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ANNUAL REPORT

23



JÖNKÖPING UNIVERSITY



ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

2023

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ADMINISTRATION REPORT

Stiftelsen Högskolan i Jönköping
Org nr 826001-7333

Unless indicated otherwise, all amounts are presented in thousands of SEK. Figures in parentheses refer to the previous year.

INFORMATION ABOUT THE OPERATIONS

BACKGROUND

Jönköping University Foundation was established on May 26, 1994 and the operations of the Foundation started on July 1, 1994.

THE PURPOSE OF THE FOUNDATION

The foundation is the sole owner of its subsidiaries, collectively referred to as "the University" to conduct education and research activities of an internationally high standard and to promote this within their respective fields of study. The foundation is to promote the efficient use of the resources of the University in the pursuit of the above objectives and to finance activities and projects which the Foundation considers to be of value to the University.

CONTRACT WITH THE SWEDISH STATE

The part of the education and research activities that are financed by the Swedish State are governed by a long-term framework agreement between the Swedish State and the Jönköping University Foundation. The contract runs for 15-year periods (the current contract term runs until June 30, 2039). This contract governs the mandate to provide higher education with courses and study programmes at the undergraduate level (first-cycle and second cycle) and doctoral level (third cycle) and research. In addition to this contract, the Foundation and the State have entered into an annual agreement for 2023 which governs the education and research provided by the University, the levels of government funding for these, along with the reporting requirements to the State and the forms these will take. See Note 2 for further details in relation to the contract with the State.

MANAGEMENT OF ASSETS

In 2023, the management of assets has been conducted in accordance with the policy, Investment Policy for the Management of Financial Securities at Jönköping University, which was adopted by the Jönköping University Foundation Governing Board on December 13, 2023.

The change in value, expressed as a time-weighted return, of the managed capital amounted to +8.1 % in 2023 (-8.1 %). The Foundation's performance objectives in terms of returns targets an average annual total return of at least 2% in real terms (2% above the trend in inflation expressed as CPI) over a five-year period, which has not been achieved due to the market's negative value development in combination with the development of inflation in 2023. The actual average return on the portfolio over the last five-year period is +6.2 %, while the target return is +6.4 %, which gives a deviation of -0.2 %.

As at 31 December 2023, the total value of the managed assets amounted to SEK 518,360 thousand (SEK 487,251 thousand).

RISKS AND RISK MANAGEMENT

Identified risks for the Foundation are primarily related to asset management, tuition fees for non-EU students, and the housing guarantee for international students.

The Foundation's capital investment policy provides a framework for managing the various types of financial risks and the exposure to risk in managing the assets. Financial risk is identified and mitigated via the Investment Policy for the Management of Financial Securities at Jönköping University, which is evaluated annually by the Foundation Governing Board. The most significant risk in the management of the assets is the market risk in the allocation of different asset classes. Limits exist for the maximum proportion in each asset class. The portion of the Foundation's investment portfolio at the end of the year that was exposed to financial markets amounted to SEK 502.7 million (SEK 484.4 million).

As at December 31, 2023, the split was 48.5 % (43.5 %) equity related investments and 27.9 % (28.5 %) fixed income assets and 20.7 % (27.7 %) alternative investments.

The allocation between asset classes according to the investment policy is 45 % equity-related assets, 30 % fixed income assets, and 25 % alternative investments.

The number of non-EU students paying tuition fees is an important source of revenue for the Group and this revenue varies from year to year. In addition to variations in the number of applicants, the number is affected by leave from studies for students dropping-out, withdrawals, decisions of public authorities, policy decisions and changes in the particular markets from which students are recruited. It is difficult to hedge against variations in the volume of non-EU students and a large reduction in the number of new third-country students in the short term would have a significant negative impact on the Group's financial results. In 2022, as in the previous year, there has been a continued reduction in the number of paying third-country students to Jönköping University, among other things because of unrest in Europe with the war in Ukraine.

Jönköping University has contractual obligations to property owners who provide residential accommodations to visiting international students. In the event of significant vacancies in the housing stock under lease, Jönköping University will incur costs.

FUNDING FROM THE FOUNDATION

During the fiscal year 2023 the Foundation has received SEK 629,925 thousand (SEK 633,371 thousand) in central government funding for educational activities and SEK 147,778 thousand (SEK 145,757 thousand) in central government funding for research (appropriation 2:63 and 2:65).

The Foundation has financed investments to the subsidiaries with the amount of SEK 26,518 thousand (SEK 23,769 thousand). Other examples of initiatives financed by the Foundation are the collaboration with Region Jönköping County within the Jönköping Academy and Science Park which supports students, researchers and employed staff to realize business ideas in the form of new companies. During the year, the Foundation continued to finance, among other things, a digitization project that began in 2020 with the development of a higher education centre (Educate) as well as the continued work of applying for a degree right for a dental education at Jönköping University.

INVESTMENTS

During 2023, investments worth SEK 29,454 thousand (SEK 15,088 thousand) were made within the Group.

SUSTAINABILITY REPORTING

Jönköping University's sustainability reporting is to be found on page 50-57 in the Swedish version of the annual report.

RECLAMATION OF VAT FROM KAMMARKOLLEGIET

In 2023, the Jönköping University Foundation has reclaimed SEK 101,445 thousand (SEK 94,555 thousand) in VAT from Kammarkollegiet (the Legal, Financial and Administrative Services Agency).

GROUP STRUCTURE

The Jönköping University Foundation owns all shares in Högskolan för lärande och kommunikation i Jönköping AB, Internationella Handelshögskolan i Jönköping AB, Tekniska Högskolan i Jönköping AB, Hälsohögskolan i Jönköping AB, Högskoleservice i Jönköping AB and Jönköping University Enterprise AB. According to the Foundation's Charter, the Foundation cannot divest itself of its shareholdings.

