

Financial Statements 2018

August 2017–July 2018

University of
Huddersfield
Inspiring tomorrow's professionals



The University aims to become the world's first large organisation to be led by a team who are all Chartered Managers.

Pictured (top) l-r: The University's Vice-Chancellor, Professor Bob Cryan, the Chancellor, HRH The Duke of York KG and the CMI CEO Anne Francke.

Pictured (bottom): The first group of managers received their certificates at a special ceremony at the University.



This £40 million metrology research centre was officially launched at the University in September 2017. The new Hub receives £10 million from the Engineering and Physical Sciences Research Council (EPSRC) and there is also large-scale investment from a consortium of almost 30 business partners. The National Physical Laboratory – which has a lab at the University of Huddersfield – is also a key partner, alongside research teams from the universities of Sheffield, Loughborough and Bath. Its director, Professor Dame Xiangqian Jiang is pictured above. The aim of the Hub – one of only eight funded by the EPSRC – is to address major, long-term challenges facing UK manufacturing industries.



Pictured l-r: Broadcaster Lauren Laverne, who hosted the Guardian Awards, and the University of Huddersfield's Katy Suggitt, Professor Christine Jarvis and Dr Jane Wormald.

Award winning Flying Start project

An innovative scheme that ensures new students get off to a flying start and make the most of their courses was the winner of the Course and Curriculum Design category, at the 2018 Guardian University Awards.

Described as “an intense, aspiration-building, academically-challenging introduction to undergraduate study”, it consists of a two-week timetable of special sessions designed to stimulate academic interest, develop good study habits and provide opportunities for students to work and engage socially.

THE UNIVERSITY OF HUDDERSFIELD
FINANCIAL STATEMENTS
For the year ended 31 July 2018

C O N T E N T S

	<u>PAGES</u>
Professional advisors	2
Report of the University Council: Operating and Financial Review	3
Statement of Corporate Governance and Internal Control	25
Independent auditor's report	32
Statement of principal accounting policies	34
Consolidated statement of comprehensive income and expenditure	40
Consolidated statement of changes in reserves	41
Consolidated and University balance sheet	42
Consolidated statement of cash flows	43
Notes to the accounts	44

PROFESSIONAL ADVISORS

External auditors:

Grant Thornton UK LLP
1 Whitehall Riverside
Leeds
LS1 4BN
England

Internal auditors:

UNIAC
4th Floor
St James' Building
Oxford Street
Manchester
M1 6FQ
England

Bankers:

Lloyds TSB Group plc
1 Westgate
Huddersfield
HD1 2DN
England

Solicitors:

Eaton Smith LLP
14 High Street
Huddersfield
HD1 2HA
England

Eversheds
70 Great Bridgewater Street
Manchester
M1 5ES
England

Pinsent Masons LLP
1 Park Row
Leeds
LS1 5AB
England

OPERATING AND FINANCIAL REVIEW

The University Council of the University of Huddersfield hereby submits its twenty ninth annual report together with the audited financial statements for the year ended 31 July 2018. The Financial Statements comprise the consolidated results for the University and its subsidiary undertakings. The principal wholly owned subsidiary is The University of Huddersfield Enterprises Limited, which has continued to trade satisfactorily during the year. The purpose of this company is to conduct those commercial activities of the University which are not compatible with the University's charitable status and may be subject to corporation tax on profits generated. The taxable profits of the company are paid by deed of covenant to the University annually. The University's other wholly owned trading subsidiary, Huddersfield Enterprise and Innovation Centre Limited, which houses the 3M Buckley Innovation Centre (3M BIC), has continued to trade during this period.

CONSTITUTION AND POWERS

The University of Huddersfield is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011. The Trustees are the people who serve on the governing body of a charity. For our purposes, the Trustees are known as Members of the University Council in accordance with our Instrument and Articles of Government.

The University's revised Articles of Government were adopted by the University Council on 22 February 2012.

The Vice-Chancellor is the Chief Executive of the University.



The University secured a Gold Award in the Teaching Excellence Framework (TEF) and was also awarded the Higher Education Academy's inaugural Global Teaching Excellence Award

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

PUBLIC BENEFIT STATEMENT

The Charities Act 2011 introduced the requirement for Council Members to demonstrate explicitly that the main activities of the University are in furtherance of its charitable purposes which are for the public benefit. The University Council has complied with its duty under the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission, which is available directly to Members.

This guidance states that the two key principles of public benefit are that:

- there must be an identifiable benefit or benefits; and
- benefits must be to the public or section of the public.

The University's principal aim is the advancement of education.

The University of Huddersfield's roots go back 177 years via the Huddersfield Mechanics' Institute. Throughout its history the University has been committed to meeting the needs and aspirations of its 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 18,000 undertaking a wide range of courses covering the wealth creating, cultural and social welfare aspects of our economy.

Vision

To be an inspiring, innovative University of international renown.

Mission

To deliver an accessible and inspirational learning experience; to undertake pioneering research and professional practice; and to engage fully with employers and the community.

Stakeholder Expectations

Our students can expect:

- an education that challenges and creates excellent career opportunities;
- to learn from staff at the leading edge of knowledge and application; and
- high quality physical and supportive learning environments.

Our partners can expect:

- a responsive and flexible University that delivers high quality work efficiently and effectively;
- to deal with leading experts in their field; and
- high quality and fit for purpose facilities.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Strategic Aims

A strategic plan for the period 2013-2018 was approved in July 2013.

Our strategic aims are:

- to inspire our students to attain the highest academic and professional standards;
- to inspire our students to enjoy an outstanding University experience;
- to inspire employable and enterprising graduates;
- to increase the number of our research active staff and the quality of their outputs;
- to increase the quantity and quality of our postgraduate research student community;
- to increase the quality and range of our external research, enterprise and innovation income;
- to become an increasingly popular destination of choice for world class international students;
- to ensure our international students have an inspiring world class student experience; and
- to become ranked as an outstanding international University.

We achieve our aims through developing and empowering our staff, financial sustainability and improving our efficiency and effectiveness. Our achievement is measured against a number of Key Performance Indicators which are underpinned by specific targets.

A new strategic plan of the period 2018-2025 is currently being formulated.

ACHIEVEMENT OF OBJECTIVES

Inspirational Teaching

The University's registration with the Office for Students (OfS) has been accepted.

Preliminary figures indicate that this year we once again increased the proportion of students gaining first and upper second class degrees. In the summer of 2018, students completing their degrees and achieving levels of 'good degrees' (1/2i classifications) were higher than the previous year, meaning that we now secure good degrees for almost 75% of our students. This was done without any amendments to classification algorithms. Our National Student Survey Results continue to be above benchmark for almost all of the Teaching Excellence Framework indicators.

The University's interest and expertise in securing good outcomes for all students is recognised by its appointment as the lead across four universities for the OfS funded Catalyst Project, Intervention for Success, which is progressing well. One of its major initiatives, trialled and developed by the University of Huddersfield, is the Flying Start programme which focuses on transition. It gained the award of The Guardian Prize for Curriculum Development and the Ian Martin award for the paper that makes the biggest contribution to social justice at the Standing Conference on University Teaching and Research in the Education of Adults. Its success is demonstrated by invitations to speak about the project at external events, by a statistically significant improvement in student engagement, and by the very high level of take up of the programme within the institution, which has increased from nine courses to thirty-four.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

The Students' Union ran a highly successful Black and Minority ethnic Student Ambassador Scheme last year, which won the Student's Union of the Year Award at the NUS Black Students Awards. Ambassadors work with academic and professional staff to enrich and diversify the curriculum. The Scheme will continue and be enhanced and is an impressive indication of the strong partnership between students and staff at the University.



At the time of writing we are awaiting the outcome of the Times Higher Teaching Awards. Sarah Williamson from the School of Education and Professional Development is one of only five finalists for the title of Most Innovative Teacher of the Year. Sarah's work provides considerable public benefit and focuses on engagement with the arts and the development of arts enhanced teaching. Recently she has been invited to collaborate in a number of international initiatives and to share her findings with leading international academics.

The University's achievement of 100% professional recognition for all colleagues with substantive teaching roles, through Fellowship of the Higher Education Academy, places us first in the country for permanent qualified teaching staff.



We endeavour to equip our graduates with the life-skills and behaviours necessary to be citizens and members of society. All students entering undergraduate courses of more than one year's duration have had the opportunity to experience significant work related experience in their studies and this is now being enhanced with a further emphasis on enterprising skills in all areas. The most recently published 'positive outcomes' figure for Huddersfield graduates in employment or further study six months after graduation (based on those graduating mainly in the summer of 2017) is 97.4%, a rise of 1% on what was already an outstanding result. This places Huddersfield in the top 5 English mainstream universities (ie those with total annual income exceeding £100m). The University secured a double positive flag in the TEF for the highly skilled employment metric, indicating that our graduates not only secure work, they secure work commensurate with their graduate status.

Student Opportunities

The University places the needs of its students first. We are proud of our record in widening access to higher education and have one of the 30 most socially inclusive student populations in England. This is combined with high levels of student achievement and success in graduate employment. The University is committed to its local community and taking education actively to students in order to widen participation, as well as delivering excellence in teaching and enhancing student success.

The University has performed well in terms of recruiting from low-income groups and local ethnic-minority communities. For example, more than 1 in 7 of our students is from a low-participation neighbourhood, 1 in 4 is from an ethnic minority and 8.7% are in receipt of the Disabled Students allowance.

We recognise that some sections of society perceive that there are entry barriers to higher education, for instance based upon price. We work hard to raise aspirations and awareness of HE amongst those currently under-represented and in 2017/18 we carried out over 1,000 activities in schools, colleges and community groups, reaching an estimated 27,000 learners. We also provide role models and advice through our Student Ambassador Scheme. We give all of our Postgraduate Research students a comprehensive guide to alternative funding sources currently available in the UK.

In 2017/18, we distributed £6k in discretionary bursaries to 12 students and University Scholarships to 846 students amounting to £852k. We also awarded Access to Learning Funds of over £264k to 451 students. 90% of those eligible took a tuition fee loan from the Student Loan Company.

Wellbeing

The University's Wellbeing Service directly supported a total of 1,058 unique students through 2,772 face to face appointments. The Counselling Service supported 266 students with psychological counselling. 665 students accessed Big White Wall, a 24/7 digital wellbeing service, which provides access to a moderated peer support network, online self-assessments and self-guided courses. Big White Wall is Care Quality Commission regulated and based on Cognitive Behavioural Therapy practices.

A Trans and Gender Support Group provides support to a group of students who report higher levels of poor mental health. Workshops covering topics such as mindfulness, anxiety and depression run regularly through term time.

Student Services colleagues promote wellbeing across campus. Mental Health First Aid, a two-day course, has been completed by 169 university colleagues enabling them to offer first line support and referral.

Care Leavers

A dedicated support worker provides a single point of contact, friendly face and champion to support care leavers to navigate university life. 54 care leavers accessed this support during 2017/18. Senior colleagues offer mentoring support to care leavers providing support to the care leaver and powerful insight into different student journeys.

Faith Centre

The University Faith Centre and Chaplaincy supports students' wellbeing. The prayer spaces are well used, with over 50,000 student visits to the Faith Centre during the period.

Disability

There is a trend growth in the number of students enrolling with the University who declare a disability - 2,887 by the end of 2017/18. 2,083 students registered with Disability Services, who then develop a Personal Learning Support Plan which supports them to access an excellent learning experience. The Disability Team facilitated 1,639 appointments, helping students to access support measures and adjustments including dyslexia tuition and study skills support and British Sign Language interpretation.

Disability Services provide advice and guidance to Schools regarding support, reasonable adjustments and inclusive practice. Reductions in the provision of the Disabled Student Allowance prompted the further development of inclusive practice to ensure the curriculum and learning is accessible by default. HudStudy, a collaboration with Computing and Library Services has provided a dedicated colleague to promote the use of assistive technology, through the training of both staff and students. The introduction of Lecture Capture continues to positively impact on all students including those with disabilities.

- During the 2017-18 Academic Year 745 Students declared to the University they had a Mental Health Condition – a 9% increase on the figure for 2016-17.
- During the same period, 582 students registered with the Disability Service to access Mental Health support.
- Students with Mental Health conditions accessed 4,900 hours of 1-1 tutor support through the Learning Support Service in 2017-18.
- During the 2017-18 Academic Year 1029 Students declared to the University they had a Specific Learning Difficulty such as Dyslexia or Dyspraxia – a 7% decrease on the figure for 2016-17.
- During the same period, 765 students registered with the Disability Service to access Specific Learning Difficulties support.
- Students with Specific Learning Difficulties accessed 5,605 hours of 1-1 tutor support through the Learning Support Service in 2017-18.
- There was an overall decrease in the level of 1-1 tuition delivered through Learning Support in 2017-18 owing largely to a reduction in contracts won at the start of the academic year through aggressive pricing by competitors.

Communities of students with disabilities are supported with dedicated initiatives, for example an Autism Lunch Club provides a regular space for students to meet and secure both peer and expert support. The support provided to students with disabilities has a positive impact; 76% of students declaring a disability achieved a good honours degree, above the whole population at 74.7%. These figures are subject to confirmation following any appeals that may be made.

Employable and Enterprising Graduates

The University continues to be confident that its work in enhancing student employability is sector-leading. With a strong track record in producing talented graduates - ready to embark on successful careers - it was specifically referenced in the Teaching Excellence Framework Gold Award as a positive aspect of the University of Huddersfield experience. The Careers and Employability Service leads on this work within the University and in the 2017/18 academic year, our *MyCareer* digital careers interface registered a total of 37,821 student interactions, including the self-directed career development tool *MyCareer+*; the Student Jobshop; and the Grad Jobs Bureau.

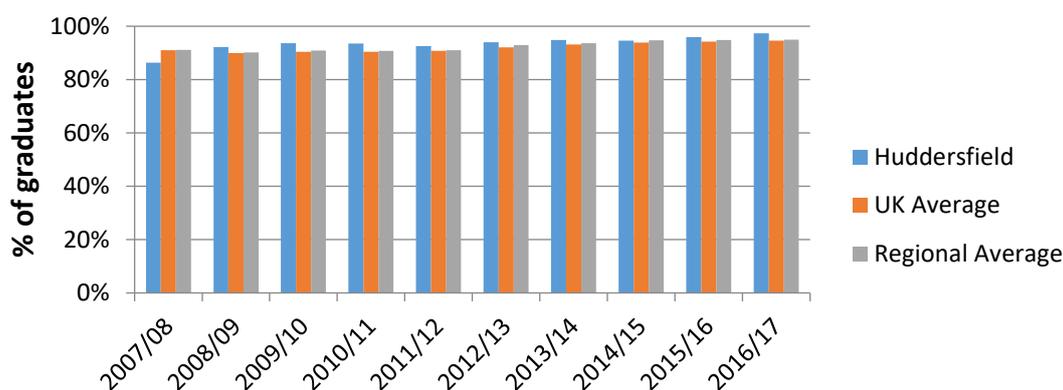
Following on from our *EmployableME* initiative we now have a high-profile, campus-wide approach to employability embedded within the student experience and visible throughout all aspects and locations. Students are supported from the start of their first year onwards to see the university experience, and all it entails, as offering great potential for enhancing their employability, both within the curriculum and through extra-curricular activity. Our latest initiative is the introduction of a career readiness survey into the enrolment and registration process. This will give us annual data on students' career thinking and preparedness in order to personalise the careers support they get, as well as informing our decision-making around employability activities and interventions.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

By developing existing relationships with employers and building new partnerships with others, we are able to give our students a strong insight into the world of work and ensure they are well prepared for competing in the graduate labour market. Through our on-campus events and Recruiters-in-Residence programme, many of our current students took the opportunity to meet employers and explore future opportunities. This year alone, our Jobshop was able to process 6,568 high-quality, course-specific vacancies for our students and graduates.

