



The
University
Of
Sheffield.

Annual Report & Financial Statements 2017–18.







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President and Vice-Chancellor's introduction

This is my first introduction to an annual report by the University of Sheffield. I have joined the University at a time of impressive activity, and I am pleased to share some of the last year's highlights.

Our University continues to be recognised externally for our outstanding teaching and research. In this past year, we were ranked 12th in the UK by the Times Higher Education World University Rankings, and the QS World University Rankings placed the University 75th in the world. We are also particularly proud of the Sheffield Students' Union, which is now celebrating ten years of being ranked number one by the Times Higher Education Student Experience Survey.

With our Students' Union, we share a common purpose to provide our students with the best possible experience. The level of collaboration here is clearly built on a foundation of mutual appreciation and respect and I am immensely proud of the work we do in partnership with our Students' Union.

Our global reputation is reflected by our student recruitment. We continue to attract strong numbers of high performing, ambitious students from all over the world. In 2017, we were awarded Silver in the first Teaching Excellence Framework (TEF). From next year, we will be assessed and receive ratings at a subject level. We expect that TEF awards will begin to be used by prospective students to differentiate between universities and courses.

Producing world-leading research that has a real impact on our economy and society and helps enrich our teaching continues to be a priority. 2017–18 has highlighted many examples of research that can be used to demonstrate impact and excellence for our next Research Excellence Framework (REF) submissions.

The University's role in supporting Sheffield City Region's growth is clear for all to see. In 2017–18, we continued to support our partners Boeing and McLaren as they prepared to open factories next to our Advanced Manufacturing Research Centre (AMRC). The University can be truly proud that its research partnerships have attracted this level of investment from high-value global companies. We hope that these new facilities will act as a catalyst for further investment in our region.

Our University continues to speak openly and fearlessly about the benefits of international scholarship and I am deeply proud to be part of a University that co-founded the successful #WeAreInternational campaign. It is heartwarming to know that prospective students cited the campaign for showing them that the UK is a welcoming place for international students. We will continue to be a leading voice on this important issue.



University of Sheffield President and Vice-Chancellor, Professor Koen Lamberts

We have an important civic role and work hard to enrich our region's cultural offering. In 2017, a collaboration between the University and Sheffield Hallam University delivered the Off the Shelf Festival of Words. This festival attracts internationally recognised writers, poets and performers, as well as showcasing work by our own academics. Public engagement activities like this are crucial, as they can engage all our region's communities in learning and discovering.

Our staff and students are the heart of everything we do. In the fast-paced world we live in, we are acutely aware that we need to do everything we can to support their wellbeing. This year we have developed new staff and student mental health strategies aimed at creating a culture of openness. We want our staff and students to be aware of the wide-range of support and services available to them and to not be afraid to reach out to their peers for help and guidance should they need it.

Our Treasurer's report shows a positive financial performance for 2017–18. We should be proud of how our University has collectively addressed the challenges we have encountered. However, as with all universities, it is important that we recognise the ongoing uncertainties and pressures facing our sector. The University continues to prepare for the potential effects of Brexit, and we also await the recommendations of the Augar review into post-18 education and funding, which could pose significant challenges for the sector.

I would like to take this opportunity to thank our staff, students, partners and communities for a very warm welcome to the city and my new role. I look forward to working closely with you as we continue to develop this wonderful institution.

And finally, I would like to thank both Professor Sir Keith Burnett and Professor Gill Valentine for their leadership over the past decade and months. Sir Keith, who was President and Vice-Chancellor for the last ten years, has left a strong legacy of innovation, civic duty and internationalism for us to build on as we look to the future.

Professor Koen Lamberts
President and Vice-Chancellor

Foreword by the Chair of Council

External challenges facing the University and indeed the higher education sector generally were very much to the fore as a theme in my report last year. A year later, this remains the case, with significant change and uncertainty still very evident. The University's Council remains determined to seek to respond positively and continue to build on our strong foundations in Sheffield by keeping the student experience at the heart of our thinking.

The students of the University have always been members of the University, represented on the Council and throughout our governing structures and the student interest remains integral to all we are and do. Our Students' Union was voted best in the UK for the tenth year in a row in 2018 by the Times Higher Education Student Experience Survey, which also placed the University fifth nationally for overall student experience.

For any student, selecting where to study is a crucial investment in their future, with university offering a life-changing experience to help them to develop socially and academically. Providing an enriching student experience that inspires our students to excel in all areas of University life is very important, so it is a great source of pride to know that the university of Sheffield continues to offer one of the best student experiences in the country.

Following the introduction by the government of a Teaching Excellence Framework (TEF) the University was awarded TEF Silver in 2017, valid for up to three years. The University has been preparing in 2018 to renew its institutional TEF submission by application in January 2019, while individual departments are preparing their action plans in readiness for subject level assessments in 2020–21.

With regard to student recruitment, the University made a strategic decision to concentrate on recruiting high quality undergraduate students and to increase the proportion of new entrants with the highest A Level entry grades. The University achieved a year-on-year improvement in the quality of the new intake while broadly maintaining UK and EU numbers. The proportion of new students joining the University from state schools and from low participation neighbourhoods remained stable and among the best in our peer group. With all the uncertainty nationally around immigration, recruitment of both undergraduate and postgraduate overseas students was above target.

The University has been for some time a leading voice promoting the huge benefits economically, reputationally and culturally which international students bring to a city like Sheffield. To further this advocacy, the University provided secretariat support for the authorship of a report on the non-economic benefits of international students to society for the All Party Parliamentary Group for International Students, co-chaired by Sheffield MP Paul Blomfield.

Within the total student experience we offer, employability is a major element and hence the University was pleased to be ranked top in the north of England for graduates securing graduate level employment or further study within six months of graduation. We continue to contribute regionally to creating skills and jobs through our strategic partnerships.

Research is a vital part of what we do as a research-intensive University and the Research Excellence Framework, which is a peer assessment of the quality of UK higher education research in all disciplines, is an important indicator of our strength in this area. It was last conducted in 2014 and the next exercise will report in 2021 (REF 2021). Sheffield sits comfortably in the top 15 institutions in the UK when ranked by research strength. REF 2021 preparations are now well advanced. Senate, the senior academic body in the University, has designated a small number of flagship cross-disciplinary University Research Institutes following a competitive process. This is part of an initiative to concentrate resource around interdisciplinary research excellence.

As the Treasurer's report shows, the University's overall financial performance for the twelve months to July 2018 was positive, with the annual results showing an operating surplus following two years of underlying deficits. However, with the uncertainties ahead, including in the areas of student finance, Brexit and staff pensions, we remain cautious and necessarily prudent in our financial planning.

Following the lifting of the maximum tuition fee from £9,000 to £9,250 per year for full-time UK/EU undergraduates in the 2017–18 academic year, the first increase since 2012, the government launched the Augar review, a post-18 education and funding review. The final report should be published in spring 2019. The outcome of this process is critical to the future of higher education funding and could create significant challenges for the University and the sector as a whole.

At the time of writing, Brexit remains a major uncertainty with potentially very significant impacts on the University. The government has published a suite of detailed technical notes about its preparations for a 'No Deal' Brexit, which informed an evaluation of the institutional risks, including future access to European research programmes and freedom of movement for staff and students.

Proposed reforms to the national Universities Superannuation Scheme, the UK's largest defined benefit pension fund, saw some university staff from pre-1992 universities take industrial action in the summer. An independent panel of experts, jointly appointed by Universities UK and the University and College Union, has been charged with reviewing the assumptions made in the scheme's valuation.

We recognise and hugely value our role in the city region and in this context the University continues to seek to play a pivotal role locally in promoting the economy, skills, learning and cultural experiences. The University welcomes the appointment of a Sheffield City Region Mayor, Dan Jarvis, and we look forward to working with him as he seeks to use his office to bring the region's elected leaders together to access funds that will support the region's inclusive growth aspirations

The University has continued to play its full part, working with and attracting world leading companies to the region. In October 2018, the US aircraft manufacturer Boeing will officially open its first European manufacturing site alongside our Advanced Manufacturing Research Centre (AMRC). The Boeing Sheffield plant will produce aircraft components. This will be closely followed by a pioneering new partnership between luxury sports car producer McLaren Automotive and the AMRC to develop a production facility to build its lightweight carbon fibre chassis for its new models from 2020. Recently, the Northern Powerhouse Minister and University alumnus, Jake Berry MP, visited the University to open three new advanced engineering research centres.

The influence of the University stretches far beyond Sheffield, however. Across the world, our alumni continue to be a vital part of the University, offering increasing levels of support to current students and recent graduates. We value this network very highly and are grateful to all those who contribute to ensuring its continued reach and effectiveness.

My thanks and good wishes are expressed to those members of Council whose terms ended in 2018. We saw the retirement of our Treasurer, David Young, at the end of his term of office. David was an energetic and effective Treasurer and member of Council and I thank him for his support. I am confident that in John Sutcliffe, we have a very worthy successor as Treasurer going forward. Simon Eden stepped down from Council with our thanks and I was pleased to welcome Katherine Whitton as a new member of Council.

2018 saw the retirement of Professor Sir Keith Burnett, President and Vice-Chancellor of the University for the last decade. Sir Keith was determined the University should live up to the vision of its founders, for it to be a place where people persist in the face of challenge to discover and understand, and seek to apply that understanding as widely as possible. We wish Sir Keith a long and happy retirement and thank him for his faithful service to The University of Sheffield.

I am very pleased to welcome Professor Koen Lamberts as our next President and Vice-Chancellor. This is an extremely important appointment for our University as we look to build further on our global reputation for world-changing research, inspirational teaching and a unique student experience. I believe Koen's experience, capabilities and approach will bring great value to the University and all we do locally, nationally and globally.

Last year was a particularly challenging one for our staff. They are the University's key asset and I would like to commend them for their continuing efforts to keep Sheffield as a great place for students and researchers.

Tony Pedder OBE
Chair of The University of Sheffield Council



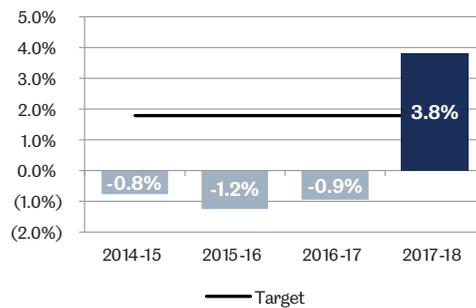
Report of the Treasurer

Introduction

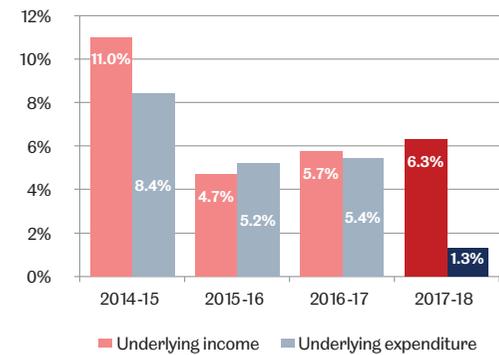
In my first report as Treasurer of the University of Sheffield it is very pleasing to report that our financial performance this year has been strong, particularly given the challenging environment in which the university sector currently operates. We have seen growth in our income and have controlled our costs, with a view to ensuring long term financial sustainability. Cash generation in the year was healthy, allowing us to continue planned investment in our resources and facilities to fulfil our teaching and research ambitions.

Financial highlights

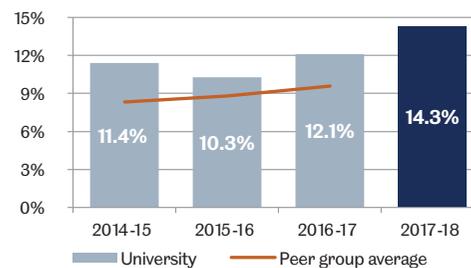
Underlying operating surplus/(deficit) as % of underlying income



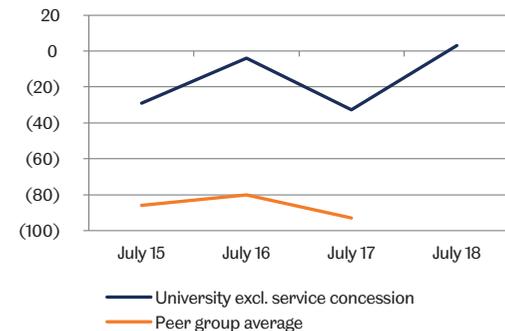
Underlying growth (%)



Cash inflow from operating activities as % of total income



Net funds/(debt) (£m)



Performance

Underlying performance		
Cash from operations £99.0m 2016-17: £75.3m		
Underlying income £639.1m +6.3% Income growth of 6.3%, with strong growth in tuition fees (7.6%), research income (7.0%) and other income (5.7%)	Underlying expenditure £614.6m +1.3% Expenditure growth of 1.3% following careful management of costs in order to achieve a surplus	
Underlying performance surplus £24.5m 2016-17: £5.6m deficit		
Other activities		
Capital grant income £52.0m	Capital grant funded asset costs £18.8m Depreciation for capital grant funded research assets	Other income and costs £2.7m Service concession costs, pension costs, less endowment costs
Operating surplus £55.0m 2016-17: £9.4m deficit		
Total performance		
USPS obligation improvement £88.9m	Revaluation gains £76.9m	Other gains £0.1m
Total comprehensive income £220.9m 2016-17: £17.2m		

Statement of income and expenditure

Summary statement of comprehensive income and expenditure						
	Year ended 31 July 2018			Year ended 31 July 2017		
	Underlying	Other activities	Total	Underlying	Other activities	Total
	£m	£m	£m	£m	£m	£m
Income						
Tuition fees and education contracts	303.2	–	303.2	281.7	–	281.7
Funding body grants	75.3	8.1 ¹	83.4	74.8	9.0 ¹	83.8
Research grants and contracts	154.0	43.5 ¹	197.5	143.9	12.0 ¹	155.9
Other income	106.6	1.1 ^{1,2}	107.7	100.8	1.4 ²	102.2
Total income	639.1	52.7	691.8	601.2	22.4	623.6
Expenditure						
Staff costs	331.1	(6.0) ³	325.1	329.0	(1.5) ³	327.5
Other operating expenses	223.9	(11.5) ⁴	212.4	220.4	(11.1) ⁴	209.3
Depreciation	55.2	25.5 ⁵	80.7	52.9	25.5 ⁵	78.4
Interest and other finance costs	4.4	14.2 ⁶	18.6	4.5	13.3 ⁶	17.8
Total expenditure	614.6	22.2	636.8	606.8	26.2	633.0
Operating surplus / (deficit)	24.5	30.5	55.0	(5.6)	(3.8)	(9.4)
Gain on fixed assets and investments		0.4 ⁷	0.4	–	– ⁷	–
Other gains and losses		(0.4)	(0.4)	–	0.4	0.4
Taxation		0.1	0.1	–	(0.1)	(0.1)
Surplus / (deficit) for the year after tax	24.5	30.6	55.1	(5.6)	(3.4)	(9.1)
Unrealised gains						
Gain on revaluation of land and buildings		76.9 ⁸	76.9	–	47.6 ⁸	47.6
Gain/(loss) in respect of pension schemes		88.9 ⁹	88.9	–	(21.3) ⁹	(21.3)
Total comprehensive income for the year	24.5	196.4	220.9	(5.6)	22.9	17.2

1 Capital grant income recognised upon receipt

2 Donation income and other capital funding

3 Staff costs associated with the pension schemes

4 Capitalisation of research fixed assets, service concession relating to the Student Village and pension administrative costs

5 Depreciation on research equipment and the service concession relating to the Student Village

6 Additional interest costs associated with the service concession relating to the Student Village

7 Movement in year end market value of investments

8 Increase in valuation of properties

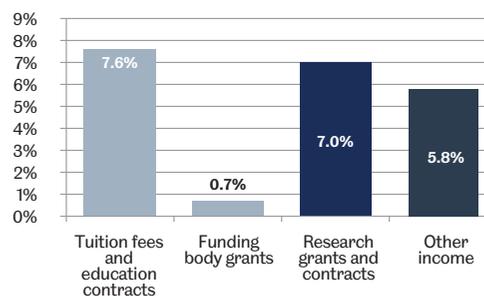
9 Decrease in accounting estimate of USPS liability (not a change in actuarial valuation) at 31 July 2018

Income growth

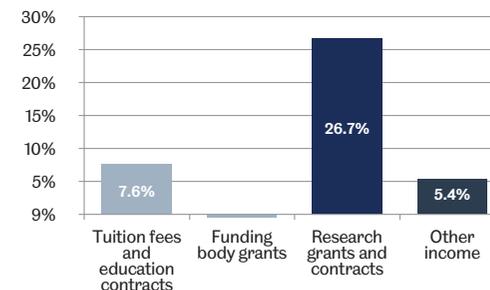
In 2017–18 we have achieved underlying income growth of £37.9m (6.3%) to £639.1m. This is largely due to growth in fee income (7.6% growth), particularly overseas postgraduate taught courses, and growth in research grants and contracts (7.0% growth excluding capital grant income; 26.7% growth including capital grant income). The fee income growth has been achieved without any compromise on student quality, which remains a key principle for our University.

This strong income growth trajectory is particularly important given the current more uncertain financial landscape.

Underlying income growth (%)



Total income growth (%)



The main difference between our underlying income growth and our total income growth is the inclusion of capital grant income. These capital grants are reported as income when received, causing variability in our reported annual performance.

