

Report on the Implementation of the Revenue and Expenditure Estimate of Vilnius University for 2020

On 26 February 2020, the Council of Vilnius University approved the revenue and expenditure estimate of Vilnius University (hereinafter the 'University') for 2020 (Resolution No. TPN-1). According to the approved estimate, the University anticipated earning 98.07 million EUR revenue, incurring 95.65 million EUR in expenses, and acquiring fixed assets for 2.63 million EUR. The table on the implementation of the estimate is provided in Annex 1.

Overview

In 2020, the University's revenue surplus, excluding depreciation of fixed assets, amounted to 8,393 thousand EUR and was 5,971 thousand EUR higher than anticipated. The net result, including the acquisition of fixed assets, amounted to 6,082 thousand EUR and was 6,295 thousand EUR greater than expected. The summary of the Report on the Implementation of the Revenue and Expenditure Estimate of the University for 2020 is provided in Table 1.

Table 1. Overview of the implementation of the University's revenue and expenditure estimate for 2020 (in thousand EUR)

	Planned	Factual	Difference
State budget appropriations used*	75,362	81,318	5,956
Revenue from studies	15,089	14,548	-541
Other revenue	7,621	10,231	2,610
Revenue from financial and investment activities	0	73	73
Remuneration and related costs	-71,672	-74,826	-3,154
Utility costs	-4,340	-3,221	1,119
Fixed asset repair costs	-2,165	-1,934	231
Other costs	-9,526	-9,388	138
Scholarships	-7,641	-7,815	-174
Financial and investment activity costs	-306	-593	-287
Surplus (deficit)**	2,422	8,393	5,971
Acquisition of fixed assets	-2,635	-2,311	324
Net result	-213	6,082	6,295

* excluding the used funding related to the depreciation of fixed assets

**excluding depreciation costs

The COVID-19 pandemic has affected the University's financial situation. Revenue from renting and courses, as well as that of some other types, was lower than previously planned. On the other hand, utility costs dropped, while travel and secondment expenses significantly decreased as well. Due to commissioned work carried out by the Faculty of History, other revenue was 2,714 thousand EUR higher than anticipated, while remuneration and other costs exceeded the planned amounts by 168 thousand EUR and 2,196 thousand EUR respectively. In 2020, for the first time, a provision for pensions was made, which resulted in higher-than-expected remuneration costs (by 1,453 thousand EUR).

Revenue

The state budget appropriations received in 2020 totalled 81,905 thousand EUR, whereas the anticipated amount, as specified in the revenue and expenditure estimate, was 75,362 thousand EUR. A detailed breakdown of the received state budget appropriations is provided in Table 2.

Table 2. State budget appropriations received in 2019 (in thousand EUR)

	Planned	Factual	Difference
For studies	39,957	41,070	1,113
For science and arts	18,026	18,026	0
For economy and administration	8,952	8,952	0
Additional appropriations for raising the minimum monthly salary (MMS)	225	225	0
Additional appropriations for raising the basic amount	914	914	0
Appropriations for raising the basic social benefit (BSB)	368	368	0
Appropriations for raising academic staff remuneration	0	1,181	1,181
Appropriations for raising culture and arts staff remuneration	195	195	0
Scholarships	6,725	6,811	86
State Investment Programme		266	266
Reconstruction of the old University library building		234	234
Repair of the University's architectural ensemble buildings, courtyards and engineering networks		2,264	2,264
For other expenses		1,404	1,404
Incoming/outgoing students		-5	-5
In total	75,362	81,905	6,543

The state budget appropriations used in 2020 amounted to a total of 81,318 thousand EUR:

Table 3. State budget appropriations used in 2020 (in thousand EUR)

State budget appropriations received	81,905
Acquisition of fixed assets	-580
Change in leave reserve	257
Change in provision for pensions	1,413
Change in advance payments	-1,650
Change in other assets or liabilities	-27
State budget appropriations used*	81,318

*excluding the used funding related to the depreciation of fixed assets

The revenue from studies generated in 2020 amounted to 14,548 thousand EUR, which was 541 thousand EUR greater than expected. The distribution of revenue among the University's units and the implementation of their plans is illustrated in Figure 1.

