

Financial Statements

August 2021 – July 2022



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Professional Advisors

Statutory auditor	KPMG LLP 1 St Peter's Square Manchester M2 3AE
Internal auditor	UNIAC 4 th Floor, St James' Building Oxford Street Manchester M1 6FQ
Bank	Lloyds TSB Group plc 1 Westgate Huddersfield HD1 2DN
Legal advisors	Eversheds-Sutherland 70-76 Great Bridgewater Street Manchester M1 5ES Pinsent Masons 1 Park Row Leeds LS1 5AB Mills & Reeve 1 City Square Leeds LS1 2ES

Introduction from our Vice-Chancellor



A review of the past year must start with a tribute to the students and staff of the University. Despite all the challenges that every one of us has faced during the pandemic, and in its aftermath, activity at the University continued. Classes were still taught, students sat examinations, research was undertaken, and numerous awards were won.

In March 2022 we were able to hold graduation ceremonies again, for the first time since 2020, and then our usual July ceremonies took place. Graduation is always a special time, but I will remember these ceremonies in particular because they signalled that the University had returned to its normal rhythm.

We continue to develop the best of what we learned in the pandemic for the benefit of our students, but have also returned to many traditional ways of engaging with and supporting them. They have showed their appreciation of this in our outstanding results in the National Student Survey, where we moved forward in 26 out of the 27 questions.

Although we've been operating in new ways, we have continued to push ahead with our strategy and with developments on campus, continuing our commitment to *Inspire Global Professionals*, with our students at the heart of all we do, through our focus on Inspiration, Innovation, and an International outlook.

Our staff and teaching are inspirational. Here at Huddersfield, we stress the need for our lecturers and managers to be authentic teachers and leaders. We demonstrate this through our commitment to the Chartered Management Institute (CMI) programme of leadership development, and through the qualifications of our teaching staff. We badge this as *triple proof of teaching excellence*

Firstly, of the University of Huddersfield's 900 plus academic staff, 77 per cent hold doctorates, a proportion second only to the universities of Oxford and Nottingham in the country. It continues an upward trend for the University in these criteria, being an increase of one per cent on HESA's 2020 figures.

Secondly, a further 180 have other higher degrees, meaning that the percentage of lecturers with higher academic qualifications is 96 per cent, the highest in the country.

Thirdly, 94 per cent of Huddersfield teaching staff hold teaching qualifications, a figure that puts us comfortably in the top three of England's higher education institutions. (All this data comes from The Higher Education Statistics Agency (HESA) which has recently produced its latest staff data release, covering the academic year that concluded in 2021)¹.

Additionally, we are joint first in England for the number of National Teaching Fellowships (NTFs). Recognised for their teaching excellence this summer are Head of Computer Science in the School of Computing and Engineering Professor Richard Hill and Pedagogic Lead Dr Jane Wormald, from the School of Education and Professional Development.

The NTFs have been running for over 20 years and recognise the very best in teaching excellence. Recipients must meet a range of strict criteria which clearly demonstrates their individual excellence, their support of their colleagues and ongoing professional

¹ Mainstream English universities (more than 120 academic staff FPE)

development. The University of Huddersfield has received 20 awards since 2008, a figure matched by only one other University.

Our research is Innovative and covers many disciplines. We were proud, and delighted, that our Centre for Precision Technologies received a Queen's Anniversary Prize for its innovative and ground-breaking research. Professor Dame Jane Jiang and I received the award from the then HRH The Prince of Wales and the Princess Royal at a ceremony in London.

The Queen's Anniversary Prize is the highest national honour award for UK higher education and is granted by the monarch. The Award recognises outstanding work by UK universities that shows quality and innovation and that delivers real benefit to the wider world.

This year's award means we have now won three Queen's Anniversary prizes, our previous ones being for Music and for the Institute of Railway Research.

The results of the 2021 Research Excellence Framework (REF) were announced in May and, in terms of Research Power, we were one of the biggest movers forward with over two thirds of our portfolio being classed as world leading and internationally renowned.

As an example of research being shared with a wider audience, you may have seen our very own Professor Tim Thornton on the BBC TV series 'Lucy Worsley Investigates'. The programme explores the mystery of 'The Princes in the Tower' and whether King Richard III ordered their murder. Tim discusses evidence he has discovered that directly connects Richard III to men identified, by Sir Thomas More, as the boys' murderers.

Our international work continues to grow and develop – both in terms of research and student recruitment. There are over 30,000 Universities in the world, and we have set ourselves the target of breaking into the top 1%. Of this top 1%, we have now carried out joint research and published with 280 of them which is significantly enhancing our international reputation.

Over the last year we have had a record enrolment with a growth of 37% in international students. It was a great honour to have the Lord Lieutenant of West Yorkshire, Ed Anderson, CBE, present us with the Queen's Award for Enterprise in recognition of outstanding short-term growth in overseas sales with our postgraduate students growing by over 500% in the last 3 years

These outstanding results are only possible through the hard work of our students and staff and so I would like repeat my thanks to them for making this such a special University. In particular, our Students' Union plays a significant role in the student experience and this year history has been made in that, for the first time, we have had an all-female sabbatical officer team.

And finally, I would like to pay tribute to a group of people that give their time freely to support the University in its endeavours and that is the independent members of our University Council. They spend many hours of voluntary service supporting the University to develop and deliver its ambitious strategy.

Statement from our Chair of Council



One of the very pleasing things about this year is that we have been able to welcome our new Chancellor – Sir George Buckley to campus. Sir George actually took up post in 2020 – but of course other things intervened, so this is the first time he has been able to join us for graduation ceremonies.

Sir George was knighted in 2011. He is Chairman of UK manufacturer and technology innovator Smiths Group and until recently Chairman of Stanley Black & Decker, the world's largest makers of hand and power tools. Sir George has also served on some of the most prestigious boards in the world including the board of Hitachi, the Japanese industrial conglomerate, and the board of Pepsico, the US food and drink giant.

Sir George completed a Huddersfield degree and PhD in 1972 and 1976 respectively and a varied career followed his graduation, in the steel industry and working for the Central Electricity Generating Board, before he was recruited by General Motors and moved to the USA. In 2000 he became chairman of the Brunswick Corporation and in 2005 was appointed chairman, president and CEO of 3M, whose portfolio of iconic brands includes Scotch Tape and Post-it notes.

Sir George has joined us at a very exciting time, we continue to be successful across all areas of our strategy map, which, as the Vice-Chancellor has outlined, puts our students at the heart of all we do. He has taken time from his busy schedule to meet staff and students from across the institution, to understand their priorities, and to offer insight into different areas of our work.

As a University Council we take great pride in our University, and in helping to shape its long-term planning. There are two extremely important elements in our future planning – our Digital Strategy and our Estates Strategy.

Our Digital Strategy is key to supporting our staff and students to be able to operate in an online environment that is fit for purpose, and secure. The team responsible for this met the challenges of the pandemic, and swiftly changed how things operated to convert us to online teaching and meetings with minimal disruption. Our students and researchers continue to need access to sophisticated software, and our systems must be resilient. The infrastructure to maintain our campus – and allow us to develop to meet all our goals – is sophisticated, and needs to function 24 hours a day, every day of the year.

In terms of our Estates Strategy, we continue to make significant investments in student facilities and earlier this year a foundation stone for the new Jo Cox More In Common Centre, currently under construction, was unveiled by Kim Leadbeater MP, Jo Cox's sister, and their parents Jean and Gordon Leadbeater. The new centre, which will open in the autumn, will replace the existing Faith Centre that has welcomed students and staff for many years. We also renamed the home for our Engineering research facilities, now the Laura Annie Willson building. It is named after Laura Annie Willson MBE who was born in 1877 in Halifax. As one of the founding members of the Women's Engineering Society, the first female member of the Federation of House Builders, and a founding

member of the Electrical Association for Women, Laura Annie was indeed a trailblazing engineer.

A member of the local Women's Social and Political Union and branch secretary of the Women's Labour League, Laura Annie was one of the first two women in Yorkshire to be imprisoned for her political beliefs as a suffragette.

Laura Annie's political endeavours led to many people's lives changing for the better. This was also the case with her work as an engineer, which included the construction of 72 houses for workers in Halifax, setting up canteens for working women and developing housing estates which had the latest gas and electrical appliances installed.

The Laura Annie Willson building provides a brand new state-of-the-art location for

scientists and engineers researching topics as diverse as digital manufacturing, virtual reality, internet of things (IoT), digital forensics, fluid sciences and electric vehicles.

It also includes an innovative "Smart House" – a two-storey domestic dwelling inside a laboratory in which research and development work is already taking place on a range of 21st century topics such as: smart energy technologies; domestic environmental monitoring; new interfaces for home entertainment systems; and robotics for assisted living.

These buildings named after two extremely influential women, who changed people's lives for the better, encapsulate our commitment to *Inspiring Global Professionals* who will make a difference in the future.



Review of the year

Professor Dame Jane Jiang and the Vice-Chancellor, Professor Bob Cryan receive the Queen's Anniversary Prize.



The Queen's Anniversary Prizes are part of the UK's honours system but awarded to institutions rather than individuals. They were first presented in 1993 in order to recognise universities and colleges that had carried out ground-breaking pioneering research in a wide range of disciplines. The University's Centre for Precision Technologies (CPT) is widely recognised as both a world-leading centre for advanced manufacturing metrology, as demonstrated by large-scale research programmes, extensive industrial engagement, and both broad and far-reaching impact nationally and internationally. Its research, over more than two decades, has provided modern, cutting-edge measurement theory and technologies for dimensional and surface texture, machine performance; and mathematics for measurement. The team also takes an active leadership role in identifying UK future research priorities in the field, bringing together academic and industrial communities via future horizon scanning and road-mapping activities.

Jo Cox More In Common Centre

A foundation stone for the new Jo Cox More In Common Centre was unveiled by Kim Leadbeater MP, Jo Cox's sister, and their parents Jean and Gordon Leadbeater.



At the event Kim Leadbeater, MP for Batley and Spen, said *"It is quite overwhelming to be here and looking at what will be the Jo Cox More In Common Centre. It is wonderful to think that something so positive and important is being done in Jo's name, and I am incredibly grateful to the University of Huddersfield for all the hard work that has gone into this."*

"For us as a family, it means so much that Jo's legacy continues and in a way that she would have really believed in. A centre like this embodies her philosophy around having more in common, as she said in her maiden speech, focusing on the things that bind us together as human beings rather than the things that divide us."

"It's quite emotional to be here today, it means an awful lot to myself, to my parents, to all Jo's family and friends that this is happening. I look forward to many students creating many happy memories in this fantastic building."

Sir George Buckley becomes Chancellor.

One of the world's most respected business figures and a graduate of the University, Sheffield-born Sir George formally accepted the role at one of the institution's graduation ceremonies having been forced to wait over a year due to the Covid-19 pandemic.

Sir George gained a BSc in Electrical and Electronic Engineering and a PhD in Engineering from Huddersfield in the 1970s. In the stellar business career that followed, he has worked in the UK steel and electricity industries before a move to the United States saw him become chairman, president and CEO of 3M, whose brands include Scotch Tape and Post-It notes.



He received an honorary doctorate from the University in 2002, and a decade later its new business and innovation centre was named the 3M Buckley Innovation Centre. It is also home to the Sir George Buckley Leadership Centre, which aims to strengthen leadership skills and empower inspiring and creative leaders through leading-edge leadership development solutions.

Students' Union Executive Officers

In March 2021 students at the university made history and elected its first ever all female Officer team: Nat (President), Chido (Equalities Officer), Sadaf (Community Officer), Millie (Education Officer) and Meg (Activities Officer).

Since 1952, there have been just eight women presidents and over the past decade, just 7 of all Executive Officers have been women. In 2018 the Student's Union launched the Women in Leadership programme, so it was fantastic to have an all

team just a few years later. Students can take part in the Women in Leadership programme, supported by former Officer and current Kirklees Councillor Nosheen Dad.



Student Union Officers: Sadaf Eslamian, Community Officer – Megan Morley, Activities Officer – Natalie Stuart, President – Chidochemoyo Nyakonda, Equalities Officer – Millie Avery, Education Officer.

National Teaching Fellowships

Recognised for their teaching excellence are Head of Computer Science in the School of Computing and Engineering Professor Richard Hill and Pedagogic Lead Dr Jane Wormald, from the School of Education and Professional Development. Both received a National Teaching Fellowship (NTFS) in this year's awards.



The NTFs have been running for over 20 years and recognise the very best in teaching excellence. Recipients must meet a range of strict criteria which clearly demonstrates their individual excellence, their support of their colleagues and ongoing professional development.

Renaming event

The Laura Annie Willson Building, formerly known as the Technology Building, has undergone an £8million renovation and now houses the School of Computing and Engineering's research facilities. Laura Annie's granddaughter Joanna Stoddart, accompanied by her husband John, attended the renaming event, and said she was extremely honoured to have such an amazing building named after her grandmother.



Laura Annie Willson MBE was born in 1877 in nearby Halifax. As one of the founding members of the Women's Engineering Society, the first female member of the Federation of House Builders, and a founding member of the Electrical Association for Women, Laura was indeed a trailblazing engineer.

Graduation 2022

In March and July, we welcomed thousands of graduates and their family and friends back to campus to celebrate their achievements at our Awards Ceremonies. We also awarded several Honorary Degrees, including one to former student Rosie Jones, comedian, writer, and actor, pictured here with Students' Union President Millie Avery.



West Yorkshire Mayor, Tracy Brabin visits to the University's 3M Buckley Innovation Centre

West Yorkshire Mayor, Tracy Brabin, visited the University's 3M Buckley Innovation Centre (3M BIC) to experience the value of investing in business innovation as she develops plans for a continued commitment to boost innovation across the region.

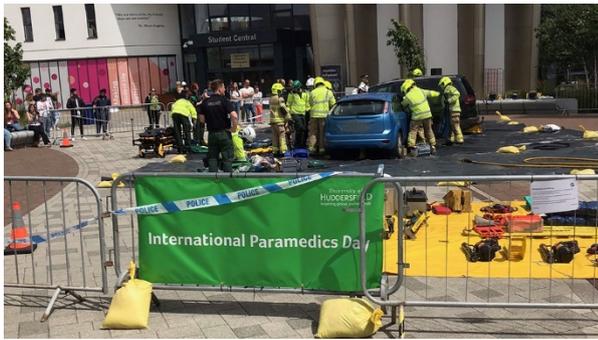


The 3M BIC is a subsidiary of the University of Huddersfield, designed to foster academic and industry collaboration and enable businesses to innovate, exchange knowledge with the University, and facilitate regional regeneration.

International paramedics day

Student paramedics took part in a realistic mock-up of a traffic accident in a unique event on campus to help mark the first-ever International Paramedics Day.

Paramedic Science students were joined by blue light responders from West Yorkshire Fire and Rescue Service (WYFRS), West Yorkshire Police and Yorkshire Ambulance Service in the real-time scenario involving a two-vehicle accident and a cyclist.



Including those watching the mock-up incident were Professor Jane Owen-Lynch, Pro Vice-Chancellor, and Halifax MP Holly Lynch, who is a prominent advocate for the emergency services.

The student paramedics, working as four separate crews, put their learning into practice in a highly realistic scenario that included an actor and mannequins playing the parts of accident victims, positioned in and around the wrecked vehicle which had been placed on campus.

Heather Clark prizes



A biography of the poet and novelist Sylvia Plath written by Heather Clark, the University of Huddersfield's Professor of Contemporary Poetry, won further acclaim after being named as one of the New York Times' 10 Best Books of 2021.

Red Comet: The Short and Blazing Art of Sylvia Plath, first released in October 2020, was also a Pulitzer Prize finalist among its many accolades.

Cultures of place



Credit: Photography by Victoria McCorkell, 2022

The School of Arts and Humanities showcased a myriad of its exciting research at a series of cultural engagements in a collaboration with Kirklees Council and Temporary Contemporary.

It was a celebratory showcase of exhibitions, installations, performances, workshops, podcasts, talks and discussions about place, drawing on research by academic staff and postgraduate research students.

Pictured are Jodie Matthews and Simon Woolham who led a drawing workshop (Depth/Gauge) focused on the process of collecting and interpreting graphite rubbings from the Huddersfield Narrow Canal.

All the projects within this programme present different creative and cultural engagements with place across the subject areas of art, architecture, creative writing, cultural studies, graphic design, English literature, fashion, film, history, media, music, performance, photography and textiles.

Strategic Report

Constitution and powers, and public benefit and responsibility

The University was established as a Higher Education Corporation under the terms of the Education Reform act 1988 and the Further and Higher Education Act in 1992. Its objects, powers and framework of governance are set on in the Instrument and Articles of Government. The Articles require the University to have a Council and a Senate each with clearly defined functions and responsibilities, to oversee and manage its activities. Members of Council are the University's charitable trustees and include the Vice-Chancellor and other staff and student members. The Council and senior management have due regard to the Charity Commission's public benefit guidance in setting institution objective and monitoring performance towards achieving them.

The Charity Commission requires there to be an identifiable benefit and that this benefit must be to the public or a section of the public. The University's principal aim is the advancement of education.

The University of Huddersfield's roots go back to 1841 via the Young Men's Mental Improvement Society. Throughout its history the University has been committed to meeting the needs and aspirations of it's students. This remains our key focus. Our long-term objective is to embed knowledge exchange activity, drawing on excellence in learning and teaching and research.