Latest figures show, six months after graduation, that 97.3% of our graduates are in employment and/or further study (an increase of 1.4% on last year). The graph below demonstrates that we remain ahead of the sector and regional average for producing employable graduates.

Proportion of graduates in positive outcomes



Innovative Research Excellence and Enterprise

The University continues to build on the outstanding results achieved in the latest HEFCE Research Excellence Framework (REF2014). The leap of 25 places in research power was recognised by the *Times Higher Education's Table of Excellence* as the third highest of the 154 higher educational institutions in the UK. In total, the University submitted 232.7 FTE academic staff across 13 Units of Assessment and REF results showed a significant increase in research which was recognised as “world leading” with the number of researchers producing work at this highest level of attainment. Preparations are in place for the next REF which will be submitted in 2020.

The University's Research Strategy 2016-2025 renews our commitment to growth in our portfolio of high quality research, particularly in areas of multidisciplinary research which are expected to impact on global, national and regional challenges. The University recruits new academic staff to support the growth of strategically important thematic research areas identified within the strategy and we currently employ 145 professors.

Our postgraduate research student population continues to grow and we currently have approximately 1,720 students registered. We strongly endorse the principles of the national Concordats for the Career Development of Researchers, Research Integrity, and Public Engagement with Research to provide an exceptional environment for research and for the development of researchers and research careers. In 2017, the University retained the European Commission HR Excellence in Research Award at the six year review stage.

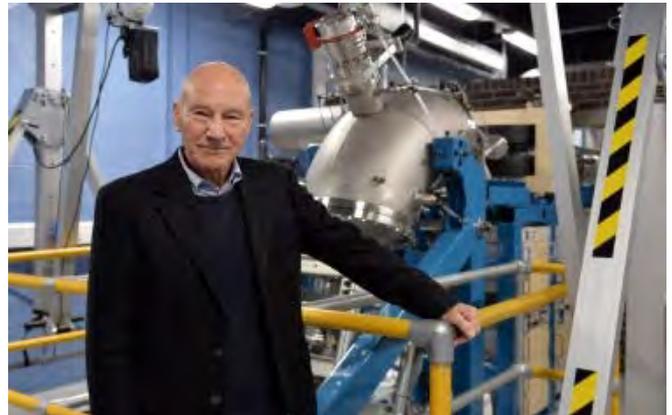


THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Over the past year, we have achieved some major research and enterprise successes which include:

- In partnership with other regional HEIs we have secured a £5M HEFCE Collaborative Challenge Fund grant for the Grow MedTech programme which builds upon the previously successful HEFCE Catalyst MedTech award and the Science and Innovation Audit commissioned by UK Government;
- A strategic research partnership has been established with global corporate Essilor, a world leader in ophthalmic lenses. £1M of investment has been agreed for research into heterocyclic chemistry;

We secured £1.3M EPSRC funding for the mid-range facility operation of the University's particle accelerator facilities MEIS, a medium energy ion source and MIAMI, a dual ion beam facility for materials investigation.



- The Institute for Railway Research continued its strategic partnership with the Rail Safety and Standards Board to the value of £450k and also further developed its links with Network Rail, securing research contracts of £358k.
- The Centre for Precision Technology has secured £1.41M from EPSRC for the mathematical modelling and metrology of complex and free form surfaces with applications in areas such as additive manufacturing;



The Centre for Sustainability, Responsibility, Governance and Ethics has secured £700k from the European Union for research into the conservation of Ethiopia's wild coffee using participatory forest management.

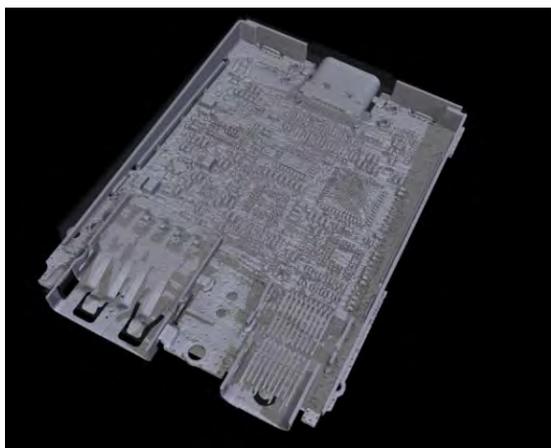
- A £518k AHRC grant has been secured by the Department of Fashion and Textiles for research into technical textiles and the Future Fashion Factory;

AHRC funding has been secured by the Institute for Applied Linguistics for the Hansard at Huddersfield project. The goal of the research is to make [Hansard](#) more accessible to users who might not have the specialised knowledge of the complex workings of Parliament or the computational linguistic skills to make the best use of online search findings.



THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

- As part of a £1.2M consortium, we have secured £560k from EPSRC for the HARP2 project which will adopt a holistic approach to the design of efficient heat recovery systems for electrical power production;
- We have consolidated our position as one of the UK's top 25 HEI providers of Knowledge Transfer Partnerships and currently have 16 active projects;
- Three rounds of academic start-up funding have been secured for research in Cyber Security. The investment programme is operated by the Department of Culture Media and Sport alongside Innovate UK.



Capital equipment associated with the Huddersfield Innovation and Incubation Programme (HIIP) was procured, installed and commissioned within the 3M Buckley Innovation Centre. £2.9M funding for the HIIP programme, which is for University-industry collaboration, was secured from the Leeds City Region LEP Local Growth Fund.

- The University collaboration with NPL (National Physical Laboratory) has continued to grow and the NPL North of England hub is now fully established in the 3M BIC. There is a continued focus on a digital enabled supply chain programme as well as driving forward collaborative programmes in digital manufacturing and Industry 4.0;
- The patent and license portfolio of the University continues to grow with several spin-out companies in preparation. One potential spin-out, SimplifAI, has secured accelerator investment and was a finalist at the Pitch@Palace 9.0 investment event hosted by the Duke of York. It is anticipated that SimplifAI will be a joint venture between the University and Kam Futures commercialising a real time traffic management system;
- A grant of almost £2.3M which is principally funded by ESIF has been secured to deliver the Leeds City Region Supply Chain programme - with industrial and partner contributions, the total project value is £4.4M. The programme will be managed through the Business Engagement Centre located in the 3M BIC and commences in October 2018.
- The Duke of York Young Entrepreneur Centre (DOYYEC) has provided business mentoring support for over 150 students who are registered users of the facility and hot desk licence holders. A 'train the trainer' programme has also been established for academics to support embedding enterprise in the curriculum. On average, the DOYYEC supports approximately 30 student start-up companies per annum.
- In partnership with University College London, the University commissioned external research to independently review 'Place, Learning and Entrepreneurialism'. The Localis report was published in February 2018 and has been disseminated via the Westminster HE Forum and the International Entrepreneurship Educators Conference. It was also submitted in response to the All Party Parliamentary Group for Entrepreneurship call for evidence.
- In 2017, the Enterprise Team secured funding via the HEFCE Catalyst Programme for work on the sector-specific Enterprise Placement Year programme. In 2018, this work has been published as a case study in 'Entrecomp in Action' as a best practice model of how the EU competency framework can be applied.

THE UNIVERSITY OF HUDDERSFIELD **REPORT OF THE UNIVERSITY COUNCIL (continued)**

In 2017, the University innovation activities were graded 5* in the institutional QS assessment. Our research covers a spectrum from 'blue skies' to user-inspired and applied research where outputs are close to end-user needs and are adopted in new products, services and policy. Given the nature of our research portfolio which encompasses professional and vocational research, beneficiaries of our research and knowledge transfer (KT) activity are wide ranging. Much of our research and KT activity has 'beneficiary' involvement from the outset through partnership or direct funding of the research. For example, organisations include:

- Multinational companies e.g. 3M, Renishaw, Rolls Royce, Agilent, Taylor Hobson (Ametek), Weir Group plc.
- Regional companies e.g., Paxman Coolers, Kromek, Blackhall Engineering, Ionix, HR Blowers, Andel, Cummins Turbo Tech., Reliance Precision, Severn Unival, AUS, Borg Warner.
- Charities and NGOs e.g. Age UK, Action for Children, Arthritis Research UK, Cancer Research UK, NSPCC, Macmillan Cancer Support, RNIB, UNICEF.
- Public sector organisations e.g. Rail Standards & Safety Board, National Physical Laboratory, Science & Technologies Research Council, NHS, dstl and Food and Environment Research Agency.
- Museums and galleries e.g. Royal Armouries, Yorkshire Sculpture Park, Henry Moore Foundation, Barbara Hepworth Gallery, National Coal Mining Museum.

The 3M BIC continues to be a primary route for business engagement, promoting the University's research capability, with an increasing number of research partnerships and collaborations being established, especially with local SMEs. The Centre celebrated its 5 year anniversary in May 2018 as well as the installation of the capital equipment associated with the Leeds City Region HIIP programme.



Business support networks and relationships with professional bodies and support organisations continue to grow. For example, key partners and intermediary organisations include: RTC North, MTA, EEF, Chamber of Commerce, CKMA, LCR Growth Hub plus several regional and national professional service providers.

In terms of regional engagement, the Vice-Chancellor continued his membership of the Leeds City Region (LCR) LEP Board and the Director of Research and Enterprise joined the LEP Business Innovation and Growth Panel. In addition she continued as a member of the EEF Regional Advisory Board and the UK Digital Manufacturing Leadership group reporting to BEIS. She continued as chair of the Yorkshire Universities KT Directors group.

Detriment or harm

A principle of public benefit is that benefits must be balanced against any detriment or harm. We have considered this issue and we have not identified anything to report. None of our research activity falls into areas such as "live" animal testing or non-ethical research.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Contribution to economic, social and cultural development

The University has a history of close involvement with industry, business and its cultural community. The extent of that involvement is probably best illustrated by the fact that in terms of headcount we are in the top 15 HEIs in the UK for sandwich course placements and from DLHE data we estimate that 61.5% of our full-time, first degree, home graduates are employed in the Yorkshire and Humber region six months after graduation.

The University connects with the world outside the campus, with links to a broad range of external organisations and professional bodies. Our connections help us to keep our courses relevant to the world of work and to ensure our students have good employability skills. Recent additions to the curriculum include the Creative Skillset accreditation of BA (Hons) Computer Games Design.

We are the 3rd largest employer in Huddersfield and it is estimated (The economic impact of universities, report for Universities UK, October 2017) that we have a national economic impact of £377m of which £320m is within the region. Approximately 16% of our student population is from the EU or overseas and is contributing overseas investment and spend in our region.

The University procures at least 34% of its annual non-pay spend within Yorkshire and the surrounding region.

We make major contributions to our community in terms of fashion, art, drama, media and music. We run the annual Huddersfield Literature Festival and we are a key sponsor and supporter of the Huddersfield Contemporary Music Festival.

The UK Games Transfuser hub, located in the Duke of York Young Entrepreneurs Centre (DOYYEC), was shortlisted for the Local Transfuser Hub of the Year award. In 2017, a Huddersfield graduate team won top prize and financial investment for their start-up company through Transfuser. 3M BIC hosts the Duke of York Young Entrepreneur Awards on an annual basis.

In 2017, the DOYYEC championed and supported the University ENACTUS application - a student-led global enterprise and social innovation programme. The Huddersfield Enactus Society was established in 2017. In April 2018, the UoH team was crowned 'UK Rookie Champions' at the National Competition at the ExCel London.



European Researchers' Night, Full Steam Ahead was a major public engagement initiative attended by ~4,000 visitors, who came to see and get involved with research activities being undertaken at the University.

The Vice-Chancellor is a Trustee of the Peter Jones Foundation, which works to establish a real way to support children's futures and to inspire a culture of enterprise and entrepreneurialism in Britain. He was also a Director of Yorkshire Universities, UCAS and The Institution of Engineering and Technology.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

International Renown

The University again experienced growth in its international tuition fee income, now a significant component of our overall income. This was in an increasingly competitive environment where the numbers of new international students coming to the UK remained flat. Over one sixth of our students are now non-UK students and we also have a continually growing international staff base.

The University ranked again in the QS and Times World University Rankings and in the Times and QS Top 200 Young Universities.

In February the University secured a licence to run a Joint Programme with Fujian Normal University, in Fuzhou, China. The first cohort of 100 students has been recruited and joint teaching begins on a BEng Electronics and Communications degree course this year.



The Chancellor and Vice-Chancellor paid a strategic visit to the province of Guizhou, seeing the world famous FAST telescope and meeting young entrepreneurs at Guizhou University. The University signed a Memorandum of Understanding with Guizhou University and the Eve China Craftsmanship social enterprise.

Enhancing our standing, Developing our identity and Raising our profile

Our staff, students and alumni are influential across the globe in their chosen fields. Our marketing and communications activity aims to maintain the University's reputation to ensure that alumni can remain proud of their association with Huddersfield, and to raise our profile with new partners to open up new possibilities for collaboration. To achieve this, we seek to ensure that those who commission research or business support are aware of the knowledge and skills that are available through working in partnership with the University. In order to raise our profile and celebrate the excellence that exists across the University we encourage staff and students to submit entries to national and international awards – with great success. Another key focus is our work with those who may advise students about their choice of University. Our profile raising work includes media relations, social media activity, holding a range of events on campus and inviting key influencers into the University to see the work we do. We embrace the principles of corporate social responsibility, recognising our impact on students, staff and the local community.

Equal Opportunities and Employment of Disabled Persons

The University is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion or belief and age, etc. We strive to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis. The University's Equal Opportunities Policy and Diversity Statement is published on our website.

The University considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the University continues. The University's policy is to provide training, career development and opportunities for promotion which are, as far as possible, identical to those for other employees.

The University seeks to achieve the objectives set down in the Equality Act 2010. The University has been awarded the Disability Symbol. This is in recognition by Jobcentre Plus that we have agreed to take action to meet five commitments regarding the employment, retention, training and career development of disabled employees.



Environmental and Social Sustainability

Policy and Strategy Development

The University has completed the development of new Carbon Management and Travel Plans and has begun implementation to achieve the desired targets.