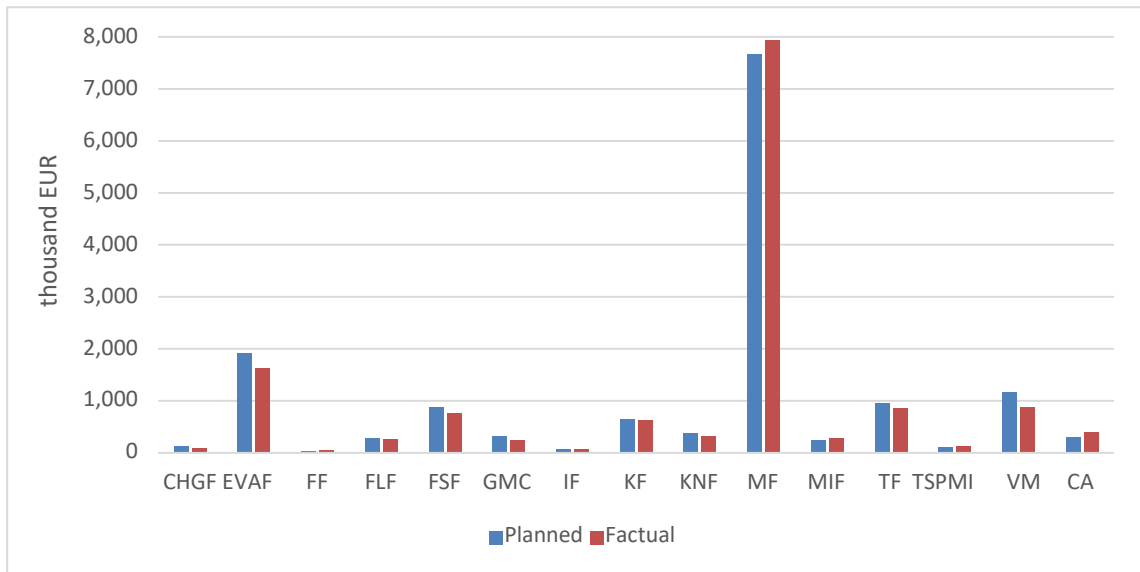


Figure 1. Distribution of revenue from studies in 2020.

The revenue of other types generated in 2020 amounted to 10,231 thousand EUR, which was 2,610 thousand greater than anticipated. A detailed breakdown of the other revenue is presented in Figure 2.

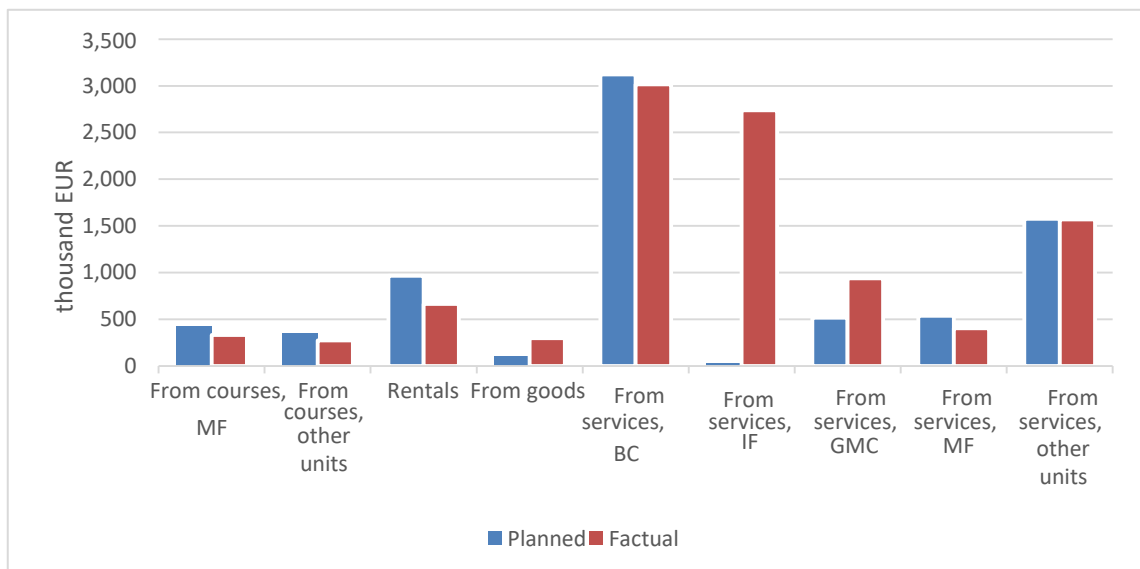


Figure 2. Other revenue in 2020.