We are a successful, popular, and innovative modern University that offers a wide range of education, training and research facilities and we are proud of our achievements. The University of Huddersfield has a student population of over 17,000 undertaking a wider range of courses covering the wealth-creating, cultural and social welfare aspects of our economy.

The University is comprised of six academic schools:

- Applied Sciences
- Arts and Humanities
- Education and Professional Development
- Computing and Engineering
- Huddersfield Business School
- Human and Health Sciences

Vision and strategy

Vision

Our vision is to be an inspiring, innovative University of international renown.

Aims

- Inspiring
- Innovative
- International
- People first
- Growth and efficiency
- Financial sustainability

Values

We will work as a team to provide an excellent service to all for the communities we support.

Strategy Map: Aims and Key Performance Indicators

The University has set the following strategy and aims for the period.



The corresponding key performance indicators (KPIs) used to monitor progress annually, with details set out in the following pages.



Inspiring



Strategic Aims

- Enable all students to become inspiring and enterprising global professionals and achieve career and personal success.
- Inspire all students to fulfil their potential and achieve the highest academic and professional standards.
- Create an inclusive globally aware community providing a world-leading and inspiring student experience

Progress against strategic aims

TEF Metrics

The University anticipates being asked to submit to the TEF review in the 2022/23 academic year, and work continues to enhance its position. This year signalled a significant improvement in National Student Survey (NSS) scores, placing the University in the second quartile for overall student satisfaction, and 11th on the assessment and feedback scale. Standout performances by individual courses include, Music, Primary & Early Years Education with QTS, Education & Professional Development, History, Economics, Optometry, Transport & Logistics, Mathematics and Music Technology, which all scored above 90% for overall satisfaction. Geography and Interior Design both reached 100% for overall satisfaction, with Geography, Earth & Environmental Studies ranking 1st at subject area level.

The results also show that the University is best in Yorkshire in 14 subject areas, as well as being ranked in the top quartile for 17 subject areas. A new Code of Practice for all academic staff was introduced to guide the management and development of teaching and learning, and a training programme has been delivered to more than 140 course leaders across the institution to enable them to move forward in their role with confidence and to help improve course management scores.

Key Performance Indicators

- TESOF core and supplementary metrics to be at least two points above benchmark.
- Differential achievement: No statistical difference for Retention, Highly Skilled Employment and Classifications once benchmarked.
- University of Huddersfield student engagement score to improve by 20%.

It should be noted that the structure of the TEF exercise and nature of the metrics used to inform review panels has changed since the inception of the University's KPIs, and we are waiting for final guidance from the OfS as to the nature of the 2023/24 TEF assessment.

Insights from the Huddersfield Student Survey (HSS) demonstrated significant increases in satisfaction against core indicators including teaching, learning opportunities and assessment compared to the previous year, with 12 courses scoring 100% for overall satisfaction.

Differential achievement

The University has made significant progress addressing differential attainment whilst maintaining an excellent profile in the diversity of our student body and widening participation. There are no significant gaps between groups in the student population in rates of retention or progression and the differential attainment gap (comparing attainment of a first or upper second-class degree) is amongst the smallest in the sector, especially for students from black ethnic backgrounds where our gap is 11% compared with a sector-wide gap of 17.4% points.

Differential Achievement data, split by ethnicity, Index of Multiple Deprivation (IMD) and qualifications on entry, has been analysed at departmental level and shared via workshops held by the Strategic Teaching and Learning team to enable and support

targeted approaches to eliminating attainment gaps, and this data informs development priorities for the forthcoming academic year.

Student engagement

Measurement of student engagement has presented challenges this year as the attendance monitoring element has continued to be impacted by the pandemic and the requirements for students to self-isolate in the early part of the academic year.

Review of the year

The lifting of national restrictions relating to Covid-19 at the start of the academic year saw a return to campus-based teaching and learning and face-to-face delivery. The best of blended learning approaches was adopted to complement in-person teaching, and students have made good use of collaborative working tools, such as MS Teams to develop group working, and in individual supervision meetings with their tutors.

This approach was validated through high satisfaction scores for teaching and learning in both the University and National student surveys, and the University continues to evaluate the affordances of teaching

technologies to enhance the student experience. Two colleagues were awarded National Teaching Fellowships by Advance HE, in recognition of their outstanding contribution to teaching and learning. Professor Richard Hill, (School of Computing and Engineering), and Dr Jane Wormald (School of Education and Professional Development). These colleagues join an elite group of staff who are celebrated for their commitment to the development of teaching and learning excellence.

As an institution we have committed to the Student Futures Manifesto to guide our approach to post-pandemic support for our student community as they move through their undergraduate programmes and progress into their chosen careers. The University of Huddersfield was one of the first 20 HE institutions in the UK to commit to the manifesto, which in partnership with our student community, will help frame Covid recovery activity.



Innovative



Strategic Aims

- Increase our international recognition via the volume and quality of research outputs.
- Increase our research and knowledge exchange income.
- Become a focus for productivity improvement, impact and enterprise.

Progress against strategic aims

Research Excellence Framework (REF)

The strategic aims are underpinned by the University's Research Strategy 2016-2025 and build on the creativity, knowledge, and skills of academic staff.

The main aim has been to increase the University's research power rating from REF2014 and the results of REF2021 that were announced in May 2022 confirm this. The Research Excellence Framework (REF) is the UK's system for assessing the quality of research in UK higher education institutions. It assesses world-class research which ensures excellent teaching and real-world impact on society.

The University's key achievements in the REF include its growth in research power. Over two thirds of its research portfolio is world-leading and internationally renowned. The University is in the top 20 universities for increasing its research power since 2014 and it now ranks within the top 50 in the UK overall. Submissions were made in 19 Units of assessment from a diverse range of subject areas, of which seven are emerging areas of research for the University. The University continues to expand its research by providing new researchers with the opportunity to develop their area of expertise and pursue their research careers.

The REF2021 results revealed the following areas of research strength for the University:

Key Performance Indicators

- All academic staff publishing at 2-star level or above (75% at 3-star or above). Institutional average of 10 citations per output.
- Research income £30m p.a., knowledge exchange and innovation income £5m p.a.
- Formal links with 5,000 unique businesses and end users, and 15% of all research outputs created with research end users.

Music:

- 100% world-leading and internationally excellent for research environment
- 100% world-leading and internationally excellent for research impact
- 85% of all overall research being world-leading and internationally excellent
- In the Top 10 for research power

Biological Sciences:

- 100% world-leading and internationally excellent for research impact
- 100% world-leading and internationally excellent for research environment

Architecture and Built Environment:

- 100% world-leading and internationally excellent for research impact
- 100% world-leading and internationally excellent for research environment

Social Work and Social Policy:

- 100% world-leading and internationally excellent for research environment
- 80% of all overall research being world-leading and internationally excellent
- In the top 50% for research power

English Language and Literature:

- 100% world-leading and internationally excellent for research impact
- 90% of all overall research being world-leading and internationally excellent

History:

- 100% world-leading and internationally excellent for research environment
- 100% world-leading and internationally excellent for research impact

Communication and Media Studies:

- 100% world-leading and internationally excellent for research environment
- 100% world-leading and internationally excellent for research impact
- 90% of all overall research being world-leading and internationally excellent

Engineering:

- Greater than 80% world-leading and internationally excellent for outputs
- 50% world-leading for research impact

Art and Design:

- In the top 50% for research power

Education:

- In the top 50% for research power

Business and Management Studies:

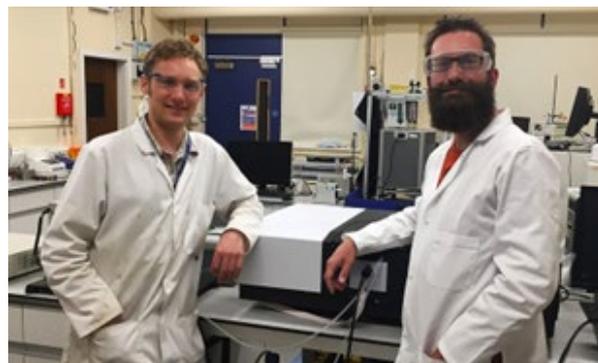
- In the top 40% for research power

Review of the year

The University has been awarded £1million UK Research and Innovation (UKRI) funding over three years that will help a range of projects translate the institution's acclaimed research into real world impact through the UKRI's Impact Accelerator Account (IAA). The University has also been successful at receiving both Art and Humanities Research Council (AHRC) and Engineering and Physical Sciences Research Council (EPSRC) funding. The funding, over three years, will bring researchers together with organisations in business, the third sector and heritage. A key focus will be to maximise impact, knowledge exchange and commercialisation potential from the University's research.



The University's Future Metrology Hub organised the 23rd International Conference on Metrology and the Properties of Surfaces – also known as “Met & Props 2022”, in collaboration with the University Strathclyde and held at Glasgow's Technology and Innovation Centre. It was the first “Met & Props” conference to take place face-to-face since 2018 with over sixty delegates and eight exhibiting companies. The conference focussed on the progress in surface metrology, surface characterisation, instrumentation and functional properties of surfaces and provided an international forum for academics, industrialists, and engineers from wide ranging disciplines to meet and exchange their ideas, results and showcase their latest research. The scientific exhibition featured stands from specialist companies demonstrating the latest software, optics, and



imaging equipment.

Scientists at the University have secured significant funding to develop novel and sustainable molecular materials that harness light to drive useful chemical reactions. The project, funded by the Leverhulme Trust, will be led by inorganic chemists Professor Paul Elliott and Dr Paul Scattergood, within the University's Centre for Functional Materials in the School of Applied Sciences and is part of an international collaboration with researchers in Sweden and France. In what is one of the hottest areas of modern chemistry, this new project focuses on the development of new photosensitiser complexes that incorporate a central atom of metallic elements that are far more abundant in the earth's crust, making these materials cheaper and far more sustainable.

The emotional toll of the Covid-19 pandemic on NHS communication professionals is the

subject of a research report by the University's Professor Anne Gregory and Professor Eleanor Davies, in collaboration with Dr Bill Nichols from the Centre for Health Communication research. This new research identifies six principal triggers for the high and low emotions they experienced, which range from stress and anxiety to pride and elation. The report has been acknowledged by both NHS Providers and the NHS Confederation.

Looking ahead

The fourth tranche of EPSRC DTP funding will commence in October 2022 providing full

bursaries and fee for around 35 students over five years. Funding will be allocated to PhD projects in strategic priorities of EPSRC including Digital Economy, Engineering, Manufacturing the Future and Energy.

In the forthcoming year the University will continue to grow its research portfolio and income while strengthening impact and reputation through careful and fair choices in the resources such as the University Research Fund and exploiting opportunities expected to arise from the government's Innovation Strategy and the levelling-up agenda.



International



Strategic Aims

- Recognised as a world-class academic institution.
- Build strategic research partnerships with other world-class academic institutions.
- Continue to provide a world-class student-experience.

Progress against strategic aims

A world-class institution

The University has improved its position in the influential QS World Rankings, rising to #663 following notable improvements in the academic and citations measures. At subject level, Performing Arts has risen to 25th while Communications and Media Studies is now ranked in the top 200 of all institutions.

The University has maintained its position in the Times Higher Education (THE) world rankings of # 601-800, with Law, Business, Arts & Humanities, and Social Sciences all featuring in the top 300 at subject level.

In April 2022, the University won the UK's most prestigious business award the Queen's Award for Enterprise. The award, in the category of International Trade, was in recognition of the growing stature of the University internationally, the development of international links and the success in growing international student recruitment.

World-class student-experience

With the opening up of the campus after the pandemic, students from around the world came together in March 2022 during Global Week to celebrate the diversity of international cultures within the University. Lunar New year festivities and an international food festival proved particularly popular.

In April the University's international students were invited to complete the International Student Barometer, an in-depth survey of all aspects of their experiences of the University,

Key Performance Indicators

- Top 300 Times and QS World University Rankings.
- 140 strategic research collaborations with Top 300 Times or QS institutions and 60% of publications with international collaborators.
- Top 25% in UK ISB for "Integration" measures (and Top 10% overall).

from arrival to accommodation, teaching to facilities. An excellent participation rate saw nearly 1,500 responses with an overall satisfaction rate of 98% exceeded the sector average of 88%. Responses relating to arrival, support, learning and campus facilities all exceeded 90% satisfaction.



The University continued to grow international student recruitment in the year, despite the ongoing challenges of the pandemic and changing travel restrictions. Over 3,300 students, representing 100 nationalities, studied in Huddersfield in 2021/22, an increase of 20% over the previous year. Demand was particularly strong for taught postgraduate and January start programmes driven by interest in the opportunities for post-study work in the UK. Nigeria, India and China accounted for over 75% of the new international student enrolments, with Nigeria becoming the largest single market.

The first cohort of students from the University's partnership with Fujian Normal University in South-East China graduated with degrees in Electronic and Communication Engineering in June. The partnership was established in 2017, with the students based in Fujian but following a

Huddersfield programme with teaching by staff of both institutions. The performance of the students was exceptional, including 68 first class awards.



Strategic research collaborations

Strategic seed corn funding is supporting the development of 80 international research partnerships with world-class institutions. Projects supported include coastal dune

restoration with the University of California; creating dementia friendly communities with the University of Malaya; and 5G/6G communication networks with the Universities of Aarhus and Princeton.

The University also took advantage of funding from the government's new Turing student mobility scheme to support twelve PhD students to undertake extended study visits to leading research institutions in Europe, Australia, South America, and the USA.

The University continues to increase the proportion of outputs co-authored internationally, with over 55% of outputs now produced with international collaborators in the five-year period to 2022 and is on track to reach the target of 60% by 2025.

Growth and efficiency



Strategic Aims

Sustained student-numbers growth

An estate with sector-leading condition and functionality

Efficiencies led by a Digital Transformation Agenda

Key Performance Indicators

5% pa growth in overall taught-student fee income or consequent efficiency savings

Upper quartile for estate condition and functionality

Reduced cost per transaction and improved user satisfaction in key University processes

Progress against strategic aims

Sustained student-numbers growth

The continuing pressures on and disruption to the higher education market due to the pandemic resulted in the University experiencing a restriction on tuition fee income growth, at £0.9m. Income from home students fell by £7.4m whilst the income from international students increased by £6.8m in comparison to the previous year. The use of Teacher Assessed Grades (TAGs) for Advanced Level students resulted in grade-inflation and students “trading up” to universities with higher entry tariffs. There was also a reduction in older adults choosing to enter University; it is too early to tell whether this was a one-off because of the stage of development of the pandemic in the summer and autumn of 2020, or a change in behaviour in the long term. Continuing student numbers and income were also affected by changes of behaviour in earlier years due the Covid19 pandemic.

The outturn was, however, supported by strong recruitment in January 2022, reflecting the University’s ability to respond flexibly to applicant demand nationally and internationally. For the international market, the attractiveness of the January entry for Master’s students was very important and built on a planned increase in the range and availability of courses.

Schools each have a programme of development activity to support growth, responding to applicant demand and workforce developments in their field, but also responsive to the effectiveness of new courses in supporting the delivery of the

range of objectives in teaching, research and international as set out in the Strategy Map. Course offerings are being reshaped to meet evolving professional requirements, as in the case of Law with consequential increased attractiveness to students, and developed to meet rapidly changing market needs, as in Careers Advice and Special Educational Needs. The extension of work in the health sciences across some of the remaining Allied Health Professions has been very fruitful in attracting applicants and supporting relationships with regional health partners. Also in public services, an accredited pre-join course for those aspiring to careers in policing is being developed to the requirements of the College of Policing. The combined strength of the new School of Arts and Humanities is clear in recent success in launching the Yorkshire Film and Television School ahead of its new facility at the Stewart Film Studios opening during 2021-22. As with other areas, this example highlights the alignment of course development with research and internationalisation goals, evidenced by the strong performance of the University in REF21 for the UoA34, which recognised 91% world-leading or internationally-excellence research in Media, and UoA27, with 93% in those classifications for an area including creative and screen writing.

The University has a successful and growing Apprenticeship portfolio, mainly providing degree apprenticeships to the health care sector.

An estate with sector-leading condition and functionality

Despite the implications of operating an estate which was recovering from a pandemic, the condition of the University's buildings remains sector leading at 96.5% A + B and ranked 11th within mainstream universities. The University's functionality is ranked 15th with a score of 98.7%.

Review of the year

The University opened the Laura Annie Willson building in July 2022, following an £8m refurbishment of 3,000m² of accommodation, to create the University's state-of-the-art flagship research facility. The accommodation, incorporating a two-storey SMART house, provides scientists and engineers the perfect stage to research topics as diverse as digital manufacturing, virtual reality and digital forensics.



The refurbishment included the addition of 485 photovoltaic panels to the roof, generating 150,000 kWh of electricity per annum.

As part of the ongoing estates strategy, further upgrade works which will add more panels to generate more energy on site have been undertaken to improve the overall quality of the estate as well as increasing funding being made available to ensure that long-term maintenance works will be carried out to maintain the condition, efficiency and functionality of the buildings for the benefit of students.

During the year, the University has progressed two major capital estates projects, with the Jo Cox More In Common Centre scheduled to be open early 2023. This £5m investment replaces the existing

Faith Centre with modern facilities and built to the WELL Building standards which promote better health and wellbeing through improved air, water, light and other factors.



