shareholders have indicated that they will continue to provide working capital for the 12 months from the signing date of the financial statements. The shareholders have provided letters of intent to provide working capital should it be necessary. Whilst the letters of intent are not legally binding the shareholders have clearly demonstrated their support over recent years with a total of £14m currently invested into UA92.

Given the above and the dependence upon future student intake numbers, there is a material uncertainty related to events or conditions that may cast doubt on the Institution and Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, the Directors have a reasonable expectation for at least twelve months from the date of approval of these financial statements that the required financial support will be received from the shareholders, and for this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements. Consequently, the financial statements do not include the adjustments that would arise if the Institution and Group was unable to continue as a going concern.

Notes to the financial statements

for the year ended 31 July 2023

			Year Ended 31 July 2023		Year Ended 31 July 2022	
			Consolidated	Institution	Consolidated	Institution
			£	£	£	£
1	Tuition fees and education contracts	Notes				
	Taught awards - not to include FE	Full-time home and EU students	3,869,888	3,869,888	2,685,738	2,685,738
	Taught awards	Full-time international students	4,001,926	4,001,926	941,486	941,486
			7,871,814	7,871,814	3,627,224	3,627,224
2	Funding body grants					
	Recurrent grant					
OfS	Office for Students		72,861	72,861	2,976	2,976
	Specific grants					
Other bodies	Catalyst grant		617,252	617,252	249,347	249,347
			690,113	690,113	252,323	252,323
(Income from capital grants includes £617,252 in respect of capital grants released in the year (2021/22: £249,347))						
3	Other income					
	Donations		71,115	71,115	-	-
	Other income		697,695	697,695	142,492	142,492
			768,810	768,810	142,492	142,492

Notes to the financial statements

for the year ended 31 July 2023

	Year Ended		Year Ended	
	31 July 2023		31 July 2022	
	Consolidated £	Institution £	Consolidated £	Institution £
4 Staff costs				
Staff Costs :				
Salaries	4,070,678	4,070,678	2,468,543	2,468,543
Social security costs	425,798	425,798	262,407	262,407
Other pension costs	268,696	268,696	162,839	162,839
Total	4,765,172	4,765,172	2,893,789	2,893,789

Total remuneration of the head of the institution

	31 July 2023 £	31 July 2022 £
Basic salary	156,000	152,500
Performance-related pay and other bonuses	31,200	30,000
Pension Contributions	18,600	15,300
Health Insurance	437	192
	206,237	197,992

The CEO is the highest paid member of staff, and their remuneration reflects the skills required to lead a 'disruptive' HEI that is commercial and actively engaged with business.

The CEO's remuneration is subject to annual review by the Remuneration Committee, and reflect their performance across a number of pre-determined criteria.

The number of other staff with a basic salary of over £100,000 per annum has been included below.

	31 July 2023		31 July 2022	
	Consolidated No.	Institution No.	Consolidated No.	Institution No.
Basic salary per annum				
£120,000 - £124,999	1	1	1	1
	1	1	1	1

Average staff numbers by major category:

	No.	No.
Academic	31	21
Administrative	61	57
Total number of staff	92	78

Academic staff were also employed on a consultancy basis at various times during the academic year totaling 55 (2022:10)

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.

	Year ended 31 July 2023	Year ended 31 July 2022
	£	£
Key management personnel compensation	867,153	690,700

The CEO's basic salary is 4.6 (2022:3.3) times the median pay of staff, where the median pay is calculated on a full time equivalent basis for the salaries from the provider to its staff. The provisions of paragraph 12d of OFS accounts direction 19/20 have been adopted. The CEO's total remuneration is 5.6 (2022 4.3) times the median pay of staff, where the median pay is calculated on a full time equivalent basis for the salaries from the provider to its staff. The provisions of paragraph 12d of OFS accounts direction 19/20 have been adopted.

