



Annual Report 2022

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Review, Management's statement and Auditor's report

Company information

Company

University of Copenhagen Nørregade 10
DK-1165 Copenhagen K
Local authority: City of Copenhagen
CVR no.: 29 97 98 12

Board

Merete Eldrup, chair
Mikkel Bogh
Dorte Brix
Jesper Grodal
Jan S. Hesthaven
Kevin Olesen
Pia Quist
Agnete Raaschou-Nielsen
Lars Rasmussen
Anne Sofie Tranberg
Birgitte Vedersø

Rector

Henrik C. Wegener

Prorector for Education

Kristian Cedervall Lauts

Prorector for Research

David Dreyer Lassen

University Director

Jesper Olesen

Auditors

Danish National Audit Office
Landgreven 4
DK-1301 Copenhagen K

Institutional Auditors

Deloitte Statsauto-riseret
Revisionspartner-selskab
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DK-2300 Copenhagen S

Attorneys

Kammeradvokaten (Legal Adviser
to the Danish Government)
Kalvebod Brygge 32
DK-1560 Copenhagen V

Bank

Danske Bank
Holmens Kanal 2
DK-1092 Copenhagen

Management's statement

The Board and Executive Management have today considered and approved the Annual Report of the University of Copenhagen for 2022.

The Annual Report has been prepared in accordance with the Danish State Accounting Act, Executive Order no. 116 of 19.02.2018 on state accounting etc. the Ministry of Finance's Financial Administrative Guidelines, Executive Order no. 778 of 7 August 2019 on the University Act, Executive Order no. 1957 of 15 October 2021 on university funding and accounts etc., and the guidelines and instructions for financial statements issued by the Danish Agency for Higher Education and Science. Pursuant to section 39 (4) of the Executive Order it is hereby declared:

- that the Annual Report is correct, i.e. the Annual Report does not contain any material misstatements or omissions, including that the reporting of strategic framework contract in the Annual Report is satisfactory,
- that all transactions included in the Financial Statements are in accordance with notified grants, relevant legislation and other regulations, as well as with agreements entered into and with established practice, and
- that procedures have been introduced to ensure the financially appropriate management of the funds and the operation of the institutions covered by the Annual Report.

Copenhagen, 12 April 2023

Henrik C. Wegener
Rector

Board

Merete Eldrup
Chair

Mikkel Bogh

Dorte Brix

Jesper Grodal

Jan S. Hesthaven

Kevin Olesen

Pia Quist

Agnete Raaschou-Nielsen

Lars Rasmussen

Anne Sofie Tranberg

Birgitte Vedersø

Independent auditor's report

The University of Copenhagen Board has appointed Deloitte as institutional auditors of University of Copenhagen pursuant to Section 28(3) of the Danish University Act. Rigsrevisionen - the Danish National Audit Office – is responsible for the overall audit under the Danish Auditor General Act.

To the Board of Directors of University of Copenhagen

Auditor's report on the financial statements

Opinion

We have audited the financial statements of University of Copenhagen for the financial year 1 January to 31 December 2022, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, as stated on pages 44-47. The financial statements are prepared in accordance with Ministerial Order no. 1957 of 15 October 2021 on funding and auditing etc. at universities as well as the directions and instructions on financial statements issued by the Danish Ministry of Higher Education and Science, and including the Danish Agency for Higher Education and Science, hereinafter collectively referred to as state accounting rules.

In our opinion, the financial statements are accurate in all material respects, i.e. prepared in accordance with the state accounting rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark as well as the public auditing standards, as the audit is based on the provisions of Ministerial Order no. 1957 of 15 October 2021 on funding and auditing etc. at universities and the agreement on internal audits entered into by the Danish Minister for Higher Education and Science and the Auditor General in pursuance of section 9 of the Danish Auditor General Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of University of Copenhagen in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that are accurate in all material respects, i.e. prepared in accordance with the state accounting rules, and for such internal control as Management determines 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, Management is responsible for assessing University of Copenhagen's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate University of Copenhagen or to cease operations, or has 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 and the additional requirements applicable in Denmark as well as the public auditing standards, as the audit is performed based on the provisions of Ministerial Order no. 1957 of 15 October 2021 on funding and auditing etc. at universities, 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.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark as well as the public auditing standards, as the audit is performed based on the provisions of Ministerial Order no. 1957 of 15 October 2021 on funding and auditing etc. at universities, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of University of Copenhagen's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on University of Copenhagen's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause University of Copenhagen to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the state accounting rules.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the state accounting rules. We did not identify any material misstatement of the management commentary.

Report on other legal and regulatory requirements

Statement on compliance audit and performance audit

Statement on compliance audit and performance audit

Management is responsible for ensuring that the transactions covered by the financial statements are in accordance with appropriations granted, laws and other regulations, and with agreements entered into and usual practice, and for ensuring that sound financial management is exercised in the administration of the funds and the operation of the activities covered by the financial statements. Management is also responsible for setting up systems and processes supporting economy, productivity and efficiency.

As part of our audit of the financial statements, it is our responsibility to perform compliance audit procedures and performance audit procedures on selected subject matters in accordance with the public auditing standards. In our compliance audit, we test the selected subject matters to obtain reasonable assurance about whether the examined transactions covered by the financial statements comply with the relevant provisions of appropriations, laws and other regulations, and with agreements entered into and usual practice. In our performance audit, we make an assessment to obtain reasonable assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and the operation of the activities covered by the financial statements.

If, based on the procedures performed, we conclude that material critical comments should be made, we are required to report this in this statement.

We have no material critical comments to report in this connection.

Copenhagen, 12 April 2023

Deloitte

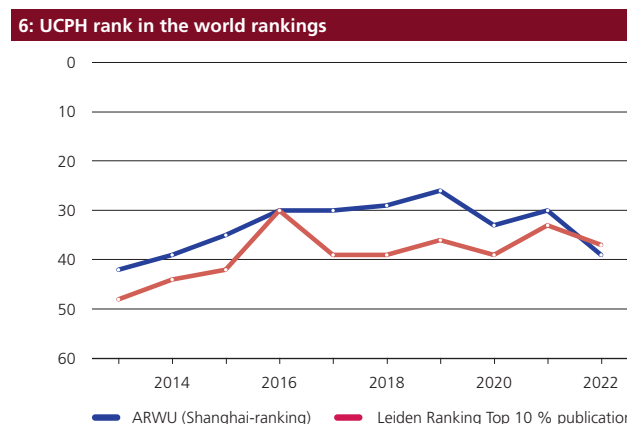
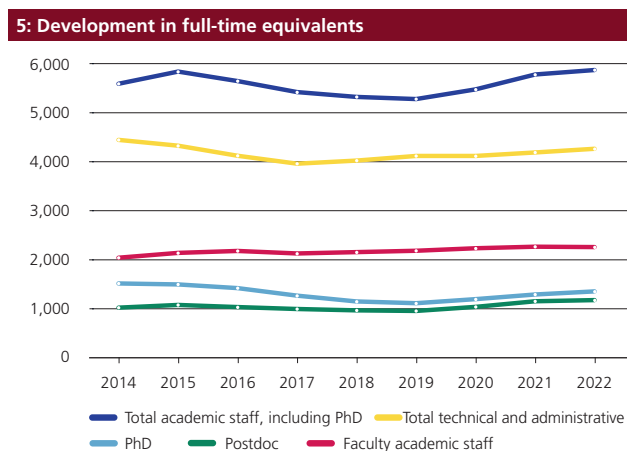
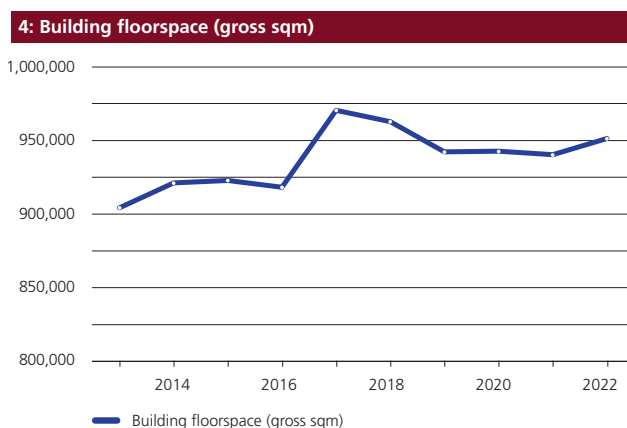
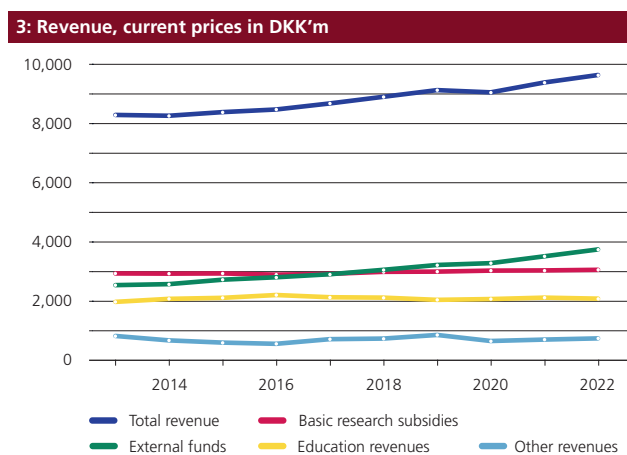
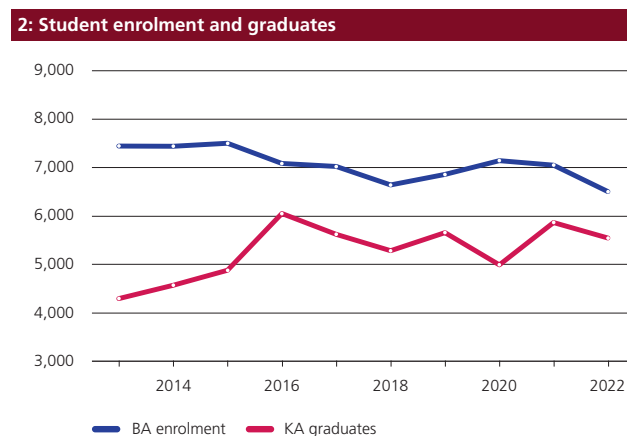
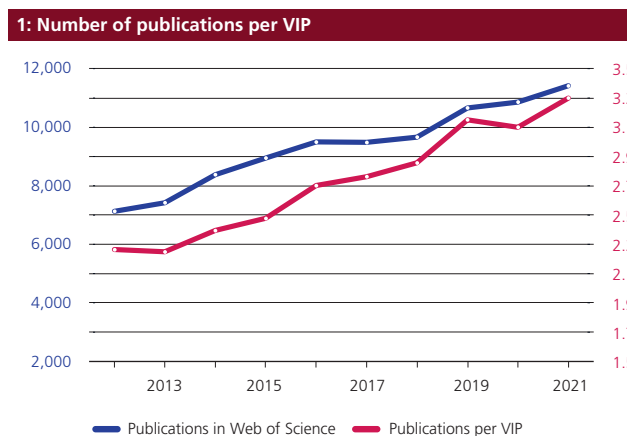
Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56

Erik Lynge Skovgaard Jensen
State-Authorised Public Accountant
Identification number: mne10089

Lars Hillebrand
State-Authorised Public Accountant
Identification number: mne26712

UCPH highlights

The Mangement report is based on the six figures below showing UPCH's development on selected parameters.



Sources: 1: ISI Web of Science; 2: Data from the Study Administrative System, STADS; 3: University of Copenhagen Financial System (Navision). The revenues correspond to the figures in the Pro-forma Income Statement; 4: University of Copenhagen shared Facility Management System (MainManager); 5: University of Copenhagen HR Business Intelligence (data only available from 2014); 6: Academic Ranking of World Universities (Shanghai) & Leiden Ranking. Historical figures in the Leiden Ranking do not change in connection with change of method, etc.