The University acquired the six-acre site for its new National Health Innovation Campus in December 2021, based at Southgate in Huddersfield town centre.

The site will provide up to 75,000m² of accommodation. Outline planning was granted in October 2021, with full planning permission granted for the initial landmark building of 10,000m², which is planned to be completed in 2024.

An integral part of the Southgate planning process has been the masterplan for the site, as well as the Queensgate and Western campus, which will set out future developments and potential usage of new and existing buildings across the estate in line with the Strategy Map.

The experience of managing a large and complex estate during a pandemic has been challenging, but many lessons have been learned that will inform our future plans such as the importance of quality building ventilation. The rise in construction and other running costs continues to put pressure on revenue budgets, with the need to continue to manage the use and availability of space to

maintain high estate quality and student experience.

Efficiencies led by a Digital Transformation

Agenda

The University measures progress against its reduced cost per transaction target biennially, and this exercise was last conducted in 2021, which demonstrating continued improvement in process and systems.

Several initiatives are underway improving business process and generating efficiencies through automation, for example benchmarking results from 2021 for HR processes show a 63% decrease in transaction costs related to managing annual leave and 54% decrease in transactions costs associated with managing sickness absence.

Review of the year

The University has set itself an ambitious Digital Transformation agenda, with several multi-year transformation projects in progress, as well as simultaneously undertaking proactive and reactive cyber-security related improvements without impacting on the service provided to students and staff and ensuring key University functions could continue to be performed in a hybrid working environment.

Operational Delivery

The IT service desk retained its Proactive Service Desk status from the Service Desk Institute. The service desk activity decreased by 19% in requests and incident management compared to the previous year, reflecting the positive experience of customers with the hybrid nature of work and learning. Customer satisfaction scored highly with 93% of customers either satisfied or totally satisfied.

Student experience

To support the ongoing challenges presented with the pandemic, improvements were made to the Virtual Learning Environment with around 52 million logins being recorded. Lecture Capture continued to be a popular with more than 2.6 million minutes viewed by more than twelve thousand distinct users. Nearly 2,000 students were provided with Adobe Creative licences to enable to use Adobe products at home.

Staff, student, and researcher digital skills were enhanced through a development programme of 1-2-1 appointments, group sessions and online guides. There were 1,353 session attendances, 504 appointments and more than 30,000 views for self-service guides.

Digital Strategy Transformation Projects

The University continues to make good progress with its digital strategy with 11 projects completed in the last 12 months, a further 18 projects are in-flight. Highlights include the implementation of a mobile app and web-based system for the pre-enrolment portal and international applicant portal, improved systems and enhancements to support a remote Clearing process and increasing migration of systems to Microsoft Azure from the on-premises data centre.

Library and information service improvements have included the implementation of a new Reading List system and inter-library loan system, together with a new managed print service.

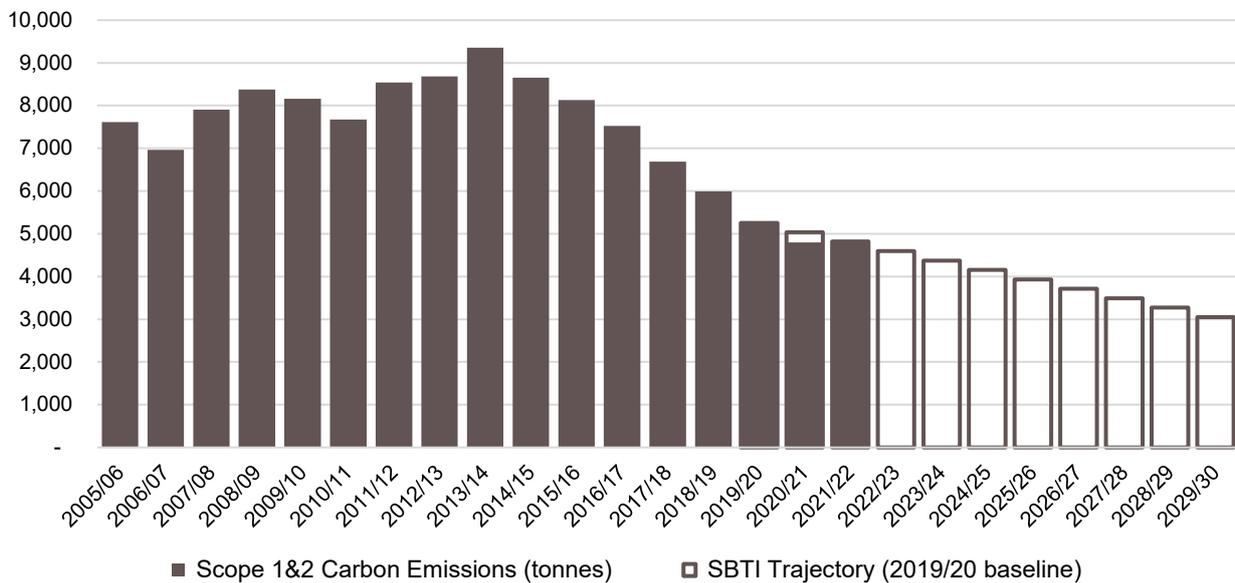
Environmental Sustainability

Review of the year

During the year, the University transitioned from remote teaching due to the pandemic, to a blended learning approach. This resulted in the campus beginning to become occupied again and energy consumption increased. Under industry guidance, the University operated all ventilation systems at maximum and opened windows where possible throughout the campus. The impact was to increase the energy demand of operation, with increased gas use for heating and increased electricity use for operating ventilation systems.

against the transmission of Covid-19. Increases are predicted in future years because of emissions related to construction of new buildings as part of the estate strategy.

As the University returns to normal ventilation operation, significant energy savings may be realised, resulting in Scope 1&2 emissions reductions. To enable this, the University has continued investment in the estate to improve efficiency, utilising direct capital investment schemes such as Solar Photovoltaics, as well



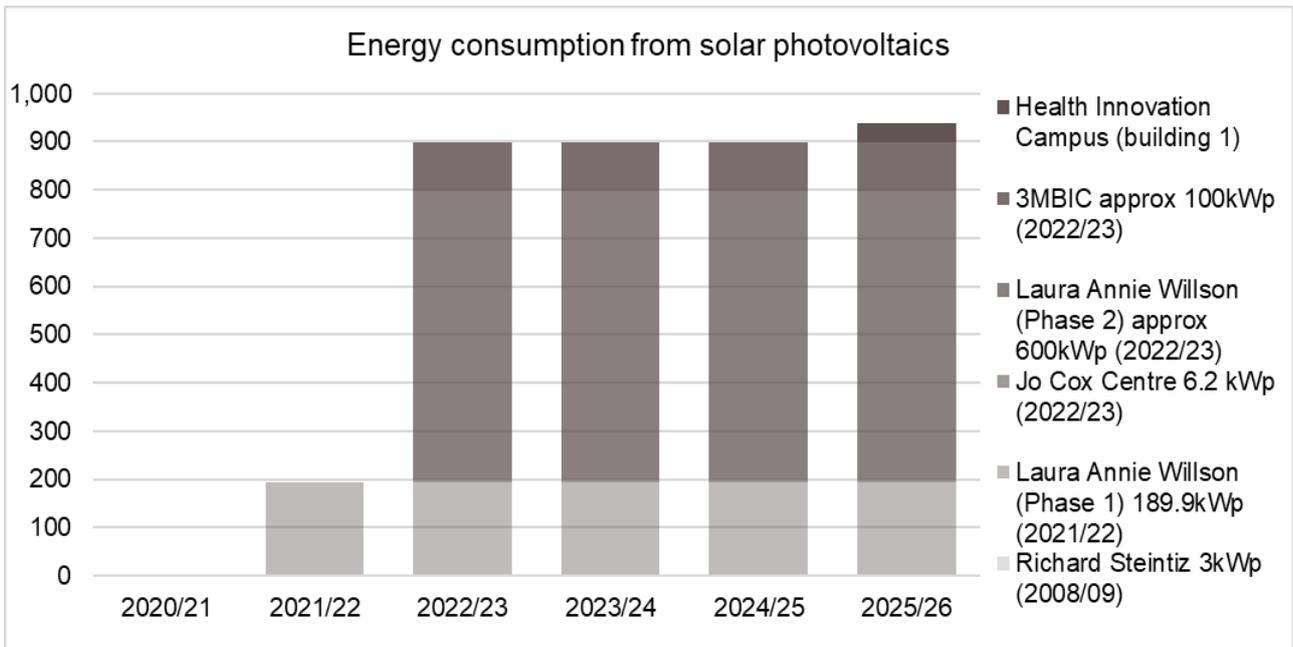
Despite these increases, the consumption of energy was still below pre-pandemic levels, and with the reduction in carbon emissions from the electricity national grid, the University was still in line with its target for scope 1&2² emissions reduction. Provisionally, the University emitted 4,821 tonnes of CO₂e against a Science Based Target Initiative³ (SBTi) target of 4,816 tonnes CO₂e. Scope 3⁴ emissions account for approximately 80% of the University’s carbon footprint. The pandemic caused an increase in our supply chain emissions through investing in new ICT equipment and software to enable new ways of working and through significant investment in materials to protect

as investing in improved systems as they are replaced or repaired. The success of the installation of solar panels on the Laura Annie Willson Building, will be supplemented with further panel installations on the remainder of the roof. In parallel, the project will also install panels on the roof of the 3M Buckley Innovation Centre. When combined with the panels to be installed on the new Jo Cox More In Common Centre and the first building on the Health & Innovation campus, the University will have increased from 3kWp installed to over 900kWp.

² Scope 1: emissions from sources directly owned or controlled by the University, Scope 2: generated by use of energy bought from a utility provider

³ [Science Based Target Initiative \(SBTi\)](#)

⁴ Scope 2: occurring from sources that the University does not own or control, for example covering emissions associated with business travel, procurement, waste and water.)



Other achievements

The University climbed over 50 places in the People & Planet University League to =50th position, being awarded a 2:1. This is reflective of the continued public commitment of the University towards tackling the climate emergency and embedding sustainability into its operations.

The University’s strong commitment to achieving the United Nations Sustainable Development Goals (SDGs) is reflected in our being ranked within the top 200 Universities globally in the Times Higher Impact Awards.

During the year, the University was selected as one of 15 universities participating in the Queen’s Platinum Jubilee Challenge. This is an innovative new scheme to help the sector work together to achieve net zero carbon emissions. An aim of this challenge is to produce a sector-wide strategy for reducing emissions produced in partnership with the Department of Education and the alliance of Sustainability Leadership in Education (EAUC).





People First



Strategic Aims

- Attract a talented global academic workforce to deliver and support our growth, vision, and values.
- Recognise contribution and provide a fair and motivational framework to ensure colleagues' engagement for continuous improvement
- Grow an inclusive community of leaders and managers to develop people and achieve excellence

Progress against strategic aims

We are on track, with nearly 27% of our academic colleagues having international experience. This experience relates predominantly to the appointment of talented international colleagues. Our increasing number of academic colleagues who are collaborating with international partners further enhances and supports our growth, vision and values.

Engagement and satisfaction and good management practice

Both targets are measured against an all-staff survey which was paused during the pandemic and due to run again in September 2022. Our Wellbeing Survey in February 2021 highlighted that our colleagues reported communication by the University and line manager support are well-received and individuals have reported that their work-life balance has improved with them having greater flexibility on how they manage their working hours to support their personal choice or to balance their personal circumstances. In response, a Hybrid-working Framework has been introduced delivering very positive impacts for colleagues and the University.

The University has been awarded the Chartered Management Institute (CMI) HE Partner of the Year for the development of our people managers and our student population as part of a wider student employability agenda. The University remains the only institution where all

Key Performance Indicators

- 35% of academic staff to have international experience
- University to be in the Quality of Working Life (QoWL) sector upper quartile measure for engagement and satisfaction.
- University to be in the QoWL sector upper quartile measure for good management practice

managers are either qualified chartered managers or working towards the qualification.

Equality, Diversity, and Inclusion

Equality, Diversity and Inclusion (EDI) are core values of the University's work. The University is committed to providing an inclusive learning and working environment in a culture of mutual respect and dignity where all staff and students are valued for their contribution and can reach their full potential. The University is committed to going beyond the legislation and aim to achieve equality, diversity, and inclusivity throughout all areas of activity. The University continues to progress work with its Race Equality Charter and University Mental Health Charter to achieve this. The University's "U-Connect Diversity Mentoring Scheme" shows continued success working in partnership with other regional universities.

The gender pay gap continues to reduce. As a large local employer to our community, the University is a Voluntary Living Wage employer and remains committed to ensuring all colleagues in front-line operational roles and administrative support roles are paid fairly to meet the real cost of living. The University continues to work with University & Colleges Employer Association (UCEA) for national pay negotiations and work in partnership with local union branches on non-pay matters to meet our strategic aims relating to engagement and satisfaction.

Leadership and development

The University provides a thematic approach to people and organisation development that underpins our offer and ensures it is aligned with our Strategy Map and values. There is a good balance of online and face to face courses and sessions. Following a review, the University has implemented a new Personal Development and Performance Review process which meets the needs for different staff groups. This new process has been well received and better balances individual performance with development opportunities, thus providing better analysis to support the wider strategic planning process.

In support of the University’s strategic research aims the principles set out in the “UK Concordat to Support the Career Development of Researchers” have been embedded. Consequently, the University has retained its HR Excellence in Research award following a robust eight-year review. Progress continues the action plan for the Technician’s commitment.

“The HR Excellence in Research Award is an important mechanism for implementing the principles of the Concordat to Support the Career Development of Researchers, and in retaining their Awards institutions demonstrate their long-term commitment to the career development of researchers.”

Ruth Sivori,

Head of Human Resources

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The following data covers the period 1 April 2021, 31 March 2022 as follows:



HR EXCELLENCE IN RESEARCH

	2022
	Number
Number of trade union representatives	19.00
Full-time equivalent number of trade union representatives	16.42
Percentage of working hours spent on trade union facility time	Number
0% of working hours	0
1 to 50% of working hours	18
51 to 99% of working hours	1
100% of working hours	0
Percentage of staff costs spent on facility time	£'000
Total staff costs for the University	£105,549
Total cost of facility time	£59
Percentage of staff costs spent on facility time	
Paid trade union activities	0.056%
Percentage of total paid facility time spent on paid trade union activities	38.320%

Financial Sustainability and performance



Strategic Aims

- Generate sufficient cash to meet strategic investment plans and economic contingency.
- Maintain financial strength.
- Ensure all Schools and Services maintain financial and operational viability.

Key Performance Indicators

- Minimum 7% of total income as cash generation for sustainability and investment.
- Remain in the upper quartile amongst all UK HEIs in the HESA Security Index.
- All Schools and Services to deliver a 3% annual underspend against their devolved revenue budgets.

Progress against strategic aims

Our Financial Strategy is integral to the University's Strategy Map and sets out the broad financial objectives which underpin the mission, vision and aims of the University. The University continues to deliver positive cash generation in line with the Financial Strategy and KPIs

Summary of performance

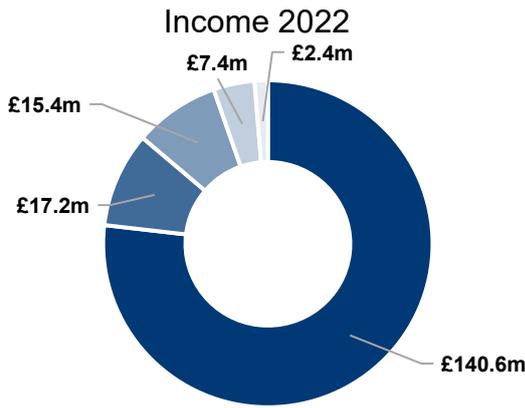
The University's underlying financial performance remains strong over the year ending 31 July 2022, generating **cash from operating activities** of £23.4m (2021: £35.3m), representing 12.8% (2021: 19.7%) of income. Total comprehensive income for the year was £169.8m (2021: £54.7m). These figures are reported after significant adjustments in relation to the pension schemes and revaluation of the University's

tangible fixed assets. The actual gain/loss on pensions and the revaluation shown in other comprehensive income has no cash impact.

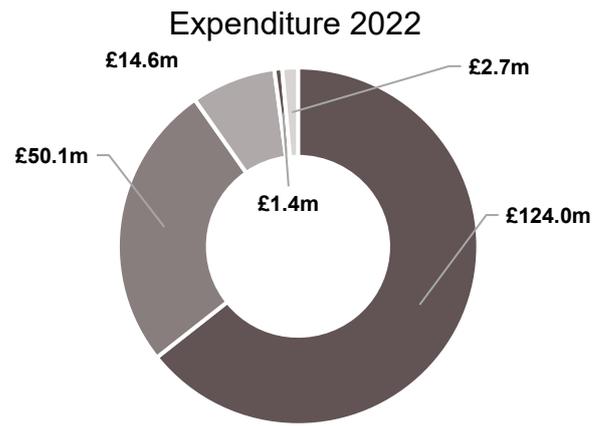
Total income for the year was £183.0m, a 2.0% increase over the prior year (2021: £179.4m). The main source of income continues to be from tuition fees, with the proportion of fee income coming from overseas students increasing over time. Income from research grants and contracts has also been increasing as part of the University's focus within the Strategy Map.

Expenditure has also increased over the previous year, with the proportion of costs expended on staffing increasing.