Expenditure growth

In 2017–18 underlying expenditure has grown by £7.8m (1.3%) to £614.6m.

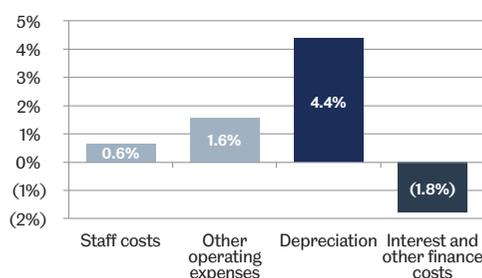
Underlying staff costs have increased by £2.1m (0.6%), following the staff release scheme in 2016–17. Total staff costs appear to have not increased, due to an increase in the movement on the Universities Superannuation Scheme provision within staff costs.

Depreciation has increased by £2.3m (4.4%). This is in part due to the values of our buildings increasing in line with the overall property market, and the planned investment in our academic facilities.

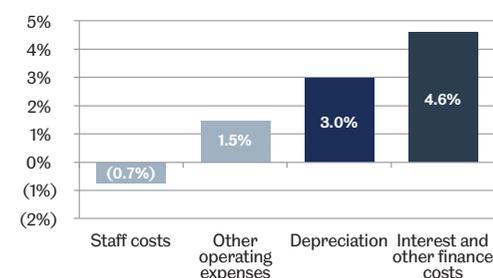
The year also benefited from some non-recurrent cost reductions, such as additional VAT recovery, which has served to constrain expenditure growth.

After three years of underlying deficit this income growth has enabled us to generate an underlying operating surplus of £24.5m and generate cash from operations of £99.0m. This is necessary for us to achieve our financial operating strategy and to remain financially sustainable.

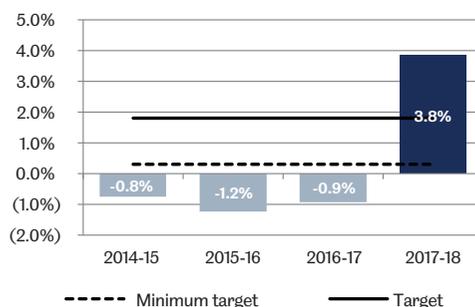
Underlying expenditure growth (%)



Total expenditure growth (%)



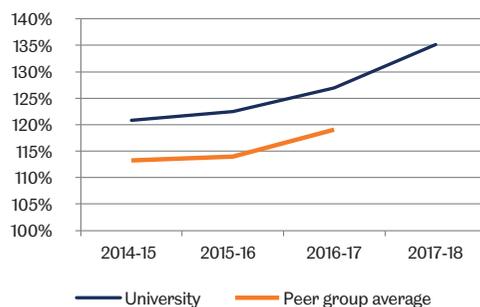
Underlying operating surplus/(deficit) as % of underlying income



Our total reserves as a % of total income have continued to increase. Total reserves comprise the income and expenditure unrestricted reserve, and the revaluation reserve.

Both reserves can be subject to annual fluctuations, such as year-end pension liability valuations, or periodic property valuations. These fluctuations are not yet 'realised', but arise due to current reporting requirements.

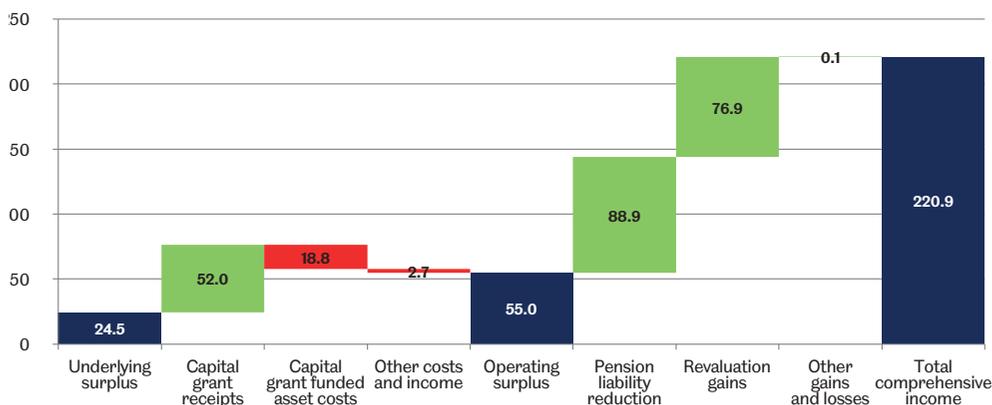
Total reserves as % of total income



Changes to financial standards mean greater volatility in our public accounts. To provide a better understanding of trends we distinguish in our internal accounts between two categories; underlying (operational) and other activities (unusual or infrequent events as required by financial reporting standards). The table shows our results in this manner.

Our results show an underlying surplus from our operating performance of £24.5m. This increases to £55.0m after we reflect other non-operational items. Our total comprehensive income for the year is £220.9m. The graph explains the key reasons for the movement.

Total surplus (£m)



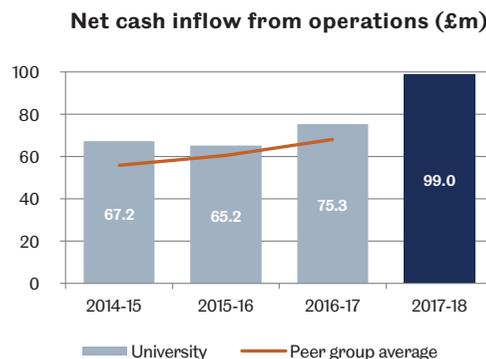
Our 2017–18 results contain several large 'unusual' items as already outlined, which distort the bottom line of our statement of income and expenditure. These include capital grant receipts which are volatile from year to year, pension deficit accounting valuation movements and revaluation gains and losses. Many of these are attributable to the way we are required to account for these changes, the 'FRS102 effect'. It can be more useful and understandable to look at our cash generation from operations to understand our real performance and financial position.

Cash

In 2017–18 following a healthy underlying surplus we have seen cash generated from operations of £99.0m, an increase of £23.7m.

This is primarily attributable to income growth exceeding expenditure growth.

Net cash inflow from operations includes the positive benefit of our underlying surplus and excludes the impact of accounting standards or policies. For instance, these figures exclude capital grant income and depreciation. This makes it easier to compare our performance from year to year, and compare with our peer group.



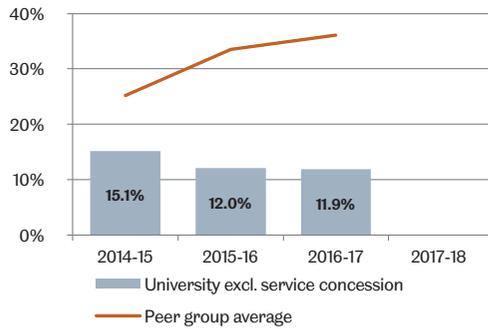
Summary statement of cash flow - consolidated

	Year ended 31 July 2018 £m	Year ended 31 July 2017 £m
Net cash inflow from operating activities	99.0	75.3
Capital and investing activities		
Capital grants received	52.0	21.1
Fixed asset spend (buildings and equipment)	(98.6)	(104.7)
Other investing activities	4.8	(1.5)
Cashflows from financing activities		
Bank interest paid	(4.4)	(4.5)
Service concession interest (student residences)	(9.2)	(9.0)
Pension scheme interest	(5.0)	(4.3)
Repayments of loans	(2.7)	(2.7)
Other	(2.4)	(1.4)
Increase / (decrease) in cash at bank in the year	33.6	(31.7)
Cash at bank at the start of the year	41.2	72.9
Cash at bank at the end of the year	74.7	41.2
Net funds / (debt) *	3.1	(32.8)

* cash balances less borrowings

Above is a summary of our cash flow for the financial year. Generating healthy cash inflows from our operations is necessary to allow us to invest in our strategic priorities, our resources, and our infrastructure. This is particularly important as whilst we are successful in securing capital grants, universities are increasingly needing to self-finance capital investment, and doing so is important to remain competitive, cutting edge, and meet the needs of students and staff alike.

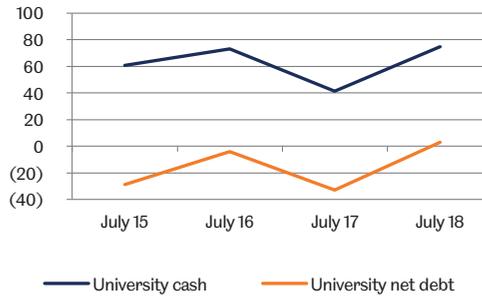
Borrowings as % of total income



The University has relatively low levels of bank borrowings, particularly when compared to the Russell Group.

These low levels of borrowings mean we do not have high interest costs, which gives us flexibility in uncertain times. However, this preference for low levels of debt means that we need to generate our own cash to fund new academic facilities, but this is tensioned with careful planning and timing regarding capital expenditure.

Net funds/(debt) (£m)



Due to our low borrowings, strong cash generation, and considered capital investment, we have seen our net debt position return to a net cash position this year.

This bucks the national trend, where net debt is increasing within the sector.

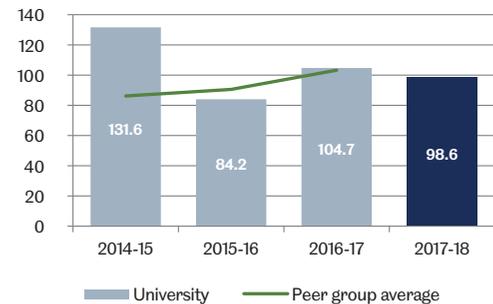
Capital

During the year we have continued to invest in our buildings and equipment. Our spend is typical of our peer group, and we have again been successful in securing large capital grants, resulting in us self-financing a smaller element.

During recent years our estates quality has improved significantly, which has been a deliberate target of our estate strategy, to provide a better physical environment for our students and our staff.

As a forward-looking university we carefully invest in capital to have the right facilities to deliver world-class teaching and research.

Capital investment (£m)



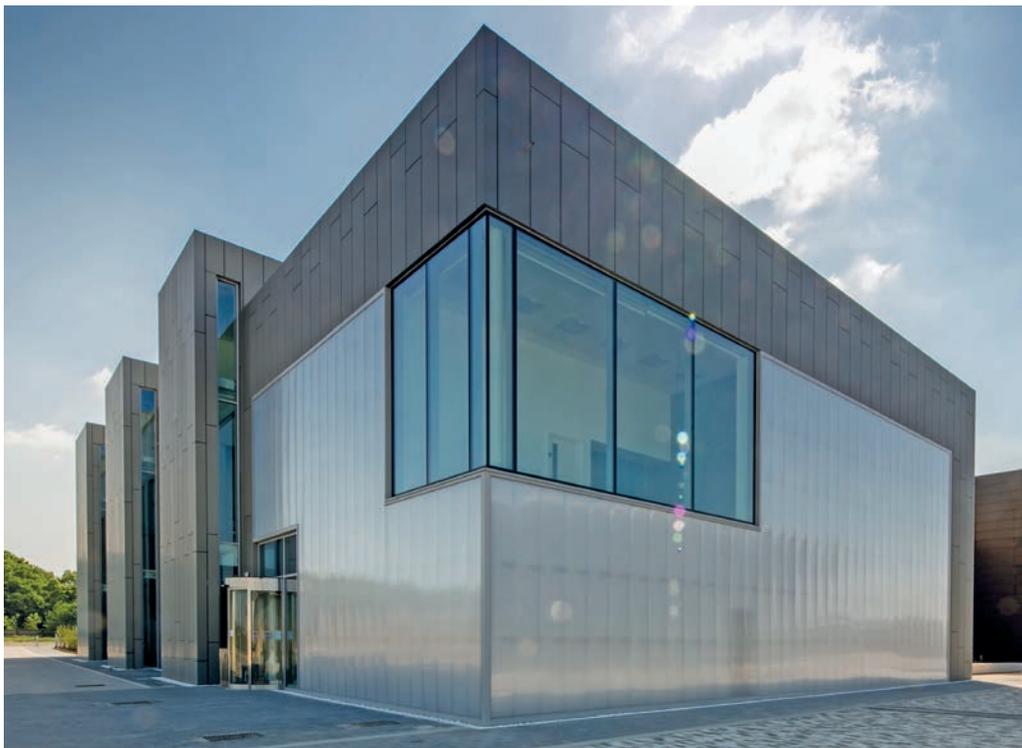
Recent examples of capital investment include:

The Engineering Heartspace project; the creation of a quadruple-height atrium between the Grade II listed Sir Frederick Mappin Building and the 1885 Central Wing housing new laboratories, offices and social space and the complete refurbishment of both buildings. The atrium will be housed under an impressive curved glass roof that links the two buildings.

The Engineering Heartspace will create a dynamic social and research collaboration space between the two oldest buildings in the University estate.



*The Engineering Heartspace,
due for completion 2019.*



The Integrated Civil and Infrastructure Research Centre (ICAIR)



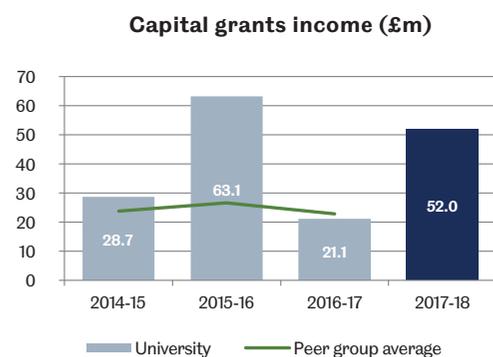
The Royce Translational Centre opened by Northern Powerhouse Minister, Jake Berry MP, and Mayor of the Sheffield City Region, Dan Jarvis MP.

Part-funded by the European Regional Development Fund, UK Research and Innovation and the University of Sheffield, three world-leading translational research facilities were completed this year, creating 3,000 square metres of high-technology facilities:

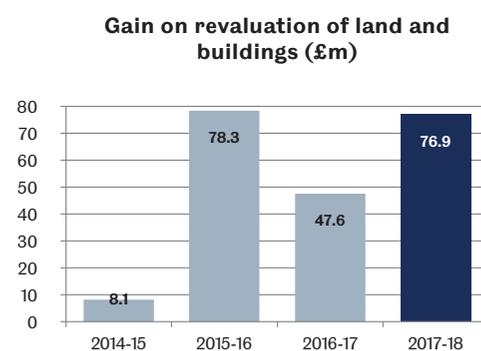
- The Integrated Civil and Infrastructure Research Centre (ICAIR) offers unique experimental facilities for investigating both underground and above ground constructed infrastructure, with the goal of delivering step changes in productivity and resilience.
- The Laboratory for Verification and Validation (LVV) will enable research into the optimal design and operation of advanced engineering structures when exposed to real-world vibration and environmental conditions. It will offer benefits across sectors such as energy, aerospace, automotive, renewables and medical engineering.
- The Royce Translational Centre (RTC) is home to Royce@Sheffield and the metals research group of the Advanced Manufacturing Research Centre (AMRC), the National Metals Technology Centre (NAMTEC). Royce@Sheffield is one of the 'spokes' of the Henry Royce Institute and its work at the RTC is accelerating the benefits to industry in the field of advanced metals processing, including net shape aerospace components and lightweight solutions for transport.

Highlights of unusual items in 2017–18

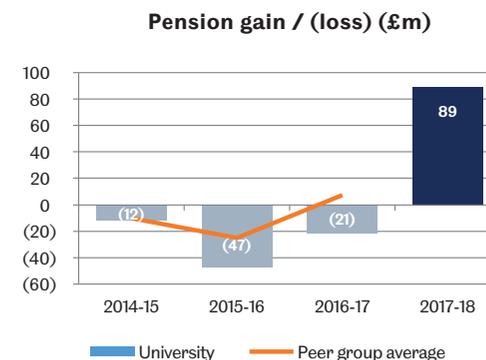
What causes the variability in our accounts?



Under our accounting standards we must report our capital grant income 'up front'. Consequently, the timing of the receipt has a big impact on when we report it in the accounts. Capital grants are not a recurrent income stream so as a result the amounts we receive can vary quite a lot from year to year.



We revalue our land and buildings. We don't revalue equipment. The valuations are undertaken on a cyclical basis by external professional valuers. In the intervening years we are required to ensure that our land and buildings are shown at fair value in the accounts. The University has applied an uplift to the value of some of its assets at 31 July 2018, where it was felt that their fair value would otherwise have been materially different from their book value. When the value of our assets is deemed to have increased we see this as a gain. However, this gain isn't cash; we cannot spend it as it's not been 'realised'.



This is based on a valuation at the year end. Once again it is not 'cash'. This is an accounting estimate of the liability, which is different to the actuarial valuation.

The accounting estimate is updated every year. Several things can influence it, such as the assumptions underlying the model, market influences or 'experience' assumptions. In 2017-18 the assumptions used recovered the valuation losses of the last three years.

Accounting pension deficit

Q: The estimated pension obligation has improved by £88.9m. Why is this?

A: We still have an accounting pension liability, but the estimated pension obligation has improved by £88.9m. This is in relation to the University of Sheffield Pension Scheme, not the Universities Superannuation Scheme. This movement is reported as a 'gain in respect of pension schemes' on the income statement. There are three main reasons for this:

1. Discount rates. During the year corporate bond yields have increased, which increases the discount rate used. The increased discount rate leads to a reduced liability. This is driven by the external markets, and is not particular to us.
2. Salary assumptions. As part of the triennial actuarial valuation the actuaries reviewed the salary growth assumption. The accounting pension deficit valuation also has amended salary assumptions so the two are consistent. This change in assumption decreases the liability.
3. Experience assumptions. As part of the triennial actuarial valuation the actuaries reviewed what happened to members during the three-year window between actuarial valuations and have revised some longer-term assumptions such as for inflation and longevity. Again, the accounting pension deficit valuation has amended its experience assumptions so it is consistent with the actuarial valuation.