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The Foundation has issued capital adequacy guarantees to all subsidiaries.

The consolidated financial statement includes the Foundation and its six subsidiaries, as well as JIBS Executive Business School AB, which is a wholly owned subsidiary of Internationella Handelshögskolan i Jönköping AB/Jönköping International Business School (JIBS).

The Foundation owns 14.3% of the shares in Högskolefastigheter i Jönköping AB, which owns and manages the properties where the University's activities are conducted. The remaining 85.7% is owned by Jönköping Rådhus AB, with its registered office in Jönköping. The Foundation owns 17.2% of the shares in Spectria Invest Fond AB, a Jönköping-based venture capital company. The ownership share implies an investment commitment of a maximum of SEK 10,000 thousand of the fund's investments. In 2023, the Foundation's investment commitment has amounted to SEK 1,611 thousand (SEK 266 thousand).

CLOSELY RELATED ORGANISATIONS

The Jönköping University Foundation has the following affiliated organisations via Internationella Handelshögskolan i Jönköping AB, Högskolan för lärande och kommunikation AB and Hälsohögskolan i Jönköping:

- Aktiestinsens stiftelse för främjande av studenters entreprenörskap / Aktiestinsen Foundation for the Promotion of Student Entrepreneurship
- Aktiestinsens stiftelse för främjande av äldres aktivitet och hälsa / Aktiestinsen Foundation for the Promotion of Activity and Health of the Elderly
- Internationella Handelshögskolans i Jönköping Donationsstiftelse / Jönköping International Business School Donation Foundation
- Internationella Handelshögskolans i Jönköping Forskningsstiftelse / Jönköping International Business School Research Foundation
- Skaraseminariums Fond
- Stiftelsen Inger, Arne och Astrid Oscarssons donationsfond / The Inger, Arne and Astrid Oscarsson Foundation.

In addition, Jönköping Municipality and the Jönköping University Foundation are members of the Science Park Jönköping, a non-profit association.

UNIVERSITY TASKS

Jönköping University conducts education and research. By means of annual submissions to the Jönköping University Foundation Governing Board, the overall conditions and levels of government funding financed via the Foundation are proposed. The government funding consists of two parts, education and research.

For education, the Foundation Governing Board has set a maximum government funding for each school in proportion to an output target in terms of the revenues from the State generated to Jönköping University. Each school determines itself the courses it will offer, which will form the basis for facilitating the fulfilment of its remit. The range of courses is to contribute to the achievement of Jönköping University's objectives and strategies.

The direct government funding for research is allocated and redistributed according to a principal model introduced in 2009, which is largely based on the same principles as used by the Swedish State for allocation between institutions of higher education. Each school decides themselves how to allocate the funds from direct government funding within the framework of its remit and based on the University's objectives and strategies.

Jönköping University Enterprise AB primarily conducts tuition fee-funded education and Högskoleservice i Jönköping AB conducts support activities for other companies within the Group.

COMMENTS ON THE INCOME STATEMENT AND BALANCE SHEET

Jönköping University's consolidated results for the Group after financial items for the full year 2023 is SEK -3,054 thousand (SEK -33,463 thousand).

During the business year of 2023, the Foundation has received SEK 629,925 thousand (SEK 633,371 thousand) in government grants for education at basic and advanced levels, as well as SEK 147,778 thousand (SEK 145,757 thousand) in government grants for research and education at postgraduate level in accordance with the agreement for 2023 with the Swedish state on educational and research assignments. The revenue generated from tuition-paying non-EU students amounted to SEK 49,421 thousand (SEK 44,603 thousand).

In 2023, Jönköping University has had an underproduction amounting to SEK -1,412 thousand (SEK -18,387 thousand) including December performance for the previous financial year.

The outcome for the 2023 grant-funded basic education assignment, excluding December performance for the previous financial year, was 7 529 full-time equivalent students (7 488 HST) and 6 282 annual performance equivalents (6 150 HPR), which corresponds to a performance indicator of 83 % (82 %).

The group's revenue for contract education amounted to SEK 87,766 thousand (SEK 100,022 thousand).

Revenues related to externally financed research to SEK 157,773 thousand (SEK 140,723 thousand) for the Group. Activities are underway in all schools to increase the proportion of externally funded research.

Personnel costs amounted to SEK 792,528 thousand (SEK 783,264 thousand). The average number of full-time employees in 2023 was 818 (832).

The Group's net gains from financial activities amounted to SEK 26,918 thousand (SEK 7,648 thousand). The Group's net assets decreased during the year by SEK 17,445 thousand to SEK 307,468 thousand (SEK 324,913 thousand). During 2023, a change in accounting principles has been made, which means that the balance-sheet item Decided appropriations (not yet paid out) is now included under the balance-sheet item Other assets including the year's profit.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

During the year, the following changes took place in the Jönköping University Foundation Governing Board:

Åsa Thegström ended her appointment as a Governing Board member on 31 August 2023.

Anders Lysén ended his appointment as Governing Board member on 1 April 2023.

Johan Simonsson assumed the position as a member of the Governing Board as of 1 December 2023.

Jose Alvarado, President of Jönköping's Student Union assumed the position as a member of the Governing Board as of 1 July 2023 as a student representative and replaced former student representative Gina Vu.

Ingrid Olsson, Vice President of Jönköping's Student Union, assumed the position as a member of the Governing Board on 23 August 2023 as a student representative and replaced Jose Alvarado.

During the year, the following changes have taken place in the Foundation and its subsidiaries:

Johan Palsgård ended his employment as CEO of JUE on 30 September 2023 and was replaced by Eva Gipperth on 1 October 2023.

Jerker Moodysson ended his employment as CEO of JIBS on 31 July 2023 and was replaced by Johan Klaesson on 1 August 2023.