	Year ended 31 July	
	2022 £'m	2021 Restated £'m
Surplus /(loss) for the year before other gains and taxation	(9.2)	4.9
(Loss)/gain on investments	(2.9)	(0.3)
Taxation	0.0	(0.0)
Surplus /(loss) after other gains and taxation	(12.1)	4.6
Other comprehensive income		
Actuarial gain /(loss) in respect of pension schemes	128.7	40.4
Unrealised surplus on revaluation	53.1	-
Proceeds from sale of shares	0.1	-
Total comprehensive income for the year	169.8	45.0

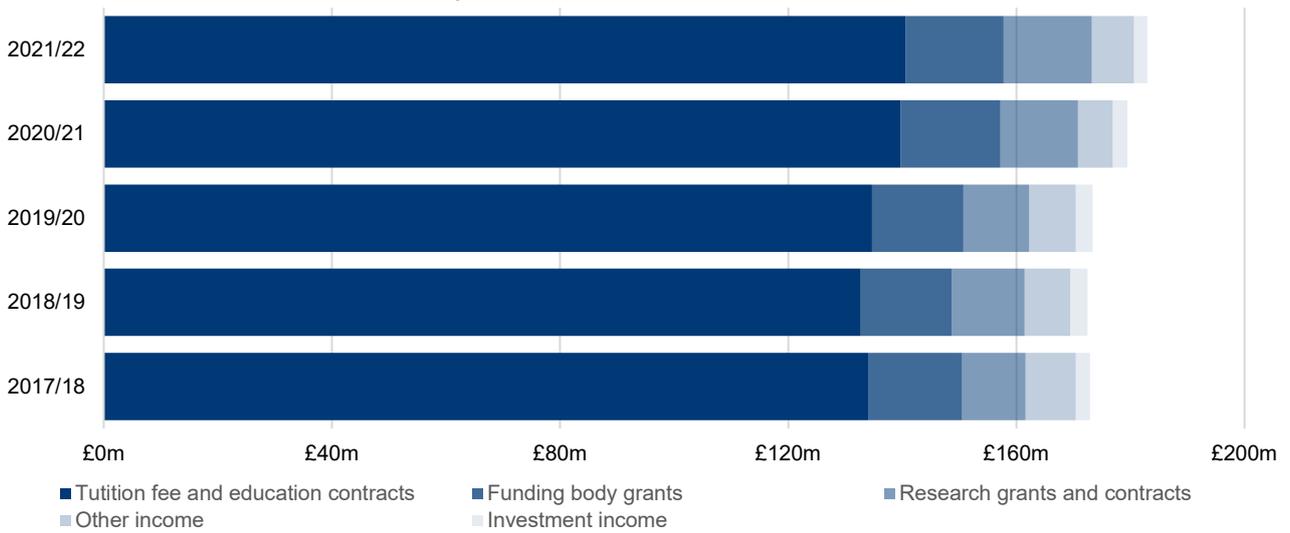


- Tuition fee and education contracts
- Funding body grants
- Research grants and contracts
- Other income
- Investment income

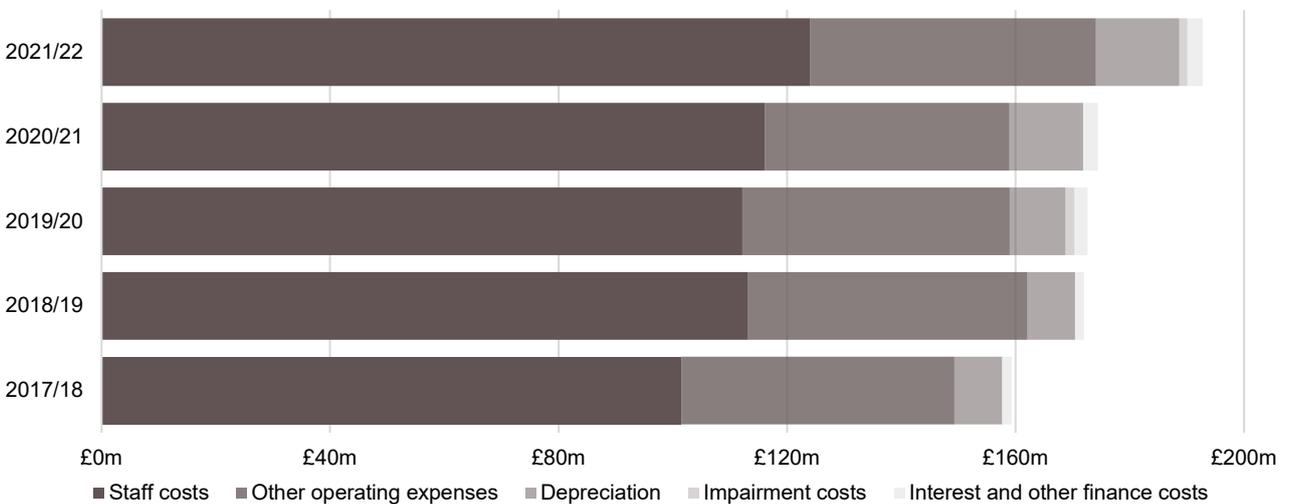


- Staff costs
- Other operating expenses
- Depreciation
- Impairment costs
- Interest and other finance costs

Sources of Income Comparison

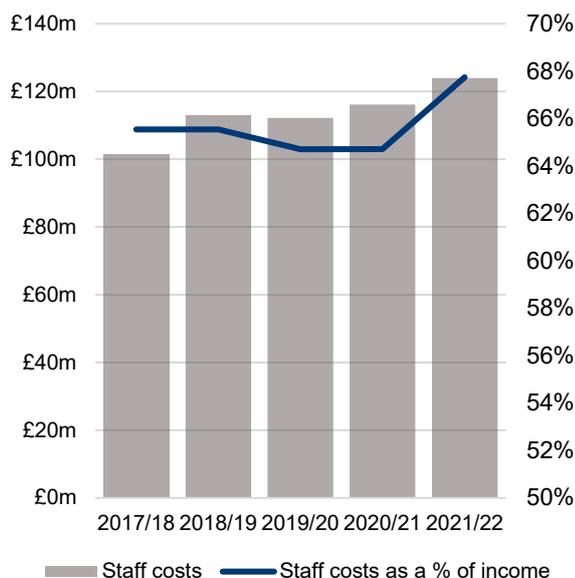


Sources of Cost Comparison



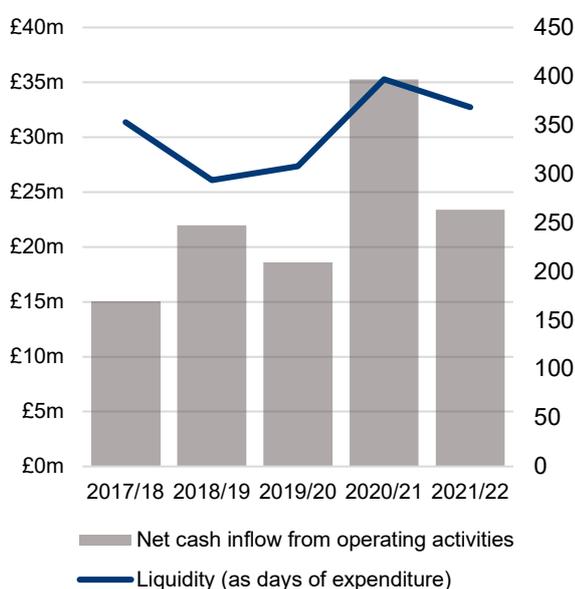
Staff costs

Staff costs (including pensions) have continued to rise as a proportion of total income. Wage and salary growth is impacted by contractual increments and the national pay award, over which the University has limited control. Unless the University acts, the percentage of staff costs to income will continue to increase with rising inflationary pressures.



Operating cash

The group cash flow statement shows a net inflow from operating activities of £23.4m (2021: £35.3m) Liquidity at year end represented 368 days (2021: 397 days) of expenditure, compared with a sector average of 178 days for 2021.

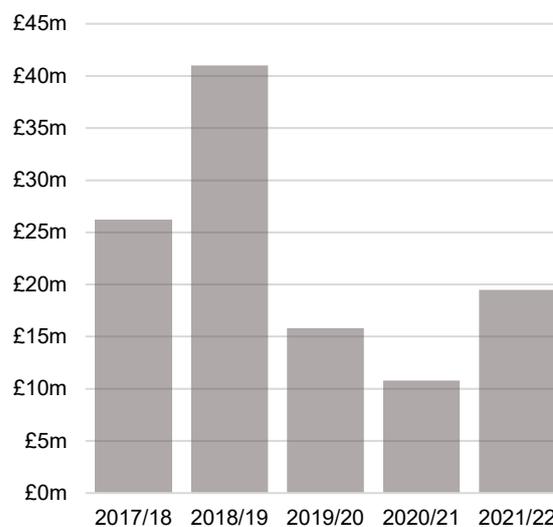


The University's financial strategy is to generate sufficient funds for investment, and it expects to continue to fund strategic developments from current earnings. Any decision to enter into borrowing would be based on a clear need to accelerate investment to contribute to the achievement of the strategic aims.

IT and infrastructure investment

The physical and digital estate is central to the delivery for the University Strategy Map and allows the University to provide world-class teaching, learning and research facilities for its staff and students. The University continues to self-fund all its investment and has invested £19.5m this year (2021: £10.8m) on digital and physical infrastructure. There has been a sustained level of capital expenditure undertaken over the last five years primarily driven by improvements in the estate.

IT and infrastructure investment



Risks relating to capital are monitored by the University's Estates & Finance Committee. The University funds its capital programme through its own reserves and has no borrowings. The University has embarked on an ambitious new development and purchased land at Southgate in December 2021, with planning received in August 2022 for the development of the new National Health Innovation Campus.

Financial Outlook

The University has a strong financial position and is well placed to meet sector-wide challenges, to deal with uncertainties and be able to continue to invest in the Strategy Map. There is sufficient headroom to enable continuing strategic investment whilst retaining a sustainable financial position.

The outlook continues to be uncertain, both within the sector, and in the wider national and global economy. Whilst the aftermath of the pandemic has been largely operationalised, inflationary pressures resulting from Brexit and the war in Ukraine are only beginning to impact on the cost base. Immediate cost pressures are included within the University's plans and efficiencies will continue to be identified and managed to mitigate the financial risk.

Initial indications for 2023 are reassuring. Student recruitment has gone well at the start of the academic year and the campus has seen a return to the daily activity so sadly absent in the two previous years. The University is well placed to meet the challenges and will continue to maintain its financial position to ensure continuing financial sustainability.

Going concern

The University Council has reviewed the financial forecasts and the key planning parameters that support the University's Strategy Map. These have been tested against various scenarios, including several

severe downside scenarios, which demonstrate that the University has access to adequate resources to continue to meet its commitments and obligations for the foreseeable future. Further detail is set out in the Statement of Accounting Policies on page 49.

The Council is therefore satisfied that the University continues to adopt the going concern basis in preparing these Financial Statements.

Payment of creditors

The University is fully committed to the prompt payment of its suppliers' bills and is a signatory of the Confederation of British Industry's Prompt Payment Code. The University aims to pay bills in accordance with agreed contractual conditions or, where no such conditions exist, within 30 days of receipt of goods or services or the presentation of a valid notice, whichever is the later. The average number of days taken to clear invoices in 2021/22 was 18 days (2021: 18 days).

Modern Slavery Act statement

The University is committed to ensuring and actively monitoring that modern slavery and human trafficking is not taking place in any parts of its operation within the University and its supply chain. For further information relating to the Modern Slavery Act statement, see website Modern Slavery Statement (hud.ac.uk)

Risks and uncertainties

The University's approach to the management of risk is based on comprehensive risk analysis. The Corporate Risk Register focuses on risks relating to factors that threaten the institution's existence and continuing development. The risks are aligned to the University's Strategy Map and are reviewed regularly.

Each School and service maintains a risk register. These are reviewed as part of the annual planning process, and this, along with horizon scanning and sector intelligence form the basis for any revisions to the Corporate Risk Register. This is reported to the Council's Audit Committee and to Council. The Corporate Risk Register is formally updated annually and approved by Council.

<p>Strategic aim: To deliver inspirational learning and teaching</p> <p>Risk description: Failure to deliver inspiring learning and teaching is exhibited in increased withdrawal and poorer academic and employment /further study outcomes, whether overall or differentially across the student population. This risk manifests itself both as a potentially missed opportunity to provide graduates with the attributes that will give them the edge as global professionals in mid-21st century economies and societies, and most directly as resulting in poor TEF and other regulatory outcomes.</p>	
<p>Description of critical risk factor</p> <p>Student satisfaction falls with rising expectations.</p> <p>Continuation rates do not increase, and inconsistencies between groups remain.</p> <p>Student engagement does not improve.</p>	<p>Control measures</p> <ul style="list-style-type: none"> • Internal Quality Assurance / Quality Enhancement mechanisms • University Teaching & Learning Strategy (UTLS) • Annual evaluation of teaching and learning • HR policies set minimum qualifications for teaching staff • UTLS sets clear standards for teaching delivery • UTLS increases emphasis on student engagement • Attendance monitoring • Annual evaluation of teaching and learning outcomes • HR policies focus on management of poor performance • UTLS focus on engagement • Joint activity with Students' Union
<p>Strategic aim: to deliver innovative research and enterprise</p> <p>Risk description: the University is unable to achieve significant engagement in research /enterprise across its academic staff; as a consequence, the University is unable to achieve a significant uplift in the quantity and quality of research outputs.</p>	
<p>Description of critical risk factor</p> <p>Failure to enhance profile of research activity among academic staff.</p> <p>Failure to increase annual research and enterprise income as conventional funders shrink/exit and competition grows.</p>	<p>Control measures</p> <ul style="list-style-type: none"> • University searches for new talent and sets competitive conditions through the Research Excellent Staff Scheme • University Research Strategy (URS) incorporates planning and appraisal of research / enterprise activity. • URS promotes investment in research activity. • URS promotes research mentoring. • Research / Enterprise Office identifies bidding opportunities and supports bids. • Role expectations established for Professors to act as research leaders.

<p>Strategic aim: to become a leading international university</p> <p>Risk description: the University fails to meet its targets for international recognition, impacting on its capacity to develop its research performance and grow its international student base. As a result, reputation declines, further affecting recruitment and financial targets.</p>	
<p>Description of critical risk factor Failure to meet strategic targets for quality, quantity, and balance of student intake – in the face of competition and UKVI limits. Failure to achieve top 300 international standing in the QS/THS systems.</p>	<p>Control measures</p> <ul style="list-style-type: none"> • Target markets and market share specified for every School • Student achievement standards are monitored annually • International strategy developed with Associate Deans in each School and are regularly monitored. • School plans for international partnerships with leading Universities • Process for consideration of partnerships, especially enterprise teaching partnerships, including a range of associated risks. • Individual targets set at approach and research monitoring.
<p>Strategic aim: to develop and empower staff.</p> <p>Risk description: The University is unable to attract, retain, or develop the full range of staff expertise it needs to deliver its strategy.</p>	
<p>Description of critical risk factor Failure to identify /develop talent, especially in management / leadership roles.</p>	<p>Control measures</p> <ul style="list-style-type: none"> • Opportunities for role / career development • Athena Swan / Concordat • Reward /recognition schemes • Academic workload system • Development programmes • Qualification standards applied • Internal support for conferment
<p>Strategic aim: to ensure financial sustainability.</p> <p>Risk description: The University is unable to maintain sufficient margin for sustainability and investment, and is unable to support activities required to meet strategic objectives</p>	
<p>Description of critical risk factor Failure to generate sufficient cash to meet investment needs.</p>	<p>Control measures</p> <ul style="list-style-type: none"> • Strategy for surplus and investment • Devolved Revenue allocation model sets agreed margin • Cash flow planned and monitored • Staffing and reserves expenditure controls • Key investments prioritised and costed annually • Regular forecasting and scenario exercises based on planning process • Internal audit

Corporate Governance Statement

The University is committed to exhibiting best practice in all aspects of corporate governance. In the opinion of the Members of Council, the University complied with the Higher Education Code of Governance (“the Code”) which was re-issued by the Committee of University Chairs (CUC) in 2021 and has complied throughout the year ended 31 July 2022. In addition, the University commissioned an external review of the effectiveness of its governance arrangements. The review was undertaken by Advance HE, who found that the University’s governance arrangements were effective and efficient and complied with the CUC Code of Practice and OfS expectations. The review has led to a development plan to ensure that the University continues to build on best practice and to continually enhance its governance arrangements. The detail of the governance action plan is overseen by the Governance and Membership Committee, reporting to University Council.

The following information is to help the reader of the accounts to understand how the principles of corporate governance have been applied.

The University was established as a Higher Education Corporation under the terms of the Education Reform Act 1988 and the Further

and Higher Education Act 1992. Its objects, powers and framework of governance are set out in the Instrument and Articles of Government which were approved by the Privy Council on 20 December 1996. The current version of the Articles was approved by the Privy Council on 10 January 2012 and came into effect on 22 February 2012. The Articles require the University to have a Council and a Senate, each with clearly defined functions and responsibilities, to oversee and manage its activities.

University Council

The University Council is the governing body, responsible for the finance, property, and staffing of the University. It is specifically required to determine the educational character and mission of the University and to set its general strategic direction.