Q: What is the difference between the accounting valuation and the actuarial valuation of the pension schemes?

A: The pension accounting valuation is not the same as the actuarial valuation, and they are at different dates.

The actuarial valuation is carried out triennially. It estimates the amount of money that we need to put into the scheme to ensure that we have sufficient assets in the pension scheme in order to meet our future obligations to our members. Our actuarial valuation assumptions have higher growth potential than the accounting valuation, which means that the actuarial deficit is lower than the accounting valuation.

The accounting deficit is based on accounting standards which require companies to use a 'standard' pension fund growth assumption, which assumes a relatively low level of risk, and thus lower level of investment growth. This gives a larger deficit.

Q: What does this all mean for us?

A: This is a 'non-cash' transaction. It is a change in the estimated accounting liability at the year end.

It has no impact on the actuarial valuation, nor on the existing pension scheme funding arrangements or benefit provision.

Looking forward

There is no doubt that universities are facing unprecedented levels of change, challenge and uncertainty. This only serves to emphasise the need for us to be financially sustainable, prepared and agile. We need to live within our means and remain financially robust to withstand the unplanned impact of external events and take advantage of opportunities as they arise. We regularly consider what the future might hold for us to ensure we are financially resilient whilst still delivering our ambitions.

Pensions remain high on the agenda, with USS consultations continuing. There is a major review of post-18 education underway with the stated aim of driving up quality, increasing choice and ensuring value for money. We are in the midst of a demographic dip for UK 18-year olds, and the international student market is increasingly competitive. The implications of Brexit remain unknown.

Conclusion



Financial sustainability remains a key priority for our University and is at the heart of our financial operating strategy. We are continually seeking out fresh opportunities and are discovering more diverse income sources to help us achieve this aim. We know we need to remain an agile organisation reacting effectively and promptly to overcome financial challenges and the inevitable changes the future will bring. We are as ambitious as ever.

We recognise the difficulties and scale of the challenges we face, we are focused and determined to meet the challenges, to deliver our ambitions, and to develop our University. We are committed to remaining one of the finest research-led teaching universities and play our part in our local, national, European and international communities.

This is my first report as Treasurer of the University of Sheffield. I look forward to serving this institution and helping it to continue to achieve success into the future in what is becoming an ever more challenging operating environment.

Finally, I would like to thank our staff and students for their continued commitment to our University. You should be proud of these financial results and this University's strength and resilience embodied within them.

John Sutcliffe
Treasurer

Strategic plan 2016–2021

The choices outlined in the plan, and the targets we have set for ourselves, are underpinned by the following:

Our mission

Our mission is to educate ourselves and others and to learn through doing so, thereby improving the world.

Our vision

Our vision is that research, teaching and learning together create a positive culture of higher education.

Our identity

We are a civic institution, proud of our urban character, driving growth and vibrancy for our city, the region and the world.

Our guiding principles

Our guiding principles are: excellence, ambition, engagement, collegiality, resilience, agility, diversity, and sustainability. They provide a framework for our activities which are delivered under five interconnected themes:

- Our Education and Student Experience
- Our Research and its Impact
- Our Strategic Partners
- Our Place: Locally and Globally
- Our Public Responsibility

To these we add the challenges of action:

- The Challenge of Resource – ensuring a stable, sustainable university.
- The Power of People – attracting, retaining and developing talented students and staff.

Our status

The University holds charitable status as an exempt charity. The Council and senior management have had due regard to the Charity Commission's public benefit guidance. Public benefit is integral to the University's culture.



Our education and student experience

Student recruitment

Thanks to the hard work and dedication of both professional services and academic staff, we have increased the quality of our undergraduate intake – essential to our reputation – while maintaining numbers. Recruitment from state schools and low-participation areas stayed stable. International recruitment was significantly above target, despite an uncertain climate, and we are continuing to see an increase in students from China, as well as promising numbers from India, Nigeria, South Korea, Mexico and Saudi Arabia.

Reputation and rankings

We are proud that our Students' Union was rated No 1 in the UK for the tenth consecutive year by the Times Higher Education Student Experience Survey 2018, which also ranked us fifth nationally for overall student experience. The Times Higher Education (THE) Europe Teaching Rankings placed us 11th out of 250 institutions from eight countries.

Teaching Excellence Framework (TEF)

We were awarded TEF Silver in 2017, summarised as 'delivering high-quality teaching, learning and outcomes...and consistently exceeding rigorous national quality requirements in UK higher education.' As well as taking into account student satisfaction through the NSS, the framework also looks at factors such as graduate employment and student retention.

Getting more out of excellent teaching

In the biggest change to our teaching and learning since the 1990s, we are moving towards a holistic rather than a modular approach to the design of our courses. By designing courses from the student's perspective, the Programme Level Approach (PLA) maximises the benefits of innovative teaching and better prepares our students for the future.

Tackling the digital skills gap

As a founding member of the new £20m Institute of Coding, we're working with other universities, businesses and industry to ensure students are properly equipped for careers in the digital world. Announced by the prime minister in January 2018, the Institute is an important part of the government's industrial strategy.

No. 1 in the north for employability

The Times and Sunday Times Good University Guide 2018 ranks Sheffield the best university in the north of England for graduate prospects. This latest accolade reflects our commitment to preparing our students for work through a range of activities and services, including work experience, support for enterprise skills training and volunteering.

Improving our services

Work continues on our ambitious Student Lifecycle Project, a phased programme of improvements that will make our services more efficient and more responsive to our students' needs. Specific aims include: technical resilience and sustainability to support future change, flexibility to support new academic delivery and greater decision making power for staff.

Mental health and wellbeing

We've strengthened our commitment to students' mental health and wellbeing with a new mental health strategy. The strategy takes a whole-organisation approach, nurturing an inclusive environment, promoting positive mental health and providing support services. In response to student feedback, a new central point of triage will direct students to the services they need.





University of Sheffield
Students' Union



Student numbers 2017–18

Full-time students							
Faculty	Undergraduate			Postgraduate			Total
	Home/EC	Overseas	Sub total	Home/EC	Overseas	Sub total	
Faculty of Arts and Humanities	2,345	62	2,406	404	239	643	3,049
Faculty of Engineering	3,127	1,320	4,447	492	1,083	1,575	6,022
Faculty of Medicine, Dentistry and Health	1,929	131	2,060	540	243	783	2,843
Faculty of Science	3,401	354	3,754	737	204	941	4,695
Faculty of Social Sciences	4,213	1,075	5,288	1,103	2,354	3,457	8,745
Advanced Manufacturing Research Centre	51		51		2	2	53
Department for Lifelong Learning	138		138				138
Total	15,203	2,940	18,143	3,276	4,125	7,401	25,544

Part-time students							
Faculty	Undergraduate			Postgraduate			Total
	Home/EC	Overseas	Sub total	Home/EC	Overseas	Sub total	
Faculty of Arts and Humanities	20	1	21	238	9	247	268
Faculty of Engineering	48	42	90	52	24	76	166
Faculty of Medicine, Dentistry and Health	184	9	193	664	117	781	974
Faculty of Science	82	19	101	82	2	84	185
Faculty of Social Sciences	49	16	65	823	37	860	925
Advanced Manufacturing Research Centre				1		1	1
Department for Lifelong Learning	66		66				66
Total	448	87	535	1,860	189	2,049	2,584

Additional students	
Modern Languages students abroad	117
Students on optional year outs	237
Erasmus and Year Abroad students	367
Total	721

Variations in totals due to rounding of figures for part time students.

First degree award classifications

Faculty	1	2.1	2.2	3	Pass	Total
Faculty of Arts and Humanities	178	529	42	3	2	754
Faculty of Engineering	296	483	213	22	23	1,037
Faculty of Medicine, Dentistry and Health *MB ChB & BDS do not follow the same class structure	76	74	26	3	279	458
Faculty of Science	356	605	182	21	12	1,176
Faculty of Social Sciences	330	964	243	22	53	1,612
Board of Extra Faculty Provision	7	14	3	1	1	26
Total	1,243	2,669	709	72	370	5,063



Certificates and Diploma awards

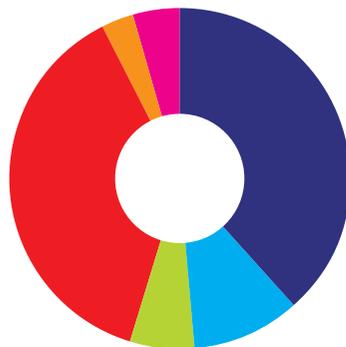
Faculty	Diploma	Cert	Total
Faculty of Medicine, Dentistry and Health	23	10	33
Faculty of Science		23	23
Faculty of Social Sciences		2	2
Board of Extra Faculty Provision	3	4	7
Total	26	39	65







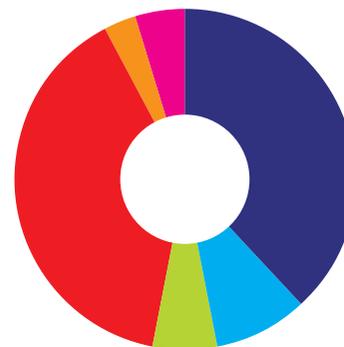
Student population – applications



2014

UG Home	30,710
UG Overseas	8,074
PGT Home	5,040
PGT Overseas	29,957
PGR Home	2,459
PGR Overseas	3,473

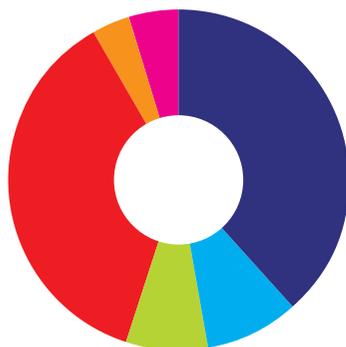
Total applications 79,713



2015

UG Home	30,237
UG Overseas	7,073
PGT Home	4,862
PGT Overseas	30,955
PGR Home	2,525
PGR Overseas	3,561

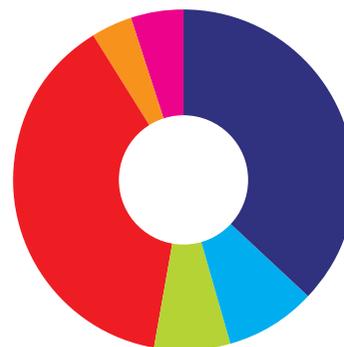
Total applications 79,213



2016

UG Home	30,760
UG Overseas	7,093
PGT Home	6,146
PGT Overseas	29,221
PGR Home	2,935
PGR Overseas	3,543

Total applications 79,698



2017

UG Home	30,594
UG Overseas	6,978
PGT Home	5,977
PGT Overseas	31,711
PGR Home	3,032
PGR Overseas	4,101

Total applications 82,393

As at 1 October of each year, and includes full-time, part-time and distance learning applications.

Rankings



**TIMES
HIGHER
EDUCATION
STUDENT
EXPERIENCE
SURVEY**



**QS WORLD
RANKINGS 2019**





**TIMES HIGHER
EDUCATION
WORLD UNIVERSITY
RANKINGS 2019**

106



**TIMES HIGHER
EDUCATION
WORLD UNIVERSITY
RANKINGS 2019**



12

UK



**THE TIMES
AND SUNDAY TIMES
GOOD UNIVERSITY
GUIDE**

25th

Our research and its impact

The funding environment

Our reputation rests on the quality of our research. As the national and international environment continues to change, we have continued to support our staff in winning new types of funding and helping them to produce work of the highest standard. The total value of new research awards continues to increase year on year despite a highly competitive funding landscape.

Economic and societal impact remains crucial. We are working to ensure we have an appropriate number of case studies for our Research Excellence Framework (REF) 2021 submissions and in development for REF 2027/8. The REF is our opportunity to benchmark our performance and to cement our reputation with our peers, as well as with potential students and academic staff alike.

Research institutes and centres

Over the past year we have been working to identify our research strengths and areas we want to establish as flagship research institutes. Our four new cross-disciplinary University Research Institutes (URIs) will address global challenges including energy, food security and health. They will be launched next year following recent approval by Senate. We will also continue to encourage strong, active faculty and departmental research centres.

Postgraduate research

Our Postgraduate Research (PGR) Committee has been leading on a key initiative to update the structures supporting PGR provision. The new model offers a more cohesive approach, including a central hub to provide leadership on vision and strategy, with student-facing support delivered in faculties and departments. The committee will also deliver a review of our academic expectations for PGR students and of their training, with a view to improving both the programmes we offer and our submission rates.

Global food security

A new study led by Professor David Beerling, director of our Leverhulme Centre for Climate Change Research, could help reduce the amount of CO₂ entering the atmosphere and change the way we manage our croplands. Working with international colleagues, our academics found that silicate rocks added to soil could capture CO₂ generated by fossil fuels as well as enhancing food and soil security.

Speaking to the past

Professors Jane Hodson and Frances Babbage are working with Chatsworth House on an extraordinary project using literature and theatre to change the way visitors engage with country houses and estates. The Living Estate will bring historical figures to life through participatory theatre, while new technologies could enable visitors to speak to the house, and each other, creating their own narratives.

Labour exploitation uncovered

An international study led by Professor Genevieve LeBaron, co-director of the Sheffield Political Economy Research Institute (SPERI), finds labour exploitation is endemic in the global tea and cocoa industries. Findings from the two-year study also suggest that ethical certification schemes are failing to tackle the issue, and that large-scale reforms are needed.

Health and care partnerships

A revolutionary neck collar for patients with motor neurone disease has been brought to market as a result of our innovative partnership with Sheffield Hallam University and Sheffield Teaching Hospitals NHS Foundation Trust, funded by the National Institute for Health Research's (NIHR) Invention for Innovation programme and the Motor Neurone Disease Association. Eighty per cent of patients who trialled the collar felt it helped them and wanted to carry on using it after the trial had finished.

Materials breakthrough for women's health

A group led by Professor Sheila MacNeil, Department of Materials Science, is developing a tissue-engineering approach to tackle stress urinary incontinence, a major issue in women's health. Their work is protected by patent and licensed for translation by Symimetic Ltd.



The Head Up collar



Our strategic partners

Working with the NHS

2018 saw the National Health Service (NHS) celebrate its 70th anniversary. We are extremely proud of our longstanding relationship with Sheffield Teaching Hospitals NHS Foundation Trust and Sheffield Children's Hospital. By working together we are able to remain at the forefront of advancements in healthcare and clinical services. Recently this has included work to develop an algorithm that will improve monitoring of the way MS patients walk in real life in order to assess the effectiveness of existing treatments. We are also using computer simulated models and medical imaging to test the strength of young children's bones in a bid to help car seat manufacturers design safer car seats for young children.

Tsinghua University Future Lab

In April 2018, the University signed a memorandum of understanding (MOU) with China's prestigious Tsinghua University to work with its groundbreaking Future Lab. Described as a crossover between science, tech, society and art, the Future Lab's interdisciplinary research will focus on human futures, with an emphasis on the application of artificial intelligence. The signing was part of a visit to Sheffield by senior Chinese academics and business people looking to develop collaboration between the UK and China on digital technologies.

Siemens – MindSphere

Following a longstanding partnership, Sheffield has become the first university to join Siemens' new global digitalisation network. Siemens' MindSphere Innovation Network (MINe) enables us to connect our estate and research assets to their cloud-based platform, MindSphere. The project has a physical presence on campus in the form of the MindSphere Lounge, a specially co-designed space in the Diamond. Students, academics and industry partners can access MindSphere, using the data to improve teaching and research collaborations with industry, discover new business models and create commercial opportunities. This collaboration with Siemens is about harnessing the full power of our data. It will help meet the needs of digitalised industry, driving national productivity while keeping our region at the forefront of new developments.



The launch of the Siemens MindSphere Innovation Network (MINe)

Pitch-In: connecting capability

The Internet of Things (IoT) is going to have a major impact on all our lives. It underpins the drive towards increased automation and enhanced services. In April 2018, we were awarded £4.9 million to fund Pitch-In – Promoting the Internet of Things via Collaborations between Higher Education Institutions (HEIs) and Industry. We're leading the project in collaboration with the universities of Oxford, Cambridge and Newcastle alongside a network of public and private sector organisations to better support the uptake of IoT technology. The money comes from Research England's Connecting Capability Fund, which is highlighted in the government's industrial strategy, and which aims to promote collaboration between HEIs to improve rates of research commercialisation.

Boeing Supplier of the Year

Our Advanced Manufacturing Research Centre (AMRC) was awarded Supplier of the Year by the Boeing Company in 2017. The company will shortly be opening their first European production facility in Sheffield. Situated alongside Factory 2050 at our AMRC, Boeing Sheffield will mean fantastic opportunities for the regional workforce, businesses and researchers.

Our place: locally and globally

Civic impact

A national inquiry by the University Partnerships Programme (UPP) Foundation's Civic University Commission has been hearing about the positive impact Sheffield's two universities have on the city and the wider region. The University of Sheffield and Sheffield Hallam University are two of the region's key institutions, working with Sheffield Teaching Hospitals NHS Foundation Trust, local councils, businesses, non-profits and community partners to create the Sheffield City Region Prospectus, a 25-year vision for the region's economy, education, healthcare and environment.



