



**Board report and financial closing
2023**



Table of Contents

1	Mission of the University of Arts Helsinki	3
2	Rector's recap of the year 2023	3
3	Results of the activities in 2023	7
3.1	Education	7
3.2	Research	9
3.3	Artistic activity	11
4	The most significant factors that affected the financial result for the year	13
4.1	Operating result	13
4.2	Investment activities	13
4.3	Accounting result	14
4.4	Financial Indicators	14
4.5	Personnel	15
5	Assessment of the most significant financial risks	17
6	Estimate of future economic development and significant events after the fiscal year	18
7	Key figures about the performance of the University	19

1 Mission of the University of Arts Helsinki

The University of the Arts Helsinki is an open meeting place for the arts – an ambitious university community for bold reformers and experts in tradition. The University of the Arts Helsinki provides the highest level of education in music, fine arts, performing arts and writing in Finland and carries out international research with a high impact.

The University of the Arts Helsinki was founded in 2013, and it consists of the Academy of Fine Arts, Sibelius Academy and Theatre Academy, as well as the Open Campus, Research Institute and the university's Shared Services. Graduates from the University of the Arts Helsinki change the world as artists, researchers and experts. The university's alumni seek out key positions in the arts sector, both in Finland and abroad.

We promote the diversification and reform of the Finnish cultural and business sector as well as the entire society. The University of the Arts Helsinki has the special mission to strengthen the meaning, status and autonomy of the arts in society and to promote the Finnish artistic and cultural life. In Helsinki, the University of the Arts Helsinki operates on two campuses in the Töölö and Sörnäinen neighbourhoods. The university also has units in Kuopio and Seinäjoki.

2 Rector's recap of the year 2023

The year 2023 marked the 10th anniversary of the founding of the University of the Arts Helsinki. The university was given the special mission to promote the status and autonomy of the arts in society and to make an impact on the Finnish artistic and cultural life as a whole. In ten years, the University of the Arts Helsinki has established its position as an international forerunner in education and research and as the most sought-after place for studies in Finland. The university celebrated its anniversary in September at the opening of the academic year and at Uniarts Fest, which attracted about two thousand spectators.

The University of the Arts Helsinki exceeded the yearly target for the number of completed bachelor's and master's degrees laid down in the performance agreement signed with the Ministry of Education and Culture. The target for master's degrees was exceeded by a clear margin, which goes to show that we have managed to normalise our activities after the difficult Covid years. As for doctoral degrees, we clearly fell short of our target. We must now, in fact, assess how we could renew our doctoral education in a way that would help us achieve the quantitative targets for doctoral degrees, too.

The number of credits completed at the Open University increased significantly. With the help of external funding, we have increased the selection of study opportunities aimed at professionals in the independent arts sector, in particular. The goal is to increase the career skills of artists working in the independent arts sector, and we are happy that our studies have met the needs of the field. We have also increased cooperation with summer universities and folk high schools, which has contributed to the higher number of completed credits.



The University of the Arts Helsinki maintained its pull among applicants. The number of applicants that applied to us rose further, and only six per cent of our applicants were offered admission. When comparing applicant numbers, the university's most popular application options were the Degree Programme in Acting, Degree Programme in Fine Arts and Degree Programme in Music Technology. There was a tremendous increase in the number of applicants to conducting studies.

Over a third of admitted students were international. Much like at other universities, there was a significant increase in the number of international applicants. There were more applications especially from countries that have significantly poorer conditions than Finland. However, the University of the Arts Helsinki attracts more degree students also from EU countries, such as Estonia, Spain, France and Italy, than other Finnish universities.

The reform of the University of the Arts Helsinki's joint curriculum is on its final stretch, and the new curricula enter into force on 1 August 2024. Its main goal was the planning of study selection in a resource-efficient way, which will make it easier to manage expenses and workloads and give room and time for learning and promote various forms of teaching and learning and the utilisation of remote and hybrid teaching. The results of the work will become apparent over the next few years.

We have developed our practices, which has led to a nearly 100% response rate for the Bachelor's Graduate Survey. The new language requirements have made it easier for foreign students to apply, which is part of the reason why there are more international applicants applying to the university. We established guidelines e.g. concerning the impact of AI on teaching, research and the services that the university offers. We simplified the administrative practices related to graduation and made the shift to completely digital degree certificates last autumn.

Expectations for the university to take a stance on topical and often polarised political issues were heightened in 2023. The same way as in other Finnish universities, students occupied the University of the Arts Helsinki in September to protest the Finnish Government's budget cuts planned concerning students' livelihood. The occupation lasted until mid-October. Due to the war in Gaza, students, especially, sparked a discussion on the university's role as a political influencer.

Meeting conflicting expectations related to making political statements has been difficult for universities both in Finland and abroad. As communities with a plurality of values and opinions, they do not have established ways of forming collective opinions regarding political issues that fall outside of the scope of education and science policies, and they do not even have a mutual understanding of whether such political opinions should even be formed. In a statement released by the University of the Arts Student Union, it was noted that students examine social issues from varying points of view and that it would be important to take the community's diversity and the members' diverse perspectives into consideration. Regardless of people's backgrounds and opinions, the university must provide its members with a safe place where the members of the community get to express their opinions and participate in public discussions.

Harassment aimed at individual researchers especially in the messaging service X required the University of the Arts Helsinki to establish practices for supporting researchers in harassment cases that take place on social media platforms. These globally recognised, new kinds of themes challenge the university institution and increase the university's need to develop its practices and policies in a new kind of operating environment. There were many discussions on the community's wellbeing, consideration of diversity as well as questions and challenges related to anti-racism and equality during the year. Besides the equality and diversity committee, these topics were also discussed by the collegium, a group set by the University Board and the student wellbeing working group as well as in staff training seminars. It was decided that the fixed-term additional investment in study psychologist services would be permanent.

The Research Council of Finland granted over two million euros in funding to our profiling area. The objectives of the profiling area are to increase our understanding about the epistemic qualities of artistic thinking, develop artist pedagogy that is driven by artistic thinking and innovate new research methodologies and theories. Professor Heidi Westerlund's research project on gender equality policies in Nepal's music culture received nearly 600,000 euros in funding from the Research Council of Finland. The Research Council of Finland selected University Researcher Tuulikki Laes and Doctor of Fine Arts Tuula Närhinen as academy research fellows. We received significant research funding also from Kone Foundation and NordForsk.

The European Commission granted eight million euros in funding to a large university alliance where one of the partners is the University of the Arts Helsinki. The In.Tune project brings together eight universities in the field of music and arts in 2024–2028. The project is the first music-based multidisciplinary university alliance within Europe. We received a five-year funding scheme for a professorship in musical theatre from the Waldemar von Frenckell Foundation, and we continued our successful cooperation with the Saastamoinen Foundation in the development of internationalisation in fine arts. The Research Pavilion of the University of the Arts Helsinki created inquiry-based art that the public could enjoy in Suomenlinna and at the Helsinki Music Centre. Thematically, the event was defined by global challenges, such as the ecological sustainability crisis and geopolitical tensions. The Research Pavilion was organised with support from the Niilo Helander Foundation. Our own foundations, the University of the Arts Helsinki Foundation and Sibelius Academy Foundation, granted over 700,000 euros to the university's students and for developing the university's activities.