Marie Öhman ended her employment as CEO of HLK on 31 July 2023 and was replaced by Eva Björck on 1 August 2023.

Eva Björck ended her employment as CEO of HLK on

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31 October 2023 and was replaced by Thomas Winman on 1 November 2023.

Mats Jackson ended his service as Executive Vice President of JU on 30 September 2023 and was replaced by Salem Seifeddine on 1 October 2023.

It has been a troubled time in the world and an economically challenging year with uncertainties surrounding tuition-paying non-EU students as well as increased inflation and the negative development of the financial market. Significant events that affected Jönköping University's financial results in 2023 are primarily cost increases, in the form of, for example, increased premises costs, driven by the development of the interest rate market and increased inflation. The grants from the Swedish government have not increased to the same extent as the increased costs, which has led to that cost increases must be managed. These cost increases is therefore handled with corresponding savings by reducing costs in Jönköping University's operations.

WORK OF THE JÖNKÖPING UNIVERSITY FOUNDATION GOVERNING BOARD

The Jönköping University Foundation Governing Board is responsible for the affairs of the Foundation in accordance with the Swedish Foundation Act and the Foundation's Articles of Association. The board consists of eleven members, including one teacher representative, one student representative and the University President. Other members are appointed by the Swedish Government, which also appoints the Chair of the Foundation Governing Board. Procedure governing the work of the Foundation Governing Board is adopted annually. During 2023, the board held six meetings, where minutes were taken.

AUDIT

Jönköping University Foundation Governing Board has appointed Ernst and Young Global Limited (EY) as auditors for the Foundation and the Foundation Group. EY has carried out ongoing reviews and audits and has reported its observations to the board. The Foundation Governing Board has also appointed an Internal

Audit Committee that prepares the board's work in the area of internal audits. In 2023, the Foundation Governing Board decided on an internal audit plan regarding the review of the process for governance, decision-making and implementation within Jönköping University for strategies approved by the board, which is to be finalized in the spring of 2024.

FUTURE DEVELOPMENTS

The budget requirements for 2024 are challenging for Jönköping University. In the government's budget proposal for 2024, it appears that the state's expenses are to be reduced through a general saving and that the saving regarding the education and research grants means a reduction of 0.5% of the grants. The outlook for future costs development is that it will continue to increase, both regarding salary costs and rental costs. The imbalance between reduced grants and increased costs means that savings and cost reductions also need to be made to Jönköping University's operations in order to reach a balanced production.

During the year 2023, Jönköping University has had an underproduction amounting to SEK -1,412 thousand including December performance rate for the previous budget year. In order to reach a balanced production for Jönköping University in the year 2024, the performance rate or the number of full-time equivalent students relative to the year 2023 needs to be increased.

The income for tuition fee-paying students is expected to increase in 2024 relative to 2023. The externally financed business is also expected to continue to grow in 2024.

As part of the continued expansion of the educational offerings, Jönköping University plans to apply for examination rights in the field of dental education. In addition to this, Jönköping University is asking for increased government funding for education programmes from the Swedish State regarding civil engineers, 3-year dental hygienist training, master's training in clinical diagnostics as well as an investment in knowledge about lifelong learning at Encell, which is a national center for lifelong learning at JU.

MULTI-YEAR COMPARISON (SEK Thousand)

	2023	2022	2021	2020	2019
Consolidated					
Net revenue	1 099 489	1 083 480	1 072 075	998 284	994 498
Financial results after net financial items	-3 054	-33 464	21 513	5 226	-5 042
Balance sheet total	727 284	725 275	782 412	745 740	677 132
Full time equivalents	818	832	838	814	778
The Foundation					
Net revenue	810 223	820 777	825 910	761 881	707 105
Financial results after net financial items	-4 879	-29 498	29 555	3 425	2 188
Balance sheet total	581 896	593 475	640 731	581 301	550 165
Full time equivalents	6	11	10	7	5

GROUP INCOME STATEMENT (SEK Thousand)

	Note	2023	2022
Operating revenues			
Net revenue	3	1 099 488	1 083 480
Other operating revenues	4	39 164	39 803
		1 138 652	1 123 282
Operating expenses			
Costs of teaching and research activities		-135 991	-151 330
Other external cost	5, 6	-218 860	-208 376
Personnel salaries and benefits	7	-792 528	-783 264
Depreciation, amortisation and impairment tangible and intangible fixed assets		-21 244	-21 461
Miscellaneous other operating revenues		-	37
		-1 168 624	-1 164 393
OPERATING SURPLUS/DEFICIT		-29 972	-41 111
Financial Items			
Results from other securities and receivables that are fixed assets	9	12 293	-6 560
Interest income and similar income items	10	14 820	14 429
Interest expenses and similar expense items	11	-196	-222
		26 918	7 648
SURPLUS/DEFICIT AFTER NET FINANCIAL ITEMS		-3 054	-33 463
Tax for the year on taxable income	12	-313	-121
Deferred tax		-283	650
SURPLUS/DEFECIT FOR THE YEAR		-3 649	-32 933

GROUP BALANCE SHEET (SEK Thousand)

	Note	2023	2022
ASSETS			
Fixed assets			
Tangible fixed assets			
Buildings and land	13	3 558	3 271
Equipment, tools and installations	14	63 989	64 223
New construction in progress and advances on tangible fixed assets	15	8 189	32
		75 736	67 527
Financial assets			
Shares in group holding and other shares	16	15 941	14 330
Ownership in co-op housing		1 702	1 862
		17 643	16 192
		93 379	83 719
Current assets			
Short-term receivables			
Accounts receivable		18 923	23 522
Other receivables		20 278	13 447
Prepaid expenses and accrued revenue	17	54 516	50 703
		93 717	87 672
Short-term investments			
Miscellaneous other short-term investments	18	503 547	487 251
		503 547	487 251
Cash and cash equivalents	19	36 641	66 632
Total current assets		633 905	641 556
TOTAL ASSETS		727 284	725 275