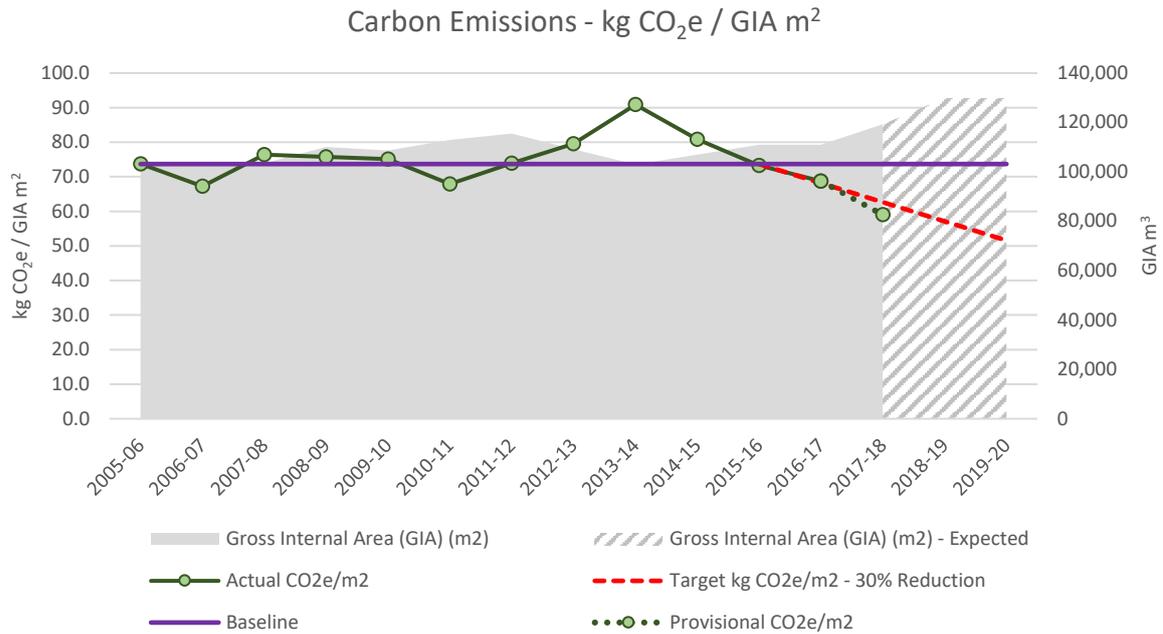
Both these plans set out how the University will manage its key environmental impacts; the management of its estate and the travel to and from campus by staff and students. The plans have been developed to take into account future campus improvement and expansion. The Estates capital plan 2016-21 committed the University to significant development of the campus and has allocated a specific budget annually to carbon reduction projects.

Carbon footprint and targeted reductions

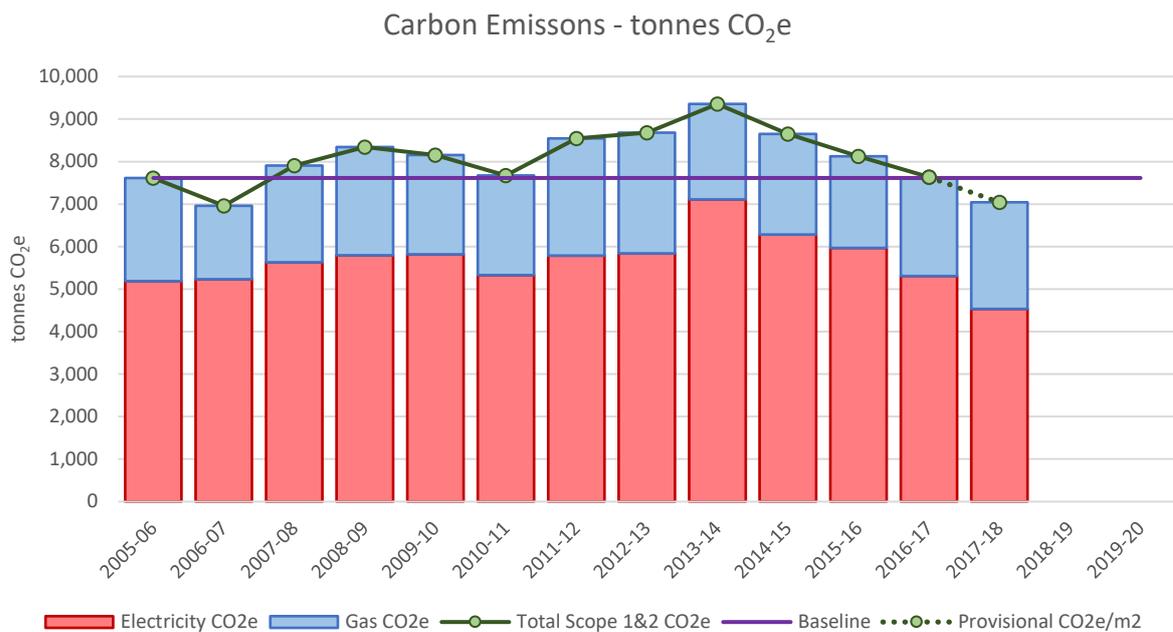
Through the process of approving the Carbon Management Plan the University has updated its Carbon reduction target to achieve a **30% reduction in kg of CO₂e per m² of gross internal area** by 2019/20 from the 2005/06 baseline.

The aim of this target is for the University to become increasingly more efficient as it expands its estate through procuring fit for purpose new buildings, undertaking major refurbishments, and to improve the operation of existing buildings.

The data collated for HESA Estates Management Reporting returns demonstrates that in 2016/17 the University was only slightly behind target with a reduction to 68.8 kg CO₂e/m² against a target of 68.2 kg CO₂e/m². Provisional figures for the 2017/18 reporting year show that the University has now exceeded the target with a reduction to 59.0 kg CO₂e/m² against a target of 62.6 kg CO₂e/m².



The Universities Total Scope 1&2 Carbon footprint¹ from building emissions also reduced in both 2016/17 and 2017/18 resulting in a 7.5% reduction from the 2005/06 baseline. This is due in part to a reduction in emissions from the generation of electricity across the national grid infrastructure. An increase in generation from renewable sources alongside a shift from combustion of coal towards natural gas reduced the emissions associated with grid supplied electricity. This reduction was partially offset by an increase in gas consumption due to the 'Beast from the East' weather event in March 2018.



¹ Scope 1 carbon emissions are the direct result of combustion of Gas and Oil by the University on its estate to generate heat or electricity. Scope 2 disaggregates the emissions associated with the generation and distribution of electricity across the national grid to the end user.

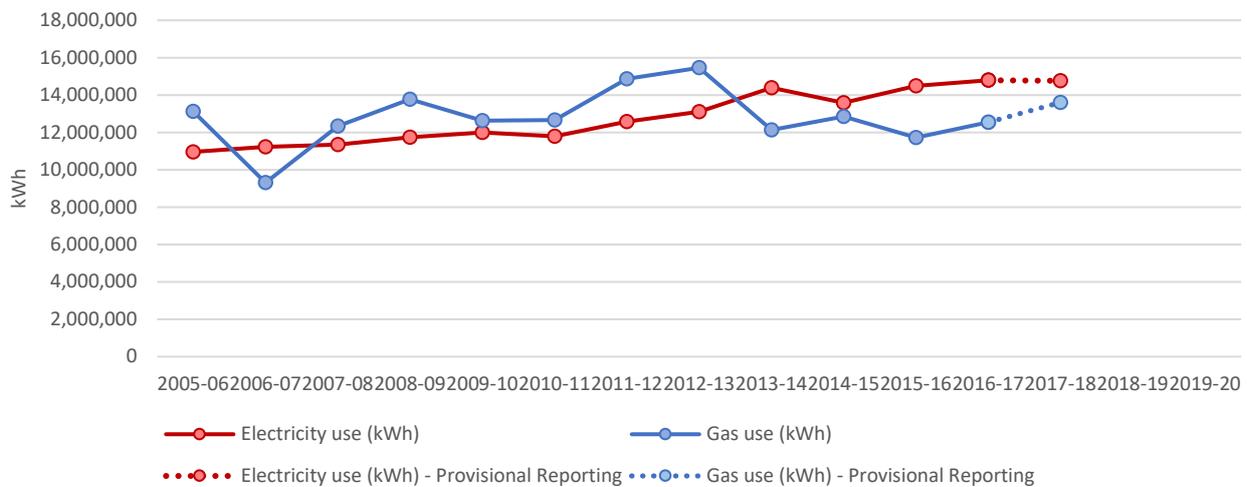
THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Consumption of Electricity, Gas and Water

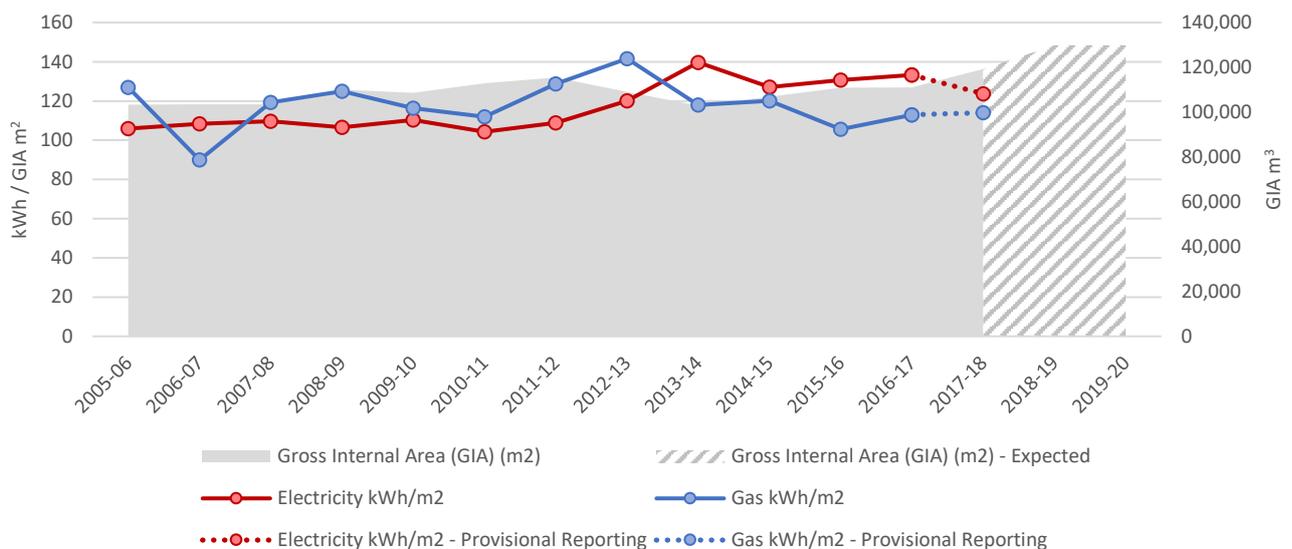
The University has managed to maintain its consumption of electricity at a stable overall rate with a 2% increase between 2015/16 and 2016/17 and then no increase between 2016/17 and 2017/18. This is despite the construction and subsequent operation of the Oastler Building - one of the largest buildings on campus, and the construction of two new buildings starting during the reporting year. During this period the University has reduced its electricity consumption by area by 7%.

Gas use has increased over the reporting period from 11.7m kWh in 2015/16 to 13.6m kWh in 2017/18 in a large part due to the effects of a sustained colder period in winter 2016/17 and then subsequently an even colder winter coupled with the 'Beast from the East' in 2017/18. The weather events of those few days in March 2018 resulted in a 32% increase in gas use over the year before.

Energy Consumption - kWh

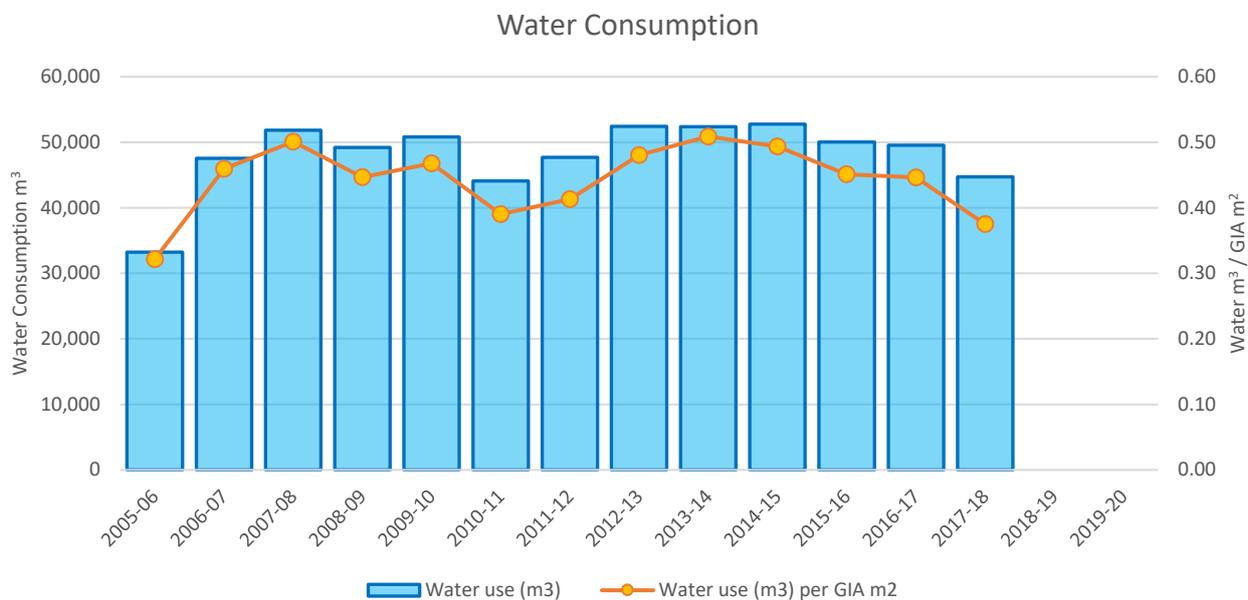


Energy Consumption - kWh / GIA m²



THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Water use has decreased by 10% overall and 16% in Water use (m³) per GIA m² between 2015/16 and 2017/18. The University will continue to utilise water conservation methods as standard, including push-taps, low flush toilets and urinals. The University will continue to identify opportunities for reduction of water usage in processes related to research activities.



New buildings, refurbishments and projects

Construction is now underway on both the Barbara Hepworth Building for the School of Art and Design and a new teaching block for the School of Applied Sciences. Both these buildings are being built to challenging environmental standards and will be complex buildings to operate due to the high levels of equipment and servicing required.

Refurbishment was completed on the Joseph Priestley Building for the School of Applied Sciences. This major project required stripping back three floors of the building and reconstructing them. As a part of this project LED lighting with daylight control and presence detection was installed along with new heating and cooling systems utilising natural ventilation, heat recovery units and improved building energy management system controls.

LED lighting upgrades continue to be undertaken across the campus with over 1,000 lighting modules installed through 2017/18. The most significant projects undertaken were in the Ramsden Building, and the laboratory areas of the Joseph Priestley Building. The upgrades result in an approximate 70% reduction in energy consumption per fitting and a reduction in maintenance required to maintain the fitting over their lifespan which is a major benefit in difficult to access areas such as research laboratories.