The university's Research Institute began its operations at the beginning of the year. The purpose of the institute is to develop the university's research and promote multidisciplinary and multiartistic research projects. Professor Leena Rouhiainen was selected as the director for the institute's first five-year period. Doctor of Music Anu Lampela was selected as the director of the Open Campus, which is the unit that offers Open University studies and joint studies and develops career skills. Professor of Dramaturgy and Playwriting Otso Huopaniemi began as the dean of the Theatre Academy. The environmental programme of the University of the Arts Helsinki was finished, and after that, the university's academies and units have begun including a report on how they carry out the measures of the environmental programme in their own activities as part of their annual discussion materials. Other strategic projects of the University of the Arts Helsinki have also been finished or are soon to be finished. In relation to projects, plans



were made on how the achieved results would be utilised and how the activities would be continued after the project period.

The University of the Arts Helsinki has a challenging financial position. Even though the university has taken measures to bring its finances to a balance for already two years now, the rising inflation and changes in the new funding model have brought about new challenges that have made it trickier to attain a financial balance by 2024. When preparing budgets in autumn 2023, it became obvious that the current measures will not help us achieve the goal, and instead, the efforts must continue and new financial rebalancing measures must be taken. The fact that the University of the Arts Helsinki was not allocated any doctoral pilot spots makes the situation even more difficult, because that means that doctoral education must be renewed without pilot funding from the Ministry of Education and Culture.

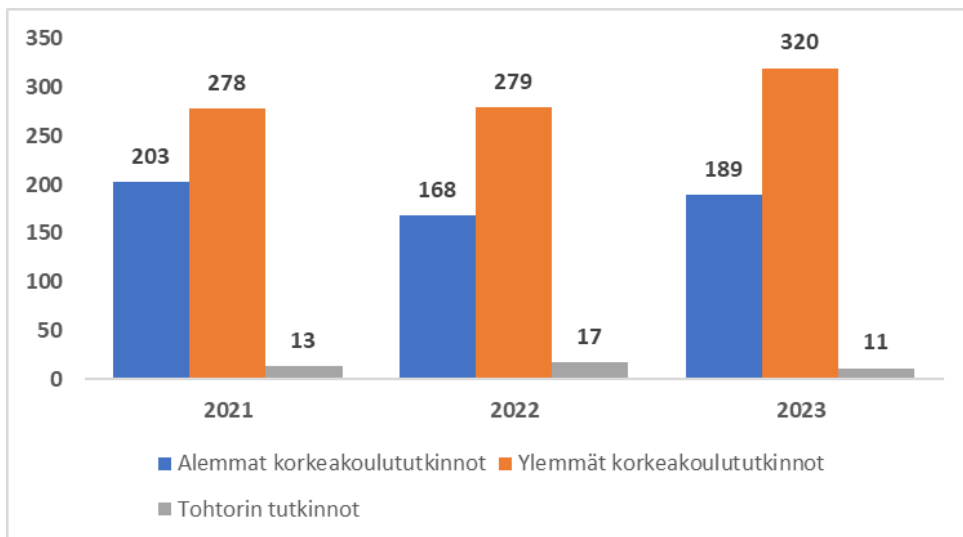
3 Results of the activities in 2023

3.1 Education

In 2023, a total of 1 923 (2022: 1 986) degree students studied at Uniarts Helsinki, of whom 18 % were foreigners. Uniarts Helsinki is one of the most international universities in Finland: 31 % of new undergraduate students are foreign (2022: 27 %).

The university significantly exceeded the target for master's degrees (270): 320 master's degrees were completed in 2023 (3-year average 292,1). The university also achieved the goal of bachelor's degrees (186), with 189 bachelor's degrees completed (3-year average 186,7). A total of 11 doctoral degrees were completed (target 20; 3-year average 13, 7). The university has fallen significantly short of the goal of doctoral degrees.

There is still room for improvement in graduation times, but the trend is very positive. Within the target time, 61 % completed a bachelor's degree (2022: 57 %) and 31 % completed a master's degree (2022: 24 %).



University of the Arts Helsinki degrees in 2021–2023

For master's degrees (orange), the target for 2021-2024 is 270 degrees, for bachelor's degrees (blue), the target is 186, and for doctoral degrees (grey), the target is 20 degrees on average per year.

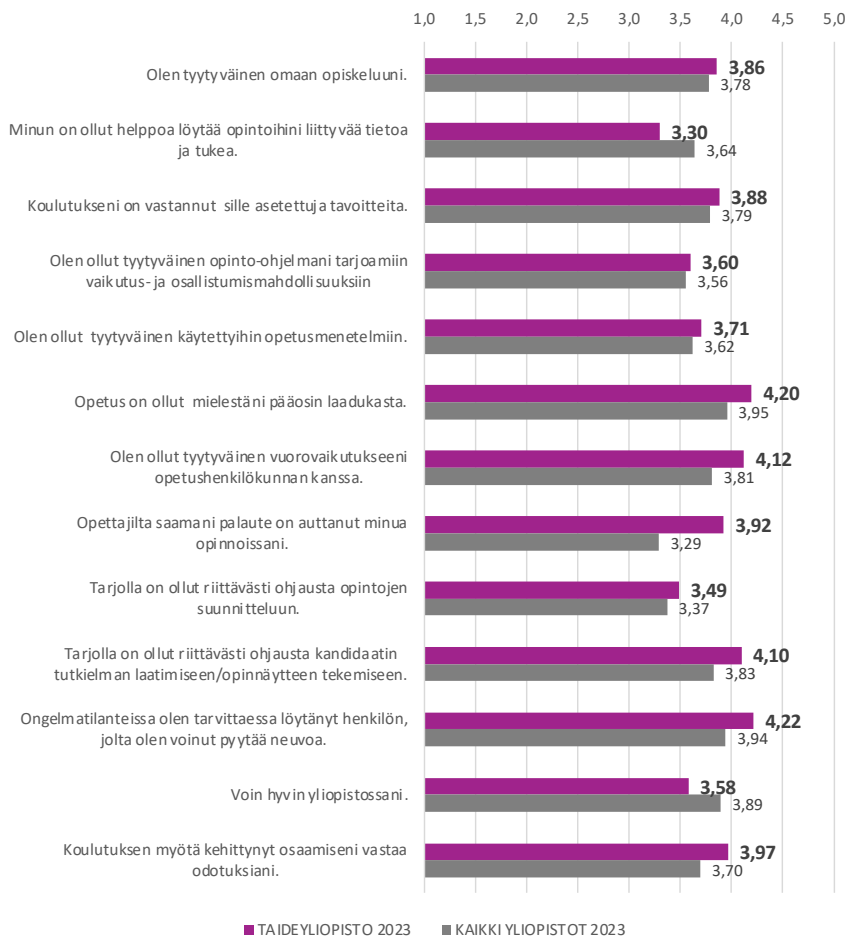
In 2023, there were a total of 5 337 applicants for undergraduate and master's degree education, which is 7 % more than in the previous year. Of the applicants 337 (6,3 %) were admitted.