Understanding productivity

Funded by the Economics and Social Research Council (ESRC) and led by the University of Sheffield, the UK Productivity Network aims to improve our understanding of productivity, its drivers and its inhibitors. This ambitious initiative brings together researchers, policymakers and businesses to identify and implement new insights.

Empowering the community

The School of Architecture's Live Works project supports community-led city regeneration, engaging people in debate about Sheffield's past, present and future. Their Urban Room, an events and exhibition space supported by the EU's Joint Programme Initiative 'Smart Urban Futures', opened a new home earlier this year at 108 The Moor, renovated under the ReNew Sheffield programme in partnership with Sheffield BID. This is the 6th project supported by ReNew Sheffield and is chaired by Professor Vanessa Toulmin, Director of City and Culture. The project aims to encourage small business growth in meanwhile uses, pop-ups, temporary and entrepreneurial start-ups in the city centre.

Helping music to thrive

Classical: A Snapshot of Sheffield's Classical Music Sector, was the last of five reports we've commissioned to identify areas of potential growth across the cultural industries. It reveals a 'vibrant, hopeful and creative' scene, with an 'astonishing amount of classical music making going on'. The University continues to play a key role in enhancing the city's reputation for culture through the Cultural Destinations project funded by Arts Council England to promote cultural tourism.

Celebrating literature

The Off the Shelf Festival of Words celebrated its 27th year in 2017. Led by the University of Sheffield alongside Sheffield Hallam University, it is supported by a £99,500 grant from Arts Council England over two years. Across three weeks, over 26,000 people attended 165 lively events, exploring diverse themes, sharing ideas and celebrating great writing.



Global engagement

We're proud of our global engagement and the way it shapes our work, our community and our vision. In 2018, our University was named one of the most international universities by The Times Higher Education (THE) World University Rankings 2019, placing it 42nd out of 800 leading universities worldwide. A key factor in this success has been the concerted effort at building overseas partnerships with the world's top universities and industry, efforts which open opportunities for staff and student exchange, research collaboration and inward investment in the local economy.

#WeAreInternational

We have continued to be a leading voice in the sector on the contribution international students make to the UK through the award-winning #WeAreInternational campaign. We were proud that in the 2018 International Student Survey conducted by QS Enrolment Solutions, 82% of prospective international students cited the campaign as making a positive impact in persuading them that the UK is a welcoming place for international students.

Our global partners

We have continued to deepen our long and successful cooperation with universities across the globe and have also established new ones. These partnerships include the universities of the Universidad Federal de Minas Gerais, Brazil, the University of Ghana, Manipal University, India, and Shandong University, China. The nature of these collaborations varies from research to address the world's most pressing challenges to facilitating staff exchanges and developmental opportunities.

Broadening horizons

We are passionate about providing lifechanging opportunities for our students to study and work abroad. Not only does this propel their academic progress and employability skills, it also gives them incredible experiences and helps improve their confidence and independence. New opportunities have been set up including a summer school based at La Universidad Peruana de Ciencias Aplicadas (UPC) in Peru. Through our membership of the Worldwide Universities Network (WUN), a number of our researchers have had the chance to visit international partners from the consortium to establish and cultivate research links and four specific universities in Ghana, Mexico, China and Brazil have been targeted for developing collaborative Global Challenges Research Funds (GCRF) proposals. Our participation in the Erasmus+ programme, has enabled academic and professional services colleagues to spend time at one of our many European partner universities.



Our public responsibility

Sustainable change

In early 2018, we established a new governance structure for our sustainability activities. By appointing academic, professional service and student leads for sustainability, supported by a delivery group made up of senior staff from across the organisation, we are recognising the diversity and range of challenges involved.

We also commissioned a group of PhD students from the Grantham Centre for Sustainable Futures to audit our sustainability work and suggest targets and improvements. The resulting document will form the basis of our first sustainability strategy at the start of the 2018–19 academic year.

Based around the UN's sustainable development goals, the Year 1 document provides us with a direction and a set of principles which we will build on to create a full strategy and action plan in 2019–20.

Green impact

Through the nationwide Green Impact scheme, colleagues take part in departmental challenges to increase sustainability across campus. Activities include energy-saving initiatives, walk-to-work weeks and recycling drives. In 2017–18, we saved over 500 tonnes of CO₂ and at least £175,000 as a result of the scheme.

Campus cups

In an effort to reduce the amount of waste we generate, we've become the first UK university to launch a coffee cup return scheme on campus. Run in partnership with the Students' Union, Campus Cups will help us to reduce the number of cups we throw away – currently 600,000 per year – and raise environmental awareness.

Urban regeneration

Archaeologists from the University are using research to inspire regeneration of the city's Castlegate Quarter, with £800,000 funding awarded from Sheffield City Council. Researchers are working in close collaboration with community groups to uncover the remains of Sheffield Castle, reigniting interest in the city's medieval heritage and providing a focus for future development plans that will help boost business, investment and tourism.





Power of people

Thank you to all our staff in what has been a challenging year for the higher education sector. Despite the uncertainty we have faced, we have made real progress and have lots of reasons to feel positive about our future.

Our University prides itself on being a diverse and inclusive community, with a genuine commitment to making sure everyone is supported to bring their whole selves to work.

We were delighted to have been named as a top 100 employer for lesbian, gay, bi and trans staff for the fifth year running by Stonewall, moving up 64 places to achieve our highest ever ranking of 24th. Working in partnership with our LGBT+ Staff Network, we encourage a culture of respect and equality for everyone regardless of their sexual orientation and gender identity. Over 2,000 of our colleagues have signed up to Open@TUoS, our LGBT+ staff allies scheme, and wear a rainbow lanyard to show their support.

We have a silver institutional Athena Swan award, reflecting our genuine commitment to gender equality and supporting the talents and potential of women. We have worked hard to create gender balance across our leadership team and committee roles. Our executive board now includes a female provost and chief financial officer as well as female vice-presidents of Medicine and Arts and Humanities. All of our senate committees have at least a 40 per cent female membership.

We recognise that there is still work to be done. In particular we have been working hard to improve the representation, progression and success of our BAME (Black, Asian and Other Minority Ethnic) staff. Thanks to input from our staff and students, we will be launching our BAME action plan in early 2019 and look forward to implementing the strategies needed to help overcome the barriers faced by our BAME community.



*Portrait of a Woman - Helen Dingle,
Chief Financial Officer*



*Dr Amaka C Offiah,
Deputy Chair of the BAME Staff Network*





We continue to provide a supportive environment including an essential focus on health and wellbeing. Over 5,000 colleagues use Juice, our health and wellbeing offer for staff.

A key priority for the University is enhancing positive mental health and wellbeing for everyone and earlier this year we launched our new mental health strategy. We want to build a culture of openness regarding mental health and wellbeing and to empower people to recognise and support peers who may require help. Our new dedicated set of mental health and wellbeing web pages bring together the wide range of services available to staff and provide practical information and guidance. Our Mental Health Week helped raise awareness of this important issue and encouraged staff to open up and talk about mental health and wellbeing with their colleagues and students.



We know it is also important to explore and celebrate the sometimes hidden talents of people in our community. This year we held our first staff talent showcase evening to help raise funds for our Sheffield Scanner appeal.

We have been a vocal leader on promoting the benefits of an international staff and student population to Government and other stakeholders for a number of years. Since the vote to leave the European Union, we have provided extra support and guidance to our non-UK EU colleagues, including holding a number of events and information sessions. We also provide support and guidance to new staff coming to work in the UK from other EU countries. We are putting together plans to mitigate the impact of different Brexit outcomes, including on the residence status of staff, mobility and travel, and the status of research contracts.

We are proud that our University is a community of international scholarship. Our Part of Sheffield photography exhibition features non-UK EU staff who have made a life and a home in Sheffield.

As well as staff on open ended and fixed term contracts, we engage a number of colleagues on a casual basis. We are committed to being an excellent place of work for all our staff and regularly review the employment status of all those who work on a casual basis to make sure our relationship suits the individual and supports the needs of the University and our students. Earlier this year following discussions with Trade Union (TU) colleagues, we took the decision that all regular and scheduled teaching will be delivered by staff on an employment contract.

Developing our people is important to us. Over 1,000 colleagues completed our Sheffield Leader programme which aims to make sure our leaders have the right knowledge, skills and behaviours and are able to lead others to provide excellence throughout the institution. We recently launched our new Academic Career Pathway Framework. Developed with our academics, it provides a clear and transparent framework for the career development and progression of academics across the University.

We continue to offer a competitive reward and benefits package to all of our staff. We also recognise the excellent contribution individuals make to the University through both our annual reward and recognition process and locally through our recognition awards scheme. This year we have enhanced our benefits and wellbeing offer by launching a financial education programme where our staff can attend financial and pension education seminars delivered on-site to help plan and take control of their financial future.

We recognise the important role that the recognised campus TUs play in contributing to the working environment and conditions for all members of staff. We continue to work constructively with colleagues from the University and College Union (UCU), Unite the Union, Unison and GMB on a range of employment matters. We appreciate that in order for this work to take place, TU representatives need to take paid time away from their jobs (known as Facility Time) in order to represent their members on an individual or collective basis. In line with recent regulatory requirements we have reported the amount of time TU colleagues have spent on Facility Time over the past year (1 April 2017 to 31 March 2018). Details of this can be found at: www.sheffield.ac.uk/hr/guidance/tu



The rainbow lanyard campaign, in support of LGBT+ colleagues.

Alumni and philanthropic support

Philanthropic support

The University has received over £7 million in philanthropic income, and has raised new gifts and pledges worth more than £8 million during 2017–8. These gifts are having an impact across the whole University, powering important research and providing opportunities for hundreds of talented students.

MRI-PET Scanner Campaign

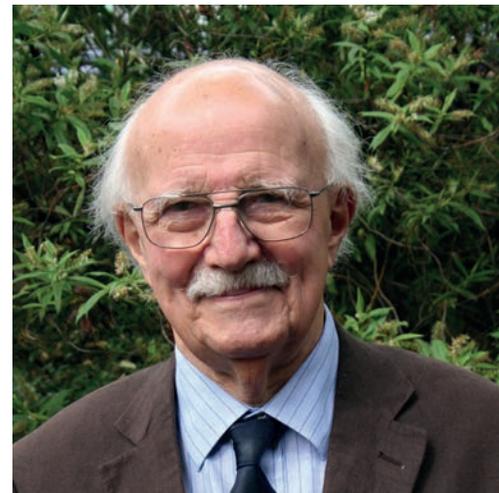
The Sheffield Scanner fundraising campaign reached its £1.5 million milestone in June 2018 and had exceeded £1.7 million by the end of the financial year. This total includes almost £250,000 from community fundraising activities (including a second Big Walk through the Peak District) involving over 750 staff, students, alumni and members of the public. The state-of-the-art scanner will be housed in a purpose-built facility attached to the Royal Hallamshire Hospital and adjacent to the University's Medical School, close to the University's Sheffield Institute for Translational Neuroscience (SITraN) and the Cancer Clinical Trials Centre at Weston Park Hospital. It will be one of only eight MRI-PET scanners in the UK and the first in Yorkshire.

Fundraising for Scholarships

£1 million was raised in 2017–18 to support 200 undergraduate and 50 postgraduate taught scholarships for students commencing their degrees in the 2018–19 academic year. More than 900 students have received undergraduate or masters scholarships funded by donations over the past five years.

Notable donations

- £750,000 received in the will of the late John Roach, an eminent and much loved Professor of Education. His gift has been endowed to create the Roach Scholarships which will benefit over 200 undergraduate and postgraduate students over the next 20 years.
- The Grantham Foundation for the Protection of the Environment has made a commitment of over £1.34 million towards their ongoing support to the Grantham Centre for Sustainable Futures.
- Alumnus Neil Rackham made a second generous gift of \$75,000 to support Sheffield Volunteering and was admitted, at a ceremony in July 2018 in the Octagon, to the Roll of Benefactors – for donors who give cumulative gifts of over £500,000.
- The iForge in the Diamond has been equipped and expanded through a gift of £50,000 from an alumnus and a £40,000 donation from the Reece Foundation.
- Over £1 million from legacy gifts, contributing to a range of initiatives including supporting the Archaeology Department's work on Castlegate, Scholarships, and the Sheffield Scanner campaign. Since 2002, the University has received over £11 million through gifts in wills.



John Roach



Above: Sheffield PET/MRI Facility

Right: The Big Walk 2018





*Recipients of Grantham scholarships
Photo by Joshua Swift, Psychology department*

Alumni from
45 countries
volunteered
during 2017–18.

Every faculty
has received
alumni support.

14% of alumni
volunteers had
also made a
financial gift to
the University.



Over 300 volunteers joined the 2018 Big Walk, walking 26.2 miles in support of the Sheffield Scanner.

Alumni volunteering continues to thrive

This year 979 alumni from 45 different countries gave collectively over 10,000 hours of their time to support the University, which benefited almost 5,000 students. Volunteer activities included mentoring students on career choices, helping with student recruitment and supporting widening participation (WP) activities. Arts and humanities and social sciences students from WP backgrounds visited businesses in London and networked with a range of successful alumni working in London. Alumna Helen Sharman OBE, the first Briton in space, officially opened the Diamond building on 20th July 2017.



Estates strategy

It has been another busy and productive year for our Estates and Facilities Management (EFM) department, with several major development projects underway.

Two new all-weather sports pitches – one for hockey and one for rugby/football – have been completed at our Norton site, along with additional changing facilities and spectator seating. As well as providing superb additional sporting facilities for our students and the local community, this development has allowed us to release land at the Northumberland Road site for the new Social Sciences building, scheduled for completion in 2021.

The Management School has continued to grow, creating demand for additional high quality teaching facilities. As well as an extension to the existing Management School building on Crookesmoor Road, we have also completed a project to create temporary teaching facilities on Northumberland Road.

A number of planning applications have been successful during the year, including permission for our new Energy Centre next to the Arts Tower. This will provide us with great resilience through its capacity to supply power and heat to a number of key University buildings. When operational from 2020, it will save more than 800 tonnes of carbon per year and lower the cost of heat and electricity for the University.

This year also saw the completion of the award-winning public realm transformation around the Leavygreave Road area, the 168-space cycle hub next to the Students'



Temporary teaching facilities on Northumberland Road

Union, and three new engineering research buildings on the former airport site next to Factory 2050.

Our strategy to improve the Engineering estate has continued throughout the year, with the refurbishment of the Sir Frederick Mappin building and the Central Wing, as part of the Engineering Heartspace project. These improvements will create new laboratories, offices and social space, brought together under an impressive curved glass roof, and are scheduled for completion in 2019.

The quality of our approach was also recognised externally, through the achievement and retention of a trio of standards from the British Standards Institution for our Energy Management System, Quality Management System and Environmental Management System.



Our University at a glance

Officers of the University Session 2017–18

The Chancellor

The Rt Hon Lady Justice Rafferty, DBE, PC, QC,
LBB, Hon LLD

The Pro-Chancellors

Mr A P Pedder OBE (Chair of Council)

Ms A M Hope

Mr R Mayson

The Treasurer

Mr D E Young CBE (to 31 July 2018)

Mr J T Sutcliffe (to 01 August 2018)

The President and Vice-Chancellor

Professor Sir Keith Burnett CBE, FRS
(to 30 September 2018)

Professor K Lamberts
(from 1 November 2018)

The Provost and Deputy Vice-Chancellor

Professor S West (to 31 August 2017)

Professor G Valentine (Provost and Deputy
Vice-Chancellor from 01 September 2017)

The Cross Cutting Vice-Presidents

Research and Innovation: Professor D N Petley

Education: Professor C W Morgan

The Faculty Vice-Presidents

Arts and Humanities: Professor S Fitzmaurice
(Interim Vice-President and Head of Faculty)

Arts and Humanities: Professor D Hadley
(Acting Vice-President and Head of Faculty)
(from 14 November 2017 to 30 April 2018)

Engineering: Professor M J Hounslow

Medicine, Dentistry and Health: Professor
Dame Pamela J Shaw DBE

Science: Professor N Clarke
(to 13 November 2017)

Science: Professor J Derrick
(Interim Vice-President and Head of Faculty)
(from 14 November 2017)

Social Sciences: Professor G Valentine
(to 31 August 2017)

Social Sciences: Professor C A Watkins
(Interim Vice-President and Head of Faculty)
(from 01 September 2017)

University Secretary

Dr T Strike

The Council of the University Session 2017–18

Ex-officio members

The Pro-Chancellors

The Treasurer

The President and Vice-Chancellor

The Provost and Deputy Vice-Chancellor

Persons appointed by the Council

Mr D J Bagley

Mr A Belton

Dr S F Eden

Mr S Sly

Dr J Nicholls

Mr J Sutcliffe

Mr A P W Wray

Dr K Layden

One Faculty Vice-President appointed annually by the President and Vice-Chancellor

Professor G Valentine (to 31 August 2017)

Professor Nigel Clarke (from 01 September 2017 to 31 October 2018)

Three members of the Senate elected by the Senate

Professor L Maltby

Professor M Siva-Jothy

Mr R Sykes

The President of the Students' Union

Mr K Maxwell (to 30 June 2018)

Ms L Jones (from 01 July 2018)

One person who is not a member of the academic or academic-related staff

Miss G Hague

Secretary to the Council

Dr T Strike

Faculties and Departments

Arts and Humanities

Archaeology, English, History, Languages and Cultures, Music, Philosophy, Sheffield Institute for Interdisciplinary Biblical Studies.