Waste

The University implemented a campus-wide recycling scheme in 2017, incorporating split recycling and general waste bins for staff and students. Promotional campaigns and projects are ongoing to encourage increased rates of recycling and identify opportunities for reducing waste and its impact. Examples include;

- Reduction of single-use plastic waste through various catering initiatives, including the introduction of a University-branded reusable mug together with appropriate pricing incentives, to be implemented at the start of the new academic year.
- A University-wide review of printing policy and practices is underway to optimise purchase and use of printing devices to help save energy, paper and associated carbon emissions and financial resources.



Travel

The University has increased its promotion of staff travel incentives, delivering the first Staff Wellbeing and Benefits Fair in 2018, which showcased a variety of travel offers and advice stands to staff. Further engagement with cycling to work was achieved by encouraging participation in the Cycle September Challenge.

A Student Travel Survey was completed in 2018, in addition to our longstanding annual staff travel survey, which has enabled more detailed analysis of student travel patterns with a view to improving student travel offers.

A revised Travel Plan was published in 2018 to continue the progress made under the previous plan in which all major targets were achieved and a modal shift occurred away from single occupancy car use towards public transport and active travel for commuting staff.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Fairtrade

The University held a comprehensive Fairtrade Fortnight programme in early 2018. The highlight was a successful Kirklees-wide community outreach event, delivered on campus by events management students as their final year project, which received very positive feedback.

The University has recently signed up for the new 'University and College Fairtrade Standard' and commenced work towards the achieving the new accreditation, building on its long-term participation in the previous scheme and engagement with the wider community through the Kirklees Fairtrade members forum.



Engagement

The University has increased its on-campus promotion of sustainability issues, successfully implementing several green wall displays in high-footfall areas and establishing a recognisable 'Be Green' identity which has been adopted consistently across further materials developed, including banners, plasma screens, and print and digital media.

In addition, a green communications plan has been implemented, ensuring students and staff receive regular updates and feedback about green issues on campus.



THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Financial Performance

Accounting Policies

The University updated its principal accounting policies in 2015/16 following the adoption of FRS102 and there have been no changes of accounting policy in 2017/18. The accounting policies which are critical to interpretation of the results relate to the accounting for our share of the West Yorkshire Pension Fund assets and liabilities under pension obligations (see note 25); a revaluation of land and buildings every 5 years, which took place in 2015 and significantly increased the value of the University's assets (see note 11); and the recognition of research grant and contract income which is included to the extent that the performance conditions for the receipt of non-government revenue have been complied with and the accrual method is applied to government revenue.

Results for the year

The University's consolidated income, expenditure and result for the year to 31 July is summarised as follows:

	<u>2018</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>
Income	172,891	165,312
Expenditure	(159,260)	(151,509)
Surplus for the year before other gains and tax	13,631	13,803
Gains on investments	6,232	-
Surplus before taxation	19,863	13,803
Taxation	(41)	-
Surplus after taxation	19,822	13,803
Actuarial gain in respect of pension schemes	12,478	21,000
Pension settlement costs	434	-
Movement on endowments	116	20
Total comprehensive income for the year	32,850	34,823

The University is pleased to record a healthy surplus before tax for the year at 11.5% of total income.

Total income increased by 4.6%. A further fall in Funding Council income was offset by higher tuition fee income from students and an increase in investment income.

The underlying staff cost (excluding amounts paid for loss of office) to income ratio decreased to 55.7% from 56.5%.

Operating expenses decreased to 27.7% of total income from 29.2%.

Significant balance sheet movements arose from:

- An increase in cash balances and investments of £8.8m.
- A decrease of £7.4m in the calculation of our pension liabilities (following a decrease of £15.1m in the previous year).

Total balance sheet funds increased by £32.9m or 12.8% during the year (following an increase of 15.7% in the previous year).

Capital Investment

Maintaining capital investment of £26.2m in 2017/18 was critical to the recruitment of our students, their experience whilst they are with us and the delivery of inspirational teaching and learning which is one of the University's key strategic objectives. That investment is funded through our own resources by retaining sufficient surpluses to generate the cash required.

Cash Flow

The consolidated cash flow statement shows an increase in cash balances of £30.1m before capital expenditure (net of grants received), which was largely the result of cash generated from operating activities. Liquidity at the year end represented 353 days of expenditure, (Investments plus cash / Total expenditure less depreciation x 365 days), compared with a sector average of 140 days for 2016/17.

The University has a target for generating sufficient cash to fund its estates and other strategic objectives which was achieved in 2017/18. Our strategy is to pay for estate developments out of current earnings and only to borrow when accelerating the estate strategy would contribute to the achievement of our overall strategic aims.

The University was able to increase its liquid funds by £8.8m, after capital expenditure in the year.

Our surplus cash is invested at low to medium risk and for capital growth rather than income.

Financial Outlook and Liquidity

The University's financial forecast for the period to July 2023 demonstrates the sustainability of our strategy to retain sufficient surpluses to invest in improving the student experience; at the same time as maintaining liquidity and managing risks to our future financial strength. Over several years, we have retained an additional contingency primarily by generating income growth and containing costs, so that adverse economic conditions can be managed without endangering our underlying surplus. Key Financial Indicators are the level of operating surplus as a percentage of income and staff costs as a percentage of income, the control of which is key to delivering the cash for our strategic needs. Further details on Key Financial Indicators included on page 24.

Going Concern

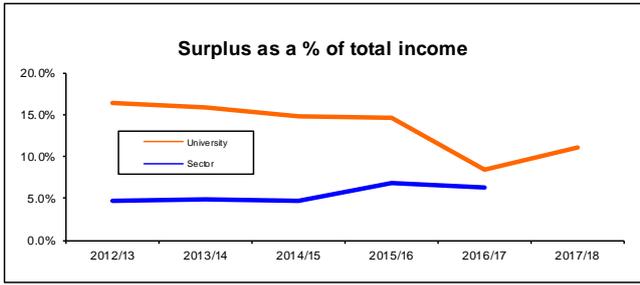
The University has a reasonable expectation that there will be adequate resources to continue in operational existence for the foreseeable future. The Financial Forecast submitted to OfS in September 2018 for the period to 31 July 2023 demonstrates surpluses in each of the forecast years, with strong cash balances (despite incurring significant capital expenditure), and no debt requirement, based on a conservative set of assumptions for future income and expenditure.

Financial Sustainability

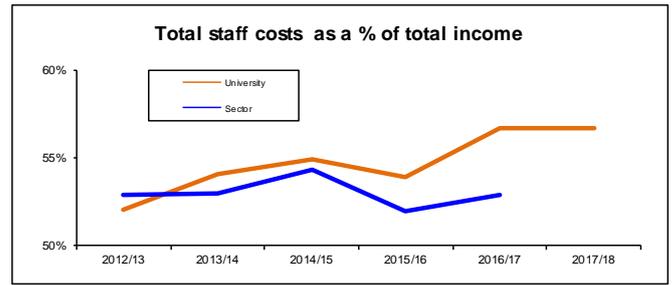
Three of our University KPIs relate directly to financial performance. The following ratios represent some of the Key Financial Indicators which are recognised across the Higher Education Sector and can indicate the financial health of a University relative to its peers. They are shown for the University against the latest published figures for the sector. The University's aim is to be in the upper quartile against each indicator when these statistics are published.

**THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)**

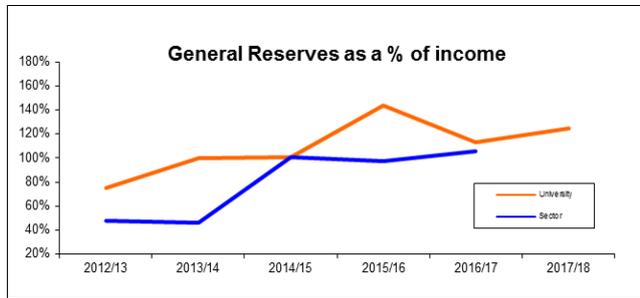
Comparative results for the last 5 years show the following trends:



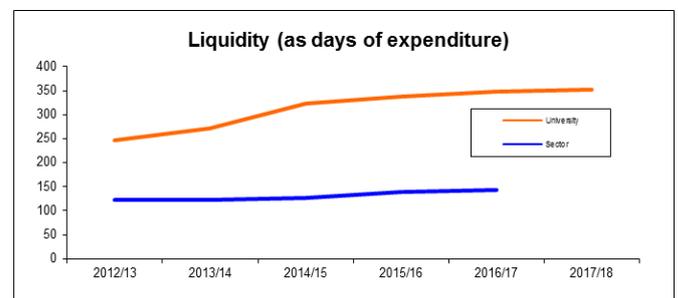
The University's surplus continues to be higher than the sector average.



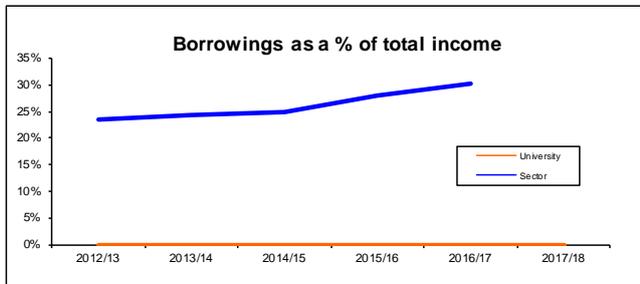
The University's staffing cost as a % of income is above the sector average.



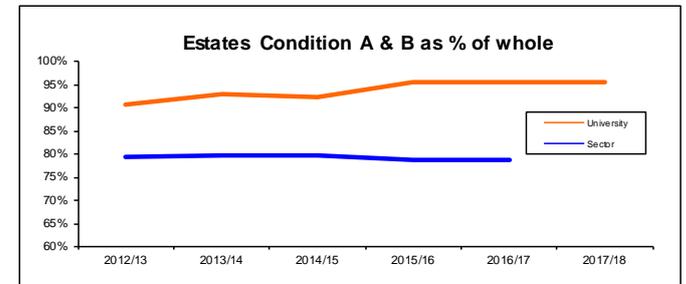
The University's reserves are above the average for the sector.



The University generates sufficient cash to meet its strategic needs and its liquid reserves are higher than the sector average.



The University has no borrowings.



Over 90% of the University's estate is now classified as "new or sound", demonstrating our continuing commitment to maintain the best facilities for our students.

The University is financially strong and is generating sufficient cash to meet its strategic objectives without borrowings.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Key Risks

Our risk management processes continue to identify and manage the major strategic and financial risks to the University. These can be broadly categorised as follows:

- cuts in government funding for HE teaching, including changes in policy on tuition fees;
- the open market competitive environment for the recruitment of home, EU and overseas students;
- our ability to recover the full economic cost of our key activities;
- cash limited research funding and its allocation;
- pay and pension costs increasing at a faster pace than our income; and
- the effect of Brexit.

Our response to these risks has been:

- to create an economic contingency reserve by generating growth, particularly of international tuition fee income;
- to invest in the quality of our staff base;
- robust scenario planning to consider the options available together with an agile decision-making environment;
- to review and refresh our course portfolio; and
- the recruitment of world class research academics.

The University continues to be diligent in protecting its financial strength, but the economic climate and changes in government policy will create challenges in the years ahead. Our operating environment would change rapidly as a consequence of further reductions in public funding and any decrease in tuition fees. This is against a background of increased competition, particularly for student recruitment and research funding. In the context of pay and pension pressures together with enhanced student expectations, this is a challenging environment for higher education.

Disclosure of Information to Auditors

The Council members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the University's auditors are unaware and each member has taken all the steps that he or she ought to have reasonably taken to be aware of any relevant audit information and to establish that the University's auditors are aware of that information.

Insurance for Officers

During the year the University maintained liability insurance for the members of the University Council.

Political and Charitable Contributions

There were no political or charitable contributions during the year.

The Trade Unions

The Trade Unions (Facility Time Publication Requirements) Regulations 2017 require the University to publish information on trade union facility time annually. Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake TU duties and activities as a TU representative. For the period 1 April 2017 to 31 March 2018 the total number of employees who were relevant union officials during the relevant period was 29 (27.35 FTES). These employees spent between 1-50% of their working hours on facility time at a total cost of £70,966, representing 0.07% of the total pay bill for the period. The time spent on paid trade union activities as a percentage of total paid facility time hours calculated was 31.03%.

Payment of Creditors

The University is fully committed to the prompt payment of its suppliers' bills and is accredited by 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 2017/18 was 18 days.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

The University is committed to exhibiting best practice in all aspects of corporate governance. In the opinion of the Members of Council, the University complies with the Higher Education Code of Governance (“the Code”) which was issued by the Committee of University Chairs (CUC) in December 2014 and has complied throughout the year ended 31 July 2018. The following information is to help the reader of the accounts understand how the principles of corporate governance have been applied.

The Code includes “must”, “should” and “could” statements; the University Secretary and Vice-Chair of Council conducted a gap analysis of the University’s performance against each of the Code’s provisions, which was summarised and presented to University Council at its meeting on 26 March 2015. The University requested that its internal auditors review the University’s compliance in this regard. Their report confirmed substantial assurance in that the University complied with the “must” statements in the Code. The University Secretary and Vice-Chair have subsequently completed further annual review of compliance with the “must” statements, the latest of which was presented to University Council at its meeting on 23 November 2017. This was reviewed by Pinsent Masons LLP as part of their formal governance effectiveness review (July 2018) and they agreed with this appraisal. In accordance with the requirements of the Code, members of the University Council confirm that the University has in place all of the primary elements and meets the requirements of the supporting “must” statements.

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 C J Brown	1 January 2001	31 July 2019	Chair of Council Estates Development Committee Chair of Governance & Membership Committee Honorary Awards Committee Senior Post Holder Remuneration and Senior Staff Remuneration Advisory Committees
Mr E L F Nicholls	1 April 1999	31 July 2018	Vice-Chair of Council Audit Committee Chair of Estates Development Committee Governance & Membership Committee Honorary Awards Committee Chair of Senior Post Holder Remuneration and Senior Staff Remuneration Advisory Committees
Mr M Fisher	30 March 2006	31 July 2021	
Mrs J Harris	16 November 2010	31 July 2019	Governance & Membership Committee Honorary Awards Committee
Mrs V Lloyd	3 July 2014	31 July 2020	
Baroness K Pinnock	1 August 2016	31 July 2019	
Professor I Pollock	1 August 2015	31 July 2021	
Dame I Roscoe	16 November 2010	31 July 2018	Governance & Membership Committee Honorary Awards Committee
Mrs H Thomson	16 November 2010	31 July 2022	Audit Committee
Mr J Thornton	20 July 2006	31 July 2022	Chair of Audit Committee Senior Post Holder Remuneration and Senior Staff Remuneration Advisory Committees
Co-opted Members			
Professor T Thornton	1 August 2015	Ex-officio	Estates Development Committee Governance & Membership Committee
Members Nominated by Senate (Teaching Staff)			
Dr J Lane	1 August 2015	31 July 2021	
Professor J Owen-Lynch	24 March 2016	31 July 2018	
Members Nominated by Senate (Admin Staff)			
Mr R Quayle	22 September 2017	31 July 2020	
Student Member			
Mr W Alenezi	3 July 2017	Ex-officio	
Vice-Chancellor and Principal			
Professor R A Cryan	1 January 2007	Ex-officio	Chair of Honorary Awards Committee Estates Development Committee Governance & Membership Committee Senior Staff Remuneration Advisory Committee

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

The University endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and with the Committee of University Chairs Higher Education Code of Governance.