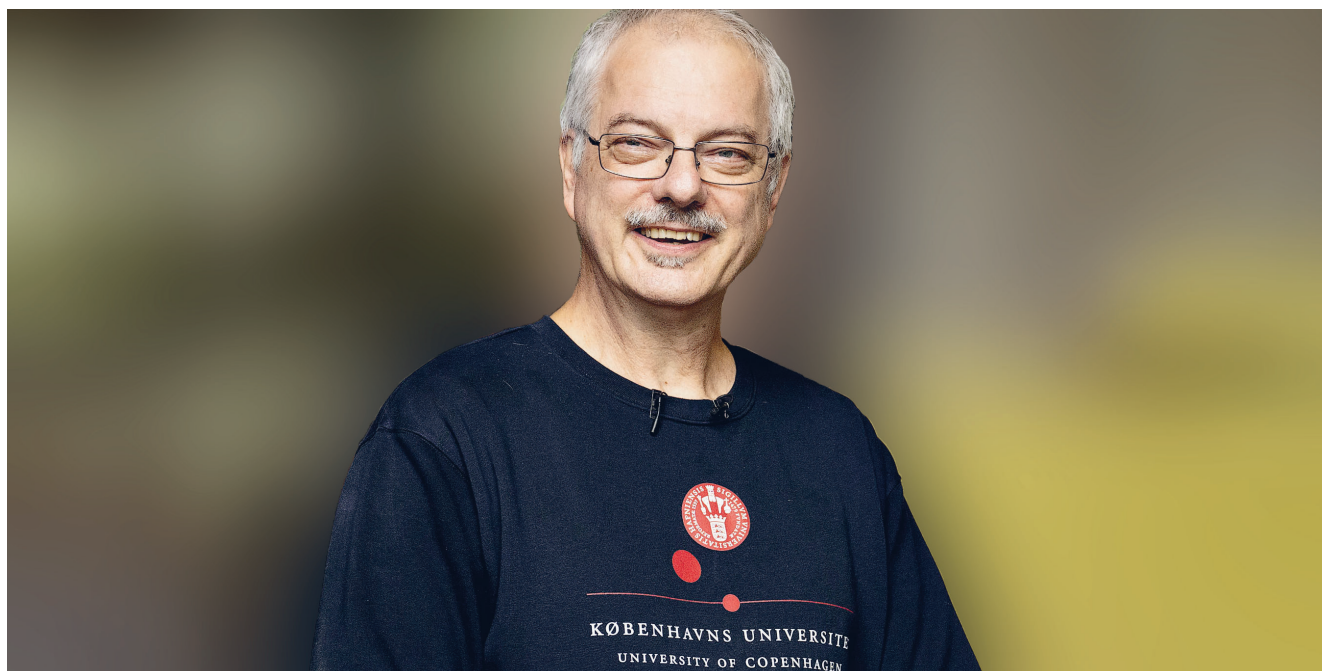
Management report 2022

Academic results for the year

One of the highlights of the past year was the awarding on 5 October 2022 of the Nobel Prize in Chemistry to Professor Morten Meldal for his ground-breaking work with click chemistry. Meldal's discovery of click chemistry has been of huge significance for companies as well as other researchers, particularly in the field of medicine, where his research has, among other things, contributed to new and improved cancer therapies.

Russia's invasion of Ukraine on 24 February 2022 also affected the University of Copenhagen (UCPH) as we immediately suspended all collaboration with Russia and Belarus. At the same time, UCPH opened its doors to Ukrainian researchers and students who needed to leave their home country, among other things via the Ukraine Scholars at Risk programme. The war in Ukraine also underlined the value of the universities' knowledge-sharing in times of crisis. In the course of the year, UCPH's experts in international politics and security, Russian and Ukrainian history, cyberwarfare, propaganda, food economics and other fields have made the public wiser about the conflict and its derived consequences for Denmark and the world.

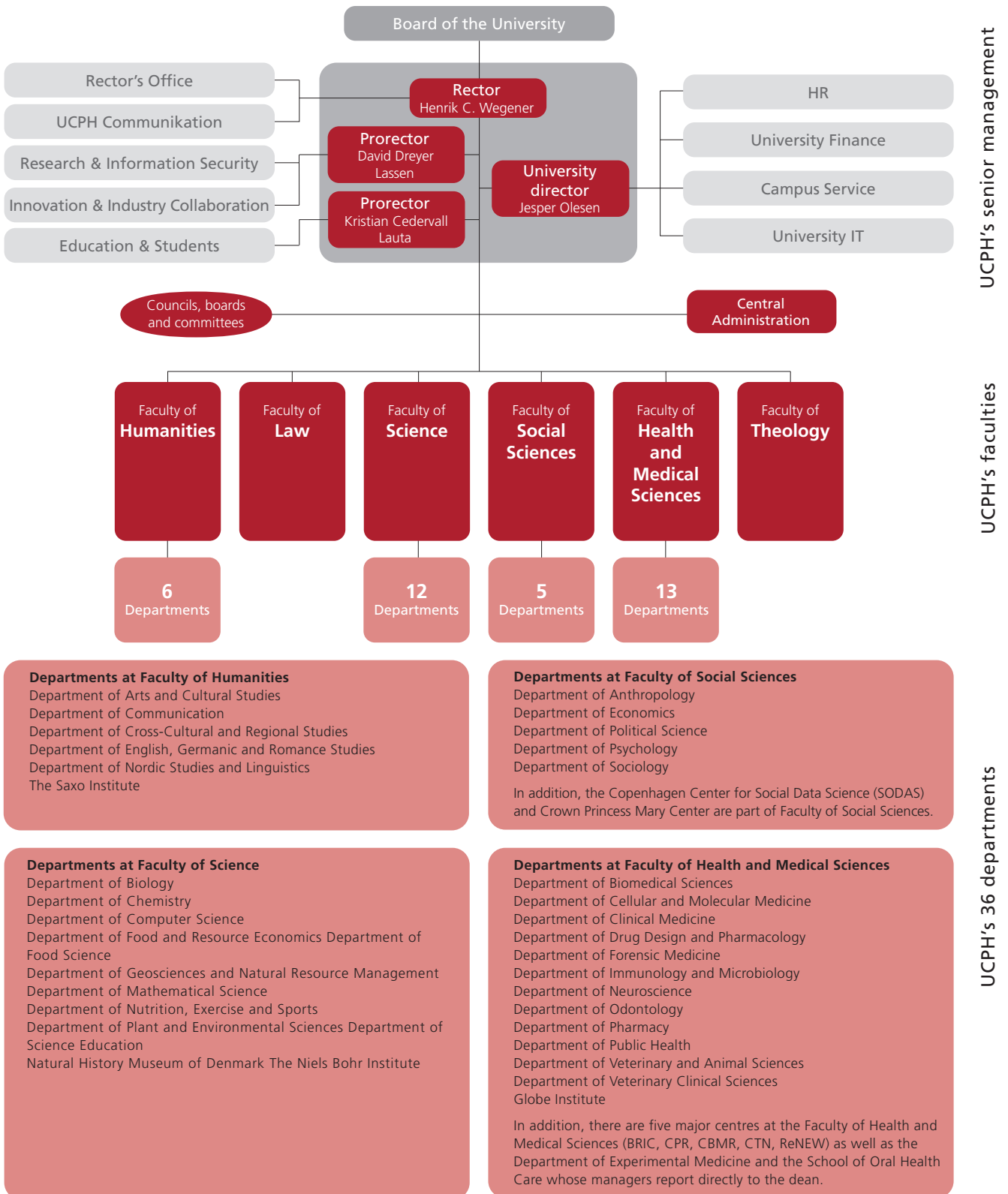
In 2022, Professor Morten Meldal was awarded the Nobel Prize in Chemistry for his groundbreaking work on click chemistry.



In 2022, UCPH again attracted funding for a number of major research projects from both private and public foundations. With a grant of almost DKK 1.5 billion from the Novo Nordisk Foundation, UCPH will be in charge of an ambitious quantum programme that will lead to the development of the first fully functional quantum computer. In June, the Danish National Research Foundation announced that five out of 11 new basic research centres will be based at UCPH. In the competition for the European Research Council (ERC) funding, a total of 16 of the prestigious grants from ERC went to UCPH. In addition, the opening of a new international centre for stem cell research (reNEW) at UCPH was made possible by a DKK 2.2 billion grant from the Novo Nordisk Foundation.

In 2022, UCPH also accelerated the whole innovation area through a number of significant initiatives. At the beginning of the year, UCPH founded UCPH Ventures, a limited company that will co-invest in spin-outs from the University's own research activities. November saw the opening of the UCPH Lighthouse innovation centre, which will contribute to strengthening the innovation capacity among researchers and students at UCPH and ensure the transfer

The UCPH organisation as per 1 January 2023



and active use of knowledge generated by the University to address complex societal issues.

In the field of education, UCPH has adopted a number of guiding principles for recruitment, learning, graduates and degree programme structure. The purpose of the guiding principles is to create a common foundation and direction for the degree programmes of the future at UCPH. In addition, UCPH has intensified its efforts to align the development of the University's educational landscape as a whole, particularly in the humanities and the natural and life sciences, with a view to strengthening the career-focused elements of the degree programmes. Finally, efforts to improve the study environment and student well-being have been a key focus, and UCPH has, among other things, developed a universe of resources and tools designed to help students thrive at university and overcome any challenges they may encounter in student life.

Financial framework

Revenues totalled DKK 9,639.5 million in 2022, up DKK 252.5 million compared to 2021 in current prices. The increase is primarily attributable to an increase in external research grants of DKK 228.2 million and an increase in other revenues of DKK 61.1 million. In contrast, government funding was reduced by DKK 41.2 million, mainly due to a declining student intake, which reduces education revenues, an expected reduction in the use of external consultants in the state sector and the phase-out of special COVID-19 subsidies from 2021.

In addition to the above, under the Supplementary Appropriations Act 2022 (TB22), UCPH's subsidies have also been reduced by budgetary framework corrections as a result of reduced use of consultants, the 16th phase of the public procurement programme and reductions due to changed payment for digital post. The reappropriation of funding for boosting German and French in higher education pulls in the other direction. Under TB22, UCPH moreover received DKK 62.5 million for the dentistry degree programme as a result of the agreement on improved access to higher education in all regions of Denmark, cf. document 30 of 21 December 2022. UCPH has been granted dispensation to recognise the latter as income in step with the associated spending, for which reason the amounts are not recognised in 2022.

Research and talent

Research publications

UCPH's research publications can give an indication of both the quantity and quality of the research conducted at UCPH; also, our research publications are some of the most important elements in all the diverse forms of knowledge dissemination to Danish and international society undertaken by the University.

The Web of Science (WoS) database compiles international research publications. Due to the delay in registering publications in WoS and the other international publication databases, the figures for the 2021 calendar year were not available until spring 2022. By then, a total of 11,416 UCPH publications had been registered (see also Figure 1). This represents an increase of 5% compared to 2020. The number of publications from UCPH in WoS increased by 60% in the 2012-2021 period.

Rankings

In 2022, UCPH was still the highest-ranking Danish university in the leading international rankings of the world's best universities. In most cases, UCPH was also the highest-ranking university in the Nordics. In two of

Rankings

Every year, a number of annual global rankings are published in which universities are benchmarked against each other. UCPH focuses on four leading global rankings: ARWU (also known as the Shanghai Ranking), the CWTS Leiden Ranking, the QS World University Ranking and the Times Higher Education Ranking (THE).

The methodologies behind the rankings vary, depending on who compiles the lists. The results may therefore differ from year to year for methodological reasons. The rankings often take into account the following factors:

- Researchers' assessments of the best university in their field
- Number of scientific articles published and number of citations
- Student/researcher ratio.

Methodologically, the ARWU and CWTS Leiden rankings have been the most stable for a number of years.

the four leading rankings followed by UCPH, UCPH was in the European top 10. However, in 2022, UCPH saw a minor decline across the rankings, among other things due to markedly intensifying competition from Chinese universities.

- In the ARWU/Shanghai Ranking, UCPH is no. 39 in the world and no. 9 in Europe.
- The CWTS Leiden Ranking ranks UCPH as no. 37 in the world and no. 6 in Europe, when measured by the number of publications in the top 10% of the most cited publications in the world.
- In the QS World University Ranking, UCPH is no. 82 in the world and no. 26 in Europe.
- The Times Higher Education Ranking (THE) ranks UCPH as no. 114 in the world and no. 43 in Europe.

Attracting external funding

UCPH attracted funding of DKK 4,358.3 million in 2022 in competition with Danish and international universities and knowledge institutions, which is DKK 782.4 million or 22% less than in 2021. External research funding comes primarily from private Danish research foundations, which account for 63% of the funding, while research funding from public sources in Denmark accounts for 24%. In 2022, the Faculty of Health and Medical Sciences attracted considerably more funding compared to 2021.

In September, UCPH and the Novo Nordisk Foundation announced a massive, long-term grant of DKK 1.5 billion earmarked for the development of a fully functional quantum computer. Based at the Niels Bohr Institute at the Faculty of Science, the ambitious Novo Nordisk Foundation Quantum Computing Programme will run for the next 12 years. Uniquely, the first seven years will be spent exploring and identifying the most promising quantum computing platform. In addition, a partner company will be established as a fabrication facility that will supply materials and hardware to the programme's researchers. The last five years of the programme will be spent scaling the selected platform for use by universities and industry. The project will be undertaken in collaboration with partners from leading universities and industries, including partners from the USA, Canada and the Netherlands.

Secure research collaboration

Security in international research collaborations became an important focus area for UCPH in 2022. In May, the Danish Ministry of Higher Education and Science published a set of guidelines, which the universities must implement to increase security in their international research and innovation activities.