GROUP BALANCE SHEET (SEK Thousand)

	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Foundation capital		53 058	53 058
Other equity incl. surplus/deficit for the year		254 410	271 855
		307 468	324 913
Provisions			
Provisions for deferred tax		3 571	3 288
		3 571	3 288
Current liabilities			
Accounts payable		56 028	63 035
Current tax liabilities		4 066	5 175
Other liabilities		33 318	33 595
Accrued expenses and deferred revenue	21, 22	322 833	295 268
Total current liabilities		416 245	397 074
TOTAL EQUITY AND LIABILITIES		727 284	725 275

GROUP CHANGE IN EQUITY (SEK Thousands)

	Restricted foundation capital	Unrestricted foundation capital	Retained surplus	Surplus/deficit for the year	Total
Amount at year-start	50 000	3 058	304 787	-32 933	324 912
Reversal of previous year's surplus/deficit			-32 933	32 933	-
Decided direct government funding (reversals)			-13 795		-13 795
Surplus/deficit for the year				-3 649	-3 649
Amount at year-end	50 000	3 058	258 059	-3 649	307 468

GROUP CASH FLOW STATEMENT (SEK Thousands)

Note	2023	2022
OPERATING ACTIVITIES		
Surplus/deficit after net financial items, SEK thousand	-3 054	-33 464
Adjustments for items not included in cash flow	8 506	2 924
Income taxes paid	-1 422	761
Cash flow from operating activities before changes in working capital	4 030	-29 779
CASH FLOW FROM CHANGES IN WORKING CAPITAL		
Capital gains from short-term investments	12 738	18 536
Change in accounts receivable	4 599	-2 897
Change in short-term receivables	-10 644	4 173
Change accounts payable	-7 007	-12 478
Change in current liabilities	27 287	-7 088
Cash flow from operating activities	31 003	-29 533
INVESTMENT ACTIVITIES		
Investment in tangible fixed assets	-29 453	-
Sale of tangible fixed assets	-	-15 088
Investment in financial assets	-1 451	-
Sale of financial fixed assets	-	16 925
Investment in short-term investments	-16 296	-
Cash flow from investment activities	-47 200	1 837
FINANCING ACTIVITIES		
Change in decided direct government funding	-13 795	-4 870
Cash flow from financing activities	-13 795	-4 870
Cash flow for the year	-29 992	-32 566
Cash and cash equivalents at the beginning of the year	66 632	99 198
Cash and cash equivalents at year-end	36 640	66 632

FOUNDATION'S INCOME STATEMENT (SEK Thousand)

	Note	2023	2022
Operating revenues			
Net revenue	3	810 223	820 777
Other operating revenues	4	83	348
		810 306	821 125
Operating expenses			
Compensation to subsidiaries		-785 571	-812 431
Contributions external collaborations		-5 816	-4 379
Other external costs	5, 6	-13 858	-9 210
Personnel salaries and benefits	7	-20 210	-20 616
		-825 455	-846 636
OPERATING SURPLUS/DEFICIT		-15 149	-25 511
Financial Items			
Profit from shares in group companies	8	-4 000	-7 822
Results from other securities and receivables that are fixed assets	9	9 653	-6 560
Interest income and similar income items	10	14 666	14 424
Interest expenses and similar expense	11	-10 049	-4 029
		10 270	-3 987
SURPLUS/DEFICIT AFTER NET FINANCIAL ITEMS		-4 879	-29 498
SURPLUS/DEFICIT FOR THE YEAR		-4 879	-29 498

FOUNDATION'S BALANCE SHEET (SEK Thousands)

	Note	2023	2022
ASSETS			
FIXED ASSETS			
Financial assets			
Shares in subsidiaries	23	24 221	24 221
Shares in group holdings and other	16	15 941	14 330
Ownership in co-op housing		1 640	1 640
		41 802	40 191
CURRENT ASSETS			
Short-term receivables			
Accounts receivable		10	18
Other receivables		683	18
Prepaid expenses and accrued revenue	17	–	206
		692	242
Short-term investments			
Miscellaneous other short-term investments	18	503 547	487 251
		503 547	487 251
Cash and cash equivalents	19	35 855	65 791
Total current assets		540 094	553 284
TOTAL ASSETS		581 896	593 475

FOUNDATION'S BALANCE SHEET (SEK Thousands)

	Note	2023	2022
EQUITY AND LIABILITIES			
Restricted equity (endowment capital)			
Restricted foundation capital		50 000	50 000
		50 000	50 000
Unrestricted equity			
Unrestricted foundation capital		3 058	3 058
Retained surplus		167 027	216 525
Surplus/deficit for the year		-4 879	-29 498
		165 206	190 085
Total equity		215 206	240 085
CURRENT LIABILITIES			
Accounts payable		1 076	4 832
Liabilities to group companies		290 686	277 040
Current tax liabilities		286	875
Other liabilities		499	15 072
Direct government funding decided (not yet disbursed)	20	44 971	38 766
Accrued expenses and deferred revenue	21, 22	29 170	16 804
		366 689	353 390
Total liabilities		366 689	353 390
TOTAL EQUITY AND LIABILITIES		581 896	593 475

FOUNDATION'S CHANGE IN EQUITY (SEK Thousands)

	Restricted foundation capital	Unrestricted foundation capital	Retained surplus	Surplus/deficit for the year	Total
Amount at year-start	50 000	3 058	216 525	-29 498	240 085
Reversal of the previous			-29 498	29 498	-
Decided direct government			-20 000		-20 000
Surplus/deficit for the year				-4 879	-4 879
Amount at year-end	50 000	3 058	167 027	-4 879	215 206

The Foundation's restricted equity (endowment capital) amounts to SEK 50,000,000. In accordance with the Foundation's Charter, this capital may not be appropriated/utilized for expenditures.