The number of international applicants for undergraduate education increased by 37 % from the previous year. There were more study options in 2023 than in 2022. In addition, since 2020, admissions have been carried out more than before as remote entrance tests, which has increased the number of international applicants. However, the eligibility check has revealed that an increasing number of international applicants were not eligible and did not progress to the entrance examination stage.

29 new students were selected for youth training out of 115 applicants. The number of applicants and new students were at the same level as in 2022.

Bachelor's feedback is a national student feedback survey conducted by universities to find out how satisfied students with their bachelor's degree are satisfied with their university and how their studies are going. The answer score of the 13 key questions in the survey is used as indicators in the funding model of universities.

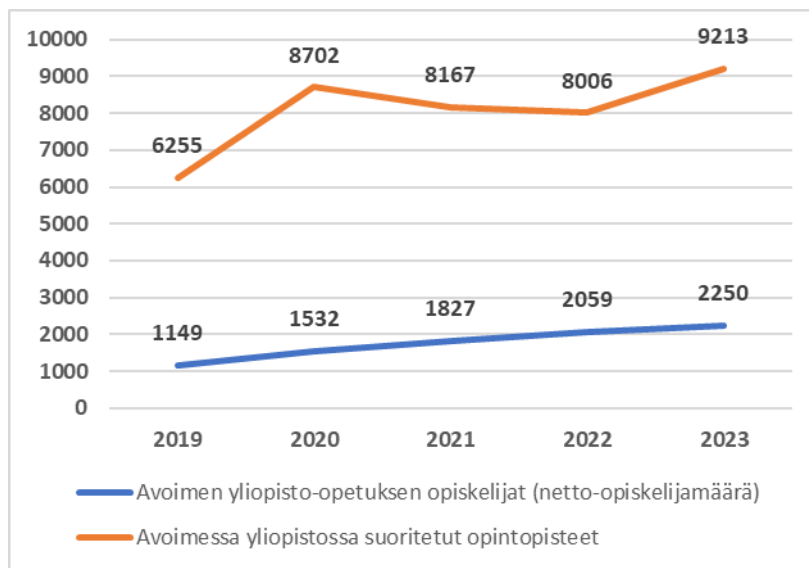
Based on national student feedback, Uniarts Helsinki students are satisfied with their university studies. Uniarts Helsinki's result average for 2023 is the fourth best among universities. The results increased from the previous year: in 2023, the average of Uniarts Helsinki's funding model questions was 3,84 (2022: 3,78). The average score for all universities was 3,71, which is the same as in the previous year. Uniarts Helsinki's response rate increased significantly and was as high as 97 % in 2023.



University of the Arts Helsinki: Funding model questions for national student feedback 2023.

The University of the Arts Helsinki receives good feedback from its graduates. Universities are allocated core funding based on answers to the funding model questions.

In 2023, a total of 2 250 students participated in Open University education. The number of participants increased by approximately 9 % from the previous year (2022: 2059). A total of 9 213 ECTS credits were completed at the Open University, which is 15 % more than in 2022 (8 006). Uniarts Helsinki has reached the ECTS credit target set in the performance agreement for 2022 (8 000 ECTS). The target for 2024 in the performance agreement is 9 300 ECTS credits, which has almost been achieved.



The Open University of the University of the Arts 2019–2023

The number of Open University students has grown by approximately 47% since 2019. The number of completed credits has increased by approximately 95% during the same period.

3.2 Research

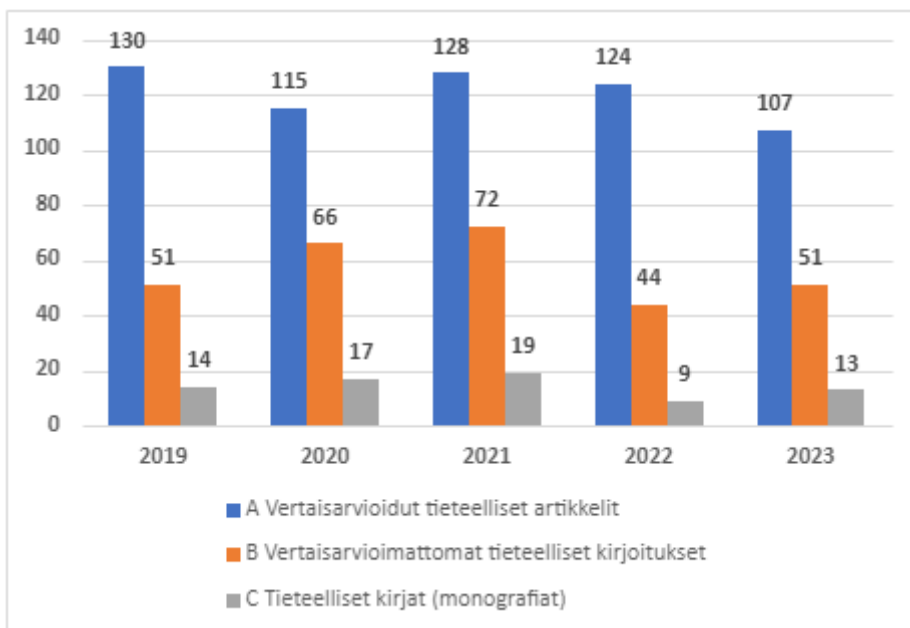
The development of Uniarts Helsinki research has continued based on the international research assessment exercise carried out in 2022. To support the work, a Research Advisory Board was established for the period 1.3.2023-31.12.2027.

A lot of work has been done to increase competitive research funding, but the total amount of funding received has nevertheless decreased from the peak level of 2016–2020. The most significant reason for the decline is the termination of large Academy of Finland projects (especially Arts Equal). The number of researchers at Uniarts Helsinki is also small compared to larger science universities, and the current staff does not have the opportunity to significantly increase the amount of competitive funding compared to the current level.

The total number of publications (A-E) in 2023 was 285 (2022: 296), which is slightly less than in 2022. The total number of scientific publications (A-C) in 2023 was 171 (2022: 177). The number of peer-reviewed articles (A) decreased by about 14 % from the previous year. The number of monographs and non-peer-reviewed publications grew slightly from the previous year.