In fact, at UCPH an open letter had already gone out from the Rector's Office to the faculties in 2021, calling for increased awareness in the organisation about the risks associated with international research collaborations. In autumn 2022, UCPH took an important step towards implementing the ministerial guidelines by identifying the research areas at UCPH that are most at risk of unwanted foreign interference. They include areas where UCPH is world-leading, where we are working with sensitive information, and areas of dual-purpose research.

Innovation and entrepreneurship

New innovation centre on Nørre Campus (North Campus)

On 24 November 2022, UCPH Lighthouse opened. Established by UCPH and the Royal Library, UCPH Lighthouse is to boost innovation capacity at UCPH and ensure that more of the knowledge and ideas generated by the University's researchers and students are turned into entrepreneurial spin-outs delivering solutions to complex problems in society. The services offered by UCPH Lighthouse include access to workspaces and workshop facilities, business development and inspirational talks for students and researchers who are interested in entrepreneurship. Moreover, the centre serves as a gateway for potential partners in industry and the business community wishing to establish collaboration with UCPH.

Commercialisation and business partnerships

In 2022, 25 licence agreements were signed for the commercial use of technologies from UCPH, including seven agreements with new spin-outs. In 2022, UCPH researchers registered 54 inventions and submitted 24 patent applications. Finally, UCPH entered into 222 partnership agreements with private companies in 2021.

UCPH Ventures

At the beginning of 2022, UCPH founded the limited company UCPH Ventures A/S. The company will co-invest in spin-outs established on the basis of inventions created by researchers employed by the University of Copenhagen. The aim is to support and demonstrate confidence in innovative researchers in the early stages of the spin-out process, where venture capital may be hard to come by. The company was founded in collaboration with the venture fund Eir Ventures based on a co-investment agreement. Eir Ventures is responsible for evaluating investment potentials, and UCPH Ventures will be able to co-invest in companies based on IP owned by UCPH.

Recruitment and careers

In 2022, 93 heads of research completed the Leading Research course. A total of 531 heads of research have completed the course since 2015. It is a hugely popular course, which participants describe as being career-boosting and both relevant and helpful.

Strategic initiative:

Academic staff career development

The UCPH promotion programme was implemented in 2022. Under the programme, particularly talented associate professors may be offered the possibility of entering a promotion programme and transitioning to professorships without advertisement, subject to a final assessment.

A total of 58 associate professors have entered the programme. 30 are women, and 28 are men. 43 are Danish, while 15 are international. When deciding who to admit to the promotion programme, UCPH applies the criteria for recognising the merit of professors as a key element. The associate professors must describe how they intend to fulfil each criterion. UCPH also focuses on the career development of young researchers. In 2022, UCPH prepared a guide aimed at supervisors of young researchers, presenting eight tips on how to support young researchers in their careers. There is clearly a demand for career guidance and support for young researchers. In 2022, 26 seminars and workshops on early career planning were held at UCPH.

Reporting for the Arnamagnæan Commission

In 2022, the Arnamagnæan Commission at UCPH received a Finance Act subsidy of DKK 4.5 million.

In 2022, the editorial team behind the Dictionary of Old Norse prose continued their work, while Bibliotheca Arnamagnæana worked on the Opuscula XX journal and several other ongoing publication projects. Work has gone into the three first planned publications for the new digital Editiones Arnamagnæanæ Electronicae series (collaboration between Iceland and Denmark), while the handrit.org website has been involved in the cataloguing of handwritten manuscripts.

In 2022, no government scholarships were awarded to Icelandic researchers. However, two Icelandic researchers spent a combined six months at the Department of Nordic Studies and Linguistics under government scholarships awarded during the COVID-19 lockdown.

Education

Key figures for the year on intake, student FTEs and ECTS credits

UCPH welcomed 6,504 students to its Bachelor's degree programmes (see Figure 2), while 5,724 were admitted to Master's degree programmes in 2022. The Bachelor's degree intake was down almost 7.8% compared to the year before, while the Master's degree intake decreased by 6.1%.

Guiding principles for education

In 2022, the University undertook an inclusive process aimed at establishing common guiding principles for the University's degree programmes. Students, lecturers, heads of programme and prospective employers contributed to the guiding principles through workshops, conferences and consultations. The purpose of the guiding principles is to create a common foundation and direction for the degree programmes of the future at UCPH.

The guiding principles focus in particular on: Student recruitment, degree programme structure, learning and well-being, as well as graduates and their working life. The guiding principles are intended to inspire and underpin the University's new strategy, which launches in 2024.

In 2023, UCPH will continue the work to make the initiatives more concrete, particularly as regards lifelong learning and learning communities.

The decreased intake to the Bachelor's degree programmes was expected following two years of exceptionally high intakes during the COVID-19 pandemic. The Master's degree intake was also at a high level in 2021. The lower intake in 2022 may therefore reflect a return to pre-COVID-19 intake patterns. Moreover, the unemployment-based resizing of a number of degree programmes has also impacted the number of student places offered.

2022 saw a slight decrease in study activity levels. In 2022, 27,380 student FTEs were realised at UCPH compared to 28,318 in 2021, corresponding to a 3% decrease. In 2021, full-time Bachelor's degree students earned an average of 48.3 ECTS credits compared to 47.5 in 2022. For Master's degree students, the average number of ECTS credits earned declined from 49.3 in 2021 to 46.9 in 2022. Graduate numbers were down 7.1% from 5,921 in 2021 to 5,503 in 2022. A probable explanation may be the reopening on 1 February 2022 after COVID-19, which means that students are again able to study abroad, take on student jobs etc.

Development of the UCPH programme portfolio

Two new degree programmes were pre-qualified in 2022: A Master's degree programme in Quantum Information Science and an academy programme for nature interpretation in theory and practice. In addition, three new degree programmes were approved in January 2023: a Bachelor's degree programme in Bioinformatics, an Erasmus Mundus Master's degree programme in Global Environment and Development and the transfer of the professional master's degree programme in science teaching from Aarhus University to UCPH. UCPH is also preparing to increase the intake to the dentistry degree programme by 20 students from autumn 2024.

Under the regionalisation agreement, UCPH must reduce the student intake in Copenhagen by 6% by 2030, corresponding to 929 student places. This will be achieved through the regionalisation of 180 student spaces, the transfer of 124 student places to Aarhus University and the abolition of 625 student places.

In close collaboration with Region Zealand, UCPH has started the establishment of a medical degree programme in Køge with expected intake from 2024 on the Bachelor's degree programme. Clinical Nutrition will no longer be

offered as an independent programme but will be integrated into the Human Nutrition programme as a specialisation. Moreover, the Integrated Food Studies programme and the Food, Innovation and Health programme will be merged.

In continuation of the regionalisation agreement, the Faculty of Humanities has reviewed the faculty's entire degree programme portfolio with the aim of strengthening the degree programmes' career-focused elements and profiles. These efforts will continue in 2023. Similarly, SCIENCE has launched a project aimed at identifying initiatives and guiding principles for the faculty's future educational landscape.

Strategic initiative:

"Education with closer ties to research and practice"

UCPH is engaged in a number of major strategic projects in the field of education.

Practice-integrating teaching activities

UCPH is continuing its efforts to offer students plenty of opportunities to work with innovation as part of their degree programmes, test their academic skills in practice and engage in cross-disciplinary collaboration. In 2022, UCPH devoted efforts to developing a common description of the integration of practice in teaching activities as a way of supporting continued development and contribute to strengthening the possibilities for students to work with practice-oriented elements.

Bridge-building to upper-secondary schools

In the course of 2022, UCPH held dialogue meetings with upper-secondary school students, established an advisory board consisting of upper-secondary school principals and initiated a number of pilot projects to test new ways in which UCPH may be able to support prospective students in basing their choice of degree programme on realistic expectations.

Pedagogical skills development

In 2022, UCPH analysed needs and planned new offers for lecturers as part of its efforts to follow up on pedagogical skills development. In spring 2022, approximately 200 lecturers participated in joint pedagogical courses. Joint requirements for the ongoing development of the pedagogical skills of lecturers came into force in March. In the autumn, new joint courses were developed for lecturers focusing on the teaching of first-year students and student-centred learning.

An inclusive study environment

UCPH is committed to offering the best possible conditions for student learning and has a strong and consistent focus on creating a good study environment and on student well-being. At the end of 2022, the Good Student Life project was concluded. Under seven sub-projects focusing on different dimensions of student well-being, the project has piloted a number of initiatives over the past two and a half years. Among other things, UCPH has developed an app to facilitate the formation of study groups based on student responses to a questionnaire, a pedagogical method and an algorithm. UCPH has also developed a universe of knowledge resources and tools designed to help students thrive at university and overcome any challenges they may encounter in student life.

Continuing education

Continuing education is expected to be a key element in the next UCPH strategy. In 2022, UCPH worked to build a new, interdisciplinary portal for the University's continuing education activities, the aim being to provide a complete overview and presentation of all that UCPH has to offer.

As part of Copenhagen Summer University, which is one of the University's joint continuing education initiatives, nine courses attracted a total of approx. 120 participants who reported high levels of satisfaction with the courses. As a member of the 4EU+ European University Alliance, UCPH has completed two international continuing education pilots in online and blended formats that have contributed new knowledge about the design and offering of continuing education courses for highly educated students on a European market.

Collaboration and societal commitment

Sustainability at UCPH

In 2022, UCPH's strategic focus was on a university-wide programme that will ensure the sustainable transition throughout the University. The initiatives cover research, education, societal commitment and UCPH as an institution. A sustainability secretariat has been established to coordinate key initiatives and support programme progress.

In 2022, inter-faculty research collaborations were developed under the auspices of both the Green Solutions Centre (GSC) and the Sustainability Science Centre (SSC). In addition, several subject-specific research networks received direct support from the sustainability programme. Several UCPH researchers are also involved in national and international public sector consultancy in the field of sustainability, e.g. under the auspices of the EU climate council, the Danish Council on Climate Change and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES).

There has been an increase in the number of courses containing sustainability elements, and the number of registrations for these courses increased from 8,565 in the 2019/2020 academic year to 10,304 in the 2020/2021 academic year. Data for the 2021/2022 academic year are not yet available.

UCPH has received a grant for the organisation of Transformation Labs in 2023. Transformation Labs is a new type of online meeting platform aimed at accelerating research that may contribute to sustainable and socio-ecological transformations. GSC and SSC are behind the initiative, which is being organised in collaboration with FutureEarth and UN representatives.

The reduction of the University's climate footprint will be achieved, among other things, through efforts aimed at optimising the use of buildings by all UCPH units, the repurposing of existing buildings and a substantial increase in the sharing of buildings and facilities. In 2022, UCPH established a successful sustainable laboratory initiative, which evolves around certification under the Lab Efficiency Assessment Framework (LEAF) programme. The efforts have resulted in improved management of freezer use and chemical waste. Upwards of 1,200 researchers and laboratory technicians have been LEAF-certified.

UCPH also focuses on sustainable maintenance and construction. In connection with decisions concerning major new construction and refurbishment projects, account is now taken of the climate footprints of such projects in a life-cycle perspective, and from 2023 annual climate accounts will be prepared. Moreover, resources have been earmarked for developing sustainable procurement and IT

initiatives, and there is also a focus on reducing the climate footprint of air travel.

Finally, UCPH has decided to roll out common waste-sorting solutions to the entire University that are aligned with the latest EU and national standards. In collaboration with user groups, it has been decided which types of waste should be sorted in office areas, labs etc.

Internationalisation

International student exchanges are back to pre-lockdown levels, with a slight increase in outgoing mobility. UCPH students are expressing a strong interest in a number of 4EU+ partners as well as the University of Sydney and the University of Edinburgh. 4EU+ remains committed to increasing staff and student mobility and increasing mobility options among the member institutions. Together with the University of Warsaw and the University of Milan, UCPH has developed the first 4EU+ joint Erasmus Mundus Master's degree programme in Global Environment and Development.

Over the past five years, UCPH has admitted approx. 1,000 international students a year to its Master's degree programmes. In 2022, the intake was 954. UCPH offers 54 English-language Master's degree programmes. The proportion of students from non-EU countries has been increasing, and in 2022 311 in this category were admitted, corresponding to 33% of international students compared to 28% in 2018. Moreover, UCPH is part of the national TalentDK project, which aims to increase the retention of international graduates, and internally the University is working on initiatives to strengthen knowledge of the Danish labour market among our international students with a view to easing their transition to the Danish job market. In 2023, TalentDK will be replaced by the Competencies for a Green Denmark project, which UCPH and the other Danish universities will also be participating in.

International collaboration

In October, UCPH hosted the 4EU+ Alliance's annual meeting, which was a three-day conference with 200 participants from the seven partner universities. At the annual meeting, UCPH took over the chairmanship up until November 2023. In 2022, UCPH also took over the co-leadership of two 4EU+ flagships. The flagships are at the

core of the alliance's development of joint programmes. In 2022, the development of the strategic institutional partnership between UCPH and the University of Edinburgh also gained momentum. Furthermore, in autumn 2022 a joint seed money pool was launched to support collaboration within the partnership.