FOUNDATION'S CASH FLOW STATEMENT (SEK Thousands)

	Note	2023	2022
OPERATING ACTIVITIES			
Operating surplus/deficit after net financial items		-4 879	-29 498
Adjustment for non-cash flow items		-12 738	-18 534
Taxes paid		-589	–
Cash flow from operating activities change in working capital		-18 206	-48 032
CASH FLOW FROM CHANGE IN WORKING CAPITAL			
Capital gains from short-term investments		12 738	18 536
Change in accounts receivable		8	-18
Change in short-term receivables		-459	-42
Change in accounts payable		-3 756	2 440
Change in current liabilities		11 441	-15 330
Cash flow from operating activities		1 766	-42 446
INVESTMENT ACTIVITIES			
Investments made in other financial fixed assets		-1 611	14 747
Short-term investments		-16 296	–
Cash flow from investment activities		-17 907	14 747
FINANCING ACTIVITIES			
Change in decided direct government funding		-13 795	-4 870
Cash flow from financing activities		-13 795	-4 870
Cash flow of the year		-29 936	-32 569
Cash and cash equivalents at the beginning of the year		65 791	98 360
Cash and cash equivalents at year-end		35 855	65 791

NOTES

NOTE 1 – Accounting policies and valuation policies

GENERAL INFORMATION

The Statement of Financial Activities and Consolidated Financial Statement of Jönköping University Foundation have been prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 (K3). The accounting policies applied are unchanged compared to the previous year. The most important accounting and valuation policies used in the preparation of the financial statements are summarised below.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include subsidiaries in which the Foundation (parent organisation) directly or indirectly holds more than 50% of the voting rights.

The consolidated financial statements have been prepared under the acquisition method, which means that the net assets of the subsidiaries at the time of acquisition, determined as the difference between the fair values of assets and liabilities, is eliminated in its entirety. The Group's consolidated net equity thus includes only that part of the subsidiaries' net equity which has arisen since the acquisition.

FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are valued at the exchange rate prevailing at the close of the reporting period. Transactions in foreign currencies are translated at the spot rate on the date of the transaction.

REVENUES

Revenue has been recognised at the fair value of what has been received or will be received.

PROJECT ACCOUNTING WITHIN CONTRACT EDUCATION AND RESEARCH ACTIVITIES

In projects, revenue is recognised as the work is performed, known as progress to completion accounting. When the outcome of a project can be measured reliably, revenue and expenses are recognised according to the stage of completion of the contractual activities at the close of the reporting period. Revenue is measured at the fair value of the consideration received or receivable in relation to the stage of completion.

When the outcome of a project cannot be measured reliably, revenue is recognised only to the extent that costs have been incurred. Project costs are recognised in the period in which they are incurred. The stage of completion is calculated as the costs incurred as per the close of the reporting period in relation to the total estimated costs of completing the project.

When it is probable that total project costs will exceed total project revenue, the expected loss is recognised immediately in the Statement of Financial Activities.

INCOME TAXES

The total tax for the company for the year consists of current taxes and deferred taxes. Current taxes are the taxes calculated on the taxable net income for the period.

Deferred taxes are calculated on the basis of temporary differences between the carrying amounts and tax bases of assets, liabilities and provisions.

FIXED ASSETS – PROPERTY, PLANT AND EQUIPMENT

Intangible assets and tangible fixed assets are stated at cost less accumulated depreciation according to plan and any impairment losses.

Depreciation is calculated on a straight-line basis over the expected useful life, taking significant residual values into account. The following estimated useful lives are applied:

DEPRECIATION PERIODS

Computer equipment	3 years
Networks	3 years
Furniture and fixtures/fittings	5-10 years
Laboratory and scientific equipment	10 years
Expenditures for improvements on property owned by others	3-20 years (according to the lease agreement)

Scheduled depreciation from the month of acquisition is applied to purchases exceeding one-half a price basic amount per item.

LEASES

All leases where the Group's individual companies are lessees are recognised as operating leases (rental agreements). Rent paid pursuant to a lease agreement is recognised as an expense on a straight-line basis.

FINANCIAL SECURITIES AND SHORT-TERM INVESTMENTS

The Group's financial securities portfolios include both equity-related financial instruments and fixed income instruments. All financial securities carried at the lower of acquisition cost or market value in accordance with the lower of cost or market principle. For valuation purposes, this principle is applied to the equity portfolio as a whole and the fixed income portfolio as a whole, which means that within the respective portfolios unrealised losses are offset against unrealised gains.

CASH AND CASH EQUIVALENTS

In addition to cash on deposit in banks, cash and cash equivalents belonging to asset management are reported as liquid assets.

EQUITY

A change in accounting principles has been made, which means that the balance-sheet item Direct government funding decided (not yet disbursed) is now included under the balance-sheet item Other equity incl. surplus/deficit for the year. This means that the item short-term liabilities decreases by SEK 44,971 (38,967) thousand and equity increases by the corresponding amount. There is no impact on the balance sheet total. This gives a fairer picture of the Group's equity because approved grants are only an internal commitment from the Foundation to its subsidiaries.

DEBT

Debt are initially recognised at acquisition cost less transaction costs. If the amount recognised differs from the amount to be repaid at maturity/when due, the difference is recognised as a financial expense over the period of the debt. As a result, the amount recognised and the amount to be repaid match.

PROVISIONS

Provisions are recognised when there is a legal or constructive obligation as a result of a past event and it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be measured reliably.