The University Council terms of reference require that the Council has a majority of external members, and that Chair of the Council must be elected from the external members. There is also provision for the appointment of co-opted members, some of whom may be members of the staff of the University, as well as for representatives of the staff and student body. Members of the Council do not receive any remuneration for the work which they do for the Council.

The members who served on the Council during the year are listed in the table below:

	Date of appointment	Date of retirement or end of initial term of office	Committees served
External Members			
Mr J H Thornton	01/01/ 2006	31/07/2025	Chair of Council Estates & Finance Committee Chair of Governance & Membership Committee Honorary Awards Committee Senior Post Holder Remuneration and Senior Staff Remuneration Advisory Committees
Mr A Ahmed	01/08/ 2021	31/07/2024	Estates & Finance Committee
Mr B Ainsworth	01/08/2019	31/07/2025	Estates & Finance Committee
Mr D Beverley	01/08/2020	31/07/2022	Estates & Finance Committee

	Date of appointment	Date of retirement or end of initial term of office	Committees served
Mr R Cox	01/08/2018	31/07/2024	Audit Committee
Mr R Davies	14/02/2019	31/07/2025	Audit Committee
Mr M Fisher	30/03/2006	31/07/2024	Chair of Estates & Finance Committee
Mrs V Lloyd	03/07/2014	31/07/2023	Governance & Membership Committee Honorary Awards Committee
Ms T Magennis	01/08/2019	03/10/2022	Governance & Membership Committee Senior Post Holder Remuneration and Senior Staff Remuneration Advisory Committees
Mrs C Morrow	01/08/2022	31/07/2025	Honorary Awards Committee
Baroness K Pinnock	01/08/2016	31/07/2025	Audit Committee Governance & Membership Committee Honorary Awards Committee Chair of Senior Post Holder Remuneration Committee
Dr I Pollock-Hulf	01/08/2015	31/07/2024	Estates & Finance Committee
Co-opted Members			
Professor T Thornton	01/08/2015	Ex-officio	Estates & Finance Committee Governance & Membership Committee Honorary Awards Committee Senate
Members nominated by Senate (Teaching Staff / Dean's representative)			
Professor Rev J Malay	25/11/2020	31/07/2023	Honorary Awards Committee Senate
Professor H Bryan	01/11/2021	31 October 2023	Estates & Finance Committee (in attendance) Governance & Membership Committee Senate
Members nominated by Senate (Professional Services Staff)			
Mr K Pilicudale	25/11/2020	31/07/2023	Senate
Student Member			
Ms N Stuart	01/08/2021	31/07/2022	Honorary Awards Committee Governance & Membership Committee Senate Estates & Finance Committee (in attendance)
Ms M Avery	01/08/2022	31/07/2023	Honorary Awards Committee Governance & Membership Committee Senate Estates & Finance Committee (in attendance)
Vice Chancellor			
Professor R A Cryan	01/012007	Ex-officio	Chair of Honorary Awards Committee Estates & Finance Committee Governance & Membership Committee Senior Staff Remuneration Advisory Committee Chair of Senate

The University maintains a Register of Interests of members of the Council, the Boards of Directors of the subsidiary companies, designated officers of the board and members of the Senior Leadership Team, which may be consulted by arrangement with the University Secretary. Full minutes of all meetings, except those deemed to be confidential by the University, are available from the University Secretary at The University of Huddersfield, Queensgate, Huddersfield, HD1 3DH.

It is the Council's responsibility to bring independent judgement to bear on issues of strategy, performance resources and standards of conduct. The Council is provided with regular and timely information on the overall financial performance of the University together with other information about all aspects of the University's Strategy Map and associated KPIs such as performance against funding targets, proposed capital expenditure, quality matters and staff related matters such as health and safety and compliance issues.

Senate

Subject to the overall responsibility of the University Council, the Senate has responsibility for the academic affairs of the University and draws its membership entirely from the staff and students of the University. It is particularly concerned with issues relating to the academic governance of the University.

Leadership

The Vice-Chancellor is the Chief Executive and is responsible to the University Council for the organisation, direction, and management of the University. The Vice-Chancellor is the Accountable Officer of the University under the terms and conditions of funding for Higher Education Institutions and can be summoned to appear before the Public Accounts Committee of the House of Commons.

As Chief-Executive, the Vice-Chancellor exercises considerable influence upon the development of university strategy, the identification and planning of new

developments and shaping the University ethos.

The Vice-Chancellor is supported by a range of senior colleagues. The formal decision-making body is the Senior Leadership Team which comprises the Deputy Vice-Chancellor, Pro Vice-Chancellors, the Deans of School, Directors of Professional Services and the University Secretary. The Vice-Chancellor remains responsible to University Council.

In accordance with the Articles of Government, the University Secretary has been designated Clerk to the Council and in that capacity provides independent advice on matters of governance to all members. The University Secretary is responsible to the Council for ensuring that all applicable procedures, legislation, and regulations are complied with. The appointment and removal of the University Secretary are matters for the University Council as a whole.

Committees

Certain matters, such as the approval of the strategic plan, the annual budget, major investments and the sale and purchase of land, are reserved matters for University Council. However, much of its detailed work is delegated to the following standing committees:

- Audit Committee
- Estates & Finance Committee
- Governance & Membership Committee
- Senior Post Holder Remuneration Committee and Senior Staff Remuneration Advisory Committee
- Senate

A significant proportion of the membership of these committees consists of external and co-opted members of the Council, including staff and student members where this is permissible. The decisions of these Committees are formally reported to the Council.

Audit Committee

The Audit Committee normally meets four times a year with the University's external and internal auditors in attendance. It

establishes and reviews procedures for auditing the University's activities. The Committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control together with management responses and implementation plan. It provides oversight of the University's risk management procedures. It also receives and considers reports from the Office for Students (OfS) as they affect University's business and monitors adherence to the regulatory requirements. Whilst senior executives attend meetings of the Audit Committee, as necessary, they are not members of the Committee. Once a year the Committee meets the internal and external auditors for private discussions, without any member of university staff present, except for the University Secretary, acting in their capacity of Clerk to the Council.

Estates & Finance Committee

The Estates & Finance Committee is responsible for the financial management and regulation. It also has oversight of financial policies and the management and progress of significant capital projects. The Committee normally meets five times per year.

Governance & Membership Committee

The Governance & Membership Committee oversees the University's work on corporate and academic governance and makes recommendations to Council for effective governance arrangements. The Committee is responsible for the consideration and recommendation of the appointment and removal of University Council and Committee members.

Senior Post Holder Remuneration Committee and Senior Staff Remuneration Advisory Committee

The Senior Post Holder Remuneration Committee's remit is to establish and review the processes for reviewing the remuneration of the Vice-Chancellor and the University Secretary and for recommending to University Council, whilst the Senior Staff Remuneration Advisory Committee is

responsible for reviewing the remuneration of senior staff contract holders.

Senate

Senate is the body responsible for the quality of the University's academic governance arrangements and has in place a structure of detailed scrutiny committees in place to help with this endeavour. Senate receives regular reports on all aspects of academic quality and enhancement, and as such can provide assurance to Council that the University's academic governance arrangements remain effective.

Statement of Internal Control

The University Council, as the governing body of the University, has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objects while safeguarding the public and other funds and assets for which it is responsible. The University Council, both directly and through the Audit Committee and the Estates and Finance Committee, ensure that the University uses public funds only for the purposes for which they were provided, and that the University complies with the terms and conditions of funding.

The system of internal control is designed to manage rather than to eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks, and to manage them efficiently, effectively, and economically. This process has been in place for the year ended 31 July 2022 and up to the date of approval of the financial statements. The process is reviewed regularly by Council and accords with the relevant Financial Reporting Council guidance.

The University's objectives, its internal organisation and the environment in which it operates are evolving and, as a result, the risks it faces are changing continually. The University's internal control systems enable leaders to manage and to control risks appropriately, however, no operating environment can be risk free. The University's internal control systems and their associated procedures are aimed at:

- Safeguarding the University's assets, limiting its liabilities and ensuring the appropriate use of public funds.
- Facilitating effective and efficient operation of the University by enabling it to respond appropriately to significant business, operational, financial,

compliance and other risks to achieving the University's objectives.

- Ensuring the quality of internal and external reporting, underpinned by the maintenance of proper records and processes that generate a flow of timely, relevant and reliable information from within and outside the University.
- Ensuring compliance with applicable laws and regulations and also with internal policies with respect to the conduct of business.

The internal control system provides the framework within which the University operates. It includes:

- Mechanisms for the control of activities.
- Appropriate information and communication processes
- Process for monitoring the continuing effectiveness of the University's control of its activities.

The internal controls system used to manage risk is:

- Embedded within the operation of the University, forming an integral part of its culture.
- Capable of responding quickly to evolving risk to the University arising from factors within the University and to changes in the external environment.
- Include a culture in which any failings or weaknesses in the systems of control are reported to appropriate levels of management and corrective action duly taken.
- Ultimately the responsibility of the Vice-Chancellor with operational responsibility devolved to the University's Senior Leadership team.

As the governing body, the Council has the responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The Council meets regularly to consider the plans and strategic direction for the University.
- The Council receives feedback from the Audit Committee on matters of internal control considered by the Audit

Committee. The Council is informed routinely and consulted on key business decisions, the risks associated with them and the proposed management approach. Systems have been established to report risk to Council through the corporate risk register and as part of financial forecast.

- The Audit Committee is the formal governance body charged with the detailed scrutiny of the University's Corporate Risk Register, with the University's Senior Leadership Team as the University's executive group responsible for the oversight of the operational management of risk.
- Corporately, risks are identified and discussed by the Senior Leadership Team, informed by a flow of information between management, groups committees and staff. The Senior Leadership Team reviews the information and where appropriate updates the corporate risk register. Schools and Services receive guidance which encourages their management teams to consider the key risks they face. The Deputy Vice-Chancellor is the member of the executive with the accountability for the maintenance and management of the University's Corporate Risk Register.
- Risk awareness is raised through:
 - Risk being incorporated within the management development programmes and staff induction courses.
 - The planning and contextual documentation which is provided to Deans and Directors offering risk management guidance and being supplemented by discussions during the planning meetings
 - Deans and Directors discussing risk with their management teams during the planning meetings.
- Risks are linked to the elements of the University Strategy for which detailed key performance indicators have been agreed.
- Risks are prioritised based on likelihood and impact. This assessment is made by considering the risk before and after mitigations in place.

The University Council's review of the effectiveness of the system of internal control is informed by the internal audit service, which operates to standards defined in the OfS terms and conditions of registration. The internal auditors submit regular reports which include their independent opinion on the adequacy and effectiveness of the University's system of internal control, with recommendations for improvement. The Council's review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the institution, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the internal auditors in their management letter and other reports.

Statement of Council Responsibilities in respect of the Report and the Financial Statements

The Council is responsible for preparing the Report and the financial statements in accordance with the requirements of the Office for Students' Terms and Conditions of Funding for Higher Education Institutions and Research England's Terms and Conditions of Research England Grant, and applicable law and regulations.

It is required to prepare the group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the requirements of the Accounts Direction dated 25 October 2019, issued by the Office for Students ('the Accounts Direction') and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education.

The Council is required to prepare financial statements which give a true and fair view of the state of affairs of the group and of the parent University and of their income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows for that period. In preparing each of the group and parent University financial statements, the Council is required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK accounting standards and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education have been followed, subject to any material departures disclosed and explained in the financial statements.

- Assess the group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.
- Use the going concern basis of accounting unless it either intends to liquidate the group or the parent University or to cease operations or have no realistic alternative but to do so.

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Council is also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- income has been applied in accordance with the University's Articles of Government funds provided by the Office for Students, UK Research and Innovation (including Research England) and the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the terms and conditions attached to them.
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient, and effective management of the University's resources and expenditure.

The Council is responsible for the maintenance and integrity of the corporate

and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Council confirms that:

- So far as each member is aware at the date of approval, there is no relevant audit information of which the University's auditor is unaware; and
- Council members have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the University's auditor is aware of that information.

Approved by the members of the Council on 19 December 2022 and sign on its behalf by:

Mr J H Thornton

Chair of Council

Independent Auditor's Report to the Council of University of Huddersfield

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the University of Huddersfield ("the University") for the year ended 31 July 2022, which comprise the Group and University Statement of Comprehensive Income, Group and University Statement of Changes in Reserves, Group and University Statement of Financial Position, Group Statement of Cash Flows and related notes, including the statement of accounting policies.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2022, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended; and
- have been properly prepared in accordance with UK accounting standards, including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the University or to cease their operations, and

as it has concluded that the Group and the University's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Council's conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and University's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the Council's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the University will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an

opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Council, Audit Committee and Estates and Finance Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition in relation to research income, in particular the risk that research income is overstated due to non-compliance with grant terms and conditions, inappropriate apportionment of overhead costs and recording revenues in the wrong period.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual cash journals, those posted by senior finance management and those posted to unusual accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Testing a sample of research expenditure against terms and conditions of the relevant project, checking these were in accordance with overhead rates specified in the grant agreement and recorded in the correct period.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management as required by auditing standards, and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities and companies' legislation), distributable profits legislation, taxation legislation, pensions legislation and higher education financial reporting related regulation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: compliance with Higher Education regulatory requirements of the Office for Students. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Council and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident

from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Council is responsible for the other information, which comprises the Strategic and Operating Review and the Report of the Governors and Corporate Governance Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether,

based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Council responsibilities

As explained more fully in its statement set out on page 41, the Council is responsible for: the preparation of the financial statements and for being satisfied that they

give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Report on other legal and regulatory requirements

We are required to report on the following matters by the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction').

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been

applied in accordance with the relevant terms and conditions; and

- the financial statements meet the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction').

Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the Group's and the University's expenditure on access and participation activities for the financial year disclosed in Note 9 has been materially misstated.

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group's and the University's grant and fee income, as disclosed in note 3 to the financial statements has been materially misstated.

We have nothing to report in these respects.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council in accordance with paragraph 9 of the University's Articles of Government and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.

**Timothy Cutler (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory
Auditor**

Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE
United Kingdom

December 2022

Financial Statements 2021-22



Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

1. Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, with FRS102: The Financial Reporting Standards applicable in the UK and Republic of Ireland and with the Office for Students (OfS) Accounts Direction published in (OfS 2019:14)

The University is a public benefit entity and therefore has applied the relevant public benefit requirements of FRS 102. The financial statements are prepared in accordance with the historic cost convention (modified by the revaluation of fixed assets).

2. Going concern

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the strategic and operating review which forms part of this annual report. The report also describes the financial position of the institution, its cash flows, liquidity position and borrowing facilities.

The financial statements have been prepared on a going concern basis which the Council considers to be appropriate for the following reasons.

The Council has prepared cash flow forecasts for a period of 20 months from the date of approval of these financial statements. After reviewing these forecasts, the Council is of the opinion that, taking account of the severe but plausible downsides, including the anticipated impact of continuing high rates of inflation as well as changes in student demand for places as a consequence of Covid-19 and other global factors, the University will have sufficient funds to meet their liabilities as they fall due in the period of 12 months from the date of approval of the

financial statements (the going concern assessment period).

The downturn in the global economy and the Higher Education sector because of the long-term impacts of a global pandemic, a war in Ukraine and high rates of inflation have created continuing high levels of uncertainty. In response to this uncertainty, the University has taken actions that will deliver a long-term sustainable position. Scenario planning and stress-testing has been under-taken to ensure the University's finances are not compromised.

Scenario planning and stress-testing has included potential reductions in student income because of lower recruitment of home under-graduate students, and reductions in the number of students recruited from international markets. Income from research grants and other income has also been considered. The impact of high rates of inflation on non-pay expenditure generally and the specific impact of increasing energy costs as well as the impact of higher staff costs resulting from higher pay settlements.

Under these severe but plausible downside scenarios, we remain financially sustainable, with sufficient cash balances. The University does not have any debt and has healthy levels of available cash, a strong statement of financial position and plans for mitigating actions to reduce costs should they be required.

Consequently, the Council is confident that the University will have sufficient funds to continue to meet liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

3. Exemptions under FRS102

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

4. Basis of consolidation

The group financial statements include the financial statements of the University and all

its subsidiaries. The results of subsidiaries acquired or disposed of during the period are included in the Group Statement of Comprehensive Income from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertaking included in the consolidation are also eliminated. Balances between the University and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the Statement of Financial Position date are included as current assets or liabilities.

The group financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

5. Income recognition

Income from the sale of goods or services is credited to the Group Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers, or the terms of the contract have been satisfied.

Tuition fee income is stated gross of any expenditure, which is not a discount, and credited to the Group Statement of Comprehensive Income over the period in which students are studying, or when it becomes non-refundable. Where the amount of the tuition fee is reduced by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income. Education contracts are recognised when the University is entitled to the income, which is the period in which the students are study, or where relevant, when performance conditions have been met.

Investment income is credited to the Group Statement of Comprehensive Income on a receivable basis.

Funds the University receives and disburses as the paying agent on behalf of a funding

body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Grant funding including OfS block grant, research grants from government sources, and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and performance-related conditions have been met. Income received in advance of performance-related conditions being met is recognised as deferred income within creditors on the Statement of Financial Position and released to income as the conditions are met.

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised as income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer. Donations with no restrictions are recognised in income when the University is entitled to the funds.

There are four main types of donations and endowments identified within reserves:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate and income stream for the general benefit of the University.
3. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible assets and the University has the power to use the capital.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an

income stream to be applied to a particular objective.