Engineering

Automatic Control and Systems Engineering, Chemical and Biological Engineering, Civil and Structural Engineering, Computer Science, Electronic and Electrical Engineering, Materials Science and Engineering, Mechanical Engineering.

Medicine, Dentistry and Health

Clinical Dentistry, Health and Related Research (SchARR), Human Communication Sciences, Infection, Immunity and Cardiovascular Disease, The Medical School, Neuroscience, Nursing and Midwifery, Oncology and Metabolism.

Science

Animal and Plant Sciences, Biomedical Science, Chemistry, Mathematics and Statistics, Molecular Biology and Biotechnology, Physics and Astronomy, Psychology.

Social Sciences

Architecture, East Asian Studies, Economics, Education, Geography, Information School, Journalism Studies, Landscape, Law, Management School, Politics, Sheffield Methods Institute, Sociological Studies, Urban Studies and Planning.

International Faculty – City College, Thessaloniki

Business Administration and Economics, Computer Science, English Studies, Executive Education Centre, Psychology.

Department for Lifelong Learning



Financial Statements 2017–2018.



Accessible
Entrance
Ramp

Corporate Governance

The following statement is intended to provide an understanding of the governance and legal structure of the University of Sheffield. The University is an independent corporation whose legal status derives from a Royal Charter granted in 1905. It is an educational charity, with exempt status, regulated by the Office for Students in its capacity as Principal Regulator. The University has charitable purposes and applies them for the public benefit. It must comply with the general law of charity. The University's charity number is X1089. The University's objectives, powers and governance framework are set out in its Charter and supporting Statutes and Regulations. This statement relates to the year ended 31 July 2018.

The University of Sheffield has a public interest duty to conduct its affairs in a transparent and responsible way, in accordance with the Nolan principles, to meet the regulatory requirements of relevant statutory bodies and complies with the Higher Education Code of Governance published by the Committee of University Chairs. The University's governing body, the Council, has reviewed its operation against the Code, and a subsequent effectiveness review has confirmed compliance.

Leadership

The President and Vice-Chancellor is the University's chief executive officer, and principal academic officer. The President and Vice-Chancellor is also the Accountable Officer for purposes of the Higher Education and Research Act 2017.

Under powers delegated by the Council, the President and Vice-Chancellor exercises a key role in terms of the development of institutional

strategy, the identification and planning of new developments and the shaping of institutional ethos. The President and Vice-Chancellor is a member of the Council and Chair of the Senate. A University Executive Board, comprising senior academic and professional services members, is appointed by and acts in an advisory capacity to the President and Vice-Chancellor. Ultimate responsibility for the management of the University and the conduct of its business rests with Council.

Governance

The Council

The University's Council is the governing body of the University and its board of charitable trustees, responsible for the strategic development and overall achievement of the University's mission and purposes. Subject to the delegated powers of the Senate, it has ultimate responsibility for all areas of operation. The Council's membership comprises lay and academic persons, including a student representative, appointed under the Statutes of the University, the majority of whom are non-executive. Members of the governing body provide a register of interests and a declaration that they are fit and proper persons. The role of the Chair of the Council is separate from that of the University's Chief Executive, the President and Vice-Chancellor. The performance of the President and Vice-Chancellor is monitored through the provisions of Section 6 of the Statutes and Regulation VI: 5 and through the existence and application of the Staff Review and Development Scheme, carried out by the Chair of the Council.

The appointment of the University Secretary with appropriate separation in the lines of accountability is through the provisions of Regulation VI: 8. The University Secretary is appointed by and responsible to the Council for the operation and conduct of the University's overall governance structures, ensuring effective processes are in place to provide assurance and to ensure legal and regulatory compliance. The University Secretary is the Secretary to the Council and the Senate and reports directly to the President and Vice-Chancellor.

The powers and functions of Council are set out in Regulation II:7-8. The matters specially reserved to the Council for decision are set out in the Statutes of the University. Among the powers the Council holds to itself are those relating to appointing the President and Vice-Chancellor, the approval of the University's strategic plan and the approval of financial forecasts, annual budgets, approving the annual audited accounts and appointing the University's auditors. Council delegates its powers to other bodies and individuals as appropriate and in accordance with the Scheme of Delegation set out in Regulation III, which is reviewed annually.

In addition to the Nominations Committee and Health and Safety Committee, which are formally constituted committees of the Council, much of the work of the Council is carried out through the following principal committees, all of which have terms of reference approved by Council and which report formally to Council:

- The Audit Committee is constituted in line with guidance issued by the Committee of University Chairs and comprises both lay members of the University Council and external co-optees with special expertise. Whilst senior executives attend meetings of the Audit Committee, they are not members of it. Both the external and internal auditors have independent access to the Committee, and vice versa. The Audit Committee is responsible for making recommendations to the governing body on the appointment of both the internal and external auditors to the University. The Committee meets with the external auditors to discuss their audit findings, and to review and approve the audit aspects of the annual financial statements; and it provides the governing body with its own opinions. It also approves and influences the annual audit plan prepared by the University's internal auditors, and considers completed audit reports dealing with recommendations for the improvement of the University's systems of internal control. The Committee also reviews management responses to audit reports and monitors implementation of recommendations. The Committee receives and considers reports from external funding and regulatory bodies as they affect the University's business and monitors adherence to the regulatory requirements. The Committee's role in relation to risk oversight and assurance is outlined below.
- The Finance Committee is the body responsible for advising the Council on all matters relating to the finances of the University including ensuring there are adequate and effective arrangements in place to provide transparency about value for money. The Committee recommends to the Council the University's Financial Statements for approval, annual revenue and capital budgets, monitors performance in relation to the approved budgets and monitors the execution of financial policies adopted by the Council.
- The Estates Committee acts as an expert advisory panel to the Council on estates matters in support of the Council's responsibility for the stewardship and development of the University estate and specifically to monitor the implementation of the University's Estate Strategy. The Committee reviews and appraises capital schemes to ensure effective and efficient procurement and scrutinises strategic development of the estate in terms of acquisitions and disposals. The Committee considers the implications of changing legislation, planning and governance requirements and monitors relevant statistics.
- The Human Resources Committee is responsible for making recommendations to the Council for new or revised Human Resources policies to support overall strategic Human Resources objectives. The Human Resources Committee also approves procedures and receives and considers reports from the Director of Human Resources, including Annual Reports of meetings with Campus Unions.
- The Senior Remuneration Committee is responsible for overseeing the appointments of executive and other senior members of staff, balancing the needs of the University in a competitive environment with the appropriate use of funds. The Committee operates in accordance with the CUC Higher Education Code of Governance and its operation has recently been reviewed to ensure compliance with the CUC's Remuneration Code.
- The Equality and Diversity Board develops strategy, monitors equality and diversity matters in the University, evaluates actions and progress and provides support and guidance in relation to the University's equality and diversity policies and action plans.

The Senate

- The Senate is the academic authority of the University, whose role is to oversee the teaching and research of the University, be responsible for academic quality and standards and for the admission and regulation of students on behalf of the Council. Chaired by the President and Vice-Chancellor, its membership is drawn mainly from the academic staff of the University and also includes student representatives. The Senate reports to Council and is required to provide assurance that academic governance is effective.

Full Statement of internal control

1. As the governing body of the University of Sheffield, the 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 we are responsible, in accordance with the responsibilities assigned to the governing body in the Charter and Statutes and the public interest governance principles set out in the regulatory framework for Higher Education in England.
2. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.
3. 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 the approval of the annual report and financial statements. The process is regularly reviewed by the Council and accords with the relevant Financial Reporting Council guidance. The University has formally applied the CUC

(Committee of University Chairs) Higher Education Code of Governance which is principally committed to identifying the key values and practices on which the effective governance of UK HE providers is based. The University manages risks through a Corporate Risk Register, which is reviewed regularly throughout the year and is considered by Council and Audit Committee. There are also Faculty and Professional Services Risk Registers, and Departmental Risk Registers for both academic and professional service departments. The Risk Review Group (a sub-group of the University Executive Board) oversees these different levels of risk. The University's risk management policy is reviewed annually by the Risk Review Group and by Council.

4. The following processes have been established:

- a. The performance, plans and strategic direction of the institution are specifically considered at one of the regular meetings of the Council every year.
- b. The University Council agrees and annually reviews a basket of Performance Indicators (PIs), linked to Strategic Plan goals, and has oversight of the outcomes achieved, direction of travel and distance from ambition, as set out in the Strategic Plan.
- c. The Council undertakes an annual assessment for the purpose of making its public statement on internal controls. This assessment considers issues dealt with in the periodic reports received.
- d. The Council receives periodic reports from the Chair of the Audit Committee concerning internal control and risk management, including in relation to University subsidiary companies.
- e. The Council in overseeing the management of strategic risks receives regular reports from Audit Committee and the Risk Review Group, which is a sub-group of the University Executive Board.
- f. The Audit Committee receives regular reports from Internal Audit, which include Internal Audit's independent opinion on the adequacy and effectiveness of the institution's system of internal control, together with recommendations for improvement. The Audit Committee may also request additional reports to gain assurance from other parties on areas of concern. A Data Assurance Group exists to support Audit Committee in its evaluation of the management and quality assurance of the external reporting of data to statutory and regulatory bodies.
- g. A risk prioritisation methodology based on risk ranking has been established.
- h. An organisation-wide risk register is maintained for corporate level risks, including the ability of the University to continue to comply with all of its conditions of registration with the Office for Students.
- i. A reporting structure has been implemented whereby high-level strategic opportunities and risks are overseen by the Risk Review Group and reported to the Audit Committee and Council. The University Executive Board receives reports on the action taken on all corporate level risks, along with suggestions for additions to and deletions from the risk register.
- j. Council has approved an Ethics Policy and receives an annual report on its operation. The Research Ethics Committee of Senate provides assurance over ethical matters associated with research activities.
- k. The University undertook a review of Council effectiveness during 2015-16. In future years these reviews will be carried out at four year intervals as required by the CUC Higher Education Code of Governance. Annual reviews based on feedback from Council members are also undertaken.
- l. The responsibility of Council to maintain and protect the principle of academic freedom is enshrined in the University Charter and appropriate references made during the induction of new members of Council.
- m. Sub-committees of the Senate Learning and Teaching Committee oversee the totality of the University's collaborative provision, reporting major developments or significant institutional risks through to Council as appropriate.
- n. The University keeps under regular review the policies, procedures and powers delegated by the Council to other bodies and individuals, including the President and Vice-Chancellor.
- o. The Secretary to Council is responsible for ensuring that the University's constitution is followed at all times, taking advice where appropriate.

5. The institution has contracted its internal audit function to an external provider. The provider's supervising partner for the assignment functions as the institution's Head of Internal Audit. The internal auditors submit regular reports, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the institution's system of internal control, with recommendations for improvement.
6. Our review of the effectiveness of the system of internal control is informed by the work of Internal Audit and by senior officers 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.

Responsibilities of the Council of the University of Sheffield

In accordance with the University's Statutes, the Council of the University of Sheffield is responsible for the strategic development and overall performance of the University of Sheffield and is required to present audited financial statements for each financial year.

The Council are responsible for preparing the financial statements in accordance with the requirements of the Office for Students' Terms and conditions of funding for higher education institutions and Research England's Terms and conditions of Research England grant and applicable law and regulations.

They are required to prepare group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The terms and conditions of funding further require the financial statements to be prepared in accordance with the 2015 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction issued by the Office for Students. The Council are required to prepare financial statements which give a true and fair view of the state of affairs of the group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period.

In preparing each of the group and parent University financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent University or to cease operations, or have no realistic alternative but to do so.

The Council is responsible for keeping proper accounts and proper records in relation to the accounts. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Council are also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them;
- funds provided by HEFCE have been applied in accordance with the Memorandum of Assurance and Accountability and any other terms and conditions attached to them
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the university's resources and expenditure.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the Council of the University of Sheffield

Opinion

We have audited the financial statements of The University of Sheffield (“the University”) for the year ended 31 July 2018 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Statement of Changes in Reserves, Consolidated and University Balance Sheet as at 31 July 2018, and Consolidated Cash Flow and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2018, and of the Group's and the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2015 Statement of Recommended Practice – Accounting for Further and Higher Education*; and
- meet the requirements of the Accounts Direction dated 19 June 2018 issued by the Office for Students.

Basis for opinion

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

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The Council is responsible for the other information, which comprises the Corporate Governance statement and the Responsibilities of the Council of the University of Sheffield statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Council responsibilities

As explained more fully in their statement set out on page 60, the Council is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the group or the parent University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

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

Report on other legal and regulatory requirements

We are required to report on the following matters under the Office for Students and Research England Audit Codes of Practice issued under the Further and Higher Education Act 1992.

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income has been applied in accordance with the University's statutes;
- funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them; and
- funds provided by HEFCE have been applied in accordance with the Memorandum of Assurance and Accountability and any other terms and conditions attached to them.

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

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

**Clare Partridge
for and on behalf of KPMG LLP,
Statutory Auditor**

Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
29 November 2018

Principal accounting policies

1. Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS) 102. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of some fixed assets and investments.

2. Basis of consolidation

The consolidated financial statements include the University and its main subsidiaries for the financial year to 31 July 2018. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of income and expenditure from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

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

Associated companies and joint ventures are accounted for using the equity method.

3. 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. 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

Grant funding including Funding Council or Office for Students block grant, research grants from government sources, and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the University is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restriction applied to the individual endowment fund.

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

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

Capital grants

Capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

4. Accounting for retirement benefits

The University participates in the Universities Superannuation Scheme (USS).

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.

USS has a full valuation by professionally qualified independent actuaries every three years.

The other principal pension scheme for the University's staff is the University of Sheffield Pension Scheme (USPS). The scheme is a cash balance defined benefit scheme which is externally funded. The scheme is valued every three years by professionally qualified independent actuaries.

USPS is accounted for as a defined benefit scheme under FRS102.

A small number of staff have joined other pension schemes:

NHSPS is a multi-employer defined benefit scheme, which the University has accounted for as a defined contribution scheme, and the amount charged to the statement of comprehensive income and expenditure represents the contributions payable to the scheme in respect of the accounting period.

FSSU is a money purchase scheme contracted into the State Second Pension (S2P). Contributions to this scheme have ceased.

Defined contribution schemes

A defined contribution scheme is a post-employment benefit scheme under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Defined benefit schemes

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

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

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

Asset-Backed Funding of University of Sheffield Pension Scheme

The University has created a Scottish Limited Partnership in order to operate an asset-backed funding scheme for the University of Sheffield Pension Scheme. The wholly-owned companies within this partnership are consolidated in the group accounts, and the University has taken advantage of an exemption allowed by Section 7 of the Partnership Regulations 2008, which provide that the partnership is exempt from audit.

5. 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.

6. Finance leases

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

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

7. Service Concession Arrangements

Fixed assets held under service concession arrangements are initially recognised on the Balance Sheet at the present value of the minimum lease payments when the assets are brought into use, with a corresponding financial liability. Subsequently fixed assets are shown at valuation less accumulated depreciation.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

8. Operating leases

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

9. Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income and expenditure except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised directly in other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of Other Comprehensive Income.

10. Intangible fixed assets

Major systems development projects are capitalised as intangible assets only where there is material expenditure on a clearly identifiable system which is expected to be in use for an extended period. These assets would normally be depreciated on a straight line basis over five years.

11. Fixed assets

Fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

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

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Land and buildings are measured using the revaluation model. Under the revaluation model, assets are revalued to fair value. The University has a policy of ensuring an external revaluation takes place at regular intervals. In the intervening years between external valuations, the University carries out an internal assessment, using published information on market rentals and building cost indices, to ensure that the book values of its assets are not materially different from their fair values. Depreciation and impairment losses are subsequently charged on the revalued amount.

A valuation of academic, office, ancillary and support buildings was carried out as at 31st July 2016 by Gerald Eve LLP, Chartered Surveyors.

A valuation of the Student Village properties held as a service concession was carried out as at 31 July 2017 by Gerald Eve LLP, Chartered Surveyors.

A valuation of the University's owned halls of residence and other residential properties was carried out as at 31 July 2018 by Saxton Mee Commercial.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Freehold land is not depreciated as it is considered to have an indefinite useful life.

For new build projects greater than £10 million and refurbishment projects greater than £5 million the project is split into the following components;

- Structure - 50 years
- Windows and Doors - 30 years
- Mechanical & Engineering - 25 years
- Industrial Kitchen and specialist lab furnishings - 25 years
- Finishes - 15 years

For assets that have not been componentised freehold buildings are depreciated on a straight line basis over their expected useful lives of up to a maximum of 50 years. Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years. Refurbishments are depreciated over their expected useful lives, up to a maximum of 20 years. Specialised short-life assets, for example synthetic sports pitches, are depreciated over their expected useful lives up to a maximum of seven years.

No depreciation is charged on assets in the course of construction.

Equipment

Equipment, including computers and software, costing less than £20,000 per individual item is recognised as expenditure. All other equipment, including groups of equipment is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life of a maximum of 10 years, with the exception of equipment acquired for a specific research project, which is depreciated over an average project life of three years.

Donated equipment is capitalised at its market value and depreciated over five years.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

Assets held for resale

Tangible fixed assets surplus to requirements are held at the lower of cost and net realisable value.