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 adopted by the University 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.

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 Council has a majority of external members. It is customary for the Chair of the Council to 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 and for representatives of the staff and of the student body. Members of the Council do not receive any remuneration for the work which they do for the Council.

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 the students of the University. It is particularly concerned with issues relating to the academic governance of the University.

The Chief Executive is the Vice-Chancellor who has responsibility to the University Council for the organisation, direction and management of the University. Under the OfS Terms and Conditions of funding for Higher Education Institutions, the Vice-Chancellor is the accountable officer of the University and in that capacity can be summoned to appear before the Public Accounts Committee of the House of Commons.

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 such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and compliance issues.

Although the Council meets at least three times each year, much of its detailed work is initially handled by committees, in particular the Governance and Membership Committee, the Senior Post Holder Remuneration Committee, the Senior Staff Remuneration Advisory Committee, the Estates Development Committee and the Audit Committee. The decisions of these Committees are formally reported to the Council. A brief description of their responsibilities is set out below:

The Governance and Membership Committee makes recommendations for effective governance arrangements and the appointment of University Council and Committee members.

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, whilst the Senior Staff Remuneration Advisory Committee is responsible for reviewing the remuneration of senior staff contract holders.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

The Audit Committee 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 and management's responses and implementation plan. It provides oversight of the University's risk management procedures. It also receives and considers reports from the OfS as they affect the 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 on their own for independent discussions.

A significant proportion of the membership of these committees consists of external and co-opted members of the Council, other than student and staff members, who are not eligible to serve on these committees, with the exception of staff members on the Governance and Membership Committee.

All Council members are able to take independent professional advice in furtherance of their duties at the University's expense. In accordance with the Articles of Government of the University, Council members have access to the University Secretary who acts as Clerk to the Council. She is responsible to the Council for ensuring that all applicable procedures and regulations are complied with. The appointment and removal of the Secretary are matters for the University Council as a whole.

Formal agendas, papers and reports are supplied to Council members in a timely manner, prior to Council meetings. Briefings on a wide-range of topics are also provided on an ad-hoc basis.

The University Council has a strong and independent non-executive element and no individual or group dominates its decision-making processes. The Council considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair and Vice-Chancellor are separate.

As Chief Executive, the Vice-Chancellor exercises considerable influence upon the development of University strategy, the identification and planning of new developments and the shaping of the University ethos. The Deputy Vice-Chancellor, the Pro Vice-Chancellors and the senior administrative and academic officers all contribute in various ways to this aspect of the work, but the ultimate responsibility for what is done rests with the Vice-Chancellor.

The University maintains a Register of Interests of Members of the Council and the University's Senior Management 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.

INTERNAL CONTROL

As the governing body of the University, the University Council has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible.

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 2018 and up to the date of approval of the financial statements and accords with OfS guidance.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

The University's objectives, its internal organisation and the environment in which it operates are continually evolving and, as a result, the risks it faces are continually changing, although the current key risks (foremost of which are changes in government policy and the achievement of student recruitment targets) are likely to remain the major causes of concern. The University's internal control systems (on finance, planning, resource management etc) have enabled managers to manage and to appropriately control the risks. However, if progress is to be made in an increasingly competitive environment, then the University cannot expect to 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. This requires the maintenance of proper records and processes that generate a flow of timely, relevant and reliable information from within and outside the University; and
- 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 in which the University operates. It includes:

- mechanisms for the control of activities;
- appropriate information and communication processes; and
- processes for monitoring the continuing effectiveness of the University's control of its activities.

The internal control system used to manage risk will continue:

- to be embedded within the operation of the University, forming an integral part of its culture. It should be viewed as a continuum, a constant checking of the radar for trouble ahead;
- to be capable of responding quickly to evolving risks to the University arising from factors within the University and to changes in the external environment;
- to include a reporting culture in which any failings or weaknesses in the control systems are reported to appropriate levels of management and corrective action duly taken - i.e. embedding a culture in which the second person to know about a failure is the line manager of the discoverer; and
- to be the ultimate responsibility of the Vice-Chancellor with operational responsibility devolved to the University's Senior Management Team.

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

- a) Council meets regularly to consider the plans and strategic direction of the University.
- b) Council receives feedback from the Audit Committee on matters of internal control considered and debated by the Audit Committee. Council is routinely informed 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 more explicitly in the form of the corporate risk register and as part of the financial forecasts.
- c) Council has established the University's Senior Management Team as the University's risk committee, charged with reviewing and updating the corporate risk register. The Audit Committee provides oversight of the processes involved.
- d) The Audit Committee receives regular reports from the internal audit service, which includes its independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

- e) At a corporate level, risks are identified and discussed by the Senior Management Team, informed by formal and informal information flows between management, groups, committees and staff. The Senior Management Team reviews and where appropriate updates the corporate risk register. Guidance has been issued to Schools and Services which encourages their management teams to consider the key risks their areas face. The Senior Management Team explores and considers the risks identified by Schools and Services as part of the annual planning round.
- f) Risk awareness is raised through:
 - Risk being incorporated within the Management Development Programme 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 round; and
 - Deans and Directors discussing risk with their management teams during the planning round.
- g) Risks are linked to the key corporate objectives for which detailed key performance indicators have been derived.
- h) Risks have been prioritised on the basis of likelihood and impact. This assessment has been made both before and after considering the internal controls in place. The Senior Management Team has considered the risk priorities in order to distil the corporate risk register.
- i) An organisation-wide risk register is maintained. This is further informed by the risk registers completed by Schools and Services which are presented to Senior Management Team as part of the planning round.
- j) Council receives reports and updates on key risks and their management as part of routinely scheduled Council and Committee business.

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 Funding, which include the Audit Code of Practice. 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.

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 external auditors in their management letter and other reports.

The OfS Assurance Service will make an annual assessment of the relative risk attaching to each institution being either "at higher risk" or "not at higher risk". This is based upon any audit work they have done in the year and upon information supplied and returns made to comply with the Audit Code of Practice. In April 2018, the Assurance Service concluded that the University "is not at higher risk" and is meeting its accountability obligations set out in the Memorandum of Assurance and Accountability.

The University Council has reviewed the key risks to which the University is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Council is of the view that there is an ongoing process for identifying, evaluating and managing the University's significant risks, that it has been in place for the year ended 31 July 2018 and up to the date of approval of the annual report and accounts, that it is regularly reviewed by the University Council and that it accords with the internal control guidance for governing bodies in the HE Code of Governance.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

STATEMENT OF RESPONSIBILITIES OF THE UNIVERSITY COUNCIL

In accordance with the University's Articles of Government, the Council of the University is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

The University Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and to enable it to ensure that the financial statements are prepared in accordance with the University's Articles of Government, the Statement of Recommended Practice on Accounting in Further and Higher Education Institutions and other relevant accounting standards. The Council is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In preparing the financial statements, the University Council has to ensure that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

The University Council is also required to prepare an Operating and Financial Review which describes what it is trying to do and how it is going about it, including the legal and administrative status of the University.

The University Council has taken reasonable steps:

- ensure the funds from the OfS, Research England and the Department for Education, grants and income for specific purposes, and from other restricted funds administered by the University have been applied only for the purposes for which they have been given and in accordance with the relevant terms and conditions and/or funding agreements and any other conditions attached to them
- to ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources and to ensure that they are used properly;
- to safeguard the assets of the Group and to prevent and detect fraud and other irregularities; and
- to secure the economical, efficient and effective management of the University's resources and expenditure.

The key elements of the University's system of internal financial controls, which is designed to discharge the responsibilities set out above, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments;
- a comprehensive medium and short term planning process, supplemented by annual budgets;
- regular reviews of business risks and quarterly reviews of financial results involving variance reporting and updates of forecast outturns;
- clearly defined and formalised requirements for approval and control of expenditure, with capital expenditure being subject to formal detailed appraisal and review according to approval levels set by the University Council;
- comprehensive Financial Regulations, detailing financial controls and procedures, approved by the University Council; and
- an independent Internal Audit team whose annual programme is approved by the Audit Committee and endorsed by the University Council and whose head provides the University Council with an annual report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the University's system of internal control, including internal financial control.

THE UNIVERSITY OF HUDDERSFIELD
REPORT OF THE UNIVERSITY COUNCIL (continued)

Any system of internal financial control can, however, only provide reasonable but not absolute assurance against material mis-statement or loss.

AUDITORS

A resolution to appoint Grant Thornton UK LLP as external auditor will be put to the University Council Meeting on 29 November 2018.

Mr C J Brown, DL
Chair
29 November 2018

THE UNIVERSITY OF HUDDERSFIELD
INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF
THE UNIVERSITY OF HUDDERSFIELD

Independent auditor's report to the Council of The University of Huddersfield

Opinion

We have audited the financial statements of the University of Huddersfield (the 'parent university') and its subsidiaries (the 'group') for the year ended 31 July 2018 which comprise the consolidated and University statement of comprehensive income, the consolidated and University statement of changes in reserves, the consolidated and University balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent university's affairs as at 31 July 2018 and of the group's and parent university's income and expenditure, gains and losses, changes in reserves and group's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in March 2014.

Basis for opinion

We have been appointed as auditor under the Education Reform Act 1988 and report in accordance with regulations made under those Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

This report is made solely to the University's Council, as a body, in accordance with the University's articles of government. Our audit work has been undertaken so that we might state to the University's Council those matters we are required to state to it 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 University's Council as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent university's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE UNIVERSITY OF HUDDERSFIELD
INDEPENDENT AUDITOR'S REPORT (continued)

Other information

The Council are responsible for the other information. The other information comprises the information included in the Report of the University Council: Operating and Financial Review and Statement of Corporate Governance and Internal Control set out on pages 3 to 31, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Office for Student's ('OfS') Terms and conditions of funding for higher education institutions (issued March 2018) and the OfS's accounts direction (issued June 2018)

In our opinion, in all material respects:

- funds from whatever source administered by the parent university for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by HEFCE, the OfS and Research England have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them, and
- the requirements of the OfS's accounts direction (issued June 2018) have been met.

Responsibilities of Council for the financial statements

As explained more fully in the Statement of Responsibilities of the Council set out on page 30, the Council is responsible for the preparation of the financial statements and for being satisfied they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council are responsible for assessing the group's and the parent university's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Council intend to liquidate the group or the parent university or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds
29 November 2018

STATEMENT OF PRINCIPAL 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.

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standard FRS102. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets).

The financial statements are presented in sterling (£).

Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2018. Intra-group transactions are eliminated on consolidation. The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over its policy decisions.

Income recognition

Income from the sale of goods or services is credited to the Consolidated 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.

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure 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. Investment income is credited to the Statement of Income and Expenditure on a receivable basis.

Funds the University receives and disburses as 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

Government grants including Funding Council block grant and research grants are recognised as income over the periods in which the University recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Revenue and capital 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 balance sheet and released to income as the conditions are met.

THE UNIVERSITY OF HUDDERSFIELD
STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates and the resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Pension schemes

Retirement benefits for most employees of the University are provided by the Teachers' Pension Scheme (TPS), the Universities Superannuation Scheme (USS) and the West Yorkshire Pension Fund (WYPF). These are defined benefit schemes.

The TPS is a multi-employer defined benefit scheme which is unfunded requiring the University to pay a contribution to central government reflecting benefits earned during the year. It has not been possible to identify the share of underlying assets and liabilities belonging to individual participating employers. Therefore it has been treated as though it is a defined contribution scheme. The income and expenditure charge represents the employer contribution payable to the scheme for the accounting period.

The assets of the WYPF are measured using closing market values. WYPF liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the statement of total recognised gains and losses. Further details of the pension schemes are given in Note 25.

The assets of the USS are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks 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. Therefore, as required by FRS102, the University accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the University has now entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the University also now recognises 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 income and expenditure account.

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 income and expenditure account in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the enhanced pension spreadsheet provided by the ESFA.

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.

THE UNIVERSITY OF HUDDERSFIELD
STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Tangible fixed assets

a. Land and buildings

The University's land and buildings are stated at valuation, unless acquired since the latest revaluation date in which case stated at cost. The University adopts a revaluation policy in relation to freehold and long leasehold land and buildings on a five year 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 income and expenditure account, in which case they are recognised in the income and expenditure account. Freehold and long leasehold land is not depreciated. Freehold and long leasehold buildings are depreciated over their expected useful economic lives to the University of 50 years for new build and 40 years for buildings revalued as at 31 July 2015. Short leasehold land is depreciated over the lives of leases. Capital additions are depreciated in full in the year of acquisition and none in the year of disposal. Component accounting has been applied to new build assets in order to recognise that elements of an asset have different useful economic lives and therefore a new category of plant and machinery has been introduced with a depreciation rate of 25 years.

The University's inherited assets from the local authority have been brought onto the balance sheet at valuation at the date of transfer with the corresponding credit taken to the revaluation reserve. The inherited assets and the related revaluation reserve have been adjusted by subsequent revaluations.

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 released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July. They are not depreciated until they are brought into use.

b. Equipment

Equipment costing less than £25,000 is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost. As part of component accounting, the University has introduced a new category, plant and machinery. This is included in equipment and is applied only to new builds in relation to the elements of the asset which are deemed to have a shorter useful economic of life. Capitalised equipment is depreciated over its useful economic life as follows:

Computer equipment	Three Years
Motor vehicles	Four Years
General equipment	Seven Years
Plant and machinery	Twenty Five Years

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to income and expenditure account over the expected useful economic life of the related equipment.

THE UNIVERSITY OF HUDDERSFIELD
STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

c. Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

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

Leased assets

Costs in respect of operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

Investments

Fixed asset investments 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.

Taxation

The University is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is a charity within the meaning of the Finance Act 2010, Schedule 6. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Paragraph 11 of 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 and all non-recoverable Value Added Tax on purchases is included within the appropriate expenditure headings.

The University's subsidiary companies are subject to corporation tax and Value Added Tax in the same way as any commercial organisation.

Provisions

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event, it is probable 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.

Accounting for charitable donations

a. Unrestricted donations

Charitable donations are recognised as income when the charitable donation has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming resources can be measured with sufficient reliability.

THE UNIVERSITY OF HUDDERSFIELD
STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

b. Endowment funds

Where charitable donations are to be retained for the benefit of the institution as specified by the donors, these are accounted for as endowments. There are three main types:

1. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.
2. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets and the University can convert the donated sum into income.
3. 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.

c. Donations for fixed assets

Donations received to be applied to the cost of a tangible fixed asset are shown on the balance sheet 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.