Compared to 2019, the used funding (excluding the used funding related to the depreciation of fixed assets) and the other revenue from all sources of funds increased by 13,485 thousand EUR, i.e. by 11.3 per cent:

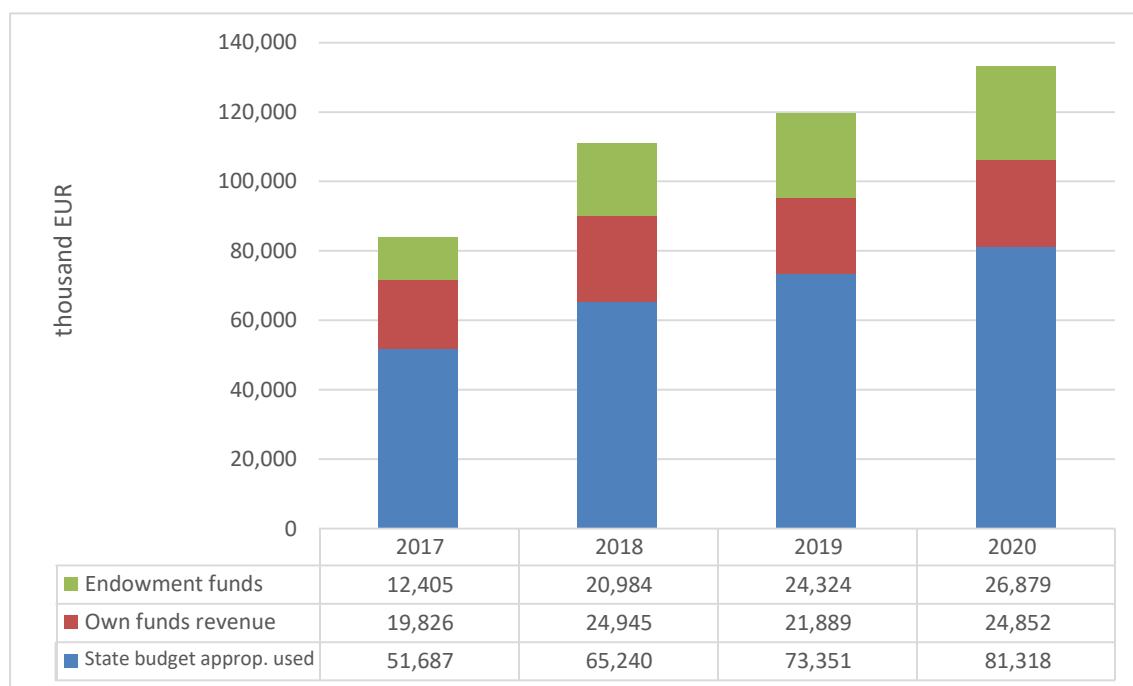


Figure 3. Funding and other revenue from all sources of funds used in 2017–2020.

Costs

In 2020, the amount planned for remuneration and related costs was 71,672 thousand EUR, while the actually incurred costs reached 74,826 thousand EUR (exceeding the planned amount by 3,154 thousand EUR). As of 1 September 2020, academic staff remuneration was raised. The leave reserve grew by 1,279 thousand EUR. In 2020, for the first time, a provision for pensions was made, which stood at 1,453 thousand EUR at the end of the year.

The distribution of remuneration and related costs among core academic units, core non-academic units, and the Central Administration is presented in Figure 4. The total amount of the change in the provision for pensions was allocated to the Central Administration.