CASH FLOW STATEMENT

The Cash Flow Statement is prepared using a combination of direct and indirect methods. The reported cash flow includes only transactions involving receipts of funds or payments

NOTES

NOTE 2 – Revenue from undergraduate educational programmes

TABLE 1. PRESENTATION OF THE NUMBER OF STUDENTS (FULL-TIME EQUIVALENT, HST) AND ANNUAL PERFORMANCE EQUIVALENTS (HPR), REGULAR EDUCATIONAL ASSIGNMENTS

	OUTCOME			COMPANSATION (TSEK)		Total ²
	HST LLL ¹	HST ¹	HPR ¹	HST	HPR	
Arts and Humanities	4	346	240	12 009	5 365	17 374
Law	3	75	69	2 666	1 535	4 201
Social Sciences	80	2 374	2 026	84 104	45 239	129 344
Natural Sciences	28	535	404	32 892	19 914	52 806
Engineering	8	1 775	1 526	104 187	75 195	179 382
Social Care	19	977	903	61 864	48 582	110 446
Medicine	1	398	318	27 673	26 812	54 485
Teacher Training	14	704	617	29 910	26 939	56 849
Internships/teacher	–	137	127	8 090	7 263	15 354
Other	–	52	53	2 449	2 035	4 484
Total	156	7 373	6 282	365 844	258 881	624 724

Total number of full-time equivalents (HST) equals 7 529 HST.

Maximum amount (SEK thousand) ³ 629 208

The accounts show that the University will exceed the maximum by (SEK thousand) -4 484

¹ Excluding education for other higher education institutions, commissioned education, special education for teachers in professional subjects, special teachers and projects for incoming academic teachers and fee-paying students.

² Includes 6 487 TSEK in revenues from Lifelong Learning (156 HST and 90 HPR).

³ Where of 13 799 TSEK is attributable to The Recovery Resilience Facility (RRF).

TABLE 2. CALCULATION OF UNUSED GOVERNMENT FUNDING AND OVERPRODUCTION (TSEK)**A. Funds available (including supplementary approved funding)**

Maximum amount for the year	629 208
+ Any opening unused government funding	–
Total (A)	629 208

B. Total financial results for first-cycle and second cycle courses and study programmes

Compensation for HPR from December of the previous financial year	3 072
Results of total compensation as shown in Table 1	624 724
+ Funds for short courses and lifelong learning	–
+ Any opening overproduction	15 772
Total (B)	643 568

Total (A-B) ² -14 360

Table. Unused government funding

Total closing unused government funding (A-B)	
- Any unused government funding in excess of 10 % of the maximum ³	–
Closing unused government funding	0

Table. Overproduction

Total closing overproduction	14 360
- Any overproduction above 15 % of the maximum ³	–
Closing overproduction	14 360

¹ Annual performance equivalent.

² Positive amounts are added to the table of unused government funding below. Negative amounts are added to the table of overproduction below.

³ The part of the unused maximum amount or overproduction (higher output of annual performance equivalents than planned) that the university may not keep without the approval by the Government.

NOTES

NOTE 3 – Breakdown of net revenues

The breakdown of net revenues is as follows:

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
Direct governmental fundings	780 067	779 128	777 703	779 128
Internal revenues	–	–	30 241	36 690
External revenues	319 423	304 352	2 280	4 960
Total	1 099 489	1 083 480	810 224	820 778

Of the Foundation's net revenues amounting to SEK 810 224 thousand (820 778 thousand), SEK 807 944 thousand (812 431 thousand) or 99 % (99 %) is allocated to the subsidiaries in accordance with the education and scientific/scholarly research mandates established by the Foundation Governing Board.

NOTE 4 – Other operating revenues

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
Transition support	1	-29	–	–
Rental income	30 566	30 808	–	–
Other revenues	8 597	9 025	–	–
Total	39 164	39 803	–	–

NOTE 5 – Auditor's fees

The Auditor's engagement refers to the audit of the annual financial statements and accounts along with the Jönköping University Foundation Governing Board's management, other tasks and responsibilities to be carried out by the company's auditor and advice or other assistance resulting from observations made during such audit or performance of such other tasks.

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
ERNST & YOUNG AB				
Auditing assignment	-1 099	-641	-610	-206
Auditing activities other than the auditing	-172	-76	–	–
Total	-1 271	-717	-610	-206

NOTES

NOTE 6 – Lease agreements

Future minimum lease payments payable in respect of non-cancellable leases	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
RENTAL/LEASE AGREEMENTS				
Payments due within one year	-131 118	-118 051	-	-
Due later than one but within 5 years	-545 427	-127 938	-	-
Payment due later than 5 years	-1 415 707	-86 570	-	-
	-2 092 252	-332 559	0	0
Rental fees expensed during the period	-120 719	-109 497	-97	-91
	-120 719	-109 497	-97	-91

The leases shown relate to external premises outside the Foundation Group.
The subsidiary Högskoleservice i Jönköping AB is the contractual partner for the rental of university premises.

OTHER LEASE AGREEMENTS

Future minimum lease payments payable in respect of non-cancellable leases				
Due later than one but within 5 years	-175	-389	-91	-
Payment due later than 5 years	-173	-229	-137	-
	-349	-618	-228	0
Lease payments expensed during the period	-486	-393	-46	-79
	-486	-393	-46	-79

“Other leases” relate to motor vehicles.