12. Heritage assets

The University is in possession of a small number of artworks, a museum collection of glassware and a zoology collection. Many of these items have been donated to the University. The University conducted an independent valuation of heritage assets by Andrew Firth, Fine Art and Antiques Limited at 31 July 2008 which showed that the value of these items was not material, and accordingly no heritage assets have been capitalised.

13. Investment Properties

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Statement of Comprehensive Income and Expenditure. Properties are not depreciated but are revalued on a regular basis.

Investment properties are disclosed within fixed assets in Note 12.

14. Investments

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment in the University's accounts.

Other non-current asset investments and current asset investments are held at fair value with movements recognised in the Consolidated Statement of Income and Expenditure.

15. Stock

Stock is held at the lower of cost and net realisable value.

16. Cash and cash equivalents

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

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

17. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- a) the University has a present obligation (legal or constructive) as a result of a past event;
- b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

18. Accounting for Joint Operations, Jointly Controlled Assets and Jointly Controlled Operations

The University accounts for its share of joint ventures using the equity method.

The University accounts for its share of transactions from joint operations and jointly controlled assets in the Consolidated Statement of Income and Expenditure.

19. Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

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

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

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

Deferred tax is provided in full on timing differences that exist at the balance sheet date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the balance sheet date. Unrelieved tax losses and

other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted.

20. 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.

21. Accounting estimates and judgements

Significant estimates and judgements used in the preparation of the financial statements are as follows:

- 1) The University participates in the Universities Superannuation Scheme (USS). Employers in this scheme have entered into an agreement with the scheme that determines how the employer will fund a USS pension deficit liability. Future deficit contributions are currently the subject of consultation, however the University has concluded that the current schedule of deficit contributions is appropriate to use as the basis of the provision for the year ended 31 July 2018.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the

extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The University is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

- 2) The University of Sheffield Pension Scheme (USPS) is accounted for as a defined benefit scheme. Pension costs under FRS102, and the amount of the provision in the balance sheet, are based upon the latest actuarial valuation, and assumptions, including the appropriate discount rate, agreed by management following actuarial advice. These assumptions are detailed in Note 31.
- 3) The University's land and buildings are held at fair value. Valuations are carried out at regular intervals by professionally qualified external valuers. Management make judgements as to whether any indicators of impairment are present for these assets.
- 4) The provision for doubtful debts is based on an estimate of the recoverability of those debts.
- 5) In 2005-06 the University entered into a 41 year contract with a third party provider for the provision and maintenance of student accommodation. Under FRS102 this arrangement has been accounted for as a service concession. The University's liability has been brought onto the balance sheet at a value based on the present value of the minimum lease payments. Payments made by the University to the third party provider are apportioned between the finance charge and repayment of the liability.
- 6) The University's liability for staff annual leave not taken as at the balance sheet date has been based on information available for staff who record their annual leave usage on the University's on-line system. This information has been extrapolated to obtain an estimate for all staff.

22. Financial Instruments

The University has chosen to apply the provisions of sections 11 and 12 of FRS 102 in full. Financial assets and financial liabilities are recognised in the University's balance sheet when the University becomes a party to the contractual provisions of the instrument. A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Most of the University's financial assets and liabilities all meet the criteria for basic financial instruments prescribed within FRS102. Basic financial assets and liabilities are measured as follows:

Investments

Investments within the scope of Section 11 of FRS 102 (therefore excluding investments in subsidiaries, associates and joint ventures) are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through the statement of comprehensive income). Subsequently, they are measured at fair value if the investment is publicly traded or their fair value can otherwise be measured reliably with the changes in fair value recognised in the statement of comprehensive income. All other investments are measured at cost less impairment.

Debtors and creditors

Debtors and creditors are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other operating expenses.

Loans

Loans which are basic financial instruments are initially recorded at transaction price, net of transaction costs. Subsequently, they are measured on the same basis.

Consolidated Statement of Comprehensive Income and Expenditure

Year ended 31 July 2018					
	Notes	Year ended 31 July 2018		Year ended 31 July 2017	
		Consolidated £m	University £m	Consolidated £m	University £m
Income					
Tuition fees and education contracts	1	303.2	303.2	281.7	281.7
Funding body grants	2	83.4	83.4	83.8	83.8
Research grants and contracts	3	197.5	196.8	155.9	155.9
Other income	4	101.7	88.8	93.9	85.0
Investment income	5	1.7	1.8	1.8	1.8
Donations and endowments	6	4.3	4.3	6.5	6.5
Total income		691.8	678.3	623.6	614.7
Expenditure					
Staff costs	7	325.1	319.9	327.5	323.5
Other operating expenses	9	212.4	208.9	209.3	206.0
Depreciation	12	80.7	80.5	78.4	78.1
Interest and other finance costs	8	18.6	18.5	17.8	17.8
Total expenditure	9	636.8	627.8	633.0	625.4
Surplus/(deficit) before other gains/(losses) and share of operating surplus/(deficit) of joint ventures and associates		55.0	50.5	(9.4)	(10.7)
Gain/(Loss) on disposal of fixed assets		0.3	0.1	(0.2)	(0.2)
(Loss)/Gain on investments	14,23	0.1	(0.7)	0.2	0.3
Share of operating (deficit)/surplus in joint venture	15	(0.4)	–	0.4	–
Gift Aid		–	5.3	–	1.5
Dividends received		–	–	–	1.1
Surplus/(deficit) before tax		55.0	55.2	(9.0)	(8.0)
Taxation	10	0.1	–	(0.1)	–
Surplus/(deficit) for the year		55.1	55.2	(9.1)	(8.0)
Unrealised gains					
Unrealised surplus on revaluation of land and buildings	12	76.9	76.4	47.6	47.6
Actuarial gain/(loss) in respect of pension schemes	32	88.9	88.9	(21.3)	(21.3)
Total comprehensive income for the year		220.9	220.5	17.2	18.3
Represented by:					
Endowment comprehensive income for the year		1.6	1.6	2.5	2.5
Restricted comprehensive expenditure for the year		(0.1)	(0.1)	1.7	1.7
Unrestricted comprehensive income for the year		162.1	161.7	28.6	29.6
Revaluation reserve comprehensive expenditure for the year		57.4	57.3	(15.5)	(15.5)
Attributable to the University		221.0	220.5	17.3	18.3
Attributable to the non-controlling interest		(0.1)	–	(0.1)	–
		220.9	220.5	17.2	18.3
Surplus/(deficit) for the year attributable to:					
Non controlling interest		(0.1)	–	(0.1)	–
University		55.2	55.2	(9.0)	(8.0)

All items of income and expenditure relate to continuing activities

An analysis of the income and expenditure account can be found within the Report of the Treasurer (page 12).

Consolidated and University Statement of Changes in Reserves

Year ended 31 July 2018							
	Income and expenditure account			Revaluation reserve	Total excluding Non Controlling Interest	Non controlling interest	Total
	Endowment	Restricted	Unrestricted				
	£m	£m	£m				
Consolidated							
Balance at 1 August 2016	39.7	1.9	327.2	451.3	820.1	0.2	820.3
Surplus/(deficit) from the income and expenditure statement	2.5	3.5	(15.0)	–	(9.0)	(0.1)	(9.1)
Other comprehensive income	–	–	(21.2)	47.6	26.4	–	26.4
Transfers between revaluation and income and expenditure reserve	–	–	15.5	(15.5)	–	–	–
Release of restricted funds spent in year	–	(1.8)	1.8	–	–	–	–
Total comprehensive income for the year	2.5	1.7	(18.9)	32.1	17.4	(0.1)	17.3
Balance at 1 August 2017	42.2	3.6	308.3	483.4	837.5	0.1	837.6
Surplus/(deficit) from the income and expenditure statement	1.6	2.3	51.3	–	55.2	(0.1)	55.1
Other comprehensive income	–	–	91.4	74.4	165.8	–	165.8
Transfers between revaluation and income and expenditure reserve	–	–	17.0	(17.0)	–	–	–
Release of restricted funds spent in year	–	(2.4)	2.4	–	–	–	–
Total comprehensive income for the year	1.6	(0.1)	162.1	57.4	221.0	(0.1)	220.9
Balance at 31 July 2018	43.8	3.5	470.4	540.8	1058.5	–	1058.5
University							
Balance at 1 August 2016	39.7	1.9	327.6	450.0	819.2	–	819.2
Surplus/(deficit) from the income and expenditure statement	2.5	3.5	(14.0)	–	(8.0)	–	(8.0)
Other comprehensive (expenditure)/income	–	–	(21.3)	47.6	26.3	–	26.3
Transfers between revaluation and income and expenditure reserve	–	–	15.5	(15.5)	–	–	–
Release of restricted funds spent in year	–	(1.8)	1.8	–	–	–	–
Total comprehensive income for the year	2.5	1.7	(18.0)	32.1	18.3	–	18.3
Balance at 1 August 2017	42.2	3.6	309.6	482.1	837.5	–	837.5
Surplus from the income and expenditure statement	1.6	2.3	51.2	–	55.1	–	55.1
Other comprehensive income	–	–	91.5	73.9	165.4	–	165.4
Transfers between revaluation and income and expenditure reserve	–	–	16.6	(16.6)	–	–	–
Release of restricted funds spent in year	–	(2.4)	2.4	–	–	–	–
Total comprehensive income for the year	1.6	(0.1)	161.7	57.3	220.5	–	220.5
Balance at 31 July 2018	43.8	3.5	471.3	539.4	1058.0	–	1058.0

Consolidated and University Balance Sheet as at 31 July 2018

Year ended 31 July 2018					
	Notes	As at 31 July 2018		As at 31 July 2017	
		Consolidated £m	University £m	Consolidated £m	University £m
Non-current assets					
Intangible assets	11	5.6	5.5	2.2	2.1
Fixed assets	12	1,337.9	1,336.2	1,249.6	1,247.7
Investments	14	12.0	49.6	12.9	50.9
Investment in joint venture	15	(0.3)	–	0.1	–
Investments in associate	16	–	–	–	–
Debtors and prepayments due in more than one year	17	0.3	31.6	0.2	35.1
		1,355.5	1,422.9	1,265.0	1,335.8
Current assets					
Stock		1.2	0.4	1.0	0.4
Trade and other receivables	18	81.8	84.4	83.8	81.9
Investments	19	38.5	38.5	37.7	37.7
Cash and cash equivalents	25	74.8	63.8	41.2	35.0
		196.3	187.1	163.7	155.0
Less: Creditors: amounts falling due within one year	20	(193.7)	(192.6)	(195.7)	(194.5)
Share of net liabilities in associate		–	–	–	–
Net current assets/(liabilities)		2.6	(5.5)	(32.0)	(39.5)
Total assets less current liabilities		1,358.1	1,417.4	1,233.0	1,296.3
Creditors: amounts falling due after more than one year	21	(178.9)	(238.7)	(180.6)	(244.2)
Provisions					
Pension provisions	22	(120.6)	(120.6)	(214.5)	(214.5)
Other provisions	22	(0.2)	(0.1)	(0.3)	(0.1)
Total net assets		1,058.4	1,058.0	837.6	837.5
Restricted Reserves					
Income and expenditure reserve - endowment reserve	23	43.8	43.8	42.2	42.2
Income and expenditure reserve - restricted reserve	24	3.5	3.5	3.6	3.6
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		470.4	471.3	308.3	309.6
Revaluation reserve		540.7	539.4	483.4	482.1
		1,058.4	1,058.0	837.5	837.5
Non-controlling interest		–	–	0.1	–
Total Reserves		1,058.4	1,058.0	837.6	837.5

The financial statements on pages 63 to 88 were approved by the Council on 26 November 2018 and were signed on its behalf by:

Mr. A. P. Pedder OBE,
Chair and Pro-Chancellor

Professor K. Lamberts,
President and Vice-Chancellor

Consolidated Statement of Cash Flow

Year ended 31 July 2018			
	Notes	Year ended 31 July 2018 £m	Year ended 31 July 2017 £m
Cash flow from operating activities			
Surplus/(deficit) for the year		55.1	(9.1)
Adjustment for non-cash items			
Depreciation	12	80.7	78.4
Amortisation of intangibles	11	–	–
Loss / (gain) on investments	14,23	0.9	(0.2)
Gain on endowment		(0.6)	–
Increase in stock		(0.2)	–
Decrease in debtors	17,18	1.9	3.4
Increase in creditors	20,21	2.0	11.6
Decrease in pension provision	22	(4.9)	(1.2)
Decrease in other provisions	22	(0.1)	(0.6)
Receipt of donated equipment		–	–
Share of operating deficit / (surplus) in joint venture	15	0.4	(0.4)
Share of operating (surplus) / deficit in associate		–	–
Adjustment for investing or financing activities			
Investment income	5	(1.7)	(1.8)
Interest payable	8	18.5	17.8
Endowment income		(0.6)	(1.5)
Profit on the sale of fixed assets		(0.4)	–
Loss / (gain) on disposal of current assets		–	–
Capital grant income		(52.0)	(21.1)
Net cash inflow from operating activities		99.0	75.3
Cash flows from investing activities			
Proceeds from sales of fixed assets		3.4	–
Proceeds from sales of intangible assets		–	–
Capital grants receipts		52.0	21.1
Disposal of non-current asset investments		–	0.4
Exchange gain on-current asset investments		–	–
Investment income	5	1.7	1.8
Payments made to acquire fixed assets	12	(98.6)	(104.7)
Payments made to acquire intangible assets	11	–	(1.7)
New non-current asset investments		–	(0.3)
New deposits		(0.2)	(1.7)
		(41.7)	(85.1)
Cash flows from financing activities			
Interest paid	8	(9.6)	(8.8)
Interest element of finance lease and service concession payments	8	(9.0)	(9.0)
Endowment cash received		0.6	1.5
New lease - Asset backed funding of USPS		–	–
New unsecured loans		0.5	0.2
Repayments of amounts borrowed		(2.7)	(2.7)
Capital element of finance lease and service concession payments		(3.5)	(3.1)
		(23.7)	(21.9)
Increase / (decrease) in cash and cash equivalents in the year		33.6	(31.7)
Cash and cash equivalents at beginning of the year	25	41.2	72.9
Cash and cash equivalents at end of the year	25	74.8	41.2

Notes to the Accounts

Note 1 Tuition fees and education contracts

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Full-time home and EU undergraduate students	134.8	134.8	132.8	132.8
Full-time home and EU postgraduate students	12.0	12.0	10.5	10.5
International students	128.8	128.8	109.0	109.0
Home and EU part-time students	3.9	3.9	3.8	3.8
NHS education contracts	6.1	6.1	6.3	6.3
Research Training Support Grant and other contracts	17.6	17.6	19.3	19.3
	303.2	303.2	281.7	281.7

Note 2 Funding body grants

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Recurrent grant				
Higher Education Funding Council	45.6	45.6	66.8	66.8
Office for Students	5.9	5.9	–	–
UK Research and Innovation (Research-England)	14.8	14.8	–	–
Capital grant	8.1	8.1	9.0	9.0
Specific grants				
Higher Education Innovation Fund	3.3	3.3	3.2	3.2
Global Challenge Research Fund	1.3	1.3	–	–
Other specific grants	4.4	4.4	4.8	4.8
	83.4	83.4	83.8	83.8

Note 3 Research grants and contracts

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Government UK and overseas	93.3	93.3	66.4	66.4
Research Councils	60.2	60.2	50.4	50.4
Research charities	12.8	12.8	13.6	13.6
Industry and commerce	27.0	27.0	23.7	23.7
Other grants and contracts	4.2	3.5	1.8	1.8
	197.5	196.8	155.9	155.9

Note 4 Other income

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Residences, catering and conferences	38.2	35.5	39.4	36.3
Other services rendered	28.9	28.9	23.8	23.8
Health Authorities	8.6	8.6	7.7	7.7
Capital grants	0.5	0.5	0.1	0.1
Other income	25.5	15.3	22.9	17.1
	101.7	88.8	93.9	85.0

Note 5 Investment income

	Notes	Year ended 31 July 2018		Year ended 31 July 2017	
		Consolidated £m	University £m	Consolidated £m	University £m
Investment income on endowments	23	1.1	1.1	1.2	1.2
Other investment income		0.6	0.7	0.6	0.6
		1.7	1.8	1.8	1.8

Note 6 Donations and endowments

	Notes	Year ended 31 July 2018		Year ended 31 July 2017	
		Consolidated £m	University £m	Consolidated £m	University £m
New endowments	23	0.6	0.6	1.3	1.3
Donations with restrictions		1.6	1.6	1.8	1.8
Unrestricted donations		2.1	2.1	3.4	3.4
		4.3	4.3	6.5	6.5

Notes to the Accounts

Note 7 Staff costs

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Staff Costs:				
Salaries	249.4	244.3	244.2	240.6
Social security costs	24.2	24.1	24.1	23.8
Movement on USS provision	(7.9)	(7.9)	(3.3)	(3.3)
Other pension costs	59.4	59.4	58.0	57.9
Staff Release Scheme	–	–	4.5	4.5
Total	325.1	319.9	327.5	323.5

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated Full-time equivalents	University Full-time equivalents	Consolidated Full-time equivalents	University Full-time equivalents
Staff numbers:				
Academic	2,568	2,568	2,516	2,516
Academic services	989	989	863	863
Central administration and services	482	482	570	570
Premises	520	520	495	495
Research grants and contracts	1,407	1,403	1,399	1,399
Other external	506	405	367	366
Residences, catering and conferences	223	122	289	178
Staff and student facilities	213	213	287	194
	6,908	6,702	6,786	6,581

Higher Education Senior Staff Remuneration Code:

The University of Sheffield is committed to transparency in its approach to the remuneration of its senior leadership team, including its President and Vice-Chancellor and is fully committed to the new Higher Education Senior Staff Remuneration Code which sets out principles to ensure fair and appropriate senior remuneration. The University's annual Remuneration Report and Statement as required by the Higher Education Senior Staff Remuneration Code is available at www.sheffield.ac.uk/govern/committees/senior-remuneration.