Cash flows and cash equivalents

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, cash at bank and deposits repayable on demand. Deposits are repayable on demand if they are available within 24 hours without penalty. No other investments, however liquid, are included as cash.

Liquid resources comprise assets held as readily disposable store of value. They include term deposits, government securities and loan stock held as part of the University's treasury management activities. They exclude any such assets held as endowment asset investments.

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.

Significant accounting estimates and judgements

Preparation of the financial statements requires management to make significant estimates and judgements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a. Estimates in pension costs

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. The cost of these benefits and the present value of the obligation depend on a number of factors including: life expectancy, salary increases, asset valuations, the duration of liabilities and the discount rate on corporate bonds. Management estimates these factors, using external professional advice, in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

THE UNIVERSITY OF HUDDERSFIELD
STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

The University has obligations to pay pension benefits to certain employees who are members of the Universities Superannuation Scheme (USS), a defined benefit scheme. The University has committed to contribute to a deficit recovery plan for the scheme and management has calculated a provision for these costs in the balance sheet. The present value of the obligation depends on a number of factors including life expectancy, salary increases, staff changes, asset valuations and the discount rate on corporate bonds. Management estimates these factors, using external professional advice, in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

b. Estimates and judgements in depreciation

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Depreciation methods, useful economic lives and residual values are reviewed by management at the date of preparation of each Balance Sheet. They are amended where necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. For new buildings an estimation is included for the split of components into three elements; building, plant and machinery and fit-out. The assessment of these factors requires management's judgement.

c. Judgements in classifying leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leases in which the University does not assume substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Management exercises judgement in classifying its leases for accounting purposes.

d. Estimates and judgements in accruals and provisions

Short term employee benefits are charged to the Statement of Comprehensive Income and Expenditure as the employee service is received. An accrual is made for the cost of paid annual leave that has not been used at the financial year-end. The accrual requires a calculation of outstanding holiday balances based on a review of holiday records of academic, administrative and other staff. The assessment of this data requires management's judgement.

e. Judgements in fixed assets

Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, are capitalised to the extent that they increase the expected future benefits to the University from the asset beyond its previously assessed standard of performance. Management determine whether to capitalise fixed asset costs based on an assessment of whether they meet one of the following criteria: the market value of the fixed asset has subsequently improved; the asset's capacity increases; substantial improvement in the quality of output or reduction in operating costs; and significant extension of the asset's life beyond that conferred by repairs and maintenance. The assessment of these factors requires management's judgement. The land and buildings of the University are revalued on a five year cycle using external professional advice.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018

Consolidated Statement of Comprehensive Income and Expenditure

	Notes	Year ended 31 July 2018		Year ended 31 July 2017	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1	133,998	133,972	126,931	126,899
Funding body grants	2	16,499	16,499	17,015	17,015
Research grants and contracts	3	11,102	10,016	10,299	8,931
Other income	4	8,818	6,969	8,525	6,441
Investment income	5	2,474	2,520	2,541	2,583
Donations and endowments	6	-	-	1	1
Total income		172,891	169,976	165,312	161,870
Expenditure					
Staff costs	7	101,511	99,864	93,783	91,988
Other operating expenses		47,831	47,193	48,288	46,985
Depreciation	11	8,256	8,161	7,522	7,492
Interest and other finance costs	8	1,662	1,662	1,916	1,916
Total expenditure	9	159,260	156,880	151,509	148,381
Surplus for year before other gains		13,631	13,096	13,803	13,489
Gain on investments	5	6,232	6,232	-	-
Surplus before taxation		19,863	19,328	13,803	13,489
Taxation	10	(41)	-	-	-
Surplus for the year after taxation		19,822	19,328	13,803	13,489
Actuarial gain in respect of pension schemes	25	12,478	12,478	21,000	21,000
Pension settlement costs	25	434	434	-	-
Movement on endowments	20	116	116	20	20
Total comprehensive income for the year		32,850	32,356	34,823	34,509
Represented by:					
Endowment comprehensive income for the year		116	116	20	20
Restricted comprehensive income for the year		258	3	(125)	(204)
Unrestricted comprehensive income for the year		34,134	33,895	36,587	36,352
Revaluation reserve comprehensive income for the year		(1,658)	(1,658)	(1,659)	(1,659)
Attributable to the University		32,850	32,356	34,823	34,509

All items of income and expenditure relate to continuing activities.

Consolidated Statement of Changes in Reserves

Consolidated	Income and expenditure reserve		Revaluation reserve	Total
	Endowment £'000	Restricted £'000		
Balance at 1 August 2016	2,500	246	70,315	221,600
Surplus/(deficit) from the income and expenditure statement	-	(125)	-	13,803
Other comprehensive income	-	-	-	21,000
Transfers between revaluation and income and expenditure reserve	-	-	(1,659)	-
Endowment funding	20	-	-	20
Total comprehensive income for the year	20	(125)	(1,659)	34,823
Balance at 1 August 2017	2,520	121	68,656	256,423
Surplus/(deficit) from the income and expenditure statement	-	258	-	19,822
Other comprehensive income	-	-	-	12,912
Transfers between revaluation and income and expenditure reserve	-	-	(1,658)	-
Endowment funding	116	-	-	116
Total comprehensive income for the year	116	258	(1,658)	32,850
Balance at 31 July 2018	2,636	379	66,998	289,273
University	Endowment	Income and expenditure account	Revaluation reserve	Total
	£'000	Restricted £'000	£'000	£'000
Balance at 1 August 2016	2,500	273	70,315	222,430
Surplus/(deficit) from the income and expenditure statement	-	(204)	-	13,489
Other comprehensive income	-	-	-	21,000
Transfers between revaluation and income and expenditure reserve	-	-	(1,659)	-
Endowment funding	20	-	-	20
Total comprehensive income for the year	20	(204)	(1,659)	34,509
Balance at 1 August 2017	2,520	69	68,656	256,939
Surplus/(deficit) from the income and expenditure statement	-	3	-	19,328
Other comprehensive income	-	-	-	12,912
Transfers between revaluation and income and expenditure reserve	-	-	(1,658)	-
Endowment funding	116	-	-	116
Total comprehensive income for the year	116	3	(1,658)	32,356
Balance at 31 July 2018	2,636	72	66,998	289,295

Consolidated and University Balance Sheet

	Notes	As at 31 July 2018		As at 31 July 2017	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Fixed assets	11	245,936	245,454	228,048	227,883
Investments	12	32	82	32	82
		245,968	245,536	228,080	227,965
Current assets					
Trade and other receivables	14	15,255	15,694	19,289	19,491
Investments	15	51,968	51,968	43,908	43,908
Cash and cash equivalents	21	93,984	93,917	93,288	93,191
		161,207	161,579	156,485	156,590
Less: Creditors: amounts falling due within one year	16	(32,305)	(32,223)	(36,126)	(35,600)
Net current assets		128,902	129,356	120,359	120,990
Total assets less current liabilities		374,870	374,892	348,439	348,955
Creditors: amounts falling due after more than one year	17	(25,188)	(25,188)	(24,175)	(24,175)
Provisions					
Pension provisions	18	(60,409)	(60,409)	(67,841)	(67,841)
Total net assets		289,273	289,295	256,423	256,939
Restricted Reserves					
Income and expenditure reserve - endowment	20	2,636	2,636	2,520	2,520
Income and expenditure reserve - restricted		379	72	121	69
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		219,260	219,589	185,126	185,694
Revaluation reserve		66,998	66,998	68,656	68,656
Total Reserves		289,273	289,295	256,423	256,939

The financial statements on pages 34 to 58 were approved by the University Council on 29 November 2018 and were signed on its behalf by:

PROFESSOR R A CRYAN, CBE
Vice-Chancellor

MR C J BROWN, DL
Chair

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018

Consolidated Statement of Cash Flows

	Notes	31 July 2018 £'000	31 July 2017 £'000
Cash flow from operating activities			
Surplus for the year after taxation		19,822	13,803
Adjustment for non-cash items			
Depreciation	11	8,256	7,522
Gain on investment		(6,232)	-
Decrease in debtors		4,576	4,864
(Decrease)/increase in creditors		(6,644)	150
Increase in pension provision		5,480	5,900
Adjustment for investing or financing activities			
Investment income	5	(2,472)	(2,538)
Interest payable	8	-	-
Endowment income		(2)	(3)
Capital grant income		(802)	(933)
Net cash inflow from operating activities		21,982	28,765
Cash flows from investing activities			
Proceeds from sales of fixed assets	11	77	-
Capital grant receipts		4,638	1,496
Withdrawal of deposits		(1,912)	(1,678)
Investment income		1,930	1,988
Payments made to acquire fixed assets		(26,221)	(16,415)
New deposits		101	1
		(21,387)	(14,608)
Cash flows from financing activities			
Endowment cash received		101	1
		101	1
Increase in cash and cash equivalents in the year		696	14,158
Cash and cash equivalents at beginning of the year	21	93,288	79,130
Cash and cash equivalents at end of the year	21	93,984	93,288

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS

	Notes	Year Ended 31 July 2018		Year Ended 31 July 2017	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
1 Tuition fees and education contracts					
Full-time home and EU students		91,255	91,255	85,648	85,648
Full-time international students		26,729	26,729	22,352	22,352
Part-time students		2,661	2,661	2,339	2,339
NHS Workforce Development Confederation Contracts		8,694	8,694	11,979	11,979
Research Training Support Grant		184	184	277	277
Educational Contracts		2,972	2,972	2,657	2,657
Non Credit Bearing Course Fees		1,503	1,477	1,679	1,647
		133,998	133,972	126,931	126,899
2 Funding body grants					
Recurrent grant					
Higher Education Funding Council		8,480	8,480	14,460	14,460
Office for Students		3,658	3,658	-	-
UK Research and Innovation		1,850	1,850	-	-
Specific grants					
Higher Education Innovation Fund		1,327	1,327	889	889
Higher Education Other		23	23	5	5
National College for Teaching and Leadership		123	123	154	154
Capital grant		1,038	1,038	1,507	1,507
		16,499	16,499	17,015	17,015
3 Research grants and contracts					
Research councils		3,778	3,778	3,424	3,424
Research charities		965	965	858	858
Government (UK and overseas)		3,679	3,605	3,556	3,428
Industry and commerce		1,256	678	1,550	560
Other		1,424	990	911	661
		11,102	10,016	10,299	8,931
4 Other income					
Other services rendered		4,295	2,106	4,644	2,420
Catering and conferences		1,505	1,444	1,328	1,268
Other capital grants		634	634	317	317
Other income		2,384	2,785	2,236	2,436
		8,818	6,969	8,525	6,441
5 Investment income					
Investment income on endowments	20	2	2	3	3
Gains on unit-based investments		1,829	1,829	1,710	1,710
Interest on short term deposits		643	643	828	828
Other investment income		-	46	-	42
		2,474	2,520	2,541	2,583
Investment gains relate to the change in fair value of the investments. Of the total gain of £6,232k, £5,100k relates to fair value of the investment value as at 31 July 2017.					
6 Donations and endowments					
New endowments	20	-	-	1	1
		-	-	1	1

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

7 Staff costs

	Year Ended 31 July 2018		Year Ended 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Salaries	77,505	76,038	71,850	70,255
Social security costs	8,218	8,126	7,375	7,270
Pension costs (note 25)	15,788	15,700	14,558	14,463
Total	101,511	99,864	93,783	91,988

Emoluments of the Vice-Chancellor

The salary and conditions of service of the Vice-Chancellor are considered by the Senior Post Holder Remuneration Committee (SPH Remcom) following feedback on the annual appraisal and having regard to comparative data. The Vice-Chancellor is not a member of this committee nor is he in attendance. When considering remuneration for the Vice-Chancellor, the Committee has regard to the Level 1 Head of Institution comparator of the UCEA Senior Staff Remuneration Survey, together with CUC Vice-Chancellor survey to benchmark the positions offered within comparator institutions.

The SPH Remcom met on 5 July 2018 and considered contextual data, including the make-up of its student body and strong focus on widening participation, its excellent financial performance, the highly-competitive environment in which the University was operating and the average rate of increase of remuneration for all staff across the institution. The Head of Institution (HOI) is one of the most experienced Vice-Chancellors in the United Kingdom and during his tenure the University has received many awards including:

- Queen's Anniversary Prize
- Queen's Award for Enterprise
- Gold Award in the Teaching Excellence Framework
- Times Higher Education University of the Year
- Times Higher Education Entrepreneurial University of the Year

The Vice-Chancellor's personal contributions have also been recognised through further awards and honours including:

- Commander of the Order of the British Empire (CBE)
- The Guardian Inspiring University Leader Award
- Companionship of the Chartered Management Institute

The committee considered the contribution of the HOI, by reference to his appraisal which assessed progress towards the University's strategic KPIs, culminating in demonstrable progress towards these indicators and notable awards during 2017/18 including:

- The inaugural Global Teaching Excellence Award
- Times Higher Education Outstanding Leadership and Management Team
- Times Higher Education Outstanding Strategic Planning Team

The table below summarises the current ratio for the University of the pay multiple of the HOI earnings against the median of all staff together with the comparative for the previous year.

Date	Basic salary* Ratio	Total remuneration* Ratio
31/07/2017	8.92	9.30
31/07/2018	9.36	9.68

The contractual arrangements with the 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 SPH Remcom is responsible for determining the salaries and terms and conditions of the Vice-Chancellor and the University Secretary. Such determination is guided by the University's Remuneration Policy, which acknowledges 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 corporate plan, 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 median salary and total remuneration excludes employees paid on an hourly basis.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

	Year Ended 31 July 2018	Year Ended 31 July 2017
Emoluments of the Vice-Chancellor:	£	£
Salary	326,254	314,613
Benefits	-	-
Employer pension contributions to USS	59,214	56,630
	385,468	371,243

Remuneration of other higher paid staff, excluding employer's pension contributions

	Number	Number
£100,000 to £104,999	2	1
£105,000 to £109,999	-	1
£110,000 to £114,999	1	1
£115,000 to £119,999	-	1
£120,000 to £124,999	1	-
£125,000 to £129,999	1	2
£130,000 to £134,999	2	1
£135,000 to £139,999	-	-
£140,000 to £144,999	1	2
£145,000 to £149,999	1	-
£150,000 to £154,999	1	-
£155,000 to £159,999	-	1
£160,000 to £164,999	-	-
£165,000 to £169,999	1	-
	11	10

	Year Ended 31 July 2018 FTE	Year Ended 31 July 2017 FTE
Average staff full time equivalent (FTE) staff by major category :		
Teaching departments	1,104	1,105
Teaching support services	241	228
Administration and central services	177	176
Premises	182	175
Other	110	110
	1,814	1,794

Severance Payments

To build on the University's recent successes and to ensure that it maintains and develops its place within the market a process was begun of closely analysing the provision offered, and this will continue into the future. Where subjects are less popular the closure of courses will be considered. The University also needs to build capacity for new provision – subjects already being explored are maths, optometry and geography. In addition, the University needs to position itself for the future to ensure the highest levels of academic authenticity through engaging and developing highly qualified individuals with the desire to achieve and deliver outstanding teaching and research - complemented by professional administrative and technical support. With this in mind a Voluntary Severance Scheme was implemented in 2017-18.