Donations of tangible assets are included within income. The income recognised is valued using a reasonable estimate of the gross value of the amount realised. Donated tangible assets are valued and accounted for as tangible assets under the appropriate asset category.

Donations received which are to be applied to the cost of a tangible fixed asset are shown on the Group Statement of Financial Position as a deferred capital grant. The deferred capital grant is released to the income and expenditure account over the same estimated useful life that is used to determine the depreciation charge associated with the tangible fixed asset.

Capital grants

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

6. Accounting for retirement benefits

The University's employees belong to three principal pension schemes: the Teachers' Pension Scheme (TPS), the Universities Superannuation Scheme (USS) and the West Yorkshire Pension Fund (WYPF).

In addition, contributions are paid into the NEST scheme for some staff. NEST is a national multi-employer defined contribution scheme.

Teachers' Pension Scheme (TPS)

The TPS is a statutory, unfunded defined benefit occupation scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is a multi-employer pension plan, and the University is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the University has accounted for its contributions to the scheme as if it were a defined-contribution plan.

Universities Superannuation Scheme (USS)

The USS is a hybrid pension scheme, providing defined benefits (for all members),

as well as defined contributions benefits. The assets of the scheme are held in a separate trustee-administered fund. Due to the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risk associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by section 28 of FRS 102 "Employee benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the statement of comprehensive income represents the contributions payable to the scheme.

Since the University has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they related to the deficit) and therefore an expense is recognised.

West Yorkshire Pension Fund (WYPF)

The University is able to identify its share of the assets and liabilities of the WYPF defined benefit scheme and fully adopts the recognition and disclosure requirements of FRS102 "Retirement Benefits". The cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognised in full in the period in which they occur, and they are recognised in the statement of comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

Defined contribution schemes

A defined contribution scheme is a post-employment benefit scheme under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further

amounts. Obligations for contributions to defined pension schemes are recognised as an expense in the comprehensive income statement in the period during which services are rendered by employees.

Defined benefit schemes

Defined benefit schemes are post-employment benefit schemes. Under defined benefit schemes, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University.

The University recognises a liability for its obligations under defined benefit schemes net of plan assets. This net benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method.

Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses. The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements. The net interest cost is calculated by applying the discount rate to the net liability. This cost is recognised in expenditure as a finance cost.

Further information on pension schemes is set out in note 28 of the accounts.

7. Enhanced pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by the University annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the University's statement of comprehensive income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the statement of financial position using the enhanced pension spreadsheet provided by the Education and Skills Funding Agency (ESFA).

8. Employment benefits

Short-term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

9. Foreign currency

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Group Statement of Comprehensive Income.

10. Tangible fixed assets

Fixed assets are capitalised where they are capable of being used for a period that exceeds one year and which:

- Individually have a cost equal to, or greater than £25,000 or
- Collectively have a cost equal to or greater than £25,000 where the assets are functionally inter-dependent or are purchased together and intended to be used as a group under common management control.

Any asset costs not meeting the above criteria are expensed in the year of acquisition.

Fixed assets are stated at costs less accumulated depreciation and accumulated impairment losses.

Land and buildings

The University's land and buildings are stated at valuation. The University adopts a revaluation policy in relation to freehold and long leasehold land and buildings on an annual cycle or at an earlier date if there are indications that the valuation has materially changed. Increases in value are taken to the revaluation reserve except to the extent that they reverse revaluation losses on the same asset that were previously recognised in the statement of comprehensive income, in which case they are recognised in the statement of comprehensive income. A revaluation exercise was carried out by Eddisons, professional property valuers, for inclusion in the statement of financial position at the reporting date.

Freehold and long leasehold land is not depreciated. Freehold and long leasehold buildings are depreciated over their expected useful economic life to the University of fifty years for new buildings. Existing buildings are depreciated over the useful remaining life determined by the latest valuation.

Where an item of land and buildings comprise two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its individual economic life.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are release to the statement of comprehensive income over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Buildings under construction are accounted for at cost, based on the certified value and other direct costs incurred at the reporting

date and are not depreciated until they are brought into use.

Finance costs which are directly attributable to the acquisitions /construction of land and buildings are not capitalised as part of the cost of those assets.

Equipment

Equipment is capitalised at cost on initial recognition and then subsequently at cost less accumulated depreciation and accumulated impairment losses where the value of the expenditure is not less than £25,000.

Where an item of equipment comprises two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its individual economic life on a straight-line basis as follows:

Computer equipment	3 years
Motor vehicles	4 years
General equipment	7 years
Plant and machinery	25 years

Where equipment is acquired with the aid of specific grants, it is capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are release to the statement of comprehensive income over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Subsequent expenditure on existing assets

Significant expenditure incurred on existing tangible fixed assets is capitalised where it meets one of the following criteria:

- Market value of the fixed asset has subsequently improved.
- Asset capacity increases.
- Substantial improvement in the quality of output or reduction in operating costs.
- Extension of the asset's life beyond that conferred by repairs and maintenance.

Where the expenditure does not meet one of the criteria, it is charged to the statement of comprehensive income.

Impairment of assets

At the reporting date, the assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the period it arises.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss be recognised for the asset in prior years.

11. Intangible fixed assets

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

Purchased software costs

Software costs are capitalised if they are externally purchased and wholly attributable external implementation costs, as set out below and exceed the £25,000 threshold. External costs associated with the application development and implementation phases are capitalised. This may involve the acquisition of computer equipment or third-party software. Internal costs incurred to bring the software into use are also capitalised where they can be reliably measured.

Costs to develop or obtain software that allows for access or conversion of old data by new information systems are also capitalised. Software is amortised over its estimated useful life, which is usually five years, and is subject to periodic impairment reviews as appropriate.

Training costs are expensed as incurred.

External costs and internal costs (where they can be reliably measured) in respect of upgrades will be capitalised only if the expenditure results in additional functionality.

Impairment

A review for impairment of an intangible asset is carried out if events or changes in circumstances indicate that the value of the intangible asset may not be recoverable.

12. Heritage assets

Heritage assets are individual objects, collections, specimens, or structures of historic, scientific or artistic value that are held and maintained principally for their contribution to knowledge and culture. Acquisitions valued at over £25,000 have been capitalised and recognised at the cost or value of the acquisition.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material. The assets are subject to a four-yearly impairment review in accordance with applicable accounting standards. Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

13. Investment properties

Investment property is land or a building, or part of a building, or both, held for rental income and/or capital appreciation, or both, rather than for the use in delivering services. Where investment property, or a component of that property, is rented to another group entity the property has been measured at fair value, with changes in fair value recognised immediately in the surplus or deficit for the year.

Investment properties are initially measured at cost and then subsequently at fair value at the end of each reporting date, with changes in fair value recognised immediately in the surplus or deficit for the year.

14. Finance leases

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

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

15. Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

16. Investments

Fixed assets are unlisted shares. As there is no ready market value, they have been recorded at cost.

Current asset investments consisting of unit-based investments and deposits are held at market value.

17. Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash within insignificant risk of change in value.

18. Provisions

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event. It is probably that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

19. Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Paragraphs 1 of schedule 6 to the Finance Act 2010 and accordingly the University is potentially exempt from UK Corporation Tax in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA

2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on expenditure (revenue and capital) is included in the costs of such expenditure. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The University's subsidiary companies are subject to Corporation Tax and VAT in the same way as any commercial organisation.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

20. Financial Instruments

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

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents, and investments in commercial paper. These assets are initially recognised at transaction price and are assessed for indicators of impairment at each Statement of Financial Position date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of comprehensive income.

For financial assets carried at amortised cost, the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures are initially measured at fair value, which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are

recognised in the statement of comprehensive income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment.

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all the risk and rewards of the ownership of the asset are transferred to another party.

Financial liabilities

Basic financial liabilities include trade and other payables and intra-group loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method. Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

21. Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

22. Significant estimates and judgements

In the process of applying these accounting policies, the University is required to make

certain estimates, judgements, and assumptions that management believes are reasonable based on the information available. These are reviewed on a regular basis. Significant estimates and material judgements used in the preparation of the financial statements are as follows:

Revenue recognition

Estimates and judgements are made in determining the value and timing of certain income items to be recognised in the financial statements. This included determining when performance related conditions have been met, and determining the revenues associated with partially delivered courses and training where the activities have not been fully completed at the reporting date.

Liabilities for staff annual leave

The University's liability for staff annual leave not taken as at the reporting date has been based on information available for staff who record their annual leave usage on the University's HR system. This information has been extrapolated to obtain an estimate for all staff.

Recoverability of debtors

The provision for doubtful debts is based on the University's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due. It is University policy to provide in full for all debtors over one year old.

Useful lives of property, plant and equipment

Property, plant, and equipment represent a significant proportion of the University's total assets. Costs incurred in relation to tangible fixed assets are capitalised initially, to the extent that they increase the expected future benefits to the University from the asset beyond its previously assessed standard for performance. The estimated useful life can have a significant impact on the depreciation charged and the University's reported performance. The life is based on historical experience with similar assets as well as anticipation of future events.

Periodic valuations of property are undertaken by professionally qualified external valuers. Management makes judgements as to whether any indicators of impairment are presented for these assets, and whether there are indications that an adjustment is required to the useful economic lives of the buildings.

Land and Building Valuation

Annual valuations of land and buildings are undertaken by professionally qualified external valuers. Management makes judgements as to whether the assumptions used are appropriate.

Investment property valuations

The University and Group holds £1,820k investment properties. Properties held for investment purposes are revalued to their fair value at the reporting date by an independent external team of chartered surveyors Eddisons. This is updated annually by chartered surveyors following a site visit, based on assumptions using the current tenant rents, any rental growth projections and an estimate of the rental yield going forward. Investment properties were valued at £1,820k (2021: £2,435k).

Retirement benefit obligations

The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the value, the underlying assumptions and the long-term nature of these plans are subject to significant uncertainty. Further details are given in note 28.

The University has obligations to pay pension benefits to certain employees who are members of the West Yorkshire Pension Fund (WYPF), a scheme accounted for as a defined benefit plan. Management estimates these factors, using external professional advice and internal knowledge, to determine the net pension obligation in the statement of financial position.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control, typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme (USS). The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit result in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the statement of comprehensive income, in accordance with section 28 of FRS 102. Management is satisfied that the USS meets the definition of multi-employer scheme and therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

Group and University Statement of Comprehensive Income

	Notes	Year ended 31 July 2022		Year ended 31 July 2021 Restated*	
		Group £'000	University £'000	Group £'000	University £'000
Income					
Tuition fees and education contracts	1	140,575	140,558	139,663	139,654
Funding body grants	2	17,205	17,205	17,501	17,501
Research grants and contracts	3	15,416	15,123	13,553	13,037
Other income	4	7,371	6,003	6,074	4,636
Investment income	5	2,370	2,416	2,593	2,641
Donations and endowments	6	1	1	-	-
Total income		182,938	181,306	179,384	177,469
Expenditure					
Staff costs	7	123,989	123,130	116,144	114,881
Other operating expenses		49,448	48,737	42,804	42,351
Depreciation and amortisation	11,12	14,633	14,545	12,906	12,818
Impairment costs		1,355	1,355	-	-
Interest and other finance costs	8	2,716	2,716	2,589	2,589
Total expenditure		192,141	190,483	174,443	172,639
Surplus /(loss) for the year before other gains		(9,203)	(9,177)	4,941	4,830
Gain /(loss) on investments		(2,982)	(2,982)	(313)	(313)
Surplus /(loss) before taxation		(12,185)	(12,159)	4,628	4,517
Taxation	10	59	-	(47)	-
Surplus /(loss) for the year		(12,126)	(12,159)	4,581	4,517
Other comprehensive income					
Actuarial gain in respect of pension schemes	28	128,744	128,744	40,350	40,350
Unrealised surplus on revaluation		53,029	53,029	-	-
Proceeds from sale of shares		112	112	-	-
Movement on endowments	22	(6)	(6)	10	10
Total comprehensive income /(expenditure) for the year		169,753	169,720	44,941	44,877
Represented by:					
Endowment comprehensive income for the year		(6)	(6)	10	10
Restricted comprehensive income for the year		14	265	(40)	1
Unrestricted comprehensive income for the year		169,745	169,461	44,971	44,866
Attributable to the University		169,753	169,720	44,941	44,877

All items of income and expenditure related to continuing activities.

* See Note 31 Prior year adjustment

Group and University Statement of Changes in Reserves

Group	Income and expenditure reserve			Revaluation	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	Reserve £'000	£'000
Balance at 31 July 2020	2,698	11	116,266	152,282	271,257
Release of deferred capital grants	-	-	3,984	-	3,984
Write back depreciation	-	-	(202)	-	(202)
Write back deferred capital grant released in year	-	-	124	-	124
Transfers between revaluation and income and expenditure reserve	-	-	4,937	(4,937)	-
Balance at 1 August 2020 Restated*	2,698	11	125,109	147,345	275,163
Surplus/(deficit) from the statement of comprehensive income restated*	-	(40)	4,621	-	4,581
Other comprehensive income	-	-	40,350	-	40,350
Transfers between revaluation and income and expenditure reserve	-	-	5,710	(5,710)	-
Endowment funding	10	-	-	-	10
Total comprehensive income for the year	10	(40)	50,681	(5,710)	44,941
Balance at 31 July 2021 Restated*	2,708	(29)	175,790	141,635	320,104
Surplus/ (deficit) from the statement of comprehensive income	-	(98)	(12,028)	-	(12,126)
Other comprehensive income	-	112	128,744	-	128,856
Unrealised gain on revaluation	-	-	-	53,029	53,029
Transfers between revaluation and income and expenditure reserve	-	-	4,507	(4,507)	0
Endowment funding	(6)	-	-	-	(6)
Total comprehensive income for the year	(6)	14	121,223	48,522	169,753
Balance at 31 July 2022	2,702	(15)	297,013	190,157	489,857

* See Note 31 Prior year adjustment

University	Income and expenditure reserve			Revaluation reserve £'000	Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000		
	Balance at 31 July 2020	2,698	(172)		
Release of deferred capital grants	-	-	3,984	-	3,984
Write back depreciation	-	-	(202)	-	(202)
Write back deferred capital grant released in year	-	-	124	-	124
Transfers between revaluation and income and expenditure reserve	-	-	4,937	(4,937)	-
Balance at 1 August 2020 Restated*	2,698	(172)	125,713	147,345	275,584
Surplus/(deficit) from the income and expenditure statement	-	1	4,516	-	4,517
Other comprehensive income	-	-	40,350	-	40,350
Transfers between revaluation and income and expenditure reserve	-	-	5,710	(5,710)	-
Endowment funding	10	-	-	-	10
Total comprehensive income for the year	10	1	50,576	(5,710)	44,877
Balance at 31 July 2021 Restated*	2,708	(171)	176,289	141,635	320,461
Surplus / (deficit) from the income and expenditure statement	-	153	(12,312)	-	(12,159)
Other comprehensive income	-	112	128,744	-	128,856
Unrealised gain on revaluation	-	-	-	53,029	53,029
Transfers between revaluation and income and expenditure reserve	-	-	4,507	(4,507)	0
Endowment funding	(6)	-	-	-	(6)
Total comprehensive income for the year	(6)	265	120,939	48,522	169,720
Balance at 31 July 2022	2,702	94	297,228	190,157	490,181

* See Note 31 Prior year adjustment

Group and University Statement of Financial Position

	Notes	Year ended 31 July 2022		Year ended 31 July 2021 Restated*	
		Group £'000	University £'000	Group £'000	University £'000
Non-current assets					
Intangible assets	11	552	552	-	-
Tangible assets	12	415,642	415,510	358,806	358,587
Heritage assets	13	103	103	-	-
Investments	14	1,852	1,902	2,467	2,517
		418,149	418,067	361,273	361,104
Current assets					
Trade and other receivables	16	15,115	16,450	14,802	15,851
Investments	17	93,851	93,851	94,097	94,097
Cash and cash equivalents	23	85,221	84,672	81,572	81,258
		194,187	194,973	190,471	191,206
Creditors: amounts falling due within one year	18	(40,285)	(40,665)	(40,453)	(40,662)
Net current assets		153,902	154,308	150,018	150,544
Total assets less current liabilities		572,051	572,375	511,291	511,648
Creditors: amounts falling due after more than one year	19	(24,560)	(24,560)	(26,143)	(26,143)
Provisions					
Pension provisions	20	(57,634)	(57,634)	(165,044)	(165,044)
Total net assets		489,857	490,181	320,104	320,461
Restricted reserves					
Income and expenditure – endowment	22	2,702	2,702	2,708	2,708
Income and expenditure – restricted		(15)	94	(29)	(171)
Unrestricted reserves					
Income and expenditure - unrestricted		297,013	297,228	175,790	176,289
Revaluation		190,157	190,157	141,635	141,635
Total reserves		489,857	490,181	320,104	320,461

* See Note 31 Prior year adjustment

The financial statements on pages 49 to 83 were approved by the University Council on 19 December 2022 and were signed on its behalf by:

Professor R A Cryan, CBE

Vice-Chancellor

Mr J H Thornton

Chair of Council

Group Statement of Cash Flows

	Notes	31 July 2022 £'000	31 July 2021 Restated* £'000
Cash flow from operating activities			
Surplus /(deficit) for the year before taxation		(12,185)	4,628
Adjustment for non-cash items			
Depreciation	11,12	14,633	12,906
Loss/(gain) on investment		2,367	(9,423)
Loss/(gain) on investment property		615	9,736
Increase in pension provision		21,334	15,382
Write down on revaluation		1,355	-
(Increase) in debtors		(255)	(422)
Increase in creditors		810	3,687
Adjustment for investing or financing activities			
Investment income	5	(2,370)	(2,593)
Taxation	10	59	(47)
Proceeds from sale of shares		112	-
Capital grant income		(3,088)	1,408
Net cash inflow from operating activities		23,387	35,262
Cash flows from investing activities			
Capital grant receipts		527	1,921
Withdrawal of deposits		(2,129)	(30,982)
Investment income		2,312	2,566
Payments made to acquire intangible assets		(829)	-
Payments made to acquire fixed assets		(19,518)	(10,779)
Payments made to acquire heritage assets		(103)	-
New deposits		1	-
		(19,739)	(37,274)
Cash flows from financing activities			
Endowment cash received		1	-
		1	-
(Decrease)/ increase in cash and cash equivalents in the year		3,649	(2,012)
Cash and cash equivalents at beginning of the year	23	81,572	83,584
Cash and cash equivalents at end of the year	23	85,221	81,572

* See Note 31 Prior year adjustment

Notes to the Financial Statements

1. Tuition fees and education contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Taught awards				
Full-time home students	90,656	90,656	98,799	98,799
Full-time international students	37,050	37,050	30,282	30,282
Part-time students	4,077	4,077	3,297	3,297
NHS Workforce Development Confederation				
Contracts	2,329	2,329	2,121	2,121
Educational Contracts	4,770	4,770	4,112	4,112
Non-qualifying				
Research training support grant	173	173	114	114
Non-credit bearing course fees	1,520	1,503	938	929
	140,575	140,558	139,663	139,654

2. Funding body grants

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Recurrent grants				
Office for Students	8,213	8,213	7,465	7,465
UK Research and Innovation	6,358	6,358	6,436	6,436
Specific grants				
Higher Education Innovation Fund	1,382	1,382	1,436	1,436
Office for Students other	-	-	-	-
Department for Education	250	250	325	325
Capital grant	1,002	1,002	1,839	1,839
	17,205	17,205	17,501	17,501

Income from capital grants includes £1,002k in respect of capital grants released in the year (2021: £1,839k).