Number of staff with a University funded FTE basic salary of £100,000 or more:

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated Number	University Number	Consolidated Number Restated	University Number Restated
£100,000 to £104,999	23	23	29	29
£105,000 to £109,999	13	13	2	2
£110,000 to £114,999	2	2	9	8
£115,000 to £119,999	7	6	2	2
£120,000 to £124,999	2	2	2	2
£125,000 to £129,999	4	4	2	2
£130,000 to £134,999	2	2	3	3
£135,000 to £139,999	1	1	5	5
£140,000 to £144,999	3	3	–	–
£145,000 to £149,999	3	3	2	2
£150,000 to £154,999	3	3	2	2
£155,000 to £159,999	3	3	2	2
£160,000 to £164,999	–	–	–	–
£165,000 to £169,999	–	–	–	–
£170,000 to £174,999	–	–	1	1
£175,000 to £179,999	–	–	–	–
£180,000 to £184,999	–	–	1	1
	66	65	62	61

Total numbers included in the above table are lower than reported in previous Financial Statements. This is due to changes in the reporting requirements for senior staff pay set out in the Office for Students Regulatory advice 9: Accounts direction (June 2018). University funded basic full-time equivalent salary is now reported. In previous years total pay (excluding employer pension contributions) for both University and externally funded staff was reported.

Notes to the Accounts

Note 7 Staff costs (continued)

Remuneration of the President and Vice-Chancellor (Professor Sir Keith Burnett):

	Year Ended 31 July 2018 £	Year Ended 31 July 2017 £
Salary	345,770	339,990
Bonus	34,577	33,999
Payments in lieu of pension contributions	50,137	49,299
Employer USS deficit recovery contribution	7,261	7,140
Taxable Benefits	3,347	3,286
Non-taxable Benefits	14,688	14,688
	455,780	448,402

The Senior Remuneration Committee is responsible for determining the remuneration of the University's Executive Board, including the President and Vice-Chancellor. The Committee is independent, consisting of lay members of Council and chaired by the Chair of Council. In line with the principles of the HE Senior Staff Remuneration Code, the Chair is assumed by another lay member when any decision on the remuneration of the President and Vice-Chancellor is made. The members of the Senior Remuneration Committee bring a wealth and breadth of remuneration expertise from different sectors. They take into account the University's progress, independent job evaluation using Hay methodology, external benchmarking data and other information to help determine senior levels of pay.

Before his retirement at the end of September 2018, Professor Sir Keith Burnett was one of the most senior and long-serving Vice-Chancellor's in the Russell Group. His salary reflects the importance the University attaches to having a leader in Higher Education - who is highly-respected within and beyond the sector, both in the UK and internationally - as the senior executive of this large and complex organisation with an annual turnover of £692m in 2017-18.

As with all staff across the HE sector, base pay for the President and Vice-Chancellor increased by 1.7 per cent - the same rate as the national pay award in 2017. The President and Vice-Chancellor was also awarded a bonus of 10% of basic salary, in line with the University's Executive Bonus Scheme. Executive bonus payments are determined by the Senior Remuneration Committee on the successful delivery of pre-agreed stretch objectives; they also take into account the overall performance of the University. A maximum bonus payment of 10% was agreed for the President and Vice-Chancellor which reflected the University's overall successful performance, including outstanding student satisfaction, sustained increases in research funding, league table success and flagship collaboration with industry. The President and Vice-Chancellor's has led a proactive programme of global engagement building on key areas of research strength, including advanced manufacturing, healthcare technologies and science as well as global partnerships in technical education. external profile and lobbying continued to have an important impact for the University and the sector. His external profile and lobbying continue to have an important impact for the University and the sector.

Professor Sir Keith Burnett retired on 30 September 2018. His successor, Professor Koen Lamberts joined the University on 1 November 2018. Details of the agreed remuneration package for Professor Koen Lamberts can be found at www.sheffield.ac.uk/govern/committees/vc-remuneration-statement

Pay multiples

Pay ratios show the relationship between the President and Vice-Chancellor's remuneration and all other employees (University and subsidiary), expressed as a multiple.

The total salary multiple includes: basic full-time equivalent pay at 31 July 2018 plus the total value of the following paid in the financial year: Allowances, bonus, employer pension contributions, overtime, benefits in kind, non-taxable benefits (paid to the President and Vice-Chancellor) and recognition awards.

Basic salary

In 2017-18 the basic salary of the President and Vice-Chancellor was 10.6 times greater than the median basic salary of all other employees (including externally funded salaries) and 11.6 times greater than the median basic salary of all other employees (excluding externally funded salaries).

Total salary

In 2017-18 the total salary of the President and Vice-Chancellor was 12.3 times greater than the median total salary of all other employees (including externally funded salaries) and 13.5 times greater than the median total salary of all other employees (excluding externally funded salaries).

As a comparison, the basic salary of the new President and Vice-Chancellor (Professor Koen Lamberts) is 8.8 times greater than the median basic salary of all other employees (including externally funded salaries) in 2017-18 and 9.6 times greater than the median basic salary of all other employees (excluding externally funded salaries). The estimated total salary of the new President and Vice-Chancellor is 9.5 times greater than the median total salary of all other employees (including externally funded salaries) in 2017-18 and 10.4 times greater than the median total salary of all other employees (excluding externally funded salaries) in 2017-18.

The salaries of atypical employees/workers and agency workers are not included in the pay multiples. The pay rates for the University's atypical workforce are in line with the University's grading structure. As atypical workers typically work in a variety of roles, attracting different pay rates and are normally for one-off or irregular assignments it is very difficult to determine a FTE salary for each atypical worker across the financial year.

Notes to the Accounts

Note 7 Staff costs (continued)

Compensation for loss of office

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Total amount of compensation payable	1.0	1.0	6.0	6.0
	Number	Number	Number	Number
Number of staff to whom this was payable	143	139	429	423

The compensation in 2016-17 included costs of £4.5m (number of staff 179) in respect of a Staff Release Scheme.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs includes compensation paid to key management personnel.

Key management personnel are defined as the University Executive Board, which is the President and Vice-Chancellor's executive group and is comprised of: the President and Vice-Chancellor, the Provost and Deputy Vice-Chancellor, 5 Faculty Vice-Presidents, Vice-President for Research and Innovation, Vice-President for Education, Chief Financial Officer, Chief Operating Officer and Director of Academic Services.

Note that compensation consists of salary and benefits including any employers pension contribution.

	Year Ended 31 July 2018 £m	Year Ended 31 July 2017 £m
Key management personnel compensation	2.4	2.5

Council Members

No council member has received any remuneration or waived payments from the group during the year (2017 - none). Expenses paid to Council members are disclosed in note 9.

Note 8 Interest and other finance costs

	Notes	Year ended 31 July 2018		Year ended 31 July 2017	
		Consolidated £m	University £m	Consolidated £m	University £m
Loan interest		4.4	4.3	4.5	4.5
Finance lease interest (including service concession finance charge)	13	9.2	9.2	9.0	9.0
Interest cost from USS provision		1.3	1.3	1.2	1.2
Net interest cost on University of Sheffield Pension Scheme	31	3.7	3.7	3.1	3.1
		18.6	18.5	17.8	17.8

Notes to the Accounts

Note 9 Analysis of total expenditure

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Analysis of other operating expenses				
Consumables and laboratory expenditure	17.7	17.4	21.0	20.7
Books and periodicals	6.8	6.8	6.9	7.0
Printing, stationery and postage	3.6	3.6	3.9	3.9
Rates	2.4	2.0	2.2	2.0
Fellowships, scholarships and prizes	34.1	34.0	33.3	33.3
Furniture and equipment	19.3	19.3	17.4	17.4
Heat, light, water and power	13.8	13.4	12.0	12.0
Repairs and general maintenance	10.6	10.5	15.8	15.5
Grants to University of Sheffield Students' Union	3.5	3.5	3.4	3.4
Rents	14.8	14.4	14.3	14.5
Auditors' remuneration	0.1	0.1	0.1	0.1
Auditors' remuneration in respect of non-audit services	0.1	0.1	0.1	0.1
Professional fees and bought in services	37.2	37.2	27.7	27.7
Provision for bad & doubtful debts	(0.1)	(0.2)	1.5	1.5
Administrative expenses	8.6	8.6	9.5	9.5
Travel & subsistence expenses	13.7	13.6	13.4	13.3
Payments to non-contracted staff	7.7	7.7	8.2	8.2
Conference and meeting expenditure	2.3	2.3	2.6	2.6
Professional subscriptions	2.7	2.7	2.4	2.4
Student placement fees	2.0	2.0	1.8	1.8
Other expenses	11.5	9.9	11.8	9.1
	212.4	208.9	209.3	206.0

Travel and subsistence includes expenses paid to 6 Council members of £4,746 (2017: £3,382 to 6 Council members) in respect of their duties as Council members.

Other operating expenses include payments under operating leases which are detailed in note 30.

Note 9 Analysis of total expenditure (continued)

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Analysis of total expenditure by activity				
Academic departments	218.3	218.3	212.4	212.4
Academic services	46.4	46.4	47.4	47.4
Central administration and services	26.5	26.5	32.0	32.0
General Educational expenditure	34.5	34.5	32.3	32.3
Staff and student facilities	13.7	13.7	14.3	14.3
Research grants and contracts	127.2	127.2	125.3	125.3
Residences, catering and conferences	45.0	43.5	42.3	40.8
Premises (including service concession cost)	81.2	81.2	83.8	83.8
Other expenses	44.0	36.5	43.2	37.1
	636.8	627.8	633.0	625.4

Note 10 Taxation

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Recognised in the statement of comprehensive income				
Current tax expense	–	–	0.1	–
Deferred tax expense	(0.1)	–	–	–
Total tax expense	(0.1)	–	0.1	–

Note 11 Intangible assets

	Year ended 31 July 2018	
	Consolidated £m	University £m
Software		
Opening balance	2.2	2.1
Additions in the year	3.4	3.4
Amortisation charge for the year	–	–
Closing balance	5.6	5.5

The addition during the year relates to the development of a software intangible asset. The amortisation period will be 5 years.

Notes to the Accounts

Note 12 Fixed Assets						
	Freehold Land and Buildings £m	Leasehold Land and Buildings £m	Service concession arrangement (Note 13) £m	Fixtures, Fittings and Equipment £m	Assets in the Course of Construction £m	Total £m
Group						
Cost or valuation						
At 1 August 2017	921.1	39.4	240.5	238.5	60.8	1,500.3
Additions	18.4	–	–	36.2	40.6	95.2
Transfers	21.0	–	–	2.3	(23.3)	–
Surplus on revaluation	14.2	0.2	–	–	–	14.4
Loss on revaluation	(11.0)	(4.1)	–	–	–	(15.1)
Disposals	(2.9)	–	–	(6.6)	–	(9.5)
At 31 July 2018	960.8	35.5	240.5	270.4	78.1	1,585.3
Consisting of:						
Valuation	842.8	26.4	76.8	–	–	946.0
Cost	118.0	9.1	163.7	270.4	78.1	639.3
	960.8	35.5	240.5	270.4	78.1	1,585.3
Depreciation						
At 1 August 2017	60.7	5.2	–	184.9	–	250.8
Charge for the year	40.2	3.7	6.7	29.3	–	79.9
Impairment write down	0.6	–	–	0.2	–	0.8
Written back on revaluation	(70.2)	(7.3)	–	–	–	(77.5)
Disposals	–	–	–	(6.6)	–	(6.6)
At 31 July 2018	31.3	1.6	6.7	207.8	–	247.4
Net book value						
At 31 July 2018	929.5	33.9	233.8	62.6	78.1	1,337.9
At 31 July 2017	860.4	34.2	240.5	53.6	60.8	1,249.6
University						
Cost or valuation						
At 1 August 2017	919.5	39.4	240.5	237.2	60.8	1,497.4
Additions	18.4	0.1	–	36.0	40.6	95.1
Transfers	21.0	–	–	2.3	(23.3)	–
Surplus on revaluation	13.8	0.2	–	–	–	14.0
Loss on revaluation	(10.9)	(4.2)	–	–	–	(15.1)
Disposals	(2.6)	–	–	(6.6)	–	(9.2)
At 31 July 2018	959.2	35.5	240.5	268.9	78.1	1,582.2
Consisting of:						
Valuation	842.8	26.4	76.8	0.1	–	946.1
Cost	116.4	9.1	163.7	268.8	78.1	636.1
	959.2	35.5	240.5	268.9	78.1	1,582.2
Depreciation						
At 1 August 2017	60.4	5.2	–	184.1	–	249.7
Charge for the year	40.2	3.7	6.7	29.1	–	79.7
Impairment write down	0.6	–	–	0.1	–	0.7
Written back on revaluation	(70.2)	(7.3)	–	–	–	(77.5)
Disposals	–	–	–	(6.6)	–	(6.6)
At 31 July 2018	31.0	1.6	6.7	206.7	–	246.0
Net book value						
At 31 July 2018	928.2	33.9	233.8	62.2	78.1	1,336.2
At 31 July 2017	859.1	34.2	240.5	53.1	60.8	1,247.7

At 31 July 2018, freehold land and buildings included £24.2m (2017 - £23.7m) in respect of freehold land which is not depreciated.

In addition two investment properties valued in total at £7.7m (2017 - £5.2m) were included above.

The University has applied an uplift to the values of specialised academic and administrative land and building assets which are valued on a depreciated replacement cost basis. The uplift of £73.7m reflected the increase in building cost indices since the last professional valuation as at July 2016. The next professional valuation of these assets will take place in July 2019.

A valuation of the University's residential property (excluding property in the Service concession arrangement) was carried out as at 31 July 2018 by external valuer Saxton Mee Commercial.

Notes to the Accounts

Note 13 Service Concession Arrangements

The University has one on Balance Sheet arrangement where service delivery has commenced.

Movement in Service concession arrangement assets

The asset value of the service concession included in the Balance Sheet as at 31/07/2018 is £233.8m (31/07/2017: £240.5m). The decrease of £6.7m is depreciation in the year.

Movement in Service concession arrangement liabilities

The total liabilities relating to the service concession included in the Balance Sheet as at 31/07/2018 were £108.8m (31/07/2017 £112.2m). The sum of £3.4m was repaid during the year.

Future commitments

The following table analyses the University's future commitments in relation to service concession arrangements.

	Payable in 1 year	Payable in 2-5 years	Payable in more than 5 years	Total
	£m	£m	£m	£m
Liability repayments	3.5	12.1	93.2	108.8
Finance charge	5.6	20.8	65.4	91.8
Service charge	5.2	25.0	204.4	234.6
	14.3	57.9	363.0	435.2

The notes below give more information on the University's current service concession arrangements:

During 2005-2006 the University entered into a 41-year contract with a third party provider, for the provision and maintenance of student accommodation. Service commenced in 2006 and the contract will end in 2047.

The assets and liabilities relating to this scheme are recognised on the University's Balance Sheet.

Annual rental payments made to the provider are recorded in other operating expenses.

Note 14 Non-Current Investments

	Subsidiary companies	Subsidiary investment in spinouts	Other fixed assets investments	Total
Consolidated	£m	£m	£m	£m
At 1 August 2017	–	–	12.9	12.9
Additions	–	–	–	–
Disposals	–	–	–	–
Appreciation	–	–	0.2	0.2
Exchange movements	–	–	–	–
Impairment	–	–	(1.1)	(1.1)
At 31 July 2018	–	–	12.0	12.0
University				
At 1 August 2017	5.3	–	45.6	50.9
Additions	–	–	–	–
Disposals	–	–	–	–
Appreciation	–	–	0.2	0.2
Exchange movements	–	–	–	–
Impairment	(0.4)	–	(1.1)	(1.5)
At 31 July 2018	4.9	–	44.7	49.6

Investments that are listed are held at fair value.

Note 15 Investment in joint venture

The University holds an equal share in N8 Ltd (12.5%) and in Stem Learning Ltd (25%). The arrangements are treated as joint ventures and accounted for using the equity method, such that 12.5% and 25% of the companies gross assets and liabilities respectively are incorporated into the consolidated balance sheet of the University and 12.5% and 25% of net income is reported in the University's consolidated income and expenditure account.

	Year ended 31 July 2018		Year ended 31 July 2017	
	£m	£m	£m	£m
Income and expenditure account				
Income		4.2		4.2
Deficit before tax		(0.4)		0.4
Balance sheet				
Fixed assets	0.2		0.3	
Current assets	1.3		1.2	
		1.5		1.5
Creditors: amounts due within one year	(1.2)		(1.1)	
Creditors: amounts due after more than one year	(0.6)		(0.3)	
		(1.8)		(1.4)
Share of net (liabilities) / assets		(0.3)		0.1

Notes to the Accounts

Note 16 Investment in associates

The University has holdings in the following companies:

Company	%	Principal Activity
Blastech Ltd	24.9%	Blast, impact and ballistic testing services
Conteque Ltd	24.9%	Novel reinforcement systems for structural concrete
Enactus Sheffield Limited	*	Social enterprise company
Leonardo Testing Services Ltd	33.3%	Testing services for research and development
High Value Manufacturing Catapult	*	Grants management
IFRF Limited	*	Non profit research
Keapstone Therapeutics Ltd	33.3%	Virtual Biotechnology
Knowledge Now Ltd	37.6%	Semantic based solutions for knowledge sharing
Knowledge Flo Ltd	45.0%	Holding company
Limit State Ltd	25.0%	Computational limit analysis and software design
Redbrick Molecular Limited	*	Chemistry research and development

* Limited by guarantee.