Notes to the financial statements

for the year ended 31 July 2023

	Year Ended 31 July 2023		Year Ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
5 Interest and other finance costs				
Finance lease interest	83,994	83,994	20,545	20,545
	83,994	83,994	20,545	20,545

6 Analysis of total expenditure by activity

Academic and related expenditure	2,204,491	2,204,491	441,406	441,406
Administration and central services	1,521,138	1,521,138	981,856	981,856
Premises (including service concession cost)	1,481,593	1,481,593	1,054,757	1,054,757
Other expenses	31,323	31,323	359,552	359,552
	5,238,545	5,238,545	2,837,571	2,837,571

Other operating expenses include:

Operating lease rentals				
	Land and buildings			
	Other			
	787,033	787,033	0	0
	25,829	25,829	8,609	8,609
Fees payable to the auditor for the audit of the financial statements	53,000	53,000	33,000	33,000
Taxation compliance services	5,586	8,220	8,220	8,220
Taxation advisory services	3,979	3,979	6,325	6,325

7 Access and Participation

	2023	2023	2022	2022
Access Investment	432,200	432,200	251,301	251,301
Financial Support	126,324	126,324	103,666	103,666
Evaluation and Research	57,688	57,688		
	616,212	616,212	354,967	354,967

Consolidated: £432,200 of these costs are already included in the overall staff costs figures included in note 4 (2022: £251,301). Institution: £432,200 of these costs are already included in the overall staff costs figures included in note 4 (2022: £251,301).

Access Investment – The amount spent was lower than expected for two primary reasons. There were a number of vacancies in year and the number of people working on Access and Participation has not grown at the rate initially projected when the plan was produced. However, investment has grown year on year.
Financial Support – This is slightly lower than projected as UA92 recruited slightly fewer students that were eligible for the bursary packages outlined in our APP that was projected.

Applies to OfS regulated institutions only.

The university access and participation plan can be found at:

https://apis.officeforstudents.org.uk/accessplansdownloads/2125/UniversityAcademy92Limited_APP_2021-22_V1_10067648.pdf

8 Taxation

	Year Ended 31 July 2023		Year Ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
Recognised in the statement of comprehensive income				
Current tax				
Adjustment in respect of previous years	0	0	(39,238)	(39,238)
Current tax refund	0	0	(39,238)	(39,238)
Deferred tax				
Origination and reversal of timing differences	0	-	0	-
Reduction in tax rate	0	-	0	-
Recognition of previously unrecognised tax losses	0	-	0	-
Deferred tax expense	0	0	0	0
Total tax refund	0	0	(39,238)	(39,238)

Factors affecting the tax charge

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

Loss before taxation	(1,572,328)	(1,572,328)	(2,166,179)	(2,166,179)
UK corporation tax at 19% (2021: 19%)	0	0	0	0
Effect of:				
Previous year adjustment		0	0	0
Total tax expense	0	0	0	0

9 Intangible assets

Software

Balance b/f
Additions
Amortisation charge for the year
Closing balance

Year Ended 31 July 2023		Year Ended 31 July 2022	
Consolidated	Institution	Consolidated	Institution
£	£	£	£
67,658	67,658	0	0
60,753	60,753	67,658	67,658
(18,464)	(18,464)	0	0
109,947	109,947	67,658	67,658

The addition during the year relates to the purchase of a software intangible asset.

The amortisation period is 5 years.

Notes to the financial statements

for the year ended 31 July 2023

10 Tangible Assets

Tangible assets comprises:

Property, plant, and equipment

Year ended 31 July 2023		Year ended 31 July 2022	
Consolidated	Institution	Consolidated	Institution
£	£	£	£
3,567,780	3,567,780	3,497,147	3,497,147
3,567,780	3,567,780	3,497,147	3,497,147

10A Property, plant, and equipment

Consolidated
and Institution

Cost

At 1 August 2022

Additions

Transfers

Disposals

At 31 July 2023

Leasehold Land and Buildings	Plant and Machinery	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
£	£	£	£	£
670,869	865,066	1,180,347	1,917,632	4,633,914
458,009	314,173	211,822	12,552	996,556
1,132,920	441,153	356,111	(1,930,184)	0
-	(351,908)	-	-	(351,908)
2,261,798	1,268,484	1,748,280	0	5,278,562

Depreciation

At 1 August 2022

Charge for the year

Disposals

At 31 July 2023

207,459	281,992	647,316	-	1,136,767
243,309	229,993	323,588	-	796,890
-	(222,875)	-	-	(222,875)
450,768	289,110	970,904	-	1,710,782

Carrying amount

At 31 July 2023

At 31 July 2022

1,811,030	979,374	777,376	0	3,567,780
463,410	583,074	533,031	1,917,632	3,497,147

Leased assets included above:

Carrying amount

At 31 July 2023

At 31 July 2022

144,627	471,452	41,958	-	658,037
179,495	314,318	85,343	-	579,156

Consolidated fixtures, fittings and equipment include assets held under finance leases as follows:

	Year Ended 31 July 2023	Year Ended 31 July 2022
£	£	£
Cost	1,047,884	810,191
Accumulated depreciation	(231,035)	(152,399)
Charge for year	(158,812)	(78,636)
Carrying amount	658,037	579,156

Finance lease arrangements are in place to support improvements to sports facilities and technology infrastructure in our Old Trafford campus. Outstanding lease payments total £215,525 (within 12 months) and £88,731 (within 2 to 5 years).