The University paid £5,175,000 to 154 employees compensation for the loss of office during the year (2017: £302,000 paid to 19 employees).

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Key management personnel includes the cost of emoluments, benefits and includes employer national insurance.

	Year Ended 31 July 2018 £'000	Year Ended 31 July 2017 £'000
Key management personnel compensation	1,804	1,708

Council Members

No Council Members have received any remuneration/waived payments from the University during the year (2016/17 – None).

The total expenses paid to or on behalf of 16 Council members was £339 (2016/17 - £435 to 16 Council members). This represents travel and subsistence expenses incurred in attending Council, Committee meetings and Charity events in their official capacity.

8 Interest and other finance costs

	Year Ended 31 July 2018		Year Ended 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Local government pension scheme	1,621	1,621	1,875	1,875
Universities superannuation scheme	41	41	41	41
	1,662	1,662	1,916	1,916

9 Analysis of total expenditure by activity

	Year Ended 31 July 2018		Year Ended 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Academic and related expenditure	67,219	66,434	63,229	62,891
Academic Services	26,318	26,240	24,406	24,557
Administration and central services	28,155	27,864	25,535	25,325
Premises (including service concession cost)	17,729	17,736	19,195	19,195
Catering and conferences	1,568	1,500	1,397	1,335
Research grants and contracts	9,902	10,049	9,363	8,463
Other expenses	8,369	7,057	8,384	6,615
	159,260	156,880	151,509	148,381
Other operating expenses include:				
External auditors remuneration in respect of audit services	52	44	59	52
External auditors remuneration in respect of non-audit services	29	29	4	4
External auditors remuneration in respect of taxation advice	6	-	11	2

Services are inclusive of VAT for the University.

10 Taxation

	Consolidated and University	
	Year Ended 31 July 2018 £'000	Year Ended 31 July 2017 £'000
Recognised in the statement of comprehensive income		
Current tax	-	-
Deferred tax	41	-
Total tax expense	41	-

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

11 Fixed Assets

	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Consolidated					
Cost or valuation					
At 1 August 2017	222,172	890	27,587	3,181	253,830
Additions	8,049	-	5,051	13,121	26,221
Transfers	2,870	-	35	(2,905)	-
Disposals	(80)	-	-	-	(80)
At 31 July 2018	233,011	890	32,673	13,397	279,971
Consisting of valuation as at:					
31 July 2015 valuation	211,739	890	-	-	212,629
Cost	21,272	-	32,673	13,397	67,342
	233,011	890	32,673	13,397	279,971
Depreciation					
At 1 August 2017	9,819	45	15,918	-	25,782
Charge for the year	5,394	11	2,851	-	8,256
Disposals	(3)	-	-	-	(3)
At 31 July 2018	15,210	56	18,769	-	34,035
Net book value					
At 31 July 2018	217,801	834	13,904	13,397	245,936
At 31 July 2017	212,353	845	11,669	3,181	228,048
University					
Cost and valuation					
At 1 August 2017	222,172	890	27,337	3,148	253,547
Additions	8,049	-	4,639	13,121	25,809
Transfers	2,870	-	35	(2,905)	-
Disposals	(80)	-	-	-	(80)
At 31 July 2018	233,011	890	32,011	13,364	279,276
Consisting of valuation as at:					
31 July 2015 valuation	211,739	890	-	-	212,629
Cost	21,272	-	32,011	13,364	66,647
	233,011	890	32,011	13,364	279,276
Depreciation					
At 1 August 2017	9,819	45	15,800	-	25,664
Charge for the year	5,394	11	2,756	-	8,161
Disposals	(3)	-	-	-	(3)
At 31 July 2018	15,210	56	18,556	-	33,822
Net book value					
At 31 July 2018	217,801	834	13,455	13,364	245,454
At 31 July 2017	212,353	845	11,537	3,148	227,883

At 31 July 2018, freehold land and buildings included £9.3m (2017 - £9.3m) in respect of freehold land that is not depreciated.

Within tangible fixed assets at 31 July 2018 there were £13.4m (2017 - £3.1m) of assets under construction, which are not being depreciated.

The freehold and long leasehold land and buildings of the Group and the University were revalued as at 31 July 2015 by GVA Grimley, Chartered Surveyors at depreciated replacement cost for existing use, open market value for existing use or open market value with vacant possession. (This is in accordance with the RICS Appraisal and Valuation Manual).

Buildings with a cost or valuation of £91.4m and a net book value of £89m have been partially funded from Treasury sources. A repayment of funding would only occur in exceptional circumstances.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

12 Non-Current Investments

	Subsidiary companies	Other investments	Total
	£'000	£'000	£'000
Consolidated			
At 1 August 2017	-	32	32
At 31 July 2018	-	32	32
University			
At 1 August 2017	50	32	82
At 31 July 2018	50	32	82

13 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	Status
The University of Huddersfield Enterprises Limited (UHEL)	Commercial research, conference and related commercial facilities	100% owned
The University of Huddersfield Innovation Centre Limited (HEICL)	Facilities management, research collaboration and business development	100% owned
The University of Huddersfield Properties Limited (UHPL)	Dormant company	100% owned
Wetlands & Natural Resources Development Limited (WNRDL)	Dormant company	100% owned
JRC Management Limited	Dormant company	100% owned

14 Trade and other receivables

Amounts falling due within one year:

Other trade receivables	5,222	4,798
Other receivables	182	181
Prepayments and accrued income	9,851	9,498
Amounts due from subsidiary companies	-	1,217

As at 31 July 2018		As at 31 July 2017	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
15,255	15,694	19,289	19,491

15 Current Investments

Unit-based investments and deposits

As at 31 July 2018		As at 31 July 2017	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
51,968	51,968	43,908	43,908
51,968	51,968	43,908	43,908

Sums are held with investment managers, Cazenove, HSBC and Funding Circle, with more than 24 hours but less than 12 months maturity at the balance sheet date. The unit-based funds managed by Cazenove and HSBC are multi-asset and include equities, property, infrastructure, commodities, bonds and cash. They are classified as a type A investment under FRS 102, with a quoted price in an active market. Amounts placed with Funding Circle are lent to businesses who make fixed repayments including interest. These current investments are shown at fair value based on representing actual and regular market transactions on an arm's length basis.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

16 Creditors : amounts falling due within one year

	As at 31 July 2018		As at 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Payments received in advance	16,999	16,789	17,915	17,518
Trade creditors	2,232	2,231	1,760	1,729
Social security and other taxation payable	280	280	188	183
Accruals and deferred income	9,558	9,770	14,124	14,082
Deferred taxation	41	-	-	-
Deferred Capital Grants	3,144	3,144	2,081	2,081
Other creditors	51	9	58	7
	32,305	32,223	36,126	35,600

17 Creditors : amounts falling due after more than one year

	As at 31 July 2018		As at 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Deferred capital grants	25,188	25,188	24,175	24,175
	25,188	25,188	24,175	24,175

18 Provisions for liabilities

Consolidated and University

	Obligation to fund deficit on USS pension £'000	Pension enhancements on termination £'000	Defined benefit obligations £'000	Total Pensions Provisions £'000
At 1 August 2017	2,241	222	65,378	67,841
Increase in year	135	-	-	135
Transfer from income and expenditure	41	(27)	(7,581)	(7,567)
At 31 July 2018	2,417	195	57,797	60,409

Pension enhancement

The assumptions for calculating the provision for pension enhancements on termination under FRS 102, are as follows:

	Consolidated
Discount rate	2.8%
Inflation	2.1%

USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arising from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payments over the period of the contracted obligation in assessing the value of this provision.

19 Financial Instruments

	As at 31 July 2018		As at 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Held at fair value:				
Current asset investments	51,968	51,968	43,908	43,908
Held at amortised cost:				
Bank and cash	93,984	93,917	93,288	93,191
Trade and other debtors	12,743	13,197	12,337	12,969
	158,695	159,082	149,533	150,068

The University financial assets include trade debtors, accrued income and short-term deposits and are held at amortised cost. Current asset investments are held at fair value.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

	As at 31 July 2018		As at 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Financial liabilities:				
Creditors falling due within one year	11,841	12,010	15,942	15,818
	11,841	12,010	15,942	15,818

The University financial liabilities include trade payables and accruals and are held at amortised cost.

20 Endowment Reserves

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £'000	Expendable endowments £'000	2018 Total £'000	2017 Total £'000
Balances at 1 August 2017				
Capital	2,277	232	2,509	2,489
Accumulated Income	11	-	11	11
	2,288	232	2,520	2,500
New endowments	100	1	101	1
Investment income	15	2	17	22
Expenditure	-	(2)	(2)	(3)
Total endowment comprehensive income for the year	115	1	116	20
At 31 July 2018	2,403	233	2,636	2,520
Represented by:				
Capital	2,376	233	2,609	2,489
Accumulated	27	-	27	31
	2,403	233	2,636	2,520
Analysis by type of purpose:				
Scholarships and bursaries	249	-	249	147
Research support	2,090	-	2,090	2,077
Prize funds	64	233	297	296
	2,403	233	2,636	2,520
Analysis by asset				
Accrued income			600	800
Cash & cash equivalents			2,036	1,720
			2,636	2,520

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

21 Cash and cash equivalents

	Consolidated At 1 August 2017 £'000	Cash Flows £'000	Consolidated At 31 July 2018 £'000
Cash and cash equivalents	93,288	696	93,984
	93,288	696	93,984

22 Capital and other commitments

	As at 31 July 2018		As at 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for at 31 July	37,077	37,077	6,930	6,930

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

23 Contingent liabilities

Subsidiaries

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

Guaranteed Minimum Pensions

A recent High Court ruling found Guaranteed Minimum Pensions (GMPs) must be equalised between men and women and that past underpayments must be corrected. Employers, such as the University, with a defined benefit pension scheme and contracted out of the State Second Pension from 17 May 1990 to 5 April 1997 are covered by the ruling, and may be impacted by increased defined benefit pension obligations. The specific impact on the University is unknown.

24 Lease Obligations

Total rentals payable under operating leases:

	Consolidated and University	
	Year Ended 31 July 2018 £'000	Year Ended 31 July 2017 £'000
Payable during the year	35	55
Future minimum lease payments due:		
Not later than 1 year	42	20
Later than 1 year and not later than 5 years	109	8
Later than 5 years	-	-
Total lease payments due	151	28

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

25 Pensions and Other Obligations

The University's employees belong to three principal pension schemes: the Teachers' Pension Scheme, the Universities Superannuation Scheme and the West Yorkshire Pension Fund. The total pension cost for the year was £15,788,000 (2017 : £14,558,000), analysed as follows

	Year Ended 31 July 2018		Year Ended 31 July 2017	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
West Yorkshire Pension Scheme	9,326	9,255	8,649	8,554
Teachers' Pension Scheme	4,779	4,771	4,723	4,723
Universities Superannuation Scheme	1,680	1,674	1,186	1,186
NEST	3	-	-	-
	15,788	15,700	14,558	14,463

Teachers' Pension Scheme (TPS)

The TPS is an unfunded defined benefit scheme. Contributions made on a pay as you go basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the Scheme for the purpose of determining contribution rates.

The pension cost is assessed periodically in accordance with the advice of the government actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are:

Latest actuarial valuation	31 March 2004
Actuarial method	Prospective benefits
Investment return per annum	6.5%
Salary scale increases per annum	5.0%
Notional value of assets at date of last valuation	£162,650 million
Proportion of members' accrued benefits covered by the notional value of the assets	98.88%

Following the implementation of Teacher's Pension (Employers' Supplementary contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions.

For the period from 1 August 2017 to 31 July 2018 the contribution rates were 16.48% for employers and banded contributions of 7.4% to 11.7% for employees. The pensions' charge recorded by the University during the accounting period was equal to the contributions payable, taking into account benefit improvements subsequent to the valuation and the spreading of surplus over future service lives of employees. An appropriate provision in respect of unfunded pensioners' benefits is included in provisions.

The TPS is a multi-employer scheme where the share of assets and liabilities applicable to each employer is not identified. The University will therefore account for its pension costs on a defined contribution basis.

Universities Superannuation Scheme (USS)

The institution participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks 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 institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

Pensions Costs

The total cost charged to the income and expenditure account is £1,580k (2017: £1,186k).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2014 (the valuation date), which was carried out using the projected unit method. The valuation as at 31 March 2017 is underway but not yet completed.

Since the institution cannot identify its share of Retirement Income Builder Section of the Scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

The 2014 valuation was the third valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £41.6 billion and the value of the Scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. These figures will be revised once the 2017 Scheme Valuation is complete.

Defined benefit liability numbers for the Scheme for accounting purposes have been produced using the following assumptions as at 31 March 2017 and 2018.

	2018	2017
Discount rate	2.64%	2.57%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.02%	2.41%

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2018 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018	2017
Mortality base table	<u>Pre-retirement:</u> 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females. <u>Post retirement:</u> 96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.	98% of SAPS S1NA "light" YOB unadjusted for males. 99% of SAPS S1NA "light" YOB with a -1 year adjustment for females.
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.	CMI_2014 with a long term rate of 1.5% pa

The current life expectancies on retirement at age 65 are:

	2018	2017
Males currently aged 65 (years)	24.5	24.4
Females currently aged 65 (years)	26.0	26.6
Males currently aged 45 (years)	26.5	26.5
Females currently aged 45 (years)	27.8	29.0
Scheme assets	2018 £63.6bn	2017 £60.0bn
Total scheme liabilities	£72.0bn	£77.5bn
FRS 102 total scheme deficit	£8.4bn	£17.5bn
FRS 102 total funding level	88%	77%

In accordance with the requirements of the SORP, the University currently recognises a provision for its obligation to fund past deficits arising within the Universities Superannuation Scheme (USS). The recovery plan in the 2014 actuarial valuation requires employers to contribute 2.1% of salaries towards repairing the deficit over a period of 17 years, of which 14 years remain. Details of this provision, which has been discounted at a rate of 2.16% as at 31 July 2018, are included in note 25 to the financial statements.

The 2017 actuarial valuation of USS has been undertaken but this has not yet been formerly completed. The 2017 valuation has set out the challenges currently facing the scheme and the likelihood of significant increases in contributions being required to address these challenges.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

In the judgement of the University, as the 2017 valuation has not formally completed, and there remains various stages of consultation around the key factors specifically relating to the funding of the past deficit, including the level of contributions required, the period of the recovery plan and the level of asset performance over the period, it remains appropriate to continue to account for the past deficit obligation in accordance with the plan agreed after the 2014 actuarial valuation.

However, there is a significant risks that the year-end provision as calculated will not reflect the position following the final outcome of negotiations, potentially by a very significant amount depending upon what is finally agreed as regards future deficit contributions and their duration. The University expects to have greater clarity in this respect during the next financial year. Based on the inputs to the model, the following sensitivity analysis outlines the potential impact on the existing liability of £2.4 million (assuming the same discount rate of 2.16%):

- The impact of a 1% increase results in a reduced liability of £0.1m
- The impact of an increase to 6% i.e. an increase of 3.9% (if this still continues to be the direction of travel – as indicated by the latest communication by USS) results in a reduced liability of £0.5m
- The impact of a range of durations for the deficit repayment (eg 14 years, 17 years, 20 years) results in no material change given current contribution rates.