NOTES

NOTE 7 – Salaries, other employment benefits and costs for social insurance contributions

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
NUMBER OF EMPLOYEES (ANNUALISED AVERAGE - FTES STAFF)				
Men	363	372	1	4
Women	455	460	5	7
	818	832	6	11
SALARIES AND OTHER EMPLOYMENT COMPENSATION				
Board of Directors and CEO	-9 538	-7 734	-4 317	-2 314
Other employees	-488 041	-489 689	-4 969	-8 467
	-497 579	-497 423	-9 286	-10 781
COSTS FOR SOCIAL INSURANCE CONTRIBUTIONS				
Pension costs for the Board of Directors and CEO	-9 322	-5 520	-5 504	-1 720
Pension costs for other employees	-120 298	-116 053	-3 125	-5 044
Other statutory and contractual social insurance contributions	-156 336	-155 058	-2 850	-3 159
	-285 956	-276 631	-11 479	-9 923
	-783 535	-774 054	-20 765	-20 704
TOTAL SALARIES, OTHER EMPLOYMENT BENEFITS, AND COSTS FOR SOCIAL INSURANCE CONTRIBUTIONS AND PENSIONS				
GENDER DISTRIBUTION ON THE FOUNDATION GOVERNING BOARD AND IN MANAGEMENT				
Proportion of men on the Board of Directors and CEO	32%	43%	40%	36%
Proportion of women on the Board of Directors and CEO	68%	57%	60%	64%
Proportion of men among others in leading management roles	37%	35%	33%	50%
Proportion of women among other in leading management roles	63%	65%	67%	50%
PENSION OBLIGATIONS AND SEVERANCE PAY				
There are no pension obligations other than premiums that are recognised as an expense when paid. Within the Group there are the following agreements on severance pay in the event of dismissal by the company:				
Stiftelsen Högskolan i Jönköping / Jönköping University Foundation				
The university president has a reinstatement period of the equivalent of 18 months after the president's employment has continued after six years. The university director has an agreement for a notice period equivalent to 6 months upon resignation. In the event that the employer terminates the university director's employment, the employee is then entitled to 6 months' notice with retained salary and, in addition, a pensionable severance pay equivalent to 12 months' salary.				
Subsidiaries				
For all CEOs in subsidiaries, there is a reciprocal notice period of CEO employment/appointment equivalent to 6 months. In cases where the CEO has a professorship as their basic employment, then his has a reinstatement period of the equivalent of 4 to 12 months after the CEO appointment has ended.				

NOTE 8 – Results from shares in group companies

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
Write-downs	-	-	-4 000	-7 822
Total			-4 000	-7 822

NOTES

NOTE 9 – Results from other securities and receivables that are fixed assets

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
Results on divestments	-1 360	4 453	-1 360	4 453
Value adjustment short-term investments	11 013	-11 013	11 013	-11 013
Results from the sale of apartment buildings	2 640	–	–	–
Total	12 293	-6 560	9 653	-6 560

NOTE 10 – Interest income and similar items

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
Dividends	10 521	10 709	10 521	10 709
Interest income from Group	–	–	15	7
Other interest income	4 300	3 720	4 131	3 708
Total	14 820	14 429	14 667	14 424

NOTE 11 – Interest expenses and similar expense items

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
Interest expense to Group companies	–	–	-9 954	-3 905
Other interest expenses	-196	-222	-95	-123
Total	-196	-222	-10 049	-4 028

NOTE 12 – Tax on profit for the year

	CONSOLIDATED		FOUNDATION	
	2023	2022	2023	2022
Current tax	-313	-121	–	–
Change in deferred tax	-283	650	–	–
Total	-596	529		

The Foundation is tax-exempt and therefore the above specification refers to tax effects in the subsidiaries.

NOTE 13 – Buildings and land

	CONSOLIDATED		FOUNDATION	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Refers to expenditures for improvements on property owned by others				
Opening acquisition cost	8 407	8 201	–	–
Purchases	533	206	–	–
Closing accumulated acquisition cost	8 940	8 407	0	0
Opening depreciation	-5 136	-4 908	–	–
Depreciation for the year	-247	-227	–	–
Closing accumulated depreciation	-5 382	-5 136	0	0
Closing book value	3 558	3 271	0	0

NOTES

NOTE 14 – Equipment, tools and installations

CONSOLIDATED	CONSOLIDATED		FOUNDATION	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening acquisition cost	429 643	413 829	–	–
Purchases	20 731	14 850	–	–
Sales/disposals	-157 679	0	–	–
Reclassifications	32	964	–	–
Closing accumulated acquisition cost	292 727	429 643	0	0
Opening depreciation	-365 420	-344 186	–	–
Sales/disposals	157 679	0	–	–
Depreciation for the year	-20 998	-21 234	–	–
Closing accumulated depreciation	-228 739	-365 420	0	0
Closing book value	63 989	64 223	0	0

NOTE 15 – New construction in progress and advances on tangible goods

	CONSOLIDATED		FOUNDATION	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening acquisition cost	32	964	–	–
Purchases	8 190	32	–	–
Reclassifications	-32	-964	–	–
Closing accumulated acquisition cost	8 190	32	0	0
Closing book value	8 190	32	0	0

NOTE 16 – Itemisation of ownership units in affiliated companies and other equity shares

FOUNDATION				
Name	Share of capital %	Number of shares	Book value	
Högskolefastigheter i Jönköping AB	14,3 %	1 000	10 000	
Spectria Invest Fond AB	17,2 %	12 500	5 941	
Total			15 941	
	Company reg. no.	Registered office	Equity	Surplus/defecit for the year
Högskolefastigheter i Jönköping AB	556284-1089	Jönköping	95 961	446
Spectria Invest Fond AB	559141-3959	Jönköping	10 131	16

The amounts relating to net assets and the surplus above relate to 2022-12-31.