One unified and focused university

Changes in management

On 1 January, Olivia Lønager Boesen, a student of Political Science, was replaced by Anne Sofie Traberg, who is studying Law, as student representative on the Board. The rector of Gefion Gymnasium, Birgitte Vedersø, was reappointed as an external member of the Board. Professor of law Kristian Cedervall Lauta joined the UCPH Rector's Office in June 2022 as Prorector of Education, replacing Professor of medicine Bente Merete Stallknecht, who took over as dean at the Faculty of Health and Medical Sciences.

Administrative reform

The university management is keen to further develop and improve the administrative support of the University's core tasks, while at the same time ensuring the most cost-effective management possible. The Rector's Office has therefore commissioned an analysis that sheds light on the potential financial gains from further optimising the UCPH administration and services.

Based on this analysis, in October the Board approved a proposal for a reform of the UCPH administration. The reform programme focuses on the quality and user orientation of the administrative support functions. At the same time, the idea is to release considerable financial resources, paving the way for increased investments in research, education, innovation and collaboration.

Recruitment policy and involvement

In 2022, a working group was appointed by the Board to draw up a proposal for a revised recruitment policy for managers with a view to strengthening the framework for recruitment to senior management positions at UCPH, including in particular head of department positions. The Board has decided that further work on the revision of the

recruitment policy for managers will be part of the administrative reform.

In 2022, UCPH continued its work to support involvement and co-determination at the University as a whole. In addition, the Board has appointed an advisory group to work on specific proposals. In 2023, the Board will consider a final proposal for implementation.

Equality and diversity

UCPH's efforts to strengthen talent development for all, regardless of gender and background, were strengthened in 2022. At the end of 2021, UCPH adopted an action plan for gender equality and diversity, which is designed to promote well-being and security across the university as well as an equal gender distribution. This will be achieved primarily through broad involvement of the entire organisation and the continuous enhancement of organisational knowledge among staff, managers and students, as well as better data and a better knowledge base for initiating further initiatives.

A number of the initiatives set out in the action plan were realised in 2022, including initiatives aimed to ensure that UCPH is a safe and secure place to work and study for all. In addition, new questions have been added to the UCPH workplace assessment to improve our knowledge of cases of offensive behaviour and the unequal treatment of staff. Moreover, webinars have been held for students, staff and managers on how UCPH as an organisation works to prevent discrimination and offensive behaviour.

Information and IT security

Information and IT security is a high priority at UCPH. In 2022, UCPH raised security levels and built up considerable competencies to mitigate threats and ensure compliance with IT security requirements. At the end of 2022, the technical security track transitioned from programme to normal operational and development status. Many UCPH staff have completed courses in IT security, and considerable efforts have gone into technical upgrades and raising awareness of phishing as well as improved data-sharing solutions. In mid-2022, the Danish National Audit Office (*Rigsrevisionen*) concluded that major improvements have been made in the area of information and IT security.

Follow-up visits to the universities are planned for 2023, and the results are expected to be ready in mid-2023.

Data protection

In 2022, a total of 56 personal data security breaches were registered at UCPH, of which 12 cases were reported to the Danish Data Protection Agency. None of these cases have given rise to criticism from the Danish Data Protection Agency.

In addition, efforts went into further developing the GDPR area in 2022. A number of recommendations have been prepared to strengthen our overall GDPR efforts in relation to organisation, joint initiatives, competencies, resources and tasks. Among other things, the plan is to establish a strong and joint consultancy function. The UCPH management will be considering the committee's recommendations at the beginning of 2023.

Physical facilities

UCPH has a large property portfolio, comprising a building stock of approx. 1,000,000 square metres (gross), distributed across four large campuses in Copenhagen and a number of other locations.

As part of the Central Administration, Campus Service is responsible for the administration, operation, servicing and development of all areas. UCPH is the facility manager of the entire building mass and also the developer of approx. 200 projects a year within the legal limit permitted.

Status of arbitration cases

An internal state arbitration case was concluded in 2022, while two arbitration cases are still pending between the Danish Building and Property Agency and UCPH. The case concerning rent adjustment under the state-owned property (SEA) scheme was concluded at the beginning of 2022. UCPH's claim was dismissed.

Due to the significantly increased price tag of the Maersk Tower, an arbitration case is being prepared. Expert surveyors have been called in to establish whether and to what extent liability has been incurred by the Building and Property Agency. If the case proceeds according to plan, the court hearing will probably take place at the end of 2023 or the beginning of 2024. The case concerning the

increased price of the Niels Bohr Building (NBB) is being prepared.

Status of major building projects

Natural History Museum of Denmark

With more than 452,000 visitors in 2022, the Natural History Museum of Denmark broke all previous visitor records. This places the museum in fifth place among the country's most visited museums in a report from Kulturmonitor. UCPH is looking forward to opening the new Natural History Museum of Denmark in the Botanical Garden to the public in 2025. In the new museum building, the Zoological Museum, the Geological Museum and the Botanical Museum will be combined into a new world-class museum.

The developer is the Danish Road Directorate, and construction is progressing according to plan. The project comprises the refurbishment of existing buildings and the construction of new buildings in roughly equal measure, covering 30,000 square metres in all. The high share of refurbishment work has a positive impact on the climate footprint of the project. Handover is expected to take place in 2024. Due to budget overruns, a supplementary agreement must be drawn up between the Danish building and Property Agency and UCPH, which is normal procedure for large construction projects under the SEA scheme.

The Niels Bohr Building

The Niels Bohr Building (NBB) project has exceeded the construction budget by approx. DKK 3.4 billion, and according to estimates by the Danish Road Directorate, the total construction cost will be approx. DKK 5 billion. On 17 January 2023, UCPH entered into an agreement with the Danish Building and Property Agency regarding the takeover of NBB. UCPH takes over the NBB office block (building section 2) with immediate effect, while the technically complex lab building (building section 1) will be taken over following satisfactory handover test results. UCPH is looking forward to taking over the entire NBB complex and the brand new and modern facilities for research, knowledge dissemination and education in a number of natural science disciplines.

Financial review

Results 2022

UCPH posted a loss for 2022 of DKK 235.6 million after financial items against a profit of DKK 326.9 million for 2021 and a budgeted loss for 2022 of DKK 276.5 million.

In 2022, UCPH's total revenues amounted to DKK 9,639.5 million, which represents an increase of DKK 252.5 million (current prices) compared to 2021, exclusive of financial income. Overall, revenues were higher than budgeted.

Government subsidies decreased by DKK 44.2 million to DKK 5,392.3 million, primarily as a result of a declining student intake, which reduces education income. In addition, there was a negative financial balance between incoming and outgoing mobility for student exchanges.

Other external funding increased by DKK 224.0 million to DKK 3,422.3 million, due mainly to an increase in revenues from grant-funded research activities.

Sales of goods and services rose by DKK 37.1 million to DKK 567.4 million.

Other revenues rose by DKK 35.7 million to DKK 257.6 million due to increased tuition fees, overpaid rent refunds for 2020 and 2021 as well as energy tax refunds.

UCPH's ordinary operating costs amounted to DKK 9,691.9 million in 2022, representing an increase of DKK 570.3 million compared to 2021, exclusive of financial expenses.

Staff expenses increased by DKK 194.7 million to DKK 5,898.2 million (current prices). The increase is attributable to net growth in total FTEs for both ordinary and grant-financed activities.

Rent rose by DKK 12.6 million to DKK 1,052.3 million. A slight rent reduction for 2022 relates primarily to the delayed handover of the Niels Bohr Building.

Depreciation, amortisation and impairment losses rose by DKK 29.8 million to DKK 187.9 million in connection with the commissioning of work in progress.

Other operating costs increased by DKK 326.4 million to 2,551.7 million, primarily due to a general increase in the costs of ordinary operations for repairs and maintenance, travel, entertainment, energy and the procurement of goods and services, for example as a result of the reopening of the University following the COVID-19 lockdowns. In 2022, significant provisions were also made for the cost of restoring leased premises. An increase in the operating costs associated with grant-funded research activities was also partly explained by the reopening of campuses.

Financial items were impacted by the huge negative returns generated by the stock market as a result of the war in Ukraine and the ensuing energy crisis, inflation and interest rate increases, resulting in net financial losses of DKK 183.2 million in 2022. In 2021, net financial gains of DKK 61.4 million were posted as a result of positive developments in the financial markets.

The results for the year are dominated by developments in the financial markets as well as the delayed handover of new buildings. In this light, the results for 2022 are considered to be satisfactory.

Proforma income statement

UCPH has implemented the standardised chart of accounts for educational institutions under the Ministry of Education and Science and presented the annual report in accordance with the common template. The reporting thus follows a new format and a new template, which is particularly evident in the income statement. For greater recognisability and transparency in relation to UCPH's budget for 2022 and the internal management information that has been provided so far, a proforma income statement has been prepared based on the categories used in UCPH's budget 2022 and internal governance.

Proforma income statement (DKKm)	2022	2021
Education	2,084.7	2,123.5
Research	3,060.7	3,039.2
External funding	3,747.8	3,519.6
Basic subsidies	287.4	305.0
Building-related revenues	68.3	63.9
Other revenues	390.6	335.9
Total revenues	9,639.5	9,387.0
Salaries – academic staff	3,496.6	3,336.2
Salaries – technical/administrative staff	2,376.7	2,284.5
Building operations	1,856.3	1,725.1
Other operating expenses	1,774.3	1,617.7
Depreciation and amortisation	187.9	158.1
Total ordinary operating expenses	9,691.9	9,121.5
Profit before financial income and expenses	-52.3	265.5
Financial income	47.3	62.0
Financial expenses	230.6	0.6
Net profit for the year	-235.6	326.9
<i>Proposed transfer of net profit for the year:</i>		
Retained earnings	-235.6	326.9
Total	-235.6	326.9

Equity

UCPH's equity consists of a technical part and a flexible part. The technical equity consists of an accounting portion covering accounting items and including debt instruments on buildings and the initial capital from when UCPH became a self-governing institution in 2005. The flexible part consists of profit/loss carried forward from previous financial years. Internally, UCPH's management needs to be able to use equity as a management tool that makes the University less vulnerable in times of significant changes in revenues and costs, for example in the form of the major future investments associated with the occupation of new buildings. Therefore, the management has defined 7.5% of revenues as an appropriate long-term flexible equity target.

UCPH's total equity was DKK 3,437.0 million at year-end 2022, up DKK 364.4 million compared to 2021. The increase is explained by the loss of DKK 235.6 million in 2022 combined with the addition of DKK 600 million in the form of a debt instruments in respect of the Natural History Museum of Denmark.

At year-end 2022, technical equity amounted to DKK 1,604 million, which represents an increase of DKK 600 million since 2021 relating to the Natural History Museum of Denmark. At the end of 2022, the flexible part of equity (savings) totalled DKK 1,833.4 million, corresponding to 19.0% of revenues. This represents a decrease of DKK 235.6 million since 2021 due to the results for the year. In the past couple of years and in an inclusive process, an analysis has been carried out of deviations between budget and realised figures, intended also to create transparency about savings at all levels of the organisation. The plan is for UCPH's equity, both centrally and at faculty level, to act as a financial buffer and help ensure a longer approach and softer landing when it comes to the challenges that UCPH will be facing in the coming years.

In 2022, UCPH's savings also helped to absorb the considerable losses generated by UCPH's capital management as a whole, without this resulting in any short-term instability and uncertainty.

Significant changes in fixed assets

Fixed assets total DKK 3,321.7 million, representing an increase of DKK 860.2 million compared to year-end 2021. The increase is primarily attributable to a debt instrument in the amount of DKK 600.0 million from the Danish Building and Property Agency in respect of the Natural History Museum of Denmark and a DKK 297.9 million increase in UCPH's share of the financing of the museum.

Events after the balance sheet date

In the opinion of the management, no events have occurred after the end of the financial year that may be of significance for the annual report for 2022.

Outlook for next year

Financial outlook

UCPH's total budget is expected to top DKK 9.9 billion in 2023, and according to the budget for 2023, the outlook is for a loss of DKK 411.5 million for the year. Losses are also

expected for the 2024-2026 period. The budgeted losses for 2023 onwards are explained, among other things, by increased building-related costs in the coming years. In addition, cutbacks are planned at the faculties to align with strategic priorities, pay for initiatives at the individual faculties and cover non-recurring costs associated with the fitting-out of the new buildings etc.