3. Research grants and contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Research councils	6,952	6,952	7,039	7,039
Research charities	778	774	590	575
Government (UK and overseas)	5,048	5,047	3,703	3,582
Industry and commerce	2,521	2,244	2,107	1,732
Other	117	106	114	109
	15,416	15,123	13,553	13,037

Income from capital grants includes £1,992k in respect of capital grants released in the year (2021: £1,112k).

The source of grant and fee income, included in notes 1 to 3 above is as follows:

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Grant income				
Office for Students	7,839	7,839	7,465	7,465
Other bodies	15,945	15,945	17,562	17,562
Fee income (exclusive of VAT)				
Taught awards	133,492	133,492	131,827	131,827
Research awards	620	620	2,672	2,672
Non-qualifying courses	6,463	6,406	5,164	5,155
	164,359	164,302	164,690	164,681

4. Other income

	Year ended 31 July 2022		Year ended 31 July 2021 Restated*	
	Group £'000	University £'000	Group £'000	University £'000
Other services rendered	4,258	2,643	4,518	2,629
Catering and conferences	876	876	96	97
Other capital grants	323	323	372	372
Coronavirus job retention scheme	88	88	438	420
Other income	1,826	2,073	650	1,118
	7,371	6,003	6,074	4,636

Income from capital grants includes £487k in respect of capital grants released in the year (2021: £470k).

* See Note 31 Prior year adjustment

5. Investment income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Investment income on endowments (note 22)	7	7	2	2
Gain on unit-based investments	2,287	2,287	2,139	2,139
Interest on short term deposits	76	76	452	452
Other investment income	-	46	-	48
	2,370	2,416	2,593	2,641

6. Donations and endowments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
New endowments (note 22)	1	1	-	-
	1	1	-	-

7. Staff costs

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Salaries	80,448	79,653	79,960	78,824
Social security costs	9,230	9,198	8,616	8,553
Pension costs (note 28)	34,311	34,279	27,568	27,504
	123,989	123,130	116,144	114,881

The average number of full-time equivalent (FTE) employees by major category

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group Number	University Number	Group Number	University Number
Teaching	1,196	1,196	1,157	1,157
Teaching support	278	278	267	267
Administration and central services	222	222	206	206
Premises	155	155	164	164
Other	138	128	125	115
	1,989	1,979	1,919	1,909

The number of staff with a basic salary of over £100,000 excluding employer's pension contributions, was within the ranges set out below. Payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contract of employment are not included.

	Year ended 31 July 2022 Number	Year ended 31 July 2021 Number
£100,000 - £104,999	5	3
£105,500 - £109,999	-	4
£110,000 - £114,999	3	2
£115,000 - £119,999	2	-
£125,000 - £129,999	-	2
£135,000 - £139,999	2	2
£145,000 - £149,999	1	-
£150,000 - £154,999	1	-
£160,000 - £164,999	-	1
£165,000 - £169,999	1	-
£170,000 - £174,999	-	1
£185,000 - £189,999	-	1
£200,000 - £204,999	1	-
£335,000 - £339,999	1	1
	17	17

Total remuneration package of the Vice-Chancellor	Year ended 31 July 2022	Year ended 31 July 2021
	£000	£000
Basic Salary	336	336
Pension contribution (standard USS rate)	-	-
Payment in lieu of pension (standard USS rate)	72	62
	408	398

The Vice-Chancellor is also a member of the University Group Death in Service Scheme, in line with all senior staff. The contractual arrangements with the Head of Institution (HOI) ensure that any remuneration or fees received by the HOI for external activities in his capacity as Vice-Chancellor or as an employee of the University shall be the income of the University.

The salary and conditions of service of the Vice-Chancellor are considered by the Senior Post Holder Remuneration Committee following feedback on the annual appraisal and having regard to comparative data. The Vice-Chancellor is not a member of the Committee, nor is he in attendance. When considering remuneration for the Vice-Chancellor, the Committee has regard to the Committee for University Chairs Survey of Vice-Chancellor Remuneration, UCEA Senior Staff Remuneration Report, HESA Financial performance data, and relevant HESA student data.

The determination of the salary and terms and conditions of the Vice-Chancellor is guided by the University's Remuneration Policy, which acknowledges that the performance of the University is dependent on the quality and commitment of its workforce and therefore the need to recruit and retain high quality staff to deliver its Strategy Map, with appropriate remuneration which recognises contribution to the achievement of strategic goals; whilst also ensuring that salaries and benefits remain competitive with other universities in our market sector.

The Vice-Chancellor's basic salary is 9.71 times the median pay of staff (2021: 9.57 times) where the median salary is calculated on a full-time equivalent basis for the salaries paid by the University to its' staff. The median pay and pay ratios derived exclude agency staff (as these are not paid through the University payroll system).

The Vice-Chancellor's total remuneration is 10.01 times the median total remuneration of all staff (2021: 9.96 times) where the median total remuneration is calculated on a full-time equivalent basis for the salaries paid by the University to its staff. The median pay and pay ratios derived exclude agency staff (as these are not paid through the University payroll system).

Key management personnel	Year ended 31 July 2022	Year ended 31 July 2021
	£000	£000
Staff costs for key management personnel	1,988	1,956

Key management personnel are those persons on the senior leadership team who have authority and responsibility for planning, directing, and controlling the activities of the University. Staff costs for key management personnel includes the cost of emoluments, benefits and includes employer national insurance.

The members of the University Council received no remuneration during the year (2021: £nil). Total expenses of £nil (2021: £nil) were paid to 17 (2021:17) members of the Council. This represents travel and subsistence expenses incurred in attending committee meetings and other events in their official capacity.

Compensation for loss of office	Year ended	Year ended
	31 July 2022	31 July 2021
	£000	£000
Compensation for loss of office	257	437
	Number	Number
Number of staff receiving compensation for loss of office	27	41

The Vice-Chancellor and the key management personnel received no compensation for loss of office during the year (2021: £nil)

8. Interest and other finance costs

	Year ended		Year ended	
	31 July 2022		31 July 2021	
	Group	University	Group	University
	£'000	£'000	£'000	£'000
Local government pension scheme	2,683	2,683	2,559	2,559
Universities superannuation scheme	33	33	30	30
	2,716	2,716	2,589	2,589

9. Analysis of operating expenses

	Year ended		Year ended	
	31 July 2022		31 July 2021	
	Group	University	Group	University
	£'000	£'000	£'000	£'000
Academic and related expenditure	71,474	68,878	67,332	66,817
Academic services	26,566	26,459	25,421	25,421
Administration and central services	32,126	32,126	27,798	27,798
Premises	23,432	23,432	22,856	22,856
Catering and conferences	1,218	1,218	636	636
Research grants and contracts	12,568	14,398	11,248	10,857
Other expenses	24,757	23,972	19,152	18,254
	192,141	190,483	174,443	172,639

* See Note 31 Prior year adjustment

Included within operating expenses are the following costs:

	Year ended		Year ended	
	31 July 2022		31 July 2021	
	Group	University	Group	University
	£'000	£'000	£'000	£'000
External auditors remuneration in respect of audit services	99	87	80	71
External auditors remuneration in respect of non-audit services	-	-	7	7
External auditors remuneration in respect of taxation advice	46	40	11	2
	145	127	98	80

Access and participation	Year ended 31 July 2022		Year ended 31 July 2021	
	Group	University	Group	University
	£'000	£'000	£'000	£'000
Access investment	1,250	1,250	870	870
Financial support	1,077	1,077	610	610
Disability support	960	960	944	944
Research and evaluation	98	98	90	90
	3,385	3,385	2,514	2,514

Included within these costs above is £1,860k (2021: £1,550k) which is disclosed in note 7: staff costs.

The university scholarship offered to new entrants is based on two criteria: 120 or more UCAS points on entry and an annual household income of less than £25,000. As a consequence, the number of scholarships awarded, and the amount expended in any year will vary dependant on the entry profile of the students.

A copy of the University's Access and Participation Plan can be found at:

<https://www.hud.ac.uk/about/accessagreements/>

10. Taxation

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group	University	Group	University
	£'000	£'000	£'000	£'000
Current tax	-	-	-	-
Deferred tax	59	-	(47)	-
	59	-	(47)	-

11. Intangible assets

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group	University	Group	University
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 August	-	-	-	-
Assets transferred to other operating expenditure	-	-	-	-
Additions at cost	829	829	-	-
At 31 July	829	829	-	-
Depreciation and amortisation				
At 1 August	-	-	-	-
Amortisation charge for the year	277	277	-	-
At 31 July	277	277	-	-
Net book value at 31 July	552	552	-	-

Included in intangible assets is £nil (2021: £nil) of software costs that are under development and therefore not being amortised.

12. Tangible assets

Group	Freehold land and buildings £'000	Leasehold land and buildings £'000	Equipment £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation					
At 1 August 2021 Restated*	348,360	609	32,154	14,063	395,186
Additions	11,809	-	2,202	5,507	19,518
Transfers	7,627	-	5,578	(13,205)	0
Surplus on revaluation	55,776	120	-	-	55,896
Loss on revaluation	(24,842)	(104)	-	-	(24,946)
Impairment	(105)	-	-	-	(105)
Disposals	-	-	-	-	-
At 31 July 2022	398,625	625	39,934	6,365	445,549
Consisting of valuation at:					
31 July 2022 valuation	398,625	625	-	-	399,250
Cost	-	-	39,934	6,365	46,299
	398,625	625	39,934	6,365	445,549
Depreciation					
At 1 August 2021 Restated*	10,105	42	26,233	-	36,380
Charge for the year	10,670	12	3,674	-	14,356
Written back on revaluation	(20,775)	(54)	-	-	(20,829)
Disposals	-	-	-	-	-
At 31 July 2022	-	-	29,907	-	29,907
Net book value					
At 31 July 2022	398,625	625	10,027	6,365	415,642
At 31 July 2021 Restated*	338,255	567	5,921	14,063	358,806
University					
Cost or valuation					
At 1 August 2021 Restated*	348,360	609	31,499	14,063	394,531
Additions	11,808	-	2,202	5,507	19,517
Transfers	7,628	-	5,577	(13,205)	0
Surplus on revaluation	55,776	120	-	-	55,896
Loss on revaluation	(24,842)	(104)	-	-	(24,946)
Impairment	(105)	-	-	-	(105)
Disposals	-	-	-	-	-
At 31 July 2022	398,625	625	39,278	6,365	444,893
Consisting of valuation at:					
31 July 2022 valuation	398,625	625	-	-	399,250
Cost	-	-	39,278	6,365	45,643
	398,625	625	39,278	6,365	444,893
Depreciation					
At 1 August 2021 Restated*	10,105	41	25,797	-	35,943
Charge for the year	10,670	12	3,586	-	14,268
Written back on revaluation	(20,775)	(53)	-	-	(20,828)
Disposals	-	-	-	-	-
At 31 July 2022	-	-	29,383	-	29,383
Net book value					
At 31 July 2022	398,625	625	9,895	6,365	415,510
At 31 July 2021 Restated*	338,255	568	5,702	14,063	358,588

As at 31 July 2022, freehold land and buildings included £15.0m (2021: £9.5m) in respect of freehold land that is not depreciated. Within tangible fixed assets at 31 July 2022 there were £6.3m (2021: £14m) of assets under construction which are not being depreciated.

The freehold and long leasehold lands and buildings of the University were revalued as at 31 July 2022 by Eddisons, the external property valuers. The methods and significant assumptions applied in estimating the fair value were based on the depreciated replacement cost (DRC) approach, which is subject to the prospect and viability of the continued occupation and use. This is the standard approach for this type of property, which is not traded on the open market, due to the buildings being specialised and purpose build for educational purposes.

The historic cost of property and equipment held at fair value is as follows:

	Group £'000	University £'000
At 31 July 2022	368,223	367,527
At 1 August 2021	348,785	348,009

* See Note 31 Prior year adjustment

13. Heritage assets

An unique collection of rare and valuable items relating to the former poet laureate Ted Hughes has been acquired by the University.

	2022 £'000	2021 £'000
Group and University		
As at 1 August 2021	-	-
Additions	-	-
Acquisitions purchased with specific donations	88	-
Acquisitions purchased with institution funds	15	-
Total cost of acquisitions purchased	103	-
Value of acquisitions by donation	-	-
Total acquisitions capitalised	103	-
Disposals	-	-
Impairment	-	-
As at 31 July 2022	103	-

14. Non-current investments

	Subsidiary Companies £'000	Other Investments £'000	Investment Property Restated* £'000	Total £'000
Group				
At 1 August 2021	-	32	2,435	2,467
Net gain/(loss) from fair value adjustment	-	-	(615)	(615)
At 31 July 2022	-	32	1,820	1,852
University				
At 1 August 2021	50	32	2,435	2,517
Net gain/(loss) from fair value adjustment	-	-	(615)	(615)
At 31 July 2022	50	32	1,820	1,902

* See Note 31 Prior year adjustment

15. Subsidiary undertakings

The subsidiary companies, all of which are registered in England and Wales, wholly owned or effectively controlled by the University are as follows:

Company	Principal Activity	Ownership
The University of Huddersfield Enterprises Limited (UHEL)	Commercial research, conference, and related commercial facilities	100%
Huddersfield Enterprises & Innovation Centre Limited (HEICL)	Facilities management, research collaboration and business development	100%
The University of Huddersfield Properties Limited (UHPL)	Dormant company	100%

16. Trade and other receivables

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Other trade receivables	7,521	7,285	6,802	6,174
Other receivables	6	6	3	3
Prepayments and accrued income	7,588	7,341	7,997	7,681
Amounts due from subsidiary companies	-	1,818	-	1,993
	15,115	16,450	14,802	15,851

Included within amounts due from subsidiary companies is £1,772k (2021: £1,817k) due after more than one year.

17. Current Investments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Unit-based investments	93,758	93,758	93,851	93,851
Deposits	93	93	246	246
	93,851	93,851	94,097	94,097

All funds are held with investment managers within between 24 hours and less than 12 months maturity at the statement of financial position date.

Funds held with Barclays, Black Rock Fund Managers, Cazenove and COIF. These unit-based funds are multi-asset and include equities property, infrastructure, commodities, bonds, and cash. They are classified as a level 1 investment under FRS102, with a quoted price in an active market.

Funds held with Funding Circle are lent to businesses who make fixed repayments including interest as a level 3 investment. Current investments are shown at fair value based on representing actual and regular market transactions on an arm's length basis.