NOTE 17 – Prepaid expenses and accrued income

	CONSOLIDATED		FOUNDATION	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Other interim receivables	3 423	2 894	–	206
Ongoing projects dup in progress	26 520	23 077	–	–
Other prepaid expenses	1 681	2 991	–	–
Prepaid rents	15 143	14 009	–	–
Prepaid subscriptions	2 645	2 517	–	–
Licences IT	5 104	5 215	–	–
Total	54 516	50 703	0	206

NOTES

NOTE 18 – Shares and other equity interests, current assets

FOUNDATION			
	Acquisition value	Book value	Market value
Current year values			
Stock exchange listed shares and ownership units	228 803	228 803	245 957
Bonds and fixed-income securities	274 743	274 743	272 403
	503 546	503 546	518 360
Previous year's values			
Stock exchange listed shares and ownership units	218 051	211 442	211 442
Bonds and fixed-income securities	280 213	275 809	275 809
	498 264	487 251	487 251

NOTE 19 – Cash and cash equivalents

FOUNDATION

The Foundation and all the companies in the Group are linked to a Group bank account. The Foundation, as the parent company, records the joint balance in the consolidated Group account, while the other companies in the group record the respective balance as a current receivable/payable from the Foundation. The total in the consolidated accounts as at 2023-12-31 amounted to SEK 34 557 thousand, of which the balance of the subsidiaries totals SEK 283 302 thousand.

NOTE 20 – Direct government funding decided (not yet disbursed)

FOUNDATION	2023-12-31	2022-12-31
Tekniska Högskolan i Jönköping AB	16 570	13 153
Internationella Handelshögskolan i Jönköping AB	9 178	11 119
Högskolan för lärande och kommunikation i Jönköping AB	8 878	6 064
Hälsöhögskolan i Jönköping AB	8 345	6 430
Högskoleservice i Jönköping AB	2 000	2 000
Total	44 971	38 766

NOTE 21 – Accrued expenses and prepaid income

	CONSOLIDATED		FOUNDATION	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Accrued salary costs	29 690	30 900	2 376	583
Deferred social insurance	13 393	11 047	4 102	183
Ongoing projects dup in progress	183 530	177 837	6 331	5 712
Other items	54 387	39 850	16 294	10 283
Local transition funds	12 040	12 030	68	42
Tuition fees from students Prepaid	29 794	23 601	–	–
Total	322 833	295 267	29 171	16 803

NOTES

NOTE 22 – Unutilised grants

	CONSOLIDATED	
	2023-12-31	2022-12-31
The item Projects in progress includes unspent grant:		
Other central government authorities	64 254	67 235
Non-governmental organisations or private individuals	48 953	42 114
Total unutilised/unspent grants	113 207	109 348
Grants from other central government authorities are expected to be spent according to the following time intervals:		
within three months	9 560	12 727
more than three months to one year	34 169	33 808
more than one year to three years	19 385	20 699
more than three years	1 140	–
Total from other government agency	64 254	67 235

NOTE 23 – Itemisation of shares/ownership units in group companies

FOUNDATION				
Name	Share of capital %	Voting rights of capital %	Number of shares	Book value
Tekniska Högskolan i Jönköping AB	100	100	500	1 625
Internationella Handelshögskolan i Jönköping AB	100	100	500	2 818
Högskolan för lärande och kommunikation AB	100	100	500	500
Hälsohögskolan i Jönköping AB	100	100	500	5 500
Högskoleservice i Jönköping AB	100	100	500	7 500
Jönköping University Enterprise AB	100	100	100 000	6 278
Total				24 221
	Company reg. no.	Registered office		
Tekniska Högskolan i Jönköping AB	556487-2751	Jönköping		
Internationella Handelshögskolan i Jönköping AB	556487-2728	Jönköping		
Högskolan för lärande och kommunikation AB	556487-2769	Jönköping		
Hälsohögskolan i Jönköping AB	556619-6399	Jönköping		
Högskoleservice i Jönköping AB	556487-2744	Jönköping		
Jönköping University Enterprise AB	559028-3056	Jönköping		

NOTE – Contingent liabilities

THE GROUP Högskoleservice i Jönköping AB has entered into a number of agreements with landlords in Jönköping for student accommodations. There are agreements relating to master leasing and agreements where occupancy levels are guaranteed to the landlord. The annual cost resulting from these commitments amounts to between SEK 500 thousand and SEK 3,000 thousand. The maximum risk arising from these commitments amounts to SEK 10,000 thousand.

THE FOUNDATION The Foundation has issued capital adequacy guarantees for Tekniska Högskolan i Jönköping AB, Internationella Handelshögskolan i Jönköping AB, Högskolan för lärande och kommunikation i Jönköping AB, Hälsohögskolan i Jönköping AB and Högskoleservice i Jönköping AB in respect of capital adequacy in the event of any future deficits.

NOTE – Significant events after the close of the reporting period

No significant events affecting the financial statements have occurred after the close of the reporting period.

THE JÖNKÖPING UNIVERSITY FOUNDATION GOVERNING BOARD

**The Foundation Governing Board is Jönköping University's highest decision-making body.
The Foundation Governing Board is appointed by the Swedish Government from May 1, 2022 till until April 30, 2025.**

CHAIRMAN

Anders Danielsson, Chairman of Foundation Governing Board, Jönköping University.

MEMBERS

Søren E. Frandsen, Director, Research & Innovation Organisation at the University of Southern Denmark (SDU), (Vice-Chairman of the Foundation Governing Board).

Agneta Marell, President of Jönköping University. Member according to the Foundation's Articles of Association.

Johan Simonsson, Director of Research & Development Warehouse at Toyota Material Handling.

Linda Fransson, CEO of Gnosjö Automatsvarvning AB.

Mats Eriksson, Professor in Nursing Science, Örebro University.

Madelene Sandström, ek. lic. degree in Finance, postgraduate researcher lic.

Maria Jarl, Senior Lecturer, Göteborgs universitet.

Ingrid Olsson, Vice President of the Jönköping Student Union. Appointed by the students.

Karin Hellerstedt, Associate Professor. Appointed by the teachers at Jönköping University.

Jönköping the day according to the digital signings.