Financial risks

UCPH is potentially facing increasing building-related costs (both new buildings and maintenance of the existing building stock). Moreover, like the rest of society, UCPH is also affected by the uncertainty of the times and rising prices. UCPH is facing uncertainties on the cost side, and utility bills in particular are expected to go up, most notably electricity bills. UCPH's favourable fixed-price agreement expired on 31 December 2022. In the budget for 2023, an additional DKK 130 million has been allocated for utility bills (including DKK 100 million for electricity and DKK 30 million for district heating). From 2024, utility bills are expected to increase by an additional DKK 100 million or so a year. The situation is uncertain, and we are keeping a close eye on developments.

Due to the current political situation in Denmark, UCPH's funding situation remains uncertain. Because of the change of government, the Finance Act for 2023 has yet to be finalised. However, under the temporary funding act for 2023, the Rate-1 taximeter increase of approx. DKK 65-70 million a year for primarily humanities and social science programmes has been continued for 2023. It remains uncertain whether this will be made permanent after 2023.

Moreover, UCPH is looking at a decrease in education revenues in the period up until 2030 as a result of a declining student intake. Add to this the Danish government's proposed reform of university education involving the introduction of one-year Master's degree programmes and any financial implications of this idea. Finally, in collaboration with six other Danish universities, UCPH is in the start-up phase of acquiring and subsequently implementing a new study administration system (New SIS), for which funding will have to be earmarked.

Financial highlights of the University of Copenhagen

	2022	2021	2020	2019	2018
Income statement (DKKm)					
Government subsidies	5,392	5,437			
Other subsidies	3,422	3,198			
Sales of goods and services	567	530			
Other revenues	258	222			
<i>Total revenues</i>	9,640	9,387	9,052	9,073	8,908
Staff expenses	5,898	5,703			
Rent	1,052	1,040			
Depreciation, amortisation and impairment	188	158			
(Loss from the sale of buildings and impairment of buildings for sale)	2	(5)			
Other operating expenses	2,552	2,225			
<i>Total operating expenses</i>	9,692	9,122	8,845	8,858	8,636
Profit before financial items and extraordinary items	(52)	266	207	216	272
Net profit for the year	(236)	327	229	272	266
Balance sheet (DKKm)					
Fixed assets	3,322	2,462	2,246	2,181	1,924
Total assets	8,985	8,762	8,537	7,361	6,544
Equity	3,437	3,073	2,713	2,548	2,580
Non-current liabilities	230	250	233	214	228
Key ratios (%)					
Profit margin	(2,4)	3.5	2.5	3.0	3.0
<i>(Profit/loss for the year before extraordinary items / revenues before interest and extraordinary income)</i>					
Liquidity ratio	118.3	127.3	123.3	134.4	134.2
<i>(Current assets / short-term debt exclusive of ordinary holiday pay obligations)</i>					
Solvency ratio	38.3	35.1	31.8	34.6	34.8
<i>(Equity / total assets at year-end)</i>					
Financing rate	0.0	0.0	0.0	0.0	0.0
<i>(Long-term debt exclusive of frozen holiday pay and accrued donations / property, plant and equipment)</i>					
Debt ratio	0.0	0.0	0.0	0.0	0.0
<i>(Total long-term debt exclusive of accrued donations / revenues before extraordinary income)</i>					

	2022	2021	2020	2019	2018
Staff (full-time equivalents) ¹⁾					
Academic staff	5,381	5,311	5,047	4,841	4,856
Part-time Academic staff	428	474	422	445	462
Technical/administrative staff	4,255	4,197	4,106	4,119	4,030
Total staff full-time equivalents	10,063	9,982	9,574	9,405	9,348
Study activity – ordinary degree programmes					
Theory student FTEs ²⁾	27,119	28,027	27,087	26,899	26,887
Internship student FTEs ²⁾	262	291	281	328	561
Total student FTEs on ordinary degree programmes	27,380	28,318	27,368	27,227	27,448
Students					
No. of students admitted to professional Bachelor's degree programmes	143	165	168	128	127
No. of students on Bachelor's degree programmes	6,361	6,886	6,975	6,730	6,515
No. of students on Master's degree programmes	5,724	6,095	5,855	5,898	5,948
No. of students on corporate Master's degree programmes	11	17	16	8	9
Total no. of students on ordinary degree programmes ³⁾	36,569	36,987	37,588	37,364	38,390
Graduates					
No. of graduates from professional Bachelor's degree programmes	100	108	102	113	104
No. of graduates from Bachelor's degree programmes	4,459	4,890	4,645	4,566	4,367
No. of graduates from Master's degree programmes	5,503	5,921	5,010	5,746	5,172
No. of graduates from corporate Master's degree programmes	2	4	1	0	0
Study activity – part-time/open university programmes					
Tuition-paying students ⁴⁾	2,545	3,836	3,479	4,472	4,816
Student FTEs, part-time/open university programmes, higher education programmes ⁵⁾	595	612	606	695	748
No. of graduates from full programmes (professional master's, diploma)	155	95	158	125	174
Course activities and management (commercial) (DKKm)					
Course activities and management (commercial), revenues	11	14			
Internationalisation					
Outbound exchange students	1,352	641	1,675	2,287	2,244
Inbound exchange students	1,593	648	1,245	1,556	1,634
Total no. of international students on full programmes ⁶⁾	3,782	3,681	3,991	3,890	3,939
PhD programmes					
Total no. of PhD students enrolled	3,513	3,416	3,216	3,088	3,086
Total no. of new PhD students admitted	929	924	898	876	884
Total approved PhD dissertations	751	650	618	779	811

	2022	2021	2020	2019	2018
Research and knowledge dissemination					
Research publications ⁷⁾		14,298	13,389	13,103	12,933
Publications in accordance with BFI categories ⁷⁺⁸⁾		12,299	11,296	10,891	10,764
Registered patents	24	24	22	32	39
Registered inventions	54	65	57	81	78
Projects with businesses (private sources) ⁹⁾	3,023	2,793	2,690	2,750	2,199
External projects ⁹⁾	5,530	5,217	5,014	5,068	5,000
Financial scope of collaboration with businesses (DKKm)	2,009	1,830	1,720	1,565	1,388

Buildings

Total building space (gross area in sq m)	951,212	938,093	940,464	942,184	962,769
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- 1) One full-time equivalent is 1,924 hours. FTEs are calculated on the basis of the funding hours entered for the year.
- 2) For ordinary degree programmes, theory and internship student FTEs are stated as reported to the Agency for Higher Education and Science, both student FTEs included in grant calculations and FTEs with other "requisitioners". The activity is attributed to the year in which it has been reported. Post-reporting is attributable to the year concerned. The following student FTE production has been settled with the Ministry of Higher Education and Science and the Agency for Higher Education and Science: 26,951 in 2022, 27,817 in 2021. To this should be added tuition-paying international students etc.
- 3) Number of students enrolled on ordinary degree programmes as reported to Statistics Denmark.
- 4) Number of tuition-paying students as reported to the Ministry of Higher Education and Science and the Ministry of Children and Education. The figures are inclusive of post-reporting.
- 5) Number of student FTEs as reported to the ministry, inclusive of post-reporting.
- 6) 21.6% of international students are from the other Nordic countries.
- 7) Research and educational publications for 2021 will be reported at the end of 2022 due to a change of reporting schedule from the Ministry of Higher Education and Science. The figures for 2022 will be published in the 2023 Annual report.
- 8) Number of peer-reviewed research publications included in the BFI model: 1. Scientific monographs, 2. Scientific articles in journals, 3. Scientific articles in anthologies, 4. Doctoral dissertations.
- 9) Grants for externally financed research activities (DR50) from Danish private sources and foreign non-EU sources. Defined according to Universities Denmark's key ratio definitions.

Reporting

Reporting on strategic framework contract

Overall evaluation

This year, UCPH provides the first status on the new contract for the 2022-2025 period. Overall, the University is doing well on all the defined indicators, even though many initiatives are still only just starting up.

UCPH expects further positive momentum.

The University is working on many fronts to produce graduates with competencies that are relevant to the complex challenges facing society, while at the same time ensuring a good working life for our graduates with the possibility of contributing to and influencing society going forward.

A number of initiatives have also been launched to support student well-being.

UCPH's research is part of the absolute elite and attracted large external grants in 2022, other highlights being a Nobel Prize and our focus on developing sustainable green solutions with the Green Solutions Centre. UCPH also strengthened innovation with the opening of UCPH Light-house and the preparation of a new innovation strategy.

At the same time, UCPH is working to attract and develop strong profiles, among other things through the University's promotion programme and career development tracks for young researchers.

The six strategic goals

Goal 1

UCPH graduates possess future-oriented competencies for working with complex societal challenges, digitalisation within their core fields of expertise and in interdisciplinary contexts

Overall, progress in meeting this goal has been satisfactory.

In 2022, the University formulated fundamental values and a set of guiding principles for education, setting a common direction for the long-term development of our degree programmes.

In the past year, the University has taken important steps to boost the digital skills of our graduates. Our focus is on the digital skills of both students and lecturers, and we are also working with the digitalisation of the academic content of the degree programmes. Unemployment rates for UCPH graduates are declining.

The degree programmes are working with practice-oriented elements in various ways. We are pleased to see a small increase in the share of students doing academic internships and the share of students who work with external partners as part of their master's thesis.

Goal 2

UCPH degree programmes are of a high quality, with a high level of student well-being and clear ties between research and education

Overall, progress in meeting this goal has been satisfactory.

Research-based teaching and integration of research are fundamental to our degree programmes and the quality of education. The University has developed a typology for research-based teaching and the integration of research, which is incorporated into the quality assurance system for the degree programmes. There has been a slight increase in the academic staff/student ratio.

In 2022, UCPH had a strong focus on strengthening student well-being. Two digital knowledge universes of resources and tools about well-being and mental health have been created, aimed at students and lecturers, respectively. As regards student dropout rates, first-year dropout rates have improved. In addition, study activity levels are up by an average one hour per week. In 2022, activity levels were high surrounding the development of the pedagogical skills of lecturers, with a focus on experienced lecturers.

Goal 3

UCPH's research environments must be internationally leading, and based on deep academic insights, they must contribute to addressing complex societal issues

Overall, progress in meeting this goal has been satisfactory.

External funding is crucial for university researchers' possibilities for producing ground-breaking research. In autumn 2022, UCPH was among the European universities that

attracted the most ERC Starting Grants for talented early-career researchers. There has also been an increase in EU grants for UCPH.

The Green Solutions Centre supports the development of implementable sustainable green solutions. The Green Solutions Centre is a bottom-up initiative involving a substantial number of researchers from all UCPH faculties. The main activities are ideation meetings and Living Labs. UCPH has increased the number of research publications in the field of green solutions.

UCPH has also launched a comprehensive evaluation of the University's research as a whole.

Finally, Professor Morten Meldal was awarded the 2022 Nobel Prize in Chemistry.

Goal 4

UCPH wants to strengthen management focus on recruitment as well as talent and career development to allow all employees to realise their potential

Overall, progress in meeting this goal has been satisfactory.

In 2022, UCPH's focus on attracting and developing strong profiles centred around the implementation of the UCPH promotion programme. In 2022, 58 associate professors were admitted to the programme. Another talent and career development initiative is aimed at the University's early-career researchers. The University is working systematically to strengthen the career preparation of young researchers, offering a wide range of services directly targeted at early-career researchers.

UCPH'S efforts to strengthen talent development for everyone, regardless of gender and background, have been strengthened in the past year through the implementation of an action plan for gender equality and diversity.

Goal 5

UCPH delivers research-based and attractive continuing and further education and works with companies and other educational institutions in the field of education

Overall, progress in meeting this goal has been satisfactory.

The University wants its further and continuing education activities and contributions to lifelong learning to play a greater role in the future. In 2022, the University focused

on further developing its offerings of short courses and the organisation of and activities surrounding these courses, working with industry associations, companies and other stakeholders.

UCPH's ambition is to strengthen collaboration with and bridge-building efforts in relation to upper-secondary schools. In the course of 2022, UCPH held dialogue meetings with upper-secondary school teachers on the possibilities and need for collaboration on the development of teaching materials and other academic activities.

Goal 6

UCPH must strengthen the University's innovation capacity and serve as an attractive meeting place for students, lecturers, researchers and external partners

Overall, progress in meeting this goal has been satisfactory.

In 2022, UCPH prepared an innovation strategy for the University with three main focus areas: culture, collaboration and ecosystem. At the beginning of 2022 and as something of a novelty, the UCPH Tech Transfer Office established UCPH Ventures, a limited company founded by UCPH. The purpose of UCPH Ventures is to invest in spin-outs from the University's own research activities. UCPH saw a slight increase in the number of spin-outs in 2022.

In 2022, the University opened its doors to UCPH Lighthouse, the University's new innovation centre. The innovation centre has already become a natural meeting place for students, researchers and external partners wanting to work across academic disciplines. UCPH is generally seeing an increase in the number of active users of the UCPH innovation centre and hubs.