Notes to the financial statements

for the year ended 31 July 2023

11 Non-Current Investments

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
Investment in subsidiaries (c)	-	100	-	100
	-	100	-	100

Details of investments in which the consolidated and Institution (unless indicated) hold 20% or more of the nominal value of any class of share capital are as follows:

Company	Principal Activity	Status	Holding	Registered office
UA92 Old Trafford	Dormant	100% owned	Ordinary shares	Bailrigg House, Lancaster, UK

(c) Investment in subsidiary	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
<i>At cost less impairment:</i>				
At 1 August 2022	100	100	100	100
At 31 July 2023	100	100	100	100

12 Stock

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
Stock	58,784	58,784	4,770	4,770
	58,784	58,784	4,770	4,770

Stock is consumed on a first in first out basis and primarily relates to sports merchandise.

Notes to the financial statements

for the year ended 31 July 2023

13 Trade and other receivables

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
Amounts falling due within one year:				
Other trade receivables	481,744	481,744	159,594	159,594
Other receivables	-	-	1,458	1,458
Prepayments and accrued income	488,955	488,955	152,923	152,923
	<u>970,699</u>	<u>970,699</u>	<u>313,975</u>	<u>313,975</u>

14 Current liabilities

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
Obligations under finance leases	215,525	215,525	294,518	294,518
Trade payables	402,444	402,444	195,189	195,189
Social security and other taxation payable	9,601	9,601	1,449	1,449
Accruals and deferred income	2,669,098	2,669,098	2,509,809	2,509,809
Amounts owed to related parties	462,013	462,013	14,283	14,283
	<u>3,758,681</u>	<u>3,758,681</u>	<u>3,015,248</u>	<u>3,015,248</u>

Amounts owed to related parties are interest free and are repayable on demand.

Deferred income

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

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
Grant income	493,990	493,990	616,014	616,014
Other income	356,392	356,392	62,979	62,979
	<u>850,382</u>	<u>850,382</u>	<u>678,993</u>	<u>678,993</u>

15 Non - current liabilities

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
Deferred income	1,441,619	1,441,619	1,923,912	1,923,912
Obligations under finance lease	88,731	88,731	130,989	130,989
Concessionary Loans	1,050,000	1,050,000	3,750,000	3,750,000
	<u>2,580,350</u>	<u>2,580,350</u>	<u>5,804,821</u>	<u>5,804,821</u>

The shareholder loans are treated as Public Entity Concessionary loans and attract 0% interest. They are therefore valued at cost. The loans are expected to be repaid in January 2025 but the repayment date could be changed at the discretion of the Board. The following related party loans were outstanding at year end:

	£	£	£	£
Lancaster University	525,000	525,000	2,500,000	2,500,000
Bruntwood (From 5 th August 2022)	262,500	262,500		

16 Loans

	Year ended 31 July 2023		Year ended 31 July 2022	
	Consolidated	Institution	Consolidated	Institution
	£	£	£	£
Analysis of concessionary loans:				
Due within one year or on demand	0	0	0	0
Due between one and two years	1,050,000	1,050,000	0	0
Due between two and five years	0	0	0	0
Due in five years or more	0	0	3,750,000	3,750,000
Due after more than one year	<u>1,050,000</u>	<u>1,050,000</u>	<u>3,750,000</u>	<u>3,750,000</u>
Total concessionary loans	<u>1,050,000</u>	<u>1,050,000</u>	<u>3,750,000</u>	<u>3,750,000</u>

Notes to the financial statements

for the year ended 31 July 2023

17 Cash and cash equivalents

	At 1st August 2022	Cash Flows	At 31st July 2023
Consolidated	£	£	£
Cash and cash equivalents	460,049	122,974	583,023
	460,049	122,974	583,023