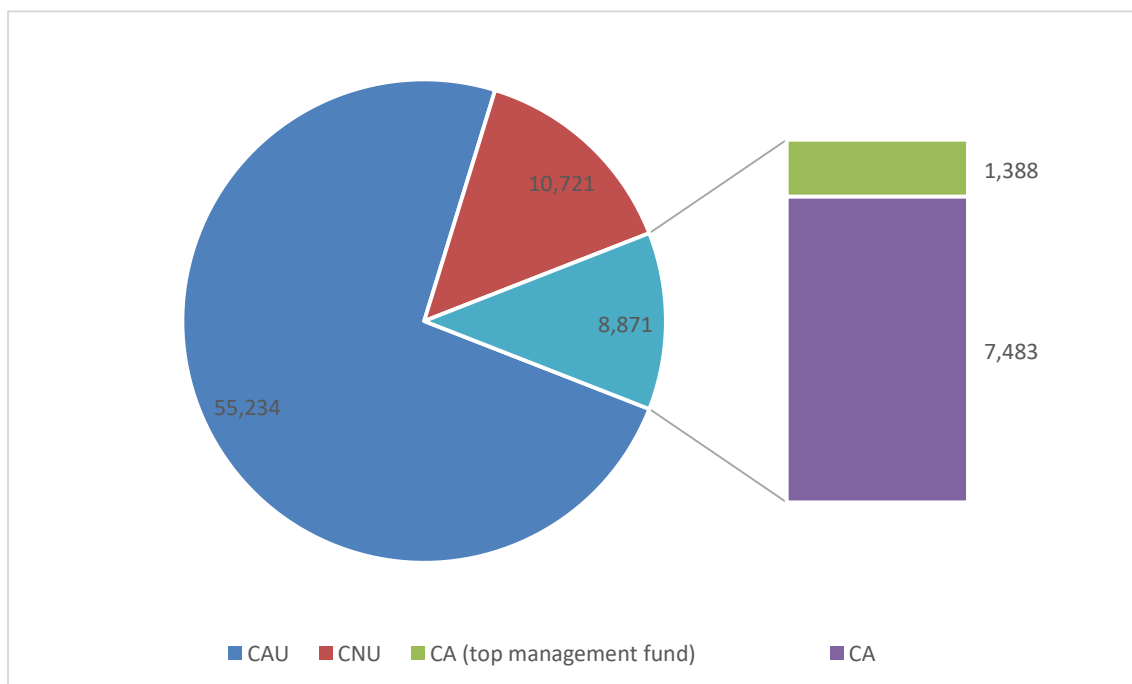


Figure 4. Distribution of actual remuneration and related costs in 2020 (in thousand EUR).

Premiums paid out at academic units amounted to 5,009 thousand EUR (of which 4,034 thousand EUR was paid to the academic staff, and 975 thousand EUR to the non-academic staff), while the planned amount of premiums for academic units was 4,082 thousand EUR (of which 3,628 thousand EUR was allocated to the academic staff, and 454 thousand EUR to the non-academic staff).

A breakdown of remuneration costs paid out at academic units in 2020 (excluding internal reallocations and changes in the leave reserve) is provided in Table 4.

Table 4. Remuneration costs paid out at core academic units in 2020 (in thousand EUR)

	Academic staff remuneration, excluding premiums	Non-academic staff remuneration, excluding premiums	Science awards	Other premiums	In total
Faculty of Chemistry and Geosciences	2,441	567	87	44	3,139
Faculty of Economics and Business Administration	2,298	688	60	45	3,091
Faculty of Physics	3,805	900	461	151	5,317
Faculty of Philology	4,538	548	47	43	5,176
Faculty of Philosophy	2,995	836	179	251	4,261
Life Sciences Center	4,336	1,376	570	148	6,430
Faculty of History	1,034	455	24	56	1,569
Faculty of Communication	1,213	360	15	18	1,606
Kaunas Faculty	1,476	533	50	57	2,116
Faculty of Medicine	9,658	2,253	556	1,123	13,590
Faculty of Mathematics and Informatics	3,944	792	462	319	5,517
Faculty of Law	1,405	521	70	67	2,063
Institute of International Relations and Political Science	942	323	14	32	1,311
Business School	434	467	3	57	961
In total	40,519	10,619	2,598	2,411	56,147

In 2020, the utility costs incurred were 1,119 thousand EUR lower than anticipated.