West Yorkshire Pension Fund (WYPF)

The University operates a final salary defined benefit pension scheme that non-academic employees can participate in, called the West Yorkshire Pension Fund (WYPF). The scheme is externally funded and is contracted out of the State Second Pension (S2P) of pension provision.

The last formal triennial actuarial valuation of the scheme was performed as at 31 March 2013 updated to 31 July 2018 by a professionally qualified actuary.

During the accounting period, the University paid contributions to the pension scheme at the rate of 14.2% of pensionable salaries.

Assumptions

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

	At 31 July 2018	At 31 July 2017
Price Inflation (RPI)	3.2%	3.1%
Price Inflation (CPI)	2.1%	2.0%
Rate of increase in salaries	3.4%	3.3%
Rate of increase of pensions in payment for WYPF members	2.1%	2.0%
Discount rate	2.8%	2.6%

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.

	Male (years)		Female (years)	
	Pensioner	Non-Pensioner	Pensioner	Non-Pensioner
At 31 July 2017	22.1	23.0	25.2	27.0
At 31 July 2018	22.1	23.1	25.3	27.1

Scheme assets and expected rate of return for WYPF

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

The fair value of the assets in the scheme were:

	31 July 2018 £'000	31 July 2017 £'000	31 July 2016 £'000
Equities	133,991	127,515	110,350
Government bonds	19,398	7,296	16,454
Other Bonds	6,286	16,055	6,169
Property	7,544	6,497	7,057
Cash	3,951	2,819	2,052
Other	8,442	5,638	4,855
	<u>179,612</u>	<u>165,820</u>	<u>146,937</u>

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

The tables below include disclosures for the WYPF

	Year Ended 31 July 2018 £'000	Year Ended 31 July 2017 £'000
Analysis of the amount shown in the balance sheet for WYPF		
Scheme assets	179,613	165,820
Scheme liabilities	(237,410)	(231,199)
Deficit in the scheme - net provision	(57,797)	(65,379)
Deficit in the scheme – net pension liability recorded within pension provision (Note 18)		
Current service cost	(8,905)	(8,644)
Past service costs	(412)	(5)
Settlement costs	434	-
Total operating charge	(8,883)	(8,649)
Analysis of the amount charged to interest for WYPF		
Interest cost	(5,944)	(5,427)
Expected return on assets	4,323	3,552
Net charge to other finance income	(1,621)	(1,875)
Analysis of other comprehensive income for WYPF		
Gain on assets	8,622	13,297
Experience gains/(losses) on liabilities	3,856	7,702
Total other comprehensive income before deduction for tax	12,478	20,999

History of experience gains and losses - WYPF

	Year to: 31 July 2018	31 July 2017	31 July 2016	31 July 2015	31 July 2014
Difference between actual and expected return on scheme assets:					
Amount (£'000)	8,622	13,297	10,183	6,154	(2,280)
% of assets at end of year	5	8	8	5	2
Experience gains/(losses) on scheme liabilities:					
Amount (£'000)	3,856	7,702	(37,736)	(13,344)	13,748
% of liabilities at end of year	2	3	17	7	9

	At 31 July 2018 £'000	At 31 July 2017 £'000
Cumulative actuarial loss recognised as other comprehensive income for WYPF		
Cumulative actuarial assets recognised at the end of the year	179,613	165,820
Cumulative actuarial losses recognised at the end of the year	(237,410)	(231,199)
Analysis of movement in surplus/(deficit) for WYPF		
Deficit at beginning of year	(65,379)	(80,381)
Contributions or benefits paid by the University	4,839	4,527
Current service cost	(8,905)	(8,644)
Past service cost	(412)	(5)
Settlement cost	1,203	-
Other finance charge	(1,621)	(1,875)
Gain recognised in other comprehensive income	12,478	20,999
Deficit at end of year	(57,797)	(65,379)
Analysis of movement in the present value of WYPF		
Present value of liabilities at the start of the year	231,199	227,318
Current service cost (net of member contributions)	8,905	8,644
Past service cost	412	5
Settlement costs	(1,203)	-
Recorded within other Comprehensive Income	5,944	5,427
Actual member contributions (including notional contributions)	2,323	2,050
Actuarial loss/(gain)	(3,856)	(7,702)
Actual benefit payments	(6,314)	(4,543)
Present value of liabilities at the end of the year	237,410	231,199

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

	At 31 July 2018 £'000	As at 31 July 2017 £'000
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	165,820	146,937
Expected return on assets	4,323	3,552
Actuarial gain on assets	8,622	13,297
Actual contributions paid by University	5,608	4,527
Actual member contributions (including notional contributions)	2,323	2,050
Actual benefit payments	(6,314)	(4,543)
Settlements	(769)	-
Fair value of scheme assets at the end of the year	179,613	165,820

WYPF assets do not include any of the University's own financial instruments or any property occupied by the University.

	At 31 July 2018 £'000	At 31 July 2017 £'000
Actual return on Scheme assets		
Interest income on Scheme assets	4,323	3,552
Asset gain	8,622	13,297
	12,945	16,849

Estimated contributions for WYPF in the Financial Year 2018-2019 are £5.3m.

26 Related Party Disclosures

The University has taken advantage of the disclosure exemption under FRS 102, which applies to transactions and balances between wholly-owned subsidiaries.

Members of the University Council are required to declare any outside interests. When an item arises in which a member has a pecuniary, business, family or other personal interest, it must be declared and the member concerned may not take part in the consideration of the matter nor vote on it. All transactions involving organisations in which a member of the Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

The University maintains a register of Council members' and senior staff members' interests which is available for inspection. The following transactions were identified for disclosure under Section 33 of FRS 102: Related Party Transactions:

Dame Ingrid Roscoe, Council member was a Trustee for Yorkshire Sculpture Park (until Autumn 2017) which received payments of £4,965 (2016/17 £5,720) for providing catering and room hire.

Baroness Kathryn Pinnock, Council member was a Trustee for Huddersfield Contemporary Music Festival (HCMF). HCMF received payments of £34,850 (2016/17 £46,800) as a contribution to the costs of the Contemporary Music Festival held every November at the University. HCMF made payments to the University of £1,520 (2016/17 £1,394) in relation to event support services from the University and owed a further £13 (2016/17 £320).

Professor Robert Cryan, Vice-Chancellor and Council member was: a Director of Yorkshire Universities - Yorkshire Universities received payments from the University of £30,050 (2016/17 £25,025) in relation to the membership subscription and Yorkshire Universities made a payment of £71 (2016/17 Nil) as a contribution to an event held at the University; a Director and Trustee of Universities and Colleges Admissions Service (UCAS) - UCAS received payments of £121,209 (2016/17 £99,242) for subscriptions, data enquiries and training and UCAS made a payment of £312 (2016/17 Nil) as a contribution to an event held at the University; a trustee of the Peter Jones Foundation transactions Nil (2016/17 Nil).

Mr W Alenezi, President of Huddersfield Student Union and Council member. Huddersfield Student Union received payments of £1,090,125 (2016/17 £1,036,100) in relation to the yearly grant made to the Students' Union by the University. The University contributed £12,816 (2016/17 £12,546) to Student Union Events. Huddersfield Student Union made payments to the University of £291,291 (2016/17 £240,330) in relation to estates and facilities charges, catering, telephone, postage, training, sports charges and car parking and owed a further £25 (2016/17 £21,540).

Professor David Taylor, Pro Vice-Chancellor, International and Senior Staff Member was a Director of Northern Consortium United Kingdom (NCUK). NCUK received payments of £131,031 (2016/17 £76,485) in relation to student commission.

Mr Andrew McConnell, Finance Director and Senior Staff Member was: a Director of Higher Education Statistics Agency (HESA) - HESA received payments of £10,142 (2016/17 £7,000) in relation to subscription fee, data enquiries and training; a Director of C & K Careers Limited - C & K Careers Limited received payments of £559 (2016/17 £Nil) for providing exhibition space; a Director of Creative Media Centres Limited - Creative Media Centres Limited received payments of £1,825 (2016/17 £266) for providing room hire; a Director of Smart Component Technologies Limited - Smart Component Technologies Limited made payments to the University of Huddersfield Enterprises Limited of £23,278 (2016/17 £71,699) in relation to collaborative research and owed a further £75,625 (2016/17 £6,300); Chair of the Universities Internal Audit Consortium (UNIAC) - UNIAC received payments of £142,131 (2016/17 £129,521) for providing internal audit services.

THE UNIVERSITY OF HUDDERSFIELD
For the Year ended 31 July 2018
NOTES TO THE FINANCIAL STATEMENTS (continued)

27 Amounts disbursed as agent of National College for Teaching and Leadership

These funds are available solely for students, with the University acting only as a paying agent. The income and related disbursements are therefore excluded from the Income and Expenditure Account.

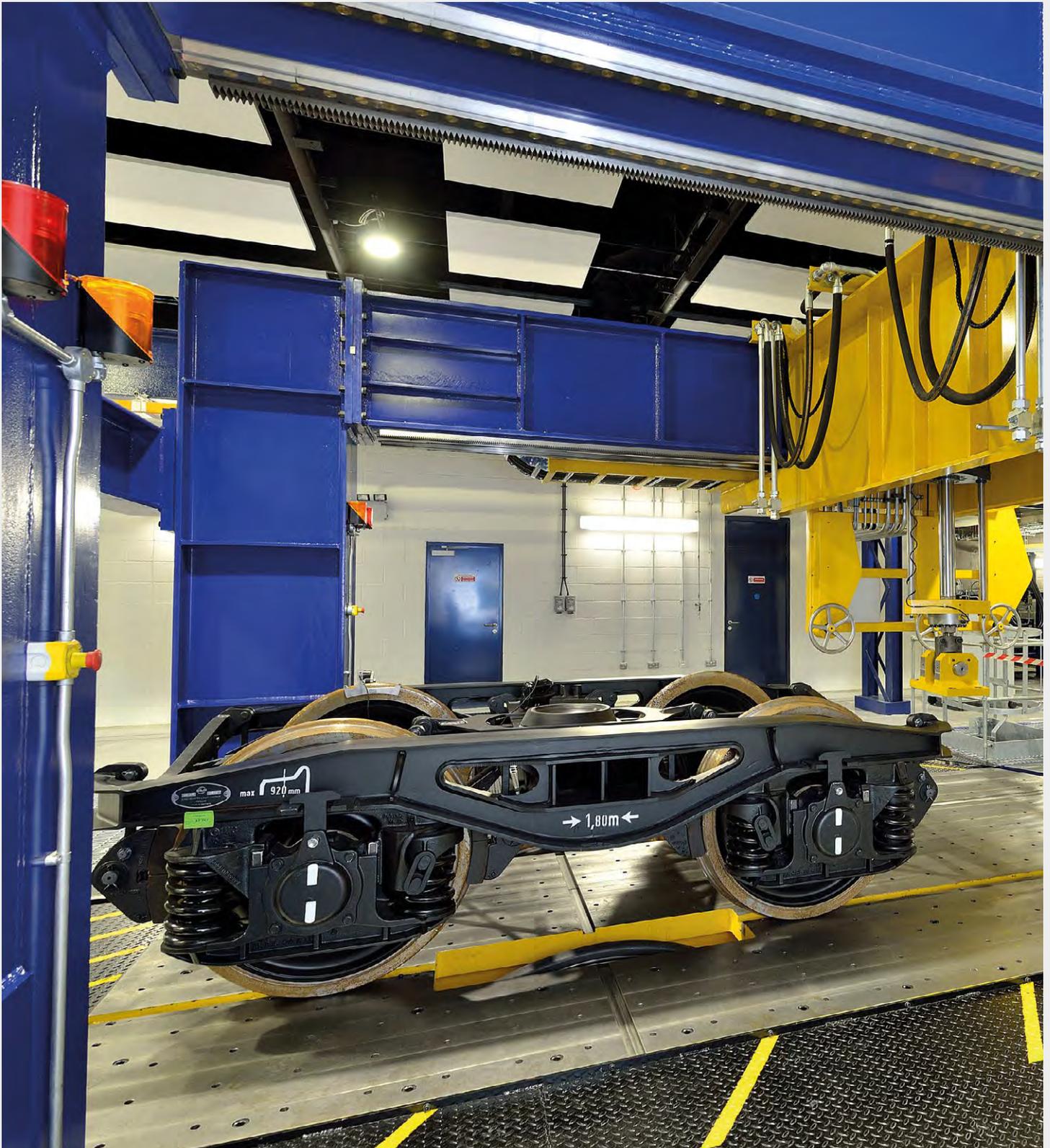
	Consolidated and University	
	Year Ended 31 July 2018	Year Ended 31 July 2017
	£'000	£'000
Initial teacher training bursaries		
Funds received	1,240	1,040
Disbursed to students	(1,240)	(1,040)
	<u>-</u>	<u>-</u>

28 Post balance sheet events

Following an update from Universities UK, it is highly unlikely that there will be any decision around the level of deficit contributions to USS before the end of 2018. This is because consultation around the level of deficit contributions is not expected until December 2018. It is acknowledged that this is an ever-changing picture and therefore the narrative around the level of deficit may need refreshing over the Autumn prior to finalising the financial statements. However, neither an adjusting post balance sheet event nor a non-adjusting post balance sheet event are anticipated in view of the fact that the deficit contributions will not be finalised before the end of 2018.



Pictured left: Dr James Underwood – who is Research Fellow in Modern and Contemporary Literature at the University – has earned a Rising Star Engagement Award from the British Academy. It includes a £9,000 grant for a project named Literature and the Reading Public: Challenges and Opportunities. It sees Dr Underwood training and mentoring a specially selected new network of early career researchers.



The University of Huddersfield's Institute of Railway Research (IRR), led by Professor Simon Iwnicki, has become a Centre of Excellence for the new £90m UK Rail Research and Innovation Network (UKRRIN).



Pictured above: The University was delighted to welcome to campus His Excellency Liu Xiaoming, the Chinese Ambassador to the UK.

The Ambassador was welcomed by students from the University, and later in the day he attended a graduation ceremony where he gave a very positive speech in which he encouraged both the young people of the UK and China to use all of their drive and determination to work together collaboratively for the benefit of both countries and the rest of the world.

Escorted by Huddersfield's Professor Dame Xiangqian Jiang and Dr Zhen Tong, His Excellency also visited the Centre for Precision Technology, which houses the £40m EPSRC Future Metrology Hub.



Pictured above: Staff receive the Times Higher Education Outstanding Leadership and Management Team Award.

The University received the Times Higher Education Leadership and Management Award in 2018. Vice-Chancellor, Professor Bob Cryan, described this success as “an outstanding result that reflects the strength, commitment, dedication and hard work of all of the leadership team across the University. I am just so proud to serve alongside them.”