18 Consolidated reconciliation of net debt

	31 July 2023 £
Net debt 1 August 2022	3,715,378
Movement in cash and cash equivalents	(122,974)
New finance leases and unsecured concessionary loans	(2,821,171)
Net debt 31 July 2023	771,233

Change in net debt	(2,944,145)
--------------------	-------------

Analysis of net debt:

	31 July 2023 £	31 July 2022 £
Cash and cash equivalents	583,023	460,049
Borrowings: amounts falling due within one year		
Obligations under finance leases	215,525	294,518
Borrowings: amounts falling due after more than one year		
Obligations under finance lease	88,731	130,909
Concessionary loans	1,050,000	3,750,000
	1,138,731	3,880,909
Net debt	771,233	3,715,378

19 Lease obligations

	Land and Buildings	Plant and Machinery	Total	31 July 2022
Total rentals payable under operating leases:				
Consolidated and institution	£	£	£	£
Payable during the year	787,033	25,829	812,862	8,610
Future minimum lease payments due:				
Not later than 1 year	1,069,027	25,829	1,094,856	812,863
Later than 1 year and not later than 5 years	3,489,075	17,220	3,506,295	4,601,151
Later than 5 years	0	-	0	
Total lease payments due	4,558,102	43,049	4,601,151	5,414,014

Notes to the financial statements

for the year ended 31 July 2023

20 Related party transactions

Due to the nature of the Institution's operations and the composition of its Council (being drawn from local public and private sector organisations) and Senior Leadership Team, it is inevitable that transactions will take place with organisations in which a member of Council or the Senior Leadership Team may have an interest. All such transactions are conducted at arm's length and in accordance with the Institution's financial regulations and normal procurement procedures. The Institution has taken advantage of the exemption within FRS 102 Section 33 'Related Party Disclosures' and has not disclosed transactions with other wholly owned group entities. Please see note 15 for additional disclosure in conjunction with the below.

	31st July 2023		31st July 2022	
	Expenditure to related party	Balance due to related party	Expenditure to related party	Balance due to related party
	£	£		
Bruntwood (from 5th August 2022) - Payable	1,464,001	1,093,560	-	-
Bruntwood (from 5th August 2022) - Receivable	-	124,188	-	-
Lancaster University	93,876	79,742	103,715	14,283
	1,557,877	1,297,490	103,715	14,283

Lancaster University and Bruntwood

Expenditure relates to supplier invoices processed through the accounts payable system.

21 Capital and other commitments

Consolidated and Institution
At 31st July 2023 At 31st July 2022
£ £

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

Commitments contracted at 31st July	1,279,000	-
-------------------------------------	------------------	---

Capital commitments relate to a range of internally and externally funded refurbishment projects. These projects are expected to be completed within the next year.

22 Share Capital

	Issued Share Capital Number of Shares (Allotted and Paid)	Issued Share Capital £
Year-ending July 2023		
Balance at the beginning of the financial year	8,000,000	8,000,000
Proceeds from share issue	5,000,000	5,000,000
Balance at the end of the financial year	13,000,000	13,000,000
Year-ending July 2022		
Balance at the beginning of the financial year	8,000,000	8,000,000
Proceeds from share issue	0	0
Balance at the end of the financial year	8,000,000	8,000,000

On 5th August 2022 the leading commercial property company, Bruntwood, partnered with UA92 by investing £1.25m into UA92 in exchange for 1,250,000 'A2' £1 Ordinary shares. Bruntwood also has a strong track record of actively collaborating with a broad range of partners to bring about real change in the communities in which it operates. At the same time as the Bruntwood investment, Lancaster also applied for a further 2,500,000 'B' £1 Ordinary shares in satisfaction of the £2.5m loan it was owed. Furthermore, the original £1 'A' Ordinary shares were re-designated as 'A1' £1 Ordinary shares and the Class of 92 applied for a further 1,250,000 'A1' £1 Ordinary shares in satisfaction of the £1.25m loan they were owed.

In total, these transactions resulted in a £5m increase to the overall Ordinary share capital of UA92 with £13m Ordinary shares in issue and comprising of:

5,250,000 'A1' £1 Ordinary shares - Held by the Class of 92 and their associates
1,250,000 'A2' £1 Ordinary shares - Held by Bruntwood Limited
6,500,000 'B' £1 Ordinary shares - Held by Lancaster University