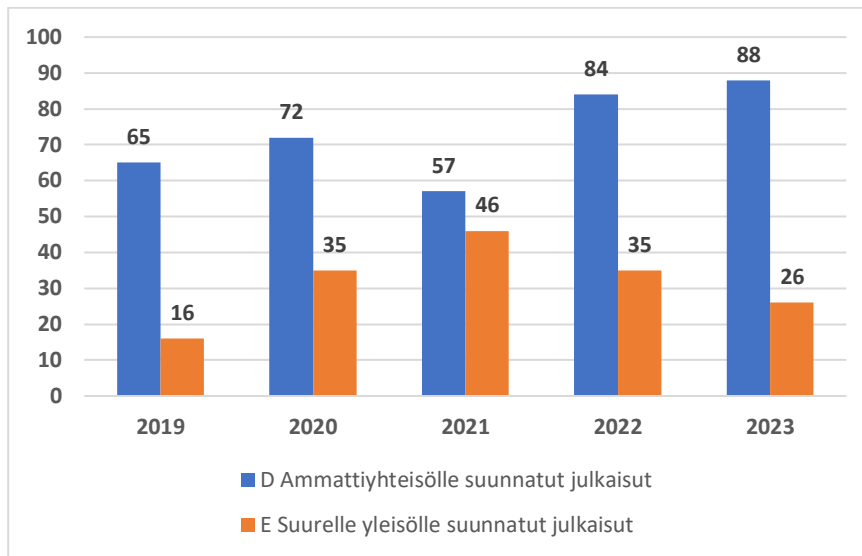
A total of 107 peer-reviewed research articles, 13 monographs and 51 non-peer-reviewed articles were published. The number of publications has decreased since 2021, which has been affected by the end of the multi-year Arts Equal project in 2021. New university-level research projects are in their early stages, and the resulting research publications can be expected in the next few years. CoARA's policies adopted by the Academy of Finland to abandon the jufo-based ratings of publications have also caused a lot of discussion at Uniarts Helsinki. The most significant publication platforms in artistic research do not necessarily comply with the Publication Forum classification, on the basis of which the Ministry of Education and Culture allocates results-based funding to universities. Therefore, responsible evaluation of researchers and research is a significant step forward in identifying and evaluating research conducted at Uniarts Helsinki.

The establishment of the Research Institute is of great importance for the long-term development of Uniarts Helsinki's research. The Institute has recruited full-time researchers with profiling funding from the Academy of Finland, and the profiling areas have also been supported by other strategic funding that has been used specifically for the recruitment of researchers.



University of the Arts Helsinki's scientific publications 2019–2023

The number of scientific articles has decreased by 12 % from 2019. The decrease is explained by the end of large research projects in 2021.



Publications aimed at the professional community and the general public 2019–2023

The number of publications aimed at the professional community has grown by 35 per cent from 2019.

In 2023, Uniarts Helsinki Library had 11,032 registered users (2022: 10 473). The total number of loans was 170 842 (2022: 173 841).

In 2023, Uniarts Helsinki's Open Science Working Group focused on drawing up policies for the operating culture of open science. The policy will enter into force in early 2024. In 2023, the preparation of the CoARA agreement action plan related to the reform of research evaluation began under the coordination of the Open Science Working Group. In addition, the working group issued a statement during the year on the policy proposals submitted for comments by Open Science in 2023.

Working on the RDI roadmap has broadened Uniarts Helsinki's self-understanding of research and development activities in the fields of art. RDI activities can be seen to create new kinds of cooperation and synergies across unit boundaries throughout the university.

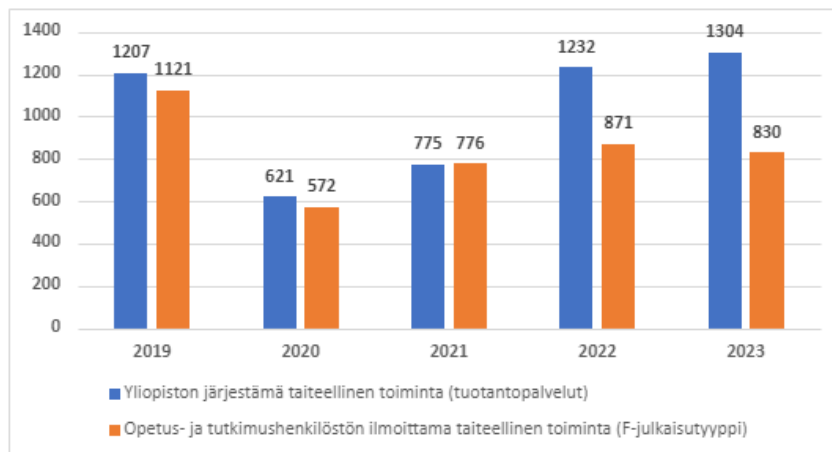
3.3 Artistic activity

In addition to teaching and research, artistic activities are the core task of Uniarts Helsinki. Artistic activities create contact points for students with the art field and the art audience, as well as with working life after graduation. Statistics on artistic activities are compiled from two perspectives: 1) artistic activities organized by Uniarts Helsinki (public artistic events, i.e. concerts, theatre and dance performances and exhibition activities) and 2) own artistic activities reported by teaching and research staff, which is also a monitoring indicator of the university's performance agreement (one type of publication in the publication data collection).

In 2023, Uniarts Helsinki organised 1304 artistic activity events (2022: 1 232). Live events accounted for 94 % (1227). (2022: 93%, 2021: 616 (79%), 24 livestream events (2022: 70, 2021: 138) and 15 recordings (2022: 13, 2021: 21).

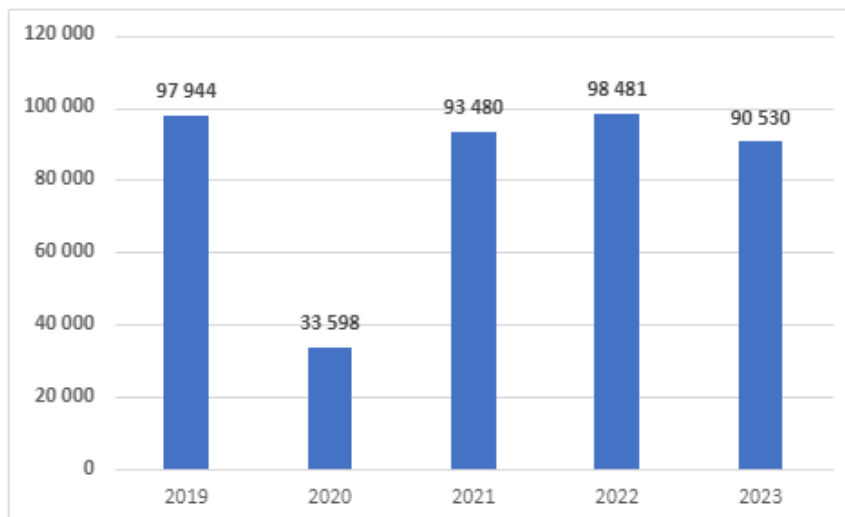
The audience for artistic performances and events was 90 530 (2022: 98 481) (2021: 93 480), of which 84 % were live (2022: 80%, 2021: 31%). The views of the live streams was 14 907 (2022: 19 154, 2021: 64 065). Live stream events and viewing numbers have declined since the coronavirus years.