18. Creditors: amounts falling due within one year

	Year ended 31 July 2022		Year ended 31 July 2021 Restated*	
	Group £'000	University £'000	Group £'000	University £'000
Payments received in advance	25,679	25,531	23,860	23,453
Trade creditors	3,648	3,627	2,324	2,296
Social security and other taxation payable	711	711	291	291
Accruals and deferred income	7,682	7,629	10,562	10,492
Deferred taxation	-	-	59	-
Deferred capital grants	2,455	2,455	3,231	3,231
Amounts due to subsidiary company	-	642	-	804
Other creditors	110	70	126	95
	40,285	40,665	40,453	40,662

* See Note 31 Prior year adjustment

19. Creditors: amounts falling due after more than one year

	Year ended 31 July 2022		Year ended 31 July 2021 Restated*	
	Group £'000	University £'000	Group £'000	University £'000
Deferred capital grants	24,560	24,560	26,143	26,143
	24,560	24,560	26,143	26,143

* See Note 31 Prior year adjustment

20. Provisions for liabilities

	Obligation to fund deficit on USS pension £'000	Pension enhancements on termination £'000	Defined benefit obligations £'000	Total Pensions Provisions £'000
Group and University				
At 1 August 2021	3,747	150	161,147	165,044
Increase /(decrease) in year	4,646	24	(112,080)	(107,410)
At 31 July 2022	8,393	174	49,067	57,634

See note 26 for pension obligations

USS

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance the deficit recovery plan. In calculating this provision, management has estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in note 28.

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liabilities reflects this plan.

The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.31%	0.87%
Salary growth	4.00%	4.00%

Sensitivity analysis

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumption used to measure the USS deficit provision are set out below:

Change in assumptions at 31 July 2022	Approximate impact £'000
0.5% p.a. decrease in discount rate	357
0.5% p.a. increase in salary inflation over duration	352
0.5% p.a. increase in salary inflation year 1 only	40
0.5% p.a. increase in staff changes over duration	367
0.5% p.a. increase in staff changes year 1 only	42
1.0% increase in deficit contributions	1,361

21. Financial instruments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Financial assets held at fair value:				
Unit-based investments	93,758	93,758	93,851	93,851
Deposits	93	93	246	246
Financial assets held at amortised cost:				
Bank and cash	85,221	84,672	81,572	81,258
Trade and other receivables	12,668	14,012	12,660	13,719
	191,740	192,535	188,329	189,074
Financial liabilities held at amortised cost:				
Trade and other creditors	11,440	11,326	13,012	12,883
	11,440	11,326	13,012	12,883

22. Endowment reserves

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £'000	Expendable endowments £'000	2022 Total £'000	2021 Total £'000
Balances at 1 August				
Capital	2,461	233	2,694	2,659
Accumulated income	14	-	14	39
	2,475	233	2,708	2,698
New endowments non capital	-	1	1	-
Investment income	-	-	-	12
Expenditure non capital	-	(7)	(7)	(2)
Total endowment comprehensive income for the year	-	(6)	(6)	10
At 31 July 2022	2,475	227	2,702	2,708
Balance at 31 July Represented by:				
Capital	2,461	227	2,688	2,683
Accumulated	14	-	14	25
	2,475	227	2,702	2,708
Analysis by type of purpose:				
Scholarships and bursaries	256	-	256	256
Research support	2,152	-	2,152	2,152
Prize funds	67	227	294	300
	2,475	227	2,702	2,708
Analysis by asset:				
Accrued income			-	-
Cash and cash equivalents			2,702	2,708
			2,702	2,708

The University has the following individually material endowments:

- The £2m 3M fund provides resources for a chair of entrepreneurship.

23. Cash and cash equivalents

	Group at 1 August 2021 £'000	Cash flows £'000	Group at 31 July 2022 £'000
Cash and cash equivalents	81,572	3,649	85,221
	81,572	3,649	85,221

24. Group reconciliation of net debt

The University has no loans.

25. Capital and other commitments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Commitments contracted for at 31 July	1,397	1,397	4,539	4,539

These commitments will be funded through existing resources and operating cash flow.

26. Contingent liabilities

Subsidiaries:

The University has given written undertakings to support the subsidiary companies for a minimum of 12 months from the date of approval of these financial statements.

27. Lease obligations

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Payable during the year	35	35	30	30
Future minimum lease payments due:				
Within one year	13	13	28	28
Between one and five years	2	2	12	12
Later than five years			-	-
Total future lease payments due	15	15	40	40

28. Pension and other obligations

The University's employees belong to three principal pension schemes: the Teachers' Pension Scheme (TPS), the Universities Superannuation Scheme (USS) and the West Yorkshire Pension Fund (WYPF). The total pension cost for the year was £34,311k (2021: £27,568k).

In addition, contributions are paid into the NEST scheme for some staff. NEST is a national multi-employer defined contribution scheme.

	Year ended 31 July 2022		Year ended 31 July 2021	
	Group £'000	University £'000	Group £'000	University £'000
Teachers' Pension Scheme	7,368	7,368	7,025	7,019
Universities Superannuation Scheme	6,412	6,412	1,619	1,619
West Yorkshire Pension Fund	20,525	20,499	18,917	18,866
NEST	6	-	7	-
	34,311	34,279	27,568	27,504

Teachers' Pension Scheme (TPS)

The TPS is a statutory, unfunded defined benefit occupation scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges, and other educational establishments. Membership is automatic for all academics at eligible institutions. Employees are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a "pay as you go" basis. These contributions, along with those made by employers, are credited to the Exchequer under

arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.22), the TPS is a multi-employer pension plan. The University is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the University has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan.

As a result of the latest scheme valuation, employer contributions increased in September 2019 from a rate of 16.4% to 23.68%, and banded contribution rates of between 7.4% and 11.7% for employees.

Universities Superannuation Scheme (USS)

The total cost charged to the Group Statement of Comprehensive Income is £4,842k (2021: £147k).

Deficit recovery contributions due within one year for the institution are £516k (2021: £486k)

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post-retirement: 1.00% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% for S3PFA for females.
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.31%	0.87%
Pensionable salary growth	4.00%	4.00%

West Yorkshire Pension Fund (WYPF)

The University operates a defined benefit scheme open to non-academic employees, called the West Yorkshire Pension Fund. The last formal triennial actuarial valuation of the scheme was performed as of 31 March 2019 and during non-triennial years, it is rolled forwarded as at 31 July 2022 by a professionally qualified actuary. During the accounting period, the University paid contributions to the pension scheme at the rate of 17.2% until 31 March 2022 and 17.8% for the rest of the period.

Assumptions

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	At 31 July 2022	At 31 July 2021
Price Inflation (CPI)	2.6%	2.6%
Rate of increase in salaries	3.9%	3.9%
Rate of increase of pension in payment for WYPF members	2.6%	2.6%
Discount rate	3.4%	1.7%

There has been a change in approach in allowing for inflation experience at 31 July 2022 to make allowance for the exceptionally high inflation over the period since September 2021. The defined benefits obligation at 31 July 2022 includes allowance for emerging inflation experience up to July 2022, which has increased the defined benefits obligation at 31 July 2022 by approximately £16m. However, this is reduced to approximately £11m once the change in financial assumptions is applied.

The Fund Actuary has changed their standard methodology for calculating the underlying RPI curve from Bank of England's inflation curve to AON UK Gilts Prices RPI curve, which is used to derive CPI assumption. The impact of this change is to increase the CPI assumption by c. 10 basis points [including rounding], as a result, an increase in DBO by approximately c.£6.6m at 31 July 2022.

The Fund Actuary has changed their standard methodology for calculating the discount rate i.e. from single agency curve based on bonds with at least one of two agencies rating as opposed to one of three agencies ratings. The impact of the change was a two-basis points reduction in the discount rate. However, the impact of the change in methodology is not known as at 31 July 2022 as the relevant data is not available.

Fund Actuary has used the mortality assumption in line with most recent valuation with latest CMI projection model. The post retirement mortality tables have been constructed based on Club Vita analysis.

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65. The fund actuary has updated mortality assumption as 31 July 2022 to reflect the potential effects of Covid-19. It has been increased to reflect a slightly more negative outlook as a result of the Covid-19 pandemic.

	Year ended 31 July 2022		Year ended 31 July 2021	
	Female	Male	Female	Male
Current Pensioner (65 from last triennial valuation)	24.6	21.8	24.7	21.9
Future Pensioner (45 years from last triennial valuation)	25.7	22.5	25.8	22.6

Scheme assets and expected rate of return

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes.

	31 July 2022 £'000	31 July 2021 £'000
Equities	189,517	181,782
Government bonds	16,490	18,586
Other bonds	10,276	9,973
Property	9,560	8,386
Cash	9,560	4,987
Other	3,585	2,947
	238,988	226,661

	31 July 2022 £'000	31 July 2021 £'000
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Analysis of the amount shown in the statement of financial position

Scheme assets	238,988	226,661
Scheme liabilities	(288,055)	(387,808)
Deficit in the scheme	(49,067)	(161,147)

Analysis of amount charged to staff costs

Current service cost	(20,562)	(19,129)
Past service cost	(49)	-
Total operating charge	(20,611)	(19,129)

Analysis of the amount charged to interest payable

Interest cost	(6,562)	(5,173)
Expected return on assets	3,879	2,614
Net charge to interest payable	(2,683)	(2,559)

Analysis of other comprehensive income

Gain on assets	5,564	36,417
Experience gains /(losses) on liabilities	123,180	3,933
Total other comprehensive income	128,744	40,350

	31 July 2022 £'000	31 July 2021 £'000
Cumulative actuarial loss recognised as other comprehensive income		
Cumulative actuarial assets recognised at the end of the year	238,988	226,661
Cumulative actuarial losses recognised at the end of the year	(288,055)	(387,808)
Analysis of movement in surplus/ (deficit)		
Deficit at beginning of year	(161,147)	(185,777)
Contributions or benefits paid by the University	6,630	6,150
Current service cost	(20,562)	(19,129)
Past service cost	(49)	-
Settlement cost	-	(182)
Other finance charge	(2,683)	(2,559)
Loss /(gain) recognised in other comprehensive income	128,744	40,350
Deficit at end of year	(49,067)	(161,147)
Analysis of movement in the present value		
Present value of liabilities at the start of the year	387,808	371,438
Current service cost	20,562	19,129
Past service cost	49	-
Curtailement costs	-	182
Interest expenses on defined benefit obligation	6,562	5,173
Actual member contributions	2,620	2,401
Actuarial (gain) /loss	(123,180)	(3,933)
Actual benefit payments	(6,366)	(6,582)
Present value of liabilities at the end of the year	288,055	387,808
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	226,661	185,661
Interest income on assets	3,879	2,614
Actuarial gain on assets	5,564	36,417
Actual contributions paid by the University	6,630	6,150
Actual member contributions	2,620	2,401
Actual benefit payments	(6,366)	(6,582)
Fair value of scheme assets at the end of the year	238,988	226,661
Actual return on scheme assets		
Interest income on scheme assets	3,879	2,614
Asset gain	5,564	36,417
	9,443	39,031

The scheme assets do not include any of the University's own financial instruments or any property occupied by the University. Estimated contributions to the scheme in the financial year 2022/23 are £7.1m.

Scheme assets and expected rate of return

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 July 2022 and the projected service cost for the period ending 31 July 2023 is set out below.

Discount rate assumption

Adjustment to discount rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	281.718	288.055	294.680
% change in present value of total obligation	-2.2%		2.3%
Projected service cost (£M)	10.576	11.017	11.480
Approximate % change in projected service cost	-4.0%		4.2%

Rate of general increase in salaries

Adjustment to salary increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	288.919	288.055	287.191
% change in present value of total obligation	0.3%		-0.3%
Projected service cost (£M)	11.017	11.017	11.017
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions and rate of revaluation of pensions accounts

Adjustment to pension increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	393.816	288.055	282.582
% change in present value of total obligation	2.0%		-1.9%
Projected service cost (£M)	11.480	11.017	10.576
Approximate % change in projected service cost	4.2%		-4.0%

Post retirement mortality assumptions

Adjustment to mortality age rating assumption*	-1 year	Base figure	+1 year
Present value of total obligation (£M)	296.985	288.055	279.413
% change in present value of total obligation	3.1%		-3.0%
Projected service cost (£M)	11.436	11.017	10.598
Approximate % change in projected service cost	3.8%		-3.8%

*A rating of +1year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

29. Related party disclosures

The operating statements of the University include transactions with related parties. In accordance with FRS102 these are disclosed where members of the University of Huddersfield Board of Governors or Senior Leadership Team (SLT) disclose an interest in a body with whom the University undertakes transactions. Due to the nature of the University's operations and the composition of the Board, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board or SLT may have an interest. All transactions involving organisations in which a member of the Board or SLT may have an interest, including those identified below, are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures.

An updated register of the interests of the members of the Board of Governors and members of SLT is maintained.

The University has taken advantage of the discloser exemption under FRS102, which applies to transactions and balances between wholly owned subsidiaries.

Transactions entered into and balances outstanding at 31 July 2022 are as follows:

Related party	Income recognised within the financial statements £'000	Expenditure recognised within the financial statements £'000	Balance due from the University recognised within the financial statement £'000	Balance due to the University recognised within the financial statement £'000
Kirkwood Hospice	2	48	-	-
Chartered Management Institute (CMI)	-	465	-	-
Yorkshire Universities	-	23	-	-
The British Library	-	1	-	-
Huddersfield University Students Union	260	1,394	-	2

Council members

The University Council's members are the trustees for charitable law purposes. Due to the nature of the institution's operations and the composition of the Council being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which the member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those above, are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures.

Members of the University Council are required to declare any outside interests. The University maintains a register of Council members' and senior staff members' interest which is available for inspection.

No expenses were paid to Council members in respect of their duties and Council members in the year to 31 July 2022 (2021: £nil). No remuneration was paid to or waived by Council members in connection with their duties as Council members (2021: £nil).

30. Amounts disbursed as agent of Department for Education

Training bursaries have been provided in year. These funds are available solely for students, with the University acting only as paying agent.

	Year ended 31 July 2022	Year ended 31 July 2021
Initial teacher training bursaries		
Funds received	772	2,662
Disbursed to students	(772)	(2,662)

31. Prior year adjustment

Investment property

As part of completing the 2021-22 financial statements, the building on Firth Street known as the 3MBIC building was identified as being an investment property. The property had been previously reported as a tangible fixed asset and depreciated at a historical cost basis in the prior year financial statements. It has now been treated as a non-current asset investment and held at fair value. Consequently, any depreciation charge in the prior year has been reversed and fair value changes in the investment property have been appropriately reflected in the income statement. In addition, deferred capital grant balance related to this property has now been released as an adjustment to opening reserves in the comparative period and the release of deferred capital grant has been reversed in the comparative period.

Impact on Statement of Comprehensive Income

	Previously reported as at 31 July 2021 £'000	Adjustment £'000	Restated as at 31 July 2021 £'000
Group			
Other Income			
Other capital grants	470	(98)	372
Depreciation	13,198	(292)	12,906
Gain/(loss) on investments	9,423	(9,736)	(313)
University			
Other Income			
Other capital grants	470	(98)	372
Depreciation	13,110	(292)	12,818
Gain/(loss) on investments	9,423	(9,736)	(313)

Impact on the Statement of Financial Position

	Previously reported as at 31 July 2021 £'000	Adjustment £'000	Restated as at 31 July 2021 £'000
Group			
Non-Current Assets			
Tangible assets	370,887	(12,081)	358,806
Investments	32	2,435	2,467
Current Assets			
Creditors: amounts falling due within one year	(40,551)	98	(40,453)
Creditors: amounts falling due after more than one year	(30,055)	3,912	(26,143)
Income and expenditure reserve – unrestricted	175,351	439	175,790
Revaluation reserve	147,710	(6,075)	141,635
University			
Non-Current Assets			
Tangible assets	370,668	(12,081)	358,587
Investments	82	2,435	2,517
Current Assets			
Creditors: amounts falling due within one year	(40,760)	98	(40,662)
Creditors: amounts falling due after more than one year	(30,055)	3,912	(26,143)
Income and expenditure reserve – unrestricted	175,850	439	176,289
Revaluation reserve	147,710	(6,075)	141,635

	Previously reported as at 1 August 2020 £'000	Adjustment £'000	Restated as at 1 August 2020 £'000
Group			
Non-Current Assets			
Tangible assets	373,306	(12,171)	361,135
Investments	32	12,171	12,203
Current Assets			
Creditors: amounts falling due within one year	(32,838)	124	(32,714)
Creditors: amounts falling due after more than one year	(30,850)	3,984	(26,866)
Income and expenditure reserve – unrestricted	116,266	(691)	115,575
Revaluation reserve	152,282	(4,937)	147,345
University			
Non-Current Assets			
Tangible assets	372,999	(12,171)	360,828
Investments	82	12,171	12,253
Current Assets			
Creditors: amounts falling due within one year	(32,890)	124	(32,766)
Creditors: amounts falling due after more than one year	(30,850)	3,984	(26,866)
Income and expenditure reserve – unrestricted	116,870	(691)	116,179
Revaluation reserve	152,282	(4,937)	147,345

Impact on the Consolidated Statement of Cash Flows

The consolidated statement of cashflows has also been restated specifically the surplus for the year before taxation and adjustments for non cash items such as depreciation, loss on investment property and Increase in creditors. However, there was no impact on the net cash inflow from operating activities.

32. Post statement of financial position events

At its meeting in November, the University Council reconfirmed its intention to enter into a contract for the construction of the first building on the new National Health Innovation Campus.

Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS102 discount rate, have increased significantly since 31 July 2022, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore while both gross defined benefits obligations and assets will have fallen, it is difficult to estimate the impact of these changes on the net balance sheet position.



University of Huddersfield, Queensgate,
Huddersfield, HD1 3DH

Tel. +44 (0)1484 42288
Email. ERGMarketing@hud.ac.uk
www.hud.ac.uk