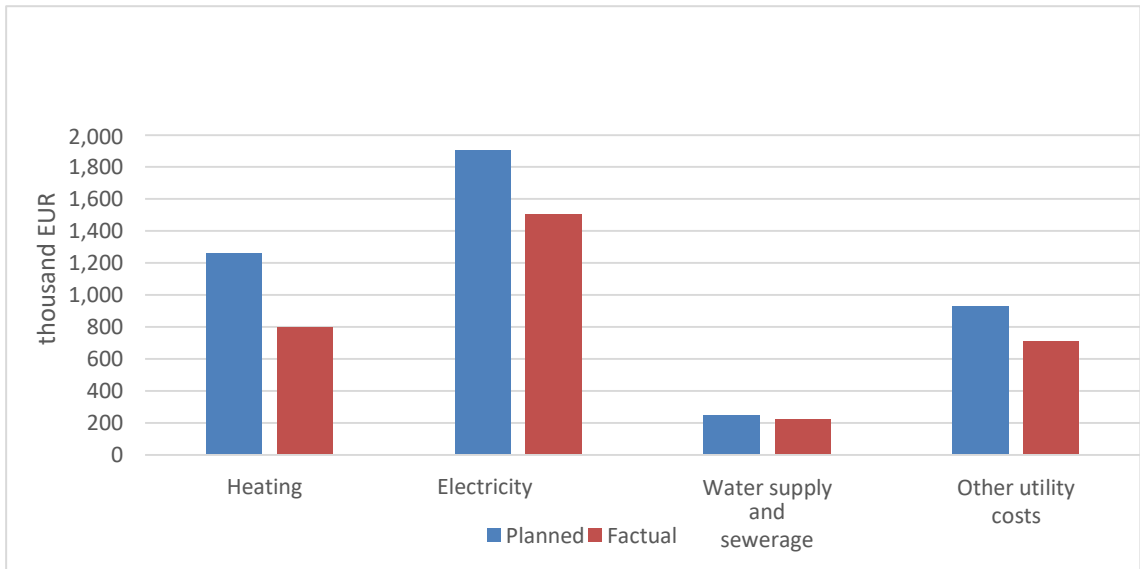


Figure 5. Detailed breakdown of utility costs in 2020.

A detailed breakdown of other costs actually incurred in 2020 is presented in Figure 6.