The number of own artistic activities reported by teaching and research staff was 830, which is on level with 2022 (871). The artistic activities organized by Uniarts Helsinki are huge on the Finnish scale and have great significance.



Artistic activities at Uniarts Helsinki 2019–2023

The number of performances, concerts and exhibitions organised by Uniarts Helsinki increased by approximately 6% from the previous year. The volumes of own artistic activities reported by the personnel are at the same level as in 2022.



Audience numbers at Uniarts Helsinki's artistic events 2019–2023

The attendance in 2023 was 90,530 (estimate). The Art Point event was not held in 2023, which has affected the number of visitors. There are no significant changes in the number of visitors to artistic events at the academies. The method of compiling statistics on audience numbers has been changed in 2021. This includes the live audience (on site), the attendance of the university's joint artistic events, such as Uniarts Fest, and the number of viewers of live-streamed artistic events.

4 The most significant factors that affected the financial result for the year

4.1 Operating result

Year 2023 was the first normal year of operation since the pandemic. Net sales for the year EUR 79.1 million increased by 3.7 percent from the previous year (EUR 76.3 million in 2022). The university's basic funding from the Ministry of Education and Culture increased by more than EUR 3 million (4.6%) mainly due to the university index compensating for inflation and the exceptional additional distribution of strategic funding.

Operating expenses of EUR 82.9 million for the year increased by almost 4 per cent from the previous year. The largest expense items are personnel costs (59%) and rental costs (24%). Personnel expenses increased by EUR 1.7 million or 3.6 per cent and premises leasing expenses by EUR 1.2 million or 6.7 per cent. The university's annual travel expenses increased by 5.8 per cent and amounted to EUR 1.5 million, forming 2 per cent of operational expenses.

The university's operating result was EUR 3.8 million negative (EUR 3.5 million loss in the previous year). EUR 2.5 million of the loss can be covered by withdrawals of investment assets allocated to development activities approved by the Board of Directors. Taking even this into account, the university's income does not cover its expenses, and the operating loss in 2023 was EUR 1.3 million (EUR 0.5 million in 2022).

Uniarts Helsinki started a programme to balance operations at the beginning of 2022 and it has been continued throughout 2023. The operating loss for the year indicates that the targeted results have not been achieved in two years, and the university's finances do not seem to be achieving the desired balance with the planned measures.

4.2 Investment activities

Uniarts Helsinki's investment portfolio consists of investment assets (mainly fund-based fixed income, equity and alternative investments), which are presented in the balance sheet under permanent assets as long-term investment assets. In the balance sheet, part of the assets is valued at market price and part at acquisition price in accordance with regulations and the latest guidelines of the Accounting Board. In accounting, the book value of the investment portfolio on 31.12.2023 is EUR 90 million. At the end of 2023, the value of the investment portfolio at market value was EUR 94 million (EUR 93 million in 2022). When comparing the value of the investment portfolio, it must be taken into account that EUR 3 million has been withdrawn from the portfolio during 2023.

The investment year 2023 was very volatile and the annual return still looked negative in the autumn, but the last months of the year nevertheless raised the return to positive. The return on Uniarts Helsinki's investment portfolio in 2023 was 4.7 per cent, or EUR 4.3 million (-4.9 per cent, or EUR -4.6 million in 2022). Among asset classes, the return on listed equity investments was only 9.3 per cent, below the performance of the global stock markets. This is largely due to the poor performance of domestic equities. The return on

illiquid alternative investments was 2.1 per cent (12.7% in 2022) and the return on fixed income investments was 4.7 per cent.

Structural changes were made in the listed equity investments of Uniarts Helsinki's investment portfolio, reducing holdings in underperforming funds. A new asset management partner was selected, and some investments were also transferred to listed fixed income investments, which have become attractive again due to the slowdown in inflation and the halt of the interest rate hike cycle by central banks.

The return on investment assets is used for the university's development activities. The purpose of the investment assets is to safeguard the University's financial freedom and to improve its financial stability. Investments follow controlled risk-taking, good risk management practices and the principles of responsible investment. Investment income computationally supports the university's budget, but cash withdrawals to bank accounts are made according to the financial situation. In 2023, investment income was withdrawn was by EUR 3 million (EUR 1 million in 2022). In 2023, the income from investment activities was used to finance the university's development activities, for example. the development required by the new curriculum, the preparation and implementation of the university's environmental programme, and various measures to develop well-being at university.

The University of the Arts Helsinki has an Advisory Investment Committee consisting of investment professionals, which acts as an advisory expert body under the Board of Directors and the Rector in the management of the University's assets. During 2023, the Investment Committee meetings discussed portfolio priorities, investment decisions and monitored the development of fixed income markets. The University monitors the responsibility of its investments through ESG reporting by Finnish Investment Research. The ESG value of the university's listed rankings was in class AA (on a scale of CCC-AAA).

4.3 Accounting result

The university's fundraising and investment activities generated an accounting profit of EUR 3.8 million in 2023 (loss of EUR 6.4 million in 2022). The imputed increase in value of the investment result amounted to EUR 2.4 million (the change in value was negative in 2022 by EUR 10 million). These deferred changes in value do not affect the university's cash position.

The accounting result for 2023 showed a profit of EUR 0.06 million. Correspondingly, the previous year's accounting loss was EUR 9.8 million.

4.4 Financial Indicators

The liquidity of the University of the Arts Helsinki is good and does not cause any further actions, even though the cash flow adequacy in days is low and the ratio of financial assets against the short-term debt is only at a satisfactory level. In the case of payments exceeding cash and cash equivalents, the University uses a bank limit, and the longer financing needs are corrected by a withdrawal from investment assets. In order to ensure liquidity, the

University has bank account limit to a total of EUR 10 million, which allows a longer schedule for any necessary withdrawals of investment assets.