Financial statements

Accounting policies

Basis of preparation

The Annual Report has been prepared in accordance with the Danish State Accounting Act, Executive Order no. 116 of 19 February 2018 on state accounting etc., the Ministry of Finance's Financial Administrative Guidelines, Executive Order no. 778 of 7 August 2019 on the University Act, Executive Order no. 1957 of 15 October 2021 on university funding and accounts etc. and the Danish Agency for Higher Education and Science's guidelines for preparing annual reports, in the following collectively referred to as the state accounting rules.

The financial statements have been presented in DKK'000.

Common chart of accounts and allocation by function

Effective from 2021, UCPH has implemented the common chart of accounts for educational institutions under the Danish Ministry of Higher Education and Science in accordance with the Danish Agency for Higher Education and Science's classification and allocation guidelines.

For initial classification of costs that do not clearly relate to one main function, UCPH has used methods 1-3 from chapter 6 of the classification and allocation guidelines. The method adopted depends on the situation.

Method 1: Recording takes place by regularly allocating costs to the relevant functions, such as split classification by one or more functions.

Method 2: Recording takes place on one function, to be classified currently or subsequently, if expectations are that the primary portion of the cost relates to this function.

Method 3: Recording takes place on function #8 (temporary allocation function), to be classified currently or subsequently on the seven functions.

To allocate costs to main functions, UCPH has used the function allocation model and cost pools for payroll costs and operating expenses, respectively.

Co-production is used and allocated using the allocation key approach as stated in the classification and allocation guidelines. The allocation keys are based on basis time, full-time equivalent, payroll or an informed estimate.

The continued implementation of the common chart of accounts does not involve any changes in recognition or measurement, see 'Basis of preparation'.

Annual report template

The annual report is presented in accordance with the common annual report template for educational institutions under the Ministry of Higher Education and Science.

The comparative figures in 'Financial highlights' for the years prior to the implementation of the common annual report template (2020, 2019 and 2018) are only disclosed in summary.

The implementation of the annual report template has resulted in a few adjustments to comparative figures. These adjustments solely concern 2021, so the statement of financial highlights has not been adjusted for the years preceding 2021.

Exemptions

In its letter of 9 June 2021, the Danish Agency for Higher Education and Science granted the universities exemption from the common annual report template with respect to the presentation form of costs in the income statement to enable them to report costs in the income statement classified by nature.

This exemption involves that, in a note to the income statement (note 5), the universities must also present the institution's costs by function using the same principles as for the presentation form of costs in the income statement that is evident from the common annual report template and the accompanying 2022 classification and allocation guidelines.

UCPH and Aarhus University have in 2022 been granted exemption from recognising subsidies for education distributed from the Danish Finance Act as income in the year in which the funding is granted. Specifically, the exemption pertains to funding having been provided to increase the

intake on the study programme in orthodontics – a total of DKK 62.5 million in establishment funding from the Supplementary Appropriations Act for 2022 – being accrued and being recognised as income as and when such funding is used.

Special areas

Recognition and measurement in general (valuation)

The Financial Statements have been prepared on the basis of the historic cost convention.

Revenues are recognised in the income statement as earned. All expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates.

Assets and liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset and the liability will flow to and out of UCPH, and the value of the asset and the liability, respectively, can be measured reliably.

Recognition and measurement take into account predictable risks and losses occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Intercompany revenue between UCPH units and transfers between types of activities (i.e. sub-accounts) concerning intercompany revenue have been eliminated from the income statement.

Translation policies

For payments in foreign currencies, the exchange rates at the settlement date are applied. Receivables and liabilities at the balance sheet date are measured at the market value applicable at the date of transaction. Securities in foreign currencies are measured at fair value at the balance sheet date and hence the exchange rate at the balance sheet date.

Taxation

UCPH is not liable to pay taxes.

Income Statement

Revenues

Subsidies for basic research and education, which are distributed from the Danish Finance Act, are recognised as revenue in the year in which the funding is granted.

Subsidies to the University are granted as fixed subsidies, activity-related subsidies, performance-based subsidies and quality subsidies for education as well as fixed subsidies for research and other purposes. The size of the subsidies is determined by the annual Finance Acts.

Fixed subsidies for education are provided as basic subsidies, basic subsidies for decentralised educational programmes, compensation subsidies and other fixed subsidies for educational purposes.

UCPH also receives significant external funds in the form of grants and subsidies from external funding bodies. These funds are recognised as revenues as and when spent. Unused funds are recognised as a deferred income item in liabilities under 'Prepared restricted contributions'.

Revenues from forensic services provided are recognised at the time of delivery of the services. When UCPH carries the commercial risk regarding its customers, any surplus or deficit is recognised on an ongoing basis in UCPH's net profit.

For other customers, net results cannot affect UCPH's net profit. As a result, the accounting profit from forensic services is transferred to a deferred income item.

Revenues related to the veterinary emergency response task are recognised in the period to which they relate.

Revenues also include student fees from part-time programmes, sales activities, admission fees from museums, the subletting of premises and interest income. These are recognised as revenues in the period in which they occur.

Expenses

Expenses comprise all expenses associated with the year's activities.

In UCPH's financial statements, costs are broken down by staff costs, rent, impairment losses, amortisation and depreciation, loss on sale of buildings, land and tangible assets, and impairment losses on for-sale buildings, and other operating expenses. Depreciation/amortisation for the year is calculated on a straight-line basis over the expected useful lives of the assets.

Financial income and expenses

Financial income and expenses are recognised on the date of addition of bank interest in the case of on-demand deposits, whereas the interest on fixed-term deposits is accrued over the deposit's term to maturity.

Both realised and unrealised capital losses/gains and interest on cash, cash equivalents and securities under current assets are recognised in financial income or expenses on an ongoing basis.

Balance Sheet

Fixed assets

Fixed assets are measured at cost price. The cost prices comprise the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Fixed assets with an acquisition cost of less than DKK 100,000 are expensed in the year of acquisition. UCPH does not use bundling except in the case of large purpose-specific one-off investments, such as occupation of a new building, where investments in experimental equipment or more can be bundled.

If UCPH itself constructs a fixed asset, internally incurred payroll costs are included in the value of the asset if the total project costs for acquisition and development, including internal resource consumption, amount to DKK 15 million or more.

Intangible assets

Acquired concessions, patents, licences, etc.

Acquired concessions, patents and licences costing DKK 100,000 or more are included in the fixed assets register.

Development projects

Intangible development projects (for example mobile apps, IT development projects, patent development, etc.) costing

DKK 100,000 or more are included in the fixed assets register. Development projects are capitalised on an ongoing basis as intangible work in progress but not amortised until they are ready for use.

All direct costs associated with the realisation of development projects are included in the acquisition price. Joint costs and overhead costs are not included in the acquisition price. In the case of permanent impairment of the value, the necessary impairment losses are recognised in the income statement.

Amortisation of intangible assets is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Intangible assets	Useful life
Acquired concessions, licences etc.	
Licences etc.	3 years
Other acquired rights where useful life has been laid down contractually	Contract term
Development projects	
Development projects in progress – <i>are not amortised but transferred to completed development projects at commissioning</i>	–
Completed development projects – Special development of a system critical for the business	8 years
Completed development projects – Adjustment or new development of applications for an existing standard system	5 years
Completed development projects – Internally generated assets with rights as a result of a development project	The useful life of the right

Property, plant and equipment

Land and buildings

Land and buildings are measured at cost price on recognition. Buildings, greenhouses and leasehold improvements are measured at cost price on initial recognition and subse-

quently at cost price less accumulated depreciation. Assets are depreciated on a straight-line basis over their useful lives.

Scientific equipment, fixtures and fittings, tools and equipment

Fixed assets with an initial cost of DKK 100,000 or more are included in the fixed assets register.

Plant, machinery, IT equipment, vehicles and fixtures and fittings are measured at cost price less accumulated depreciation.

Depreciation of property, plant and equipment is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Property, plant and equipment	Useful life
Land	Not depreciated
Buildings	50 years
Ships	40 years
Greenhouses (laboratories)	30 years
Installations	10 years
Plant and other special technical equipment	15 years
Construction work in progress (plant under construction)	Not depreciated
Leasehold improvements	10 years
Plant and machinery	5 years
IT equipment	5 years
Vehicles	5 years
Fixtures and fittings	5 years

Subject to the specific assessment of individual assets, shorter useful lives than those listed above may be applied.

Contract work in progress

This item is mainly composed of construction work in progress in connection with leasehold improvements. Construction work in progress is not subject to depreciation until it is completed.

Fixed assets received as donations

When UCPH receives fixed assets as donations such as buildings, leasehold improvements, scientific equipment, machinery, IT equipment, vehicles and fixtures and fittings, the donated assets are recognised at estimated acquisition cost. Standard accounting policies apply to the depreciation of fixed assets received as donations.

Long-term and short-term donation liabilities, referred to as 'Accrued donations', are recognised as counter entries to the recognised values of the fixed assets received as donations. As the donated assets are depreciated, the donation liabilities are recognised as income in the income statement. Therefore, donated fixed assets do not affect profit for the year.

Works of art and collections

In accordance with state accounting rules, the value of works of art and collections are not recognised at any value in the Financial statements.

Fixed asset investments

Investments in subsidiaries

Investments in subsidiaries include investments in companies in which UCPH has control (equity interest exceeding 50%). Investments are measured at cost price less any write-down for impairment of a permanent nature.

Other investments

Other investments include investments in companies in which UCPH does not have control. Investments are measured at cost price less any write-down for impairment of a permanent nature.

Debt instruments received from the state

The item includes debt instruments received from the state in connection with the transfer of donated buildings under the state rent allowance scheme. The debt instruments are stated as a fixed asset investment and as a restricted equity reserve. If, at the balance sheet date, UCPH has not yet received a debt instrument, the amount which is transferred to the state is recognised under other receivables.

Long-term receivables

Representing the Danish state, the Building and Property Agency is responsible for the construction of the new Nat-

ural History Museum of Denmark. UCPH's share of the financing is treated as a long-term receivable in the form of prepaid rent, which will be expensed from the date of occupation and over the contract's period of interminability (30 years).

Deposits

Deposits comprise non-current rent deposits measured at cost price.

Current assets

Deposits

Deposits comprise the current portion of rent deposits and a few other deposits measured at cost price.

Trade receivables

Trade receivables etc. are measured at nominal value in the balance sheet less any write-downs for bad debts.

Write-downs for bad debts are calculated on the basis of an individual assessment of each receivable and recognised immediately in the income statement.

Receivables from grant activities in progress

UCPH regularly enters into agreements with businesses, public institutions and private organisations regarding research activities etc. These agreements determine which activities are paid for by the funding body concerned. To the extent that UCPH incurs expenses for activities that are funded by grants under these agreements, but where the grants have not yet been received, the amounts due to UCPH are recognised as receivables from grant activities in progress.

Write-downs for bad debts are calculated on the basis of an individual assessment of each receivable and recognised immediately in the income statement.

Furthermore, general provisions for bad debts are made on grant activities for which the amount spent exceeds the amount granted, based on a general simplified model using historic data and trends.

Prepayments, accrued and deferred income

Prepayments include expenses incurred in respect of subsequent financial years. Prepaid expenses include prepaid salaries etc.

Deferred income includes payments received in respect of income in subsequent years or instalments charged for subsequent years and prepaid subsidies from the state (appropriations from the Danish Finance Act).

Securities

Securities admitted for trading on an active regulated market and other short-term liquidity are measured at fair value at the balance sheet date. Securities comprise investment unit certificates the underlying assets of which are bonds and shares as well as direct placements in bonds (government, mortgage and corporate bonds). Value adjustments of these securities are made via the income statement.

Equity

The presentation of the statement of changes in equity is divided into technical and flexible equity, where technical equity is made up the initial capital as at 1 January 2005 with addition of the value of debt instruments relating to donated buildings included in the state property administration scheme, while flexible equity is made up of retained earnings.

Provisions

Provisions are recognised when – in consequence of an event occurring before or on the balance sheet date – UCPH has a legal or constructive obligation, and when it is also probable that economic benefits must be given up to settle the obligation, and that this can be measured reliably.

When a leased property is vacated, and UCPH is obliged to restore the premises as stipulated in the lease, the estimated provision is built up on a straight-line basis over a period of years to the effect that the restoration liability has been provided for in full at the expected time of termination of the lease.

Provisions for severance pay for fixed-term employees are accumulated over the duration of the fixed-term contracts of employment. The provisions are based on the contracts

concluded for fixed-term employment and constitute the full salary commitment that has been earned.

Liabilities

Liabilities are measured at amortised cost price, essentially corresponding to nominal value.

Holiday pay obligation

Holiday pay obligations are calculated on the basis of all paid holidays not yet taken which have been earned by the employees prior to the balance sheet date. The calculation is based on the standard government model under which the total holiday pay obligation is calculated on the basis of a specific number of accrued holidays per employee and the specific cost per accrued holiday day per employee – inclusive of employer's pension contribution.