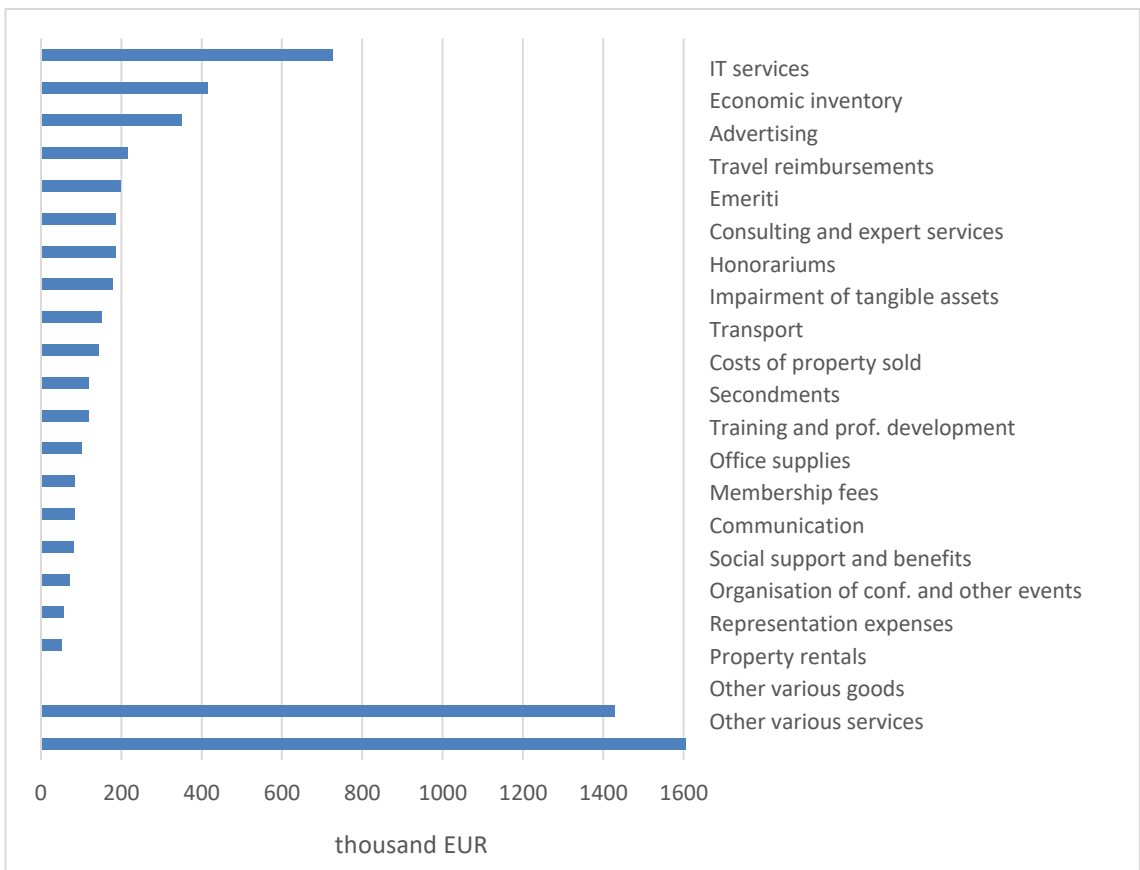


Figure 6. Detailed breakdown of other costs incurred in 2020.

Financial and investment activity costs included the following: transferred funding amounting to 208 thousand EUR, exchange rate changes amounting to 161 thousand EUR, interest costs amounting to 58 thousand EUR, and other financial and investment activity costs reaching 93 thousand EUR.

In 2020, 750 thousand EUR was allocated to the strategic fund, while the actual amount used was 538 thousand EUR. Out of 200 thousand EUR allocated to the strategic fund for the equipment renewal, 142 thousand EUR was actually spent.

When drawing up the revenue and expenditure estimate of the University for 2020, it was assumed that the level of overheads of endowment funds would be around 900 thousand EUR. The factual involvement in project activities was higher and, thus, overhead expenses amounted to 1,472 thousand EUR. Although these expenses are not directly reflected in the Report on the Implementation of the Revenue and Expenditure Estimate of the University for 2020, they led to a decline in own funds expenditures, as their major part was paid out using endowment funds.

Result breakdown by units

A breakdown of the net result by unit groups is presented below:

Table 5. Net result in 2020 by unit groups (in thousand EUR)

	Planned	Factual	Difference
Core academic units	-149	2,880	3,029
Central Administration and other core non-academic units	-64	3,202	3,266
In total	-213	6,082	6,295

Table 6. Reallocation of the actual results of 2020 among unit groups (in thousand EUR)

	CAU	CA and CNU
Result of external transactions	15,787	-9,705
Reallocation of revenue	-12,976	12,976
Infrastructure charge	-1,113	1,113
Reimbursement of indirect project expenses	608	-608
Reimbursement of general university studies	509	-509
Other internal revenue/costs	65	-65
Net result considering internal reallocations	2,880	3,202

Table 7. Results of core academic units in 2020 (in thousand EUR)

	Planned	Factual	Difference
Faculty of Chemistry and Geosciences	-64	-86	-22
Faculty of Economics and Business Administration	-24	-243	-219
Faculty of Physics	182	384	202
Faculty of Philology	26	352	326
Faculty of Philosophy	119	137	18
Life Sciences Center	-106	628	734
Faculty of History	232	403	171
Faculty of Communication	9	29	20
Kaunas Faculty	-318	-108	210
Faculty of Medicine	-156	761	917
Faculty of Mathematics and Informatics	43	432	389
Faculty of Law	-54	74	128
Institute of International Relations and Political Science	-5	100	105
Business School	-33	17	50
In total	-149	2,880	3,029

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