Key figures	2019	2020	2021	2022	2023
Change in turnover % *	0,5	3,8	-0,1	0,8	3,7
Operating profit % *	-5,1	2,4	-1,7	-4,5	-4,7
Change in equity %*	7,6	8,7	14,3	-3,8	0,1
Quick ratio*	0,3	0,4	0,2	0,3	0,1
Cash flow adequacy in days*	5	7	4	3	3
Equity ratio*	86,9	87,6	88,0	88,8	87,7
Return on investments at fair value %*	15,5	4,9	19,1	-4,9	4,7

* The calculation formulas and terms for the key figures are in accordance with OKM/2/500/2018 of the Financial Management Code for higher education institutions by the Ministry of Education and Culture

Calculation formulas for key figures:

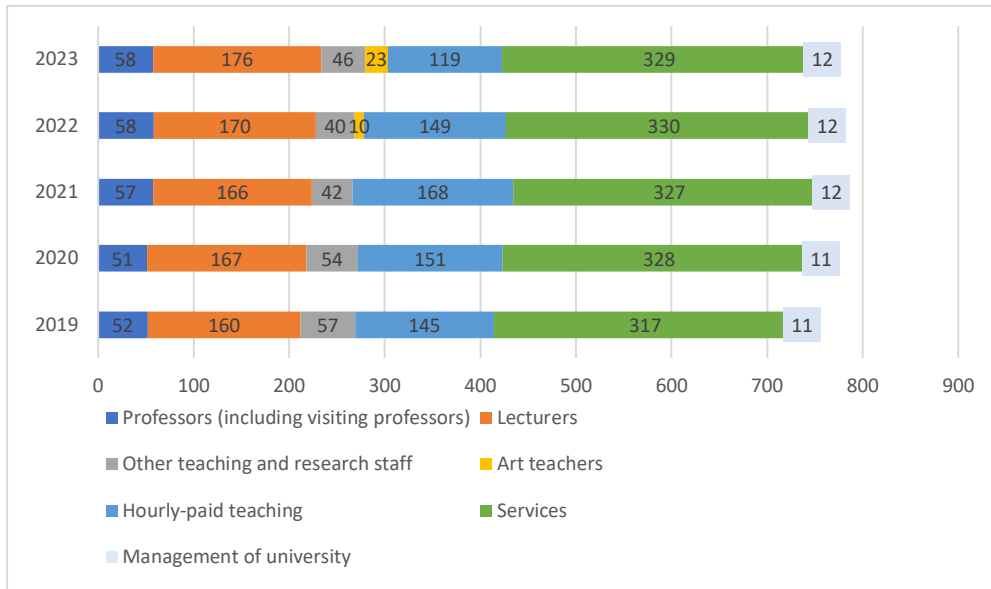
Change in turnover %	$\frac{\text{Turnover in the past year} - \text{turnover in the previous year}}{\text{Turnover in the previous year}} \times 100$
Operating profit %	$\frac{\text{Operating profit}}{\text{Turnover}} \times 100$
Change in equity %	$\frac{(\text{Equity} - \text{equity funds} + \text{accrual of financial transfers}) \text{ at the end of the financial year} - (\text{Equity} - \text{equity funds} + \text{accrual of financial transfers}) \text{ at the beginning of the financial year}}{(\text{Equity} - \text{equity funds} + \text{accrual of financial transfers}) \text{ at the beginning of the financial year}} \times 100$
Quick ratio	$\frac{\text{Financial assets}}{\text{Short-term liabilities} - \text{advance payments on liabilities}}$
Adequacy of cash flow in days	$\frac{365 \text{ days} \times \text{Cash and cash equivalents (end of financial year)}}{\text{Cash payments (operating expenses) in the period}}$
Equity ratio %	$\frac{\text{Equity}}{\text{Balance sheet total} - \text{advances received}} \times 100$
Return on investment at fair value %	% is given in accordance with the asset managers' report

4.5 Personnel

The most significant events of 2023 are the promotion of local agreement related to the development of personnel policy and the structural changes in the units.

The personnel policy and structure development project proceeded and two new local agreements were signed in relation to total working time practices; a local agreement for professors and a local agreement for other teaching and research staff. The application of the agreements will start in the spring of 2024. Local implementation and updating of the Art Teachers Agreement has also progressed by 2023.

In addition to this, various structural changes have been implemented in the units: an organizational change was prepared at the Sibelius Academy, which entered into force on 1 January 2024. The structures of the open campus and the Research Institute were also clarified during 2023.



Person years in personnel groups	2019	2020	2021	2022	2023
Professors (including visiting professors)	52	51	57	58	58
Lecturers	160	167	166	170	176
Other teaching and research personnel	57	54	42	40	46
Art teachers				10	23
Academic personnel without hourly paid teachers	269	272	266	278	303
Hourly paid teachers	145	151	168	149	119
Academic personnel in total	414	423	434	427	423
Services	306	317	327	330	329
Management of the university	11	11	12	12	12
Personnel in total	731	751	773	769	764

In terms of academic staff, the number of staff years for professors and lecturers has remained relatively unchanged. Variations in the person-years of professors and lecturers are explained by, among other things, exemptions from work and changes caused by recruitments, as well as variations in the number of visiting professors for professors. The teaching and annual variations of other research staff are due to the annual variations in external research funding. The share of art teachers in person-years has increased as expected, and this is reflected in the decrease in the number of hours of instruction as planned. Other changes in personnel and its structure were minor and are explained by annual variation. The number of service personnel has remained unchanged.

Measures to support well-being have been promoted and updated according to the existing plan. In addition, Varma conducted a well-being at work survey in the autumn of 2023, the preliminary results of which have been opened in chapter 3 of the personnel financial

statements. This activity is also accompanied by the University Board's Working Group on Welfare and Organization, which has continued to operate and has had discussions on practices and measures that support well-being.

Key figures and measures related to personnel are described in more detail in separate annual report on personnel.

5 Assessment of the most significant financial risks

The University of the Arts Helsinki is more dependent on funding from the Ministry of Education and Culture than other universities. On average, the ministry's funding climbs up to 90% of the funding of the University of Arts Helsinki, while the Ministry's contribution in other universities' funding is less than 75%. There is a lot of pressure to cut public spending, which brings uncertainty to the University's funding. The stability of overall funding can be improved by increasing the share of external funding in the total funding.

Facilities play a major role in the activities of the University of the Arts Helsinki, and users in our community have exceptional needs concerning the facilities compared to many other fields of education. On average, facility costs constitute approximately 14% of a university's turnover, while at the University of the Arts Helsinki, the costs are over 25%. The specific needs connected to facilities are financially heavy to carry and create a continuous need to develop the policy of allocating the premises. As a part of its national mission the University of the Arts Helsinki, in cooperation with the City of Helsinki and Yleisradio Oy, maintains The Helsinki Music Centre, which is an essential high-level building and service entity for the music scene in Finland. Training Theatre activities and exhibitions, which also require special facilities, are also an integral part of the activities of the University of the Arts Helsinki.

The personnel is the University's most significant asset, and the share of personnel costs in the University's cost structure is large. As a small university, the University of the Arts Helsinki faces a particular challenge in developing the competence of its staff and supporting their coping resources under ever-increasing academic, legislative, and ethical pressures.

Uniarts Helsinki has invested in measures that increase the well-being of its staff and e.g. the results of Varma's workplace well-being survey 2023 show a good direction. The principles of the new curriculum to be introduced in 2024 also pay attention to moderating the workload from the perspective of both teaching staff and students.

Uniarts Helsinki maintains a register of management level personels private interest practises and monitors them regularly.

The implementation of Uniarts Helsinki's risk management policy has begun. During 2023, the management teams of the units discussed the risks to the university's operations caused by the failure to balance the finances. The Management Team worked out the most significant risks, which are reported to the Board of Directors. The risk assessment will continue, with special emphasis on the impact of risks on personnel, the university's operations and financial position, as well as reputation and image.