The obligation is calculated on the basis of salaries to academic staff (VIP) and technical/administrative staff (TAP).

Prepaid restricted contributions

Contributions received concerning grant activities covering expenses not yet incurred are recognised as prepaid restricted contributions.

Contributions received are reduced regularly as and when income is recognised so that it equals the amount of expenses spent on grant-financed activities plus any overhead costs.

In connection with large construction projects UCPH often receives donations from foundations before construction work is carried out. Such donations are also recognised as prepaid restricted contributions until they are used either for operational and/or capital expenditure or paid to the Danish state against a debt instrument issued to UCPH. Fixed asset donations which are converted into debt instruments from the state are not recognised as income but as financial assets and equity.

Account with the Ministry of Higher Education and Science

The account with the Ministry of Higher Education and Science includes unused funds from public sector funds

for specially earmarked purposes and activities that are not carried out and not paid for until in subsequent financial years.

Cash Flow Statement

The cash flow statement shows the cash flows for the year broken down into operating activities, investing activities and financing activities, as well as how these cash flows have affected cash and cash equivalents for the year. The cash flow statement is prepared using the indirect method and is based on profit for the year.

Cash flows from acquisition and divestment of enterprises are shown separately in cash flows from investing activities.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss adjusted for non-cash operating items, e.g. depreciation, amortisation and impairment losses, provisions and changes in working capital, as well as interest received and interest paid and dividend received.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from the acquisition and disposal of intangible assets, property, plant and equipment, other long-term assets and securities not presented within cash and cash equivalents.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as increases in obligations from donations when additions of fixed assets are financed by external funding bodies.

Cash and cash equivalents

Cash and cash equivalents consist of deposits on demand. The value of securities presented as current assets is included in cash and cash equivalents in the cash flow statement.

Income statement

1 January - 31 December

		2022	2021
Note		DKK '000	DKK '000
1	Government subsidies	5,392,321	5,436,566
2	Other subsidies	3,422,253	3,198,230
3	Sales of goods and services	567,411	530,355
4	Other revenues	257,553	221,895
	Total revenues	9,639,537	9,387,046
	Staff expenses	5,898,162	5,703,413
	Rent	1,052,310	1,039,714
	Depreciation, amortisation and impairment	187,928	158,114
	Loss on sale of buildings, land and tangible assets and impairment of buildings for sale	1,776	(4,963)
	Other operating expenses	2,551,704	2,225,267
5	Total operating expenses	9,691,879	9,121,545
	Profit before financial income and expenses	(52,341)	265,502
6	Financial income	47,325	62,020
6	Financial expenses	230,563	585
	Net profit for the year	(235,580)	326,937

Balance sheet at 31 December

Assets

Note		2022 DKK '000	2021 DKK '000
7	Acquired concessions, patents, licences, software etc.	19,832	23,603
7	Completed development projects	38,830	48,066
	Intangible assets	58,662	71,669
8	Land and buildings	155,125	159,011
8	Work in progress at UCPH's own expense	75,874	241,385
8	Installations	725	813
8	Leasehold improvements	577,974	415,896
8	Transport equipment including vessels	5,645	4,477
8	Plant, machinery and equipment	401,346	411,748
8	IT equipment	128,055	136,863
8	Fixtures and fittings	8,351	8,554
	Property, plant and equipment	1,353,094	1,378,747
9	Investments in subsidiary companies	15,000	15,000
10	Other equity interests	25,650	25,650
11	Debt instruments from the state	1,360,279	760,279
12	Long-term receivables	448,423	150,519
13	Deposits	60,617	59,713
	Fixed asset investments	1,909,969	1,011,161
	Fixed assets	3,321,726	2,461,576
13	Deposits	240	4,190
14	Trade receivables	120,956	118,691
15	Receivables from grant activities in progress	764,880	758,307
16	Other receivables	652,919	1,073,999
17	Prepayments and accrued income	17,578	19,769
	Receivables	1,556,572	1,974,957
18	Securities	2,054,853	2,253,655
	Cash and cash equivalents	2,051,562	2,072,120
	Current assets	5,662,988	6,300,732
	Total assets	8,984,713	8,762,309

Balance sheet at 31 December

Equity and liabilities

	2022	2021
Note	DKK '000	DKK '000
Equity at 1 January 2005	243,273	243.273
Retained earnings	1,833,424	2.069.004
Other equity	1,360,279	760.279
Equity	3,436,976	3,072,556
19 Provisions	152,642	116,155
20 Accrued donations	229,716	250,355
Non-current liabilities	229,716	250,355
20 Current portion of accrued donations	119,510	120,810
Payroll liability	84,188	83,734
Holiday pay obligations	378,198	374,328
15 Prepaid restricted contributions	3,358,816	3,612,162
Account with Ministry of Higher Education and Science	62,500	0
21 Deferred income	509,672	506,696
Trade payables	569,123	438,662
22 Other short-term debt	83,373	186,851
Current liabilities	5,165,379	5,323,243
Liabilities	5,395,095	5,573,597
Total equity and liabilities	8,984,713	8,762,309

In connection with notes, the following is also stated:

- 23 Other liabilities
- 24 Contingent assets and liabilities

Statement of changes in equity

1 January - 31 December

Note	2022 DKK '000	2021 DKK '000
Equity at 1 January	3,072,556	2,712,874
Equity at 1 January 2005	243,273	243,273
Retained earnings		
Balance at 1 January	2,069,004	1,742,068
Change for the year	(235,580)	326,937
Retained earnings at 31 December	1,833,424	2,069,004
Other equity		
Balance at 1 January	760,279	727,533
Change for the year	600,000	32,746
Other equity at 31 December	1,360,279	760,279
<i>Of which debt instruments from the Danish state</i>		
Balance at 1 January	760,279	727,533
Change for the year	600,000	32,746
¹¹ Debt instruments from the state, year-end	1,360,279	760,279
Equity at 31 December	3,436,976	3,072,556

Division into technical and flexible equity

Technical equity consists of the initial capital at 1 January 2005 with the addition of the value of debt instruments from the state, while flexible equity is made up of retained earnings.

	2022 DKK '000	2021 DKK '000
Technical equity	1,603,552	1,003,552
Flexible equity	1,833,424	2,069,004
Equity at 31 December	3,436,976	3,072,556

Cash flow statement

1 January - 31 December

Note	2022 DKK '000	2021 DKK '000
Net profit for the year	(235,580)	326,937
Depreciation and impairment of fixed assets	187,928	158,114
Gains/losses on disposal of fixed assets	1,071	(4,963)
Reversal of items with no cash flow effect	188,998	153,151
Change in receivables, exclusive of receivables from activities in progress funded through grants	424,957	(251,918)
Change in grant activities in progress	(6,572)	(59,613)
Changes in provisions	36,486	3,703
Change in current liabilities exclusive of prepaid restricted contributions	96,784	(399,271)
Change in prepaid restricted contributions	(253,347)	244,841
Changes in operating activities	298,308	(462,259)
Cash flows from operating activities	251,726	17,829
Acquisition of intangible assets	(10,808)	(30,556)
Sales of intangible assets	0	0
Acquisition of property, plant and equipment	(276,088)	(380,475)
Sales of property, plant and equipment	705	6,077
Fixed asset investments	(298,808)	(15,000)
Cash flows from investing activities	(585,000)	(419,954)
Increase/decrease in committed donations	113,914	160,633
Cash flows from financing activities	113,914	160,633
Cash flows for the year	(219,360)	(241,493)
Cash and cash equivalents including securities at 1 January	4,325,776	4,567,269
Cash and cash equivalents including securities at 31 December	4,106,415	4,325,776
Change in cash and cash equivalents	(219,360)	(241,493)

Notes to Financial statements

1. Government subsidies

	2022	2021
	DKK '000	DKK '000
Education subsidies, full-time degree programmes	1,946,782	1,992,052
Education subsidies, part-time/ open university programmes	12,722	12,368
Education subsidies from Ministry of Children and Education	33,542	32,773
Grants for other purposes	268,154	269,293
Grants for research and development	3,060,729	3,039,161
Grants for research-based public-sector services	69,783	71,647
Special grants	608	19,273
Total	5,392,321	5,436,566

2. Other subsidies and grants

	2022	2021
	DKK '000	DKK '000
Research grants from Danish public sources etc.	904,313	852,360
Research grants from Danish private sources etc.	1,863,123	1,678,039
Research subsidies from the EU	403,573	413,674
Research grants from foreign sources etc.	145,915	151,790
Other grant-funded activities	105,329	102,367
Total	3,422,253	3,198,230

3. Sales of goods and services

	2022	2021
	DKK '000	DKK '000
Course activities and management (commercial)	10,606	13,780
Forensic medicine services	219,792	214,504
Other sales of goods and services	337,013	302,071
Total	567,411	530,355

4. Other revenues

	2022	2021
	DKK '000	DKK '000
Tuition fees, full-time degree programmes	54,279	45,849
Tuition fees, part-time/open university programmes	37,322	39,342
Rental of rooms and equipment	64,961	60,863
Sale of buildings, land and tangible assets	705	0
Boarding units and residence halls	3,296	3,019
Other revenues	96,990	72,823
Total	257,553	221,895

5. Operating expenses (by purpose)

	2022	2021
	DKK '000	DKK '000
Education	1,849,810	1,797,845
Research and development	4,293,222	3,913,317
Dissemination and knowledge exchange	215,231	186,931
Public-sector services, advisory service and other services	295,337	289,600
Boarding unit and residence halls	7,713	2,539
General joint expenses	1,010,155	1,028,167
Buildings and building operations	2,020,410	1,903,145
Total operating expenses	9,691,879	9,121,545

6. Financial items

	2022	2021
	DKK '000	DKK '000
Interest income and other financial income	47,325	25,652
Capital gains on securities	0	36,368
Total financial income	47,325	62,020
Interest expenses and other financial expenses	381	585
Capital losses on securities	230,182	0
Total financial expenses	230,563	585
Net financial income/expenses	(183,239)	61,435

7. Intangible assets

	Acquired concessions, patents, software, licences etc. DKK '000	Completed development projects DKK '000	Intangible assets Total DKK '000
Acquisition cost at 1 January	66,119	86,838	152,956
Additions during the year	9,811	997	10,808
Transferred to/from intangible development projects in progress		5,807	5,807
Disposals during the year	(1,029)	0	(1,029)
Acquisition cost at 31 December	74,901	93,642	168,542
Accumulated amortisation and impairment at 1 January	42,516	38,772	81,288
Amortisation and impairment for the year	13,417	16,040	29,457
Reversed amortisation and impairment	(864)	0	(864)
Accumulated amortisation and impairment at 31 December	55,068	54,812	109,880
Carrying amount at 31 December	19,832	38,830	58,662

8. Property, plant and equipment

DKK '000	Land and buildings	Work in progress at UCPH's own expense	Installations	Leasehold improve- ments	Transport equipment including vessels	Plant, machinery and equipment	IT equipment	Fixtures and fittings	Total property, plant and equipment
Acquisition cost at 1 January	202,963	241,385	889	806,594	31,075	1,928,755	324,135	31,891	3,567,687
Additions during the year	260	83,384	0	3,226	3,051	143,856	39,377	2,934	276,088
Transferred to work in progress at UCPH's own expense	0	(248,894)	0	243,087	0	0	0	0	(5,807)
Disposals during the year	0	0	0	(33,173)	(2,004)	(41,103)	(14,443)	(202)	(90,925)
Acquisition cost at 31 December	203,223	75,874	889	1,019,735	32,122	2,031,509	349,069	34,623	3,747,043
Accumulated depreciation and impairment at 1 January	43,952	0	76	390,698	26,597	1,517,007	187,272	23,338	2,188,940
Depreciation and impairment for the year	4,146	0	89	82,514	1,829	151,216	48,172	3,137	291,104
Reversed depreciation and impairment	0	0	0	(31,452)	(1,950)	(38,061)	(14,430)	(202)	(86,095)
Accumulated depreciation and impairment at 31 December	48,098	0	164	441,760	26,477	1,630,162	221,014	26,273	2,393,949
Carrying amount at 31 December	155,125	75,874	725	577,974	5,645	401,346	128,055	8,351	1,353,094
Valuation of land and buildings at 31 December at cost value	81,205								

9. Investments in subsidiary companies

Company	Legal basis for acquiring	Contributions in the financial year DKK '000	Accumulated contributions DKK '000	Carrying amount of investments DKK '000	Ownership interest in %
UCPH Venture A/S	Danish act on public-sector research institutions' commercial activities and collaboration with foundations, section 4	0	15,000	15,000	100

Company	Income in the financial year DKK '000	Expenses in the financial year DKK '000
UCPH Venture A/S	0	0

10. Other equity interests

Company	Legal basis for acquiring	Contributions in the financial year DKK '000	Accumulated contributions DKK '000	Carrying amount of investments DKK '000	Ownership interest in %
Symbion A/S	Document 60 of 8 November 1999 and Document 13 of 22 November 2011	0	25,644	25,644	27
VAR2 Pharmaceuticals ApS	Danish Act on inventions at public-sector research institutions, section 16(2)	0	6	6	6.4
Total			25,650	25,650	

11. Debt instruments from the state

	2022 DKK '000	2021 DKK '000
Debt instruments received from the state in connection with donation for construction projects under the Danish state rent allowance scheme situated:		
Rolighedsvej 23, DK-1958 Frederiksberg C (Geosciences and Natural Resource Management)	43,000	43,000
Ole Maaløes Vej 5, DK-2200 Copenhagen N (Lundbeck Auditorium at Biocentre)	23,509	23,509
Blegdamsvej 3, DK-2200 Copenhagen N (Protein Centre at Panum)	20,000	20,000
Maersk Tower in Panum complex, DK-2200 Copenhagen N	603,270	603,270
Karen Blixens Plads (University Square), South Campus	70,500	70,500
Natural History Museum of Denmark	600,000	0
Total	1,360,279	760,279

12. Long-term receivables

	2022 DKK '000	2021 DKK '000
Prepaid rent for the new Natural History Museum of Denmark	448,423	150,519
Total	448,423	150,519

UCPH's share of the funding of the new Natural History Museum of Denmark takes the form of prepaid rent, which will be expensed after UCPH's relocation to the new building, distributed over the period of non-terminability of the lease.

13. Deposits

	2022	2021
	DKK '000	DKK '000
Deposits concerning leased premises	60,617	63,783
<i>Of which recognised as fixed asset investments</i>	60,617	59,713
<i>Of which is recognised as current asset</i>	0	4,070
Other deposits	240	120
<i>Of which recognised as fixed asset investments</i>	0	0
<i>Of which is recognised as current asset</i>	240	120
Total	60,857	63,903

14. Trade receivables

	2022	2021
	DKK '000	DKK '000
Trade receivables etc.	122,356	120,091
Reserved for losses on sales of goods and services etc.	(1,400)	(1,400)
Total	120,956	118,691

15. Receivables from grant activities in progress and prepaid restricted contributions

	2022	2021
	DKK '000	DKK '000
Receivables from grant activities in progress	775,080	765,137
Provision for loss on grant activities in progress	(10,200)	(6,830)
Receivables from grant activities in progress	764,880	758,307
Prepaid restricted contributions	(3,358,816)	(3,012,162)
Unutilised donations for the Natural History Museum of Denmark	0	(600,000)
Prepaid restricted contributions	(3,358,816)	(3,612,162)

16. Other receivables

	2022	2021
	DKK '000	DKK '000
Prepaid to external project partners	522,838	367,894
Receivable from the state in connection with donation for the Natural History Museum of Denmark, in respect of which UCPH has not yet received a debt instrument from the government	0	575,722
VAT and energy taxes receivable	46,119	72,247
Others	83,962	58,136
Total	652,919	1,073,999

17. Prepayments and accrued income

	2022	2021
	DKK '000	DKK '000
Prepaid costs	8,913	10,944
Prepaid salaries	8,665	8,825
Total	17,578	19,769

18. Securities

	2022	2021
	DKK '000	DKK '000
Bonds	789,517	900,658
Other securities	1,265,337	1,352,998
Total	2,054,853	2,253,655

The item 'Other securities' covers certificates in investment funds primarily investing in Danish bonds, totalling DKK 975,751 thousand.

19. Provisions

	2022	2021
	DKK '000	DKK '000
Restoration of leased premises	111,320	75,099
Payroll-related provisions	9,064	14,599
Other provisions	32,257	26,457
Total	152,642	116,155

The provision for restoration of leased premises covers the costs of restoring leased premises upon vacation of the premises. UCPH sets aside DKK 1,500 per square metre distributed across the period of non-terminability or the expected lease period.

The provision for liabilities relating to fixed-term contracts is an estimated average based on an assessment of the terms of such fixed-term contracts as well as information about monthly salaries and length of service from the state payroll system. The provision equates to the maximum liability as UCPH expects most of the provisions for liabilities relating to fixed-term contracts will be paid out.

In item Other provisions comprises DKK 12,457 thousand (2021: DKK 17,457 thousand) relating to UCPH's unpaid share of the commitments given for capital injections to Housing Foundation Copenhagen.

20. Accrued donations

	2022	2021
	DKK '000	DKK '000
Cost at 1 January	1,517,919	1,441,837
Additions during the year	113,914	167,160
Disposals during the year	(36,620)	(91,079)
Cost at 31 December	1,595,213	1,517,919

Depreciation, amortisation and impairment at 1 January	1,146,754	1,087,395
Depreciation, amortisation and impairment for the year	132,633	137,691
Disposals during the year	(33,400)	(78,332)

Accumulated depreciation, amortisation and impairment at 31 December **1,245,986** **1,146,754**

Carrying amount at 31 December	349,226	371,165
Of which:		
Long-term (> 1 year)	229,716	250,355
Short-term (<1 år)	119,510	120,810
Total	349,226	371,165

21. Deferred income

	2022	2021
	DKK '000	DKK '000
Prepaid subsidy for the next financial year from the Ministry of Higher Education and Science	476,651	482,359
Prepaid subsidy for the next financial year from the Ministry of Children and Education	3,372	3,279
Prepaid income received	20,227	11,852
Settlement account for forensic medicine services	9,422	9,206
Total	509,672	506,696

22. Other short-term debt

	2022	2021
	DKK '000	DKK '000
VAT and taxes payable to the Danish tax authorities, and VAT payable to the Ministry	38,454	121,250
Social contributions payable (AUB, AER etc.)	17,700	15,696
Holiday pay for hourly paid staff and redundancies/dismissals	23,945	29,236
Deposits received regarding room rentals	610	863
Others	2,664	19,804
Total	83,373	186,851

23. Other liabilities

A total of 3,513 PhD students are enrolled at UCPH, of whom 46% are also employed at the University.

UCPH pays the students' salary for a three-year period, during which time the contracts in most cases are non-terminable by the University.

UCPH has entered into an agreement with Housing Foundation Copenhagen concerning the cover of losses resulting from vacancies. The agreement may be terminated subject to a notice of three semesters (18 months), and it is estimated that the cost of vacancies will amount to a maximum of DKK 20 million during such notice period.

UCPH has a small number of leases for office and transportation equipment taken out. The number of leases will be reduced continuously through self-financing.

24. Contingent assets and liabilities

Two arbitration cases against the Building and Property Agency are pending concerning rent payments related to delays and budget overruns on large building

projects. The UCPH management has stated that the amounts of rent charged are too high. The legal and financial outcome of the cases is subject to uncertainty.

Liability insurance for the Board and Management as well as professional and product liability insurance have been taken out.

UCPH has taken out independent insurance policies on its own buildings. UCPH is covered by the Danish Act on Workers' Compensation and the state's principles concerning self-insurance.

The University has a contingent liability towards public servant staff given notice. Public servants are entitled to up to three years' availability pay if they cannot be hired for other positions within the state.

At the end of 2022, UCPH employed a total of 40 public servants, involving a maximum liability of DKK 78.4 million.

There are no plans to employ additional staff with public servant status; therefore, this liability is expected to decrease in the coming years.

The University had not provided any bank guarantees of more than DKK 5 million towards third parties.

Technical specifications

Income and expenses by type of activity

	2022	2021	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000
General activities (DR10)				
Revenues	5,891,721	5,867,415	5,764,111	5,852,002
Expenses ¹⁾	(6,166,460)	(5,551,319)	(5,536,199)	(5,602,218)
Profit	(274,740)	316,097	227,913	249,783
Grant-funded research (DR50)				
Revenues	3,317,577	3,095,862	2,915,933	2,827,243
Expenses	(3,317,577)	(3,095,862)	(2,915,933)	(2,827,243)
Profit	0	0	0	0
Other subsidised activities (DR60)				
Revenues	105,329	102,367	80,466	90,942
Expenses	(105,329)	(102,367)	(80,466)	(90,942)
Profit	0	0	0	0
Commercial activities (DR30)				
Revenues	105,119	106,897	88,487	86,934
Expenses	(66,719)	(75,029)	(58,197)	(66,647)
Profit	38,400	31,868	30,290	20,287
Accumulated profit for commercial activities	229,160	190,760	158,892	128,602
Forensic medicine services (DR40)				
Revenues	219,792	214,504	202,685	216,298
Expenses	(219,033)	(212,607)	(213,473)	(199,617)
Profit	759	1,897	(10,788)	16,681

1) Net financials, including return on investments, are valued in cost.

Management remuneration

	2022	2021
	DKK '000	DKK '000
Board		
Number of external Board members	6	6
Remuneration paid to the Chairman	266	266
Total remuneration paid to other external members	440	444
Managers in general		
Number of manager FTEs	339	337
Total payroll costs for managers, including pension	306,867	297,589

The Board consists of a Chairman and ten members. In 2022, the externally elected Board members were three women and three men.

On 19 March 2013, the Board decided that the target for the six externally elected board members is to have a gender balance and, as a minimum, a 2:4 ratio. The target has thus been met.

Number of manager FTEs: Number of manager FTEs with staff management responsibilities with a salary level corresponding to salary grade 35 or above, including members of executive management.

Scholarships

	2022	2021
	DKK '000	DKK '000
Calculation at 31 December		
Total balance	200,458	150,389
Total intercompany account with the University	0	0

The University, or more precisely its employees, administers a combined scholar-

ship grant portfolio of DKK 200.5 million.

Danske Forvaltning and Ringkøbing Landbank manage the scholarship grant portfolio. The total number of scholarships within the portfolio is 50.

Students' political activities

	2022	2021
	DKK '000	DKK '000
Students' political activities	2,274	3,905
Other student activities	3,695	3,712
Total	5,969	7,617

Capital contributed to foundations, the main purpose of which is to establish housing close to the University

	Capital contributed in 2022	Accumulated contributions
	DKK '000	DKK '000
The Housing Foundation Copenhagen foundation	0	54,800
Total	0	54,800

Contributions comprise all contributions expensed in the income statement, including commitments where the amount has not been transferred to the foundation as at the balance sheet date.

UCPH has entered into an agreement with the foundation to cover rent loss due to vacancy. The agreement is subject to a three-year notice period, and has been included under Note 23 – Other liabilities.

The vacancy cover is regulated under the Finance Act and is therefore not included in this statement.

Administrative expenses for foundations and associations

In 2022, UCPH had no costs for the administration of foundations or associations, including corporate funds, under section 11(1) of the Danish Act on public-sector research institutions' commercial activities and collaboration with foundations.

Students from US Virgin Islands

Use of free places in the period 1 September 2021 to 31 August 2022

	No. of students enrolled on full or partial free places	No. of recipients of scholarships	Use of free places DKK	Funds used for scholarships DKK
Rate 1	0	0	-	-
Rate 2	0	0	-	-
Rate 3	1	1	0	64,071

The number of students shows the number of students with main enrolment in a programme under the three rates during the year. As student FTEs are reported for the period 1 September 2021 to 31 August 2022, this calculation is based on the same period.

Funds used for paying out scholarships

Year	Transferred from the Danish Agency for Higher Education and Research DKK	Profits transferred concerning international tuition-paying students DKK	Funds used during the financial year DKK	Result DKK
2021	530,155	-	-	530,155
2022	535,557	-	64,071	471,486

Funds for free places and scholarships at the universities

Use of free places in the period 1 September 2021 to 31 August 2022

	No. of students enrolled on full or partial free places	No. of recipients of scholarships	Use of free places DKK '000	Funds used for scholarships DKK '000
Rate 1	32	25	303	215
Rate 2	2	3	216	314
Rate 3	48	30	2,616	2,991

The number of students shows the number of students with main enrolment in a programme under the three rates during the year. As student FTEs are reported for the period 1 September 2021 to 31 August 2022, this calculation is based on the same period.

Funds used for paying out scholarships

Year	Transferred from the Danish Agency for Higher Education and Research DKK '000	Profits transferred concerning international tuition-paying students DKK '000	Funds used during the financial year DKK '000	Result DKK '000	Accumulated profit
2021	13,435	-	8,392	5,044	20,964
2022	13,544	-	6,656	6,887	27,851

Subsidies to the Arnamagnaean Commission

The Ministry for Higher Education and Science grants subsidies to the Arnamagnaean Commission.

Reporting of the Arnamagnaean Commission's financial statements for 2022 in DKK.

	DKK '000
Subsidies transferred from previous years	1,767
Subsidies for the year	4,550
Other income	20
Expenses for the year	(4,911)
Net profit for the year	(341)
Accumulated profits	1,426

Staff FTEs

	2022	2021
FTEs inclusive of staff employed on special social terms	10,143	10,075

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