6 Estimate of future economic development and significant events after the fiscal year

In 2023, the Ministry of Education and Culture studied the steering effects of the funding model adopted by universities in 2021 and made international comparisons. At the end of the year, the Ministry published its proposal for changes to the current funding model and its forecast calculations of the effects of the change. According to the forecast calculation, the changes would cut Uniarts Helsinki's funding the most of all universities, i.e. by -6.7 per cent compared to other universities, whose change in the forecast varied between -2.4 and +1.3 per cent.

For example, the new funding model places greater emphasis on completing a first degree or obtaining business financing. The intake volumes of Uniarts Helsinki's individual degree programmes are so small that it is difficult to set a quota for first-time applicants without damaging the equal assessment of applicants. Obtaining business funding is challenging for all universities but getting it to the cultural sectors is even more so. It seems that the new funding model is increasingly pushing university funding in a direction where it is difficult or even impossible for Uniarts Helsinki to compete among other Finnish universities for funding from the Ministry of Education and Culture. Discussions have been initiated with the Ministry to assess and take the situation into account.

On 5.3.2024, Uniarts Helsinki started change negotiations concerning the entire personnel, with the aim of achieving cost savings of EUR 2.5 million by the end of 2028. The situation will also require operational changes to achieve savings and respond to changes in the operating environment.

Board member Leevi Haapala, PhD, was elected Dean of the Academy of Fine Arts for a five-year term 2024–2029, and he asked to resign from the Board after the election decision in February 2024. The University Collegium will appoint a new Board member as soon as possible.

7 Key figures about the performance of the University

Quantitative targets and results of the University of the Arts Helsinki 2023 (education)

Degrees completed *						Target	Result
	2019	2020	2021	2022	2023	2021-2024	2022 vs. Target
Bachelor's degrees	246	128	203	168	189	186	3
Academy of Fine Arts	36	20	23	31	27	22	5
Sibelius Academy	160	78	132	110	118	124	-6
Theatre Academy	50	30	48	27	44	40	4
Master's degrees	302	227	278	279	320	270	50
Academy of Fine Arts	42	43	40	51	64	45	19
Sibelius Academy	200	119	183	170	180	158	22
Theatre Academy	60	65	55	58	76	67	9
Doctoral degrees	10	10	13	17	11	20	-9
Academy of Fine Arts	0	1	0	1	1	2	-1
Sibelius Academy	8	7	11	14	10	11	-1
Theatre Academy	2	2	2	2	0	4	-4
Not Allocated						3	-3

Applicants and admitted	2019	2020	2021	2022	2023
APPLICANTS to bachelor's and master's education (applications)	4377	4432	4887	5032	5377
<i>of which international applicants</i>	782	853	1097	1108	1522
Academy of Fine Arts	838	1036	1009	1177	1339
<i>of which international applicants</i>	200	238	245	353	458
Sibelius Academy	1451	1327	1505	1524	1652
<i>of which international applicants</i>	454	536	640	642	831
Theatre Academy	2088	2069	2373	2331	2386
<i>of which international applicants</i>	128	79	212	113	233
APPLICANTS ADMITTED to bachelor's and master's education	307	290	346	356	337
<i>of which international student</i>	63	70	105	96	105
Academy of Fine Arts	48	47	59	64	59
<i>of which international student</i>	11	10	13	17	12
Sibelius Academy	191	170	198	207	185
<i>of which international student</i>	44	58	71	73	74
Theatre Academy	68	73	89	85	93
<i>of which international student</i>	8	2	21	6	19
% of applicants admitted to bachelor's and master's education	7,0 %	6,5 %	7,1 %	7,1 %	6,3 %
<i>of which international student</i>	20,5 %	24,1 %	30,3 %	27,0 %	31,2 %



Registered degree students					
(percentage of international students)	2018	2019	2020	2021	2022
Bachelor's and master's students	1742	1741	1700	1749	1766
<i>of which international students</i>	15 %	14 %	15 %	17 %	17 %
Academy of Fine Arts	242	255	244	250	274
<i>of which international students</i>	19 %	16 %	15 %	16 %	15 %
Sibelius Academy	1184	1187	1157	1144	1142
<i>of which international students</i>	16 %	15 %	18 %	19 %	20 %
Theatre Academy	316	299	299	355	350
<i>of which international students</i>	8 %	8 %	6 %	10 %	9 %
Doctoral students	193	205	189	209	219
<i>of which international students</i>	23 %	20 %	20 %	20 %	21 %
Academy of Fine Arts	26	34	31	35	36
<i>of which international students</i>	31 %	29 %	29 %	29 %	28 %
Sibelius Academy	140	142	130	144	151
<i>of which international students</i>	21 %	19 %	18 %	19 %	22 %
Theatre Academy	27	29	28	30	32
<i>of which international students</i>	26 %	17 %	14 %	13 %	13 %
Degree students (total)	1935	1946	1889	1958	1985
<i>of which international students</i>	16 %	15 %	16 %	17 %	18 %

Open University	2019	2020	2021	2022	2023
Open university students (net)	1149	1532	1827	2059	2250
Credits completed	6255	8702	8167	8006	9213

University of the Arts Helsinki publications by publication types	2019	2020	2021	2022	2023
A. Peer-reviewed scientific articles	130	115	128	124	107
B. Non-refereed scientific articles	51	66	72	44	51
C. Scientific books (monographs)	14	17	19	9	13
TOTAL SCIENTIFIC PUBLICATIONS	195	198	219	177	171
D. Publications for the professional community	65	70	57	84	84
E. Publications intended for the general public	16	35	46	35	26
F. Artistic activities	1121	572	776	871	830
TOTAL PUBLICATIONS	1397	875	1101	1156	1115



Uniarts' artistic events	2019	2020	2021	2022	2023
Exhibitions (Academy of Fine Arts)	53	27	42	48	38
Concerts (Sibelius Academy)**	726	381	388	783	956
Commissioned concerts (Sibelius Academy's Primo Events Service)	142	34	44	111	93
Theatre and dance performances (Theatre Academy)	223	143	198	149	143
Performances for collaborative productions (Theatre Academy)	63	36	91	129	72
Uniarts joint artistic events			12	12	2
TOTAL ARTISTIC EVENTS	1207	621	775	1232	1304

*Artistic activities organised by the University of the Arts Helsinki itself or in cooperation with a partner (Source: University's production services)

**All public concerts organised by the Sibelius Academy, including student matinees.

Audience (live-audience)	2019	2020	2021	2022	2023
Exhibitions (Academy of Fine Arts)	17 800	10 600	11 200	15 800	15 600
Concerts (Sibelius Academy)**	47 281	16 214	58 630	49 963	49 823
Commissioned concerts (Sibelius Academy's Primo Events Service)	18 000	3 495	4 190	13 889	14 748
Theatre and dance performances (Theatre Academy)	7 218	2 299	3 727	3 136	3 768
Collaborative productions (Theatre Academy)	2 145	990	3 132	6 601	4 511
Collaborative productions (Sibelius Academy)	5 500				
Uniarts joint artistic events*			12 601	9 092	2 080
Yhteensä	97 944	33 598	93 480	98 481	90 530

Profit and Loss Statement (translation)

in Euro

	<u><u>1.1.-31.12.2023</u></u>	<u><u>1.1.-31.12.2022</u></u>
Revenue		
Government funding	73 153 000,00	69 953 000,00
External funding	4 462 909,64	4 709 061,18
Revenue generated by the University	155 727,00	150 057,50
Other operative income	1 359 236,51	1 479 407,41
Total Revenue	79 130 873,15	76 291 526,09
Expences		
Personnel costs	-48 554 330,97	-46 888 783,35
Depreciations and reduction in value	-1 982 467,95	-1 908 281,06
Other operative Expences	-32 350 738,68	-30 949 678,50
Total Expences	-82 887 537,60	-79 746 742,91
OPERATING RESULT	-3 756 664,45	-3 455 216,82
Revenue and expences from Fundraising-, Investments and Financing activities		
Revenue and expences from fundraising	-10 991,80	2 870 810,74
Income and expence of investments	1 403 598,43	3 580 885,02
Change in reserve of fair value of investment	2 361 426,09	-9 953 135,54
Revenue of non-current assets	3 765 024,52	-6 372 250,52
Other financial income and expences	63 062,32	-46 810,34
Total revenue and expences from Fundraising , Investments and Financing activities	3 817 095,04	-3 548 250,12
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	60 430,59	-7 003 466,94
Appropriations (transfers to the reserves)		-2 836 255,82
PROFIT (LOSS) FOR THE FINANCIAL YEAR	60 430,59	-9 839 722,76

Balance sheet (translation)

in Euro

	<u>31.12.2023</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
ASSETS			
Non-current assets			
Intangible assets			
Intangible assets	14 700,00	23 520,00	32 340,00
Other intangible assets	2 949 758,53	3 325 061,59	3 621 055,50
Advance payments	0,00	11 250,34	0,00
Total	2 964 458,53	3 359 831,93	3 653 395,50
Tangible assets			
Machinery and equipment	7 996 537,55	8 422 502,20	8 420 016,99
Other tangible assets	458 268,05	517 168,50	570 722,14
Art objects	609 902,13	599 902,13	565 568,41
Advance payments, construction in progre	71 047,23	34 517,25	290 415,42
Total	9 135 754,96	9 574 090,08	9 846 722,96
Investments			
Other shares and similar rights of ownersh	1 362 971,00	1 358 246,00	1 358 246,00
Other long term investments	85 815 577,53	84 349 208,37	78 397 182,05
Reserve of fair value of investments	4 991 041,14	2 629 615,05	12 582 750,59
Yhteensä	92 169 589,67	88 337 069,42	92 338 178,64
Total of non-current assets	104 269 803,16	101 270 991,43	105 838 297,10
Current assets			
Short-term receivables			
Accounts receivables	790 997,17	1 342 625,67	433 897,58
Other receivables	7 587,32	916 992,99	1 217 790,47
Prepayments and accrued income	348 878,50	328 385,50	618 886,91
Total	1 147 462,99	2 588 004,16	2 270 574,96
Cash at bank and in hand	618 815,85	698 959,94	896 544,93
Total of current assets	1 766 278,84	3 286 964,10	3 167 119,89
TOTAL OF ASSETS	106 036 082,00	104 557 955,53	109 005 416,99

Balance sheet (translation)

in Euro

	<u>31.12.2023</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
CAPITAL, RESERVES AND LIABILITIES			
Capital and reserves			
Foundation capital	31 860 607,07	31 860 607,07	28 482 607,07
Special purpose funds capitalizing	8 049 880,87	8 049 880,87	5 213 625,05
Special purpose funds expendable	224 555 775,59	22 455 775,59	22 455 775,59
Profit (loss) for previous years	28 188 241,93	38 027 964,69	26 800 598,40
Profit (loss) for the financial year	60 430,59	-9 839 722,76	11 227 366,29
Total of Capital and reserves	292 714 936,05	90 554 505,46	94 179 972,40
Liabilities			
Short term liabilities			
Advance payments	2 765 456,25	2 046 551,99	2 005 836,60
Accounts payable	1 485 441,58	990 561,67	996 223,80
Other liabilities	4 804 161,73	4 761 977,19	5 969 925,37
Accruals and deferred income	6 366 086,39	6 204 359,22	5 853 458,82
Total	15 421 145,95	14 003 450,07	14 825 444,59
Total of liabilities	15 421 145,95	14 003 450,07	14 825 444,59
TOTAL OF CAPITAL, RESERVES AND LIABILITIES	308 136 082,00	104 557 955,53	109 005 416,99

CASH FLOW STATEMENT (translation)

In Euro

	<u>1.1.-31.12.2023</u>	<u>1.1.-31.12.2022</u>	<u>1.1.-31.12.2021</u>
Cash flow from ordinary operations			
Profit (loss) before appropriations and taxes	60 430,59	-7 003 466,94	11 795 567,43
Adjustments:			
Depreciations and reduction in value	1 982 467,95	1 908 281,06	1 523 537,78
Income and costs of investments and finance	-1 403 598,43	-3 580 885,02	-8 721 598,83
Change in reserve of fair value of investments	-2 361 426,09	9 953 135,54	-3 784 985,47
Changes in other funds (Capitalization campaign)	0,00	-2 836 255,82	-568 201,14
Changes in working capital	2 858 237,05	-1 139 423,72	433 982,47
Total cash flow from ordinary operations (A)	<u>1 136 111,07</u>	<u>-2 698 614,90</u>	<u>678 302,24</u>
Cash flow from assets and investments			
Expences from addition to assets	-1 148 759,43	-1 342 084,61	-5 800 935,98
Expences from addition of long term investments	-1 471 094,16	-5 952 026,32	-5 030 363,82
Netincome from the long term investments	1 403 598,43	3 580 885,02	8 721 598,83
Total cash flow from assets and investments (B)	<u>-1 216 255,16</u>	<u>-3 713 225,91</u>	<u>-2 109 700,97</u>
Cash flow from financing			
Change in foundation capital	0,00	6 214 255,82	568 201,14
Total cash flow from financing (C)	<u>0,00</u>	<u>6 214 255,82</u>	<u>568 201,14</u>
Change in cash and bank (A+B+C) addition (+) / decline	<u>-80 144,09</u>	<u>-197 584,99</u>	<u>-863 197,59</u>
Cash and bank 1st of January	698 959,94	896 544,93	1 759 742,52
Cash and bank 31st of December	618 815,85	698 959,94	896 544,93
Total change in cash and bank	<u>-80 144,09</u>	<u>-197 584,99</u>	<u>-863 197,59</u>