All companies are incorporated in Great Britain.

Note 17 Debtors and prepayments due in more than one year

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Amounts falling due in more than one year:				
Prepayment: ABF lease	–	31.2	–	34.8
Loans to Group companies	0.3	0.4	0.2	0.3
	0.3	31.6	0.2	35.1

Note 18 Trade and other receivables

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Amounts falling due within one year:				
Research grants accrued income	24.4	24.4	16.0	16.0
Prepayments and other accrued income	33.8	33.4	38.9	38.6
Other receivables	23.6	22.5	28.7	27.1
Amounts due from subsidiary companies	–	4.1	0.2	0.2
	81.8	84.4	83.8	81.9

Note 19 Current Investments

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Short term investment in shares	38.5	38.5	37.7	37.7
Short term bonds	–	–	–	–
Short term deposits	–	–	–	–
	38.5	38.5	37.7	37.7

Note 20 Creditors: amounts falling due within one year

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Bank loans	2.8	2.8	2.7	2.7
Secured loans	–	–	–	–
Unsecured loans	0.1	0.1	0.1	0.1
Obligations under finance leases	–	3.6	–	3.5
Service concession arrangements (note 13)	3.5	3.5	3.4	3.4
Trade payables	17.5	17.0	14.9	14.9
Social security and other taxation payable	8.1	7.9	7.0	7.0
Accruals and deferred income	131.2	129.9	135.6	133.7
Other creditors	30.5	27.8	32.0	29.2
	193.7	192.6	195.7	194.5

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Research grants received on account	45.7	45.7	46.8	46.8
Other income	37.5	37.5	31.3	31.3
	83.2	83.2	78.1	78.1

Notes to the Accounts

Note 21 Creditors: amounts falling due after more than one year

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Service concession liabilities due after one year	105.3	105.3	108.8	108.8
Obligations under finance lease	–	60.0	–	63.7
Long term creditor	0.6	0.4	0.5	0.4
Deferred income	4.2	4.2	–	–
Bank and other loans	9.0	9.0	11.5	11.5
Private placement	59.8	59.8	59.8	59.8
	178.9	238.7	180.6	244.2
Analysis of loans, private placement and finance lease				
Due within one year or on demand (Note 20)	2.9	6.6	2.7	6.2
Due between one and two years	2.9	6.7	2.7	6.4
Due between two and five years	8.1	19.8	8.1	19.5
Due in five years or more	57.8	102.4	60.5	109.1
Due after more than one year	68.8	128.9	71.3	135.0
Total unsecured loans and finance lease	71.7	135.4	74.0	141.2
Unsecured loans repayable by 2047	71.7	71.7	74.0	74.0

Included in loans and private placement are the following:

Lender	Amount £m	Term	Interest rate %	Borrower	Date
Unifund Plc	59.8	40 years bullet repayment	5.33 - Fixed	University	31 May 2007
Scottish Widows Ltd	11.3	15 years quarterly repayment	5.46 - Fixed	University	30 November 2007
			0.76 - variable		
Salix Finance Ltd	0.6	4 years biannual repayment	Interest free	University	
Total	71.7				

Note 22 Provisions for liabilities

	Obligation to fund deficit on USS Pension £m	USPS Defined benefit obligation (Note 32) £m	Total Pensions Provisions £m	Other £m	Total Provisions £m
Consolidated					
At 1 August 2017	67.3	147.2	214.5	0.3	214.8
Utilised in year	(7.9)	–	(7.9)	(0.1)	(8.0)
Additions in 2017-18	1.3	–	1.3	–	1.3
Unused amounts reversed in 2017-18	–	(87.3)	(87.3)	–	(87.3)
At 31 July 2018	60.7	59.9	120.6	0.2	120.8
University					
At 1 August 2017	67.3	147.2	214.5	0.1	214.6
Utilised in year	(7.9)	–	(7.9)	–	(7.9)
Additions in 2017-18	1.3	–	1.3	–	1.3
Unused amounts reversed in 2017-18	–	(87.3)	(87.3)	–	(87.3)
At 31 July 2018	60.7	59.9	120.6	0.1	120.7

USS pension deficit provision

The obligation to fund the past deficit on the University's Superannuation Scheme (USS) arises 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 and salary payment over the period of the contracted obligation in assessing the value of this provision.

Other provisions

Other provisions include the final disposal costs of sealed sources as defined by the High Activity Sealed Source regulations of 2005 (S12005 No. 2686). The current estimates for the provision are £1,800 for the disposal of a large Sr-90 source and £107,300 for the disposal of two IBL 437C irradiators. These provisions will be renewed on a biennial basis.

Notes to the Accounts

Note 23 Endowment Reserves

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments	Unrestricted permanent endowments	Expendable endowments	2018 Total	2017 Total
	£m	£m	£m	£m	£m
Balances at 1 August 2017					
Capital	20.2	8.2	9.4	37.8	35.1
Accumulated income	3.8	–	0.6	4.4	4.6
	24.0	8.2	10.0	42.2	39.7
New endowments	0.5	–	0.1	0.6	1.3
Investment income	0.7	0.3	0.1	1.1	1.2
Expenditure	(0.4)	(0.3)	(0.1)	(0.8)	(1.4)
Realisations	–	–	–	–	–
Increase in market value of investments	0.4	0.2	0.1	0.7	1.4
Total endowment comprehensive income for the year	1.2	0.2	0.2	1.6	2.5
At 31 July 2018	25.2	8.4	10.2	43.8	42.2
Represented by:					
Capital	21.1	8.4	9.5	39.0	37.8
Accumulated income	4.1	–	0.7	4.8	4.4
	25.2	8.4	10.2	43.8	42.2
Analysis by type of purpose:					
Lectureships	4.4	–	0.1	4.5	4.3
Scholarships and bursaries	15.3	–	3.1	18.4	17.4
Research support	1.5	–	5.0	6.5	6.5
Prize funds	1.8	–	1.5	3.3	3.2
General	2.2	8.4	0.5	11.1	10.8
	25.2	8.4	10.2	43.8	42.2
Analysis by asset					
Current and non-current asset investments				38.5	37.7
Cash & cash equivalents				5.3	4.5
				43.8	42.2

Deficit balances

The accumulated income relating to the following permanent endowments is currently in deficit. The income to cover these deficits is expected to be received by 31 July 2019.

Balances at 31 July 2018:	Capital	Income
	£	£
HC Sorby Chair of Geology	81,419	(846)
Dr Eric Bateson Bursary in Medicine	13,408	(3)
	94,827	(849)

Notes to the Accounts

Note 24 Restricted Reserves

Reserves with restrictions are as follows:

	2018 Total £m	2017 Total £m
Balances at 1 August 2017	3.6	1.9
Research grant income	0.2	1.4
Other restricted income	2.1	2.1
Expenditure	(2.4)	(1.8)
Total restricted comprehensive (expenditure)/income for the year	(0.1)	1.7
At 31 July 2018	3.5	3.6
Analysis of other restricted funds / donations by type of purpose:		
Lectureships	–	–
Scholarships and bursaries	0.8	0.6
Research support	1.6	2.1
Prize funds	–	–
General	1.1	0.9
	3.5	3.6

Note 25 Cash and cash equivalents

	At 1st August 2017 £m	Cash Flows £m	At 31st July 2018 £m
Consolidated			
Cash and cash equivalents	41.2	33.6	74.8
	41.2	33.6	74.8
University			
Cash and cash equivalents	35.0	28.8	63.8
	35.0	28.8	63.8

Note 26 Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2018:

	31 July 2018		31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Commitments contracted for	39.1	39.1	59.1	59.1
Commitments not contracted for	77.6	77.6	105.3	105.3
	116.7	116.7	164.4	164.4

Note 27 Contingent liabilities

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

Castings Technology International Ltd
Everyday Juice Ltd
In-Tend Ltd
In-Tend Asset Management Ltd
Unicus Sheffield Ltd

The management of the University believe it is not practicable, at the time of signing these accounts, to calculate the financial effect and/or timing of any requirement for funding that could arise from the letters of support, but believe that any support required would not be considered a material liability to the University.

Note 28 Linked charities

Included in the endowments are a small number of linked (paragraph (w)) charities:

	Opening balance £m	Income £m	Expenditure £m	Change in market value £m	Closing balance £m
Consolidated					
Yorkshire Cancer Research Endowment	4.5	–	–	–	4.5
4 funds and charities each with income below £100,000:	0.4	–	–	–	0.4
	4.9	–	–	–	4.9

The main charitable purpose of the Yorkshire Cancer Research Endowment is the funding of cancer research.

The Funds and charities with income below £100,000 comprise two lecture funds, a prize fund, a fund to support scholarships and small projects.

Notes to the Accounts

Note 29 Subsidiary undertakings

The subsidiary companies wholly-owned or effectively controlled by the University are as follows:

Company	Principal Activity	%
AMRC Korea**	Advanced manufacturing research	100.00%
AMRC Management Ltd	Advanced manufacturing research	100.00%
Castings Technology International Ltd	Advanced casting manufacturing and research	100.00%
epiGenesys Ltd	Custom software solutions and web applications	100.00%
Escafeld Estates Ltd	Property disposal for student residences strategy	100.00%
Everyday Juice Ltd	Health and wellbeing	75.00%
FaraPack Polymers Ltd	Innovative packaging solutions	100.00%
In-Tend Ltd	Procurement software	75.00%
In-Tend Asset Management Ltd	Procurement software	*
Risk2Value Ltd	Insurance services	100.00%
Sheffield Advisory Services Sdn Bhd	University Malaysian Office	100.00%
Suel Ltd	Business and management consultancy	100.00%
The National Metals Technology Centre Ltd	Licensing of NAMTEC name to the University	*
TUOS Parking Ltd	Car park services	100.00%
Unicus Sheffield Ltd	Hotel services	100.00%
UoS LP Ltd	Partner in asset backed funding of University Pension scheme	100.00%
UoS GP Ltd	Partner in asset backed funding of University Pension scheme	100.00%

* Limited by guarantee ** AMRC Korea is a wholly owned foundation

Apart from Sheffield Advisory Services Ltd, which is incorporated in Malaysia, and AMRC Korea, which is incorporated in South Korea, all companies are incorporated in Great Britain.

Note 30 Lease obligations

Total rentals payable under operating leases:

Consolidated and University	31 July 2018				31 July 2017
	Land and Buildings £m	Printers £m	Vehicles £m	Total £m	Total £m
Payable during the year	8.3	0.6	0.1	9.0	8.4
Future minimum lease payments due:					
Not later than 1 year	9.1	0.3	0.1	9.5	8.0
Later than 1 year and not later than 5 years	36.0	0.2	0.1	36.3	2.6
Later than 5 years	9.6	–	–	9.6	0.1
Total lease payments due	54.7	0.5	0.2	55.4	10.7

Note 31 Events after the reporting period

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. We are working with the trustees of the University of Sheffield Pension scheme (USPS) to understand the extent to which the judgment crystallises additional liabilities for our pension scheme. The extent to which the judgment will increase the liabilities in USPS is not possible to identify at this point. For the University's other defined benefit scheme USS, the provision included within the financial statements at note 22 will only be impacted to the extent that the change in benefits increases cash financing.

Notes to the Accounts

Note 32 Pension Schemes

The two principal schemes for the University's staff are the Universities' Superannuation Scheme (USS), and the University of Sheffield Pension Scheme (USPS). In addition, for some clinical staff, contributions are paid to the National Health Service Pension Scheme (NHSPS).

The total pension costs for the University were:

	Year Ended 31 July 2018 £m	Year Ended 31 July 2017 £m
USS contributions	52.1	51.1
USPS service costs	5.7	5.3
NHSPS contributions	1.6	1.5
	59.4	57.9
Movement on USS provision	(7.9)	(3.3)
Total pensions costs included in staff costs	51.5	54.6
USS pension finance cost	1.3	1.2
USPS and ex-gratia pensions net interest charge	3.7	3.1
Total pensions cost included in interest costs	5.0	4.3
USPS administration cost in other operating expenses	1.2	0.9
Actuarial (gain)/loss relating to USPS and ex-gratia pensions	(88.9)	21.3
Total pension (gain)/cost	(31.2)	81.1

(i) The Universities Superannuation Scheme

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

Since the institution cannot identify its share of the 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:

Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females Post-retirement: 96.5% of SAPS SINMA "light" for males and 101.3% of RFV00 for females
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	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

	2018	2017
USS Scheme assets and liabilities		
Scheme assets	£63.6 billion	£60.0 billion
Total scheme liabilities	£72.0 billion	£77.5 billion
FRS102 total scheme deficit	£8.4 billion	£17.5 billion
FRS102 total funding level	88%	77%

Notes to the Accounts

Note 32 Pension Schemes (continued)

(ii) University of Sheffield Pension Scheme

Disclosure for the accounting period ending 31 July 2018

The last formal triennial actuarial valuation of the scheme was performed as at 1 April 2017 by a professionally qualified actuary.

During the accounting period, the University paid contributions to the scheme in accordance with the tiered contribution structure that had been effective from 1 December 2011.

The University also provides ex-gratia pension benefits to certain employees and former employees who previously did not join other pension arrangements. Ex-gratia benefits have now ceased accruing for all such employees. The University currently pays ex-gratia pensions of £410,174 p.a. These liabilities are not separately funded.

Assumptions

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

	At 31 July 2018	At 31 July 2017
	%pa	%pa
Price Inflation (RPI)	3.05	3.05
Price Inflation (CPI)	2.05	2.05
Rate of increase in salaries	2.85	4.35
Rate of increase of pensions in payment for USPS members	2.05	2.05
Rate of increase of pensions in payment for ex-gratia pensioners*	3.05	3.05
Increases to deferred pensions before retirement	2.05	2.05
Discount rate	2.91	2.58

*Ex-gratia pensions for non-academics are subject to fixed 3% pa increases. The assumption shown here is for the increases to ex-gratia pensions for academic members.

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.

	Males		Females	
	Pensioner	Non-pensioner (currently aged 45)	Pensioner	Non-pensioner (currently aged 45)
At 31 July 2017	21.7	23.9	24.2	26.5
At 31 July 2018	22.1	23.6	24.5	26.3

Scheme assets and expected rate of return for USPS

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 assets in the scheme were:

	Fair value as at		
	31 July 2018 £m	31 July 2017 £m	31 July 2016 £m
Equities	129.0	126.2	117.9
Government bonds	8.8	6.3	5.1
Corporate bonds	28.0	28.2	22.1
Property	15.9	14.7	13.7
Cash	4.5	3.3	2.3
Total	186.2	178.7	161.1

Notes to the Accounts

Note 32 Pension Schemes (continued)

The tables below include, where applicable, disclosures for the USPS and Ex-gratia pensions combined to enable clear presentation. The Ex-gratia pensions account for £4.7m of the total liabilities of £59.9m and £0m of the total assets.

	Year Ended 31 July 2018 £m	Year Ended 31 July 2017 £m
Analysis of the amount shown in the balance sheet for USPS and ex-gratia pensions:		
Scheme assets	186.2	178.7
Scheme liabilities	(246.1)	(325.9)
Deficit in the scheme – net pension liability recorded within pension provisions	(59.9)	(147.2)
Amount charged to Income and Expenditure for USPS		
Current service cost	5.7	5.3
Administration expenses	1.2	0.9
Total operating charge	6.9	6.2
Analysis of the amount charged to interest payable for USPS and Ex-gratia pensions		
Interest cost	8.3	7.1
Expected return on assets	(4.6)	(4.0)
Net charge to interest payable	3.7	3.1
Analysis of other comprehensive income for USPS and ex-gratia pensions		
Gain on assets	(2.5)	(13.6)
Experience (gain) on liabilities	(29.7)	(0.1)
(Gain)/loss on liabilities	(56.7)	35.0
Total other comprehensive income before deduction for tax	(88.9)	21.3
	At 31 July 2018 £m	At 31 July 2017 £m
Cumulative actuarial loss recognised as other comprehensive income for USPS and ex-gratia pensions		
Cumulative actuarial losses recognised at the start of the year	120.0	98.7
Cumulative actuarial losses recognised at the end of the year	31.0	120

	At 31 July 2018 £m	At 31 July 2017 £m
Analysis of movement in deficit for USPS and ex-gratia pensions		
Deficit at beginning of year	147.2	125.1
Contributions or benefits paid by the University	(8.9)	(8.5)
Current service cost	5.6	5.3
Administration charge	1.2	0.9
Net interest cost	3.7	3.1
(Gain)/loss recognised in other comprehensive income	(88.9)	21.3
Deficit at end of year	59.9	147.2
Analysis of movement in the present value of USPS and ex-gratia liabilities		
Present value of USPS and ex-gratia liabilities at the start of the year	321.0	286.2
Current service cost (net of member contributions)	5.6	5.3
Interest expense	8.2	7.1
Actual member contributions (including notional contributions)	0.3	0.3
Actuarial (gain)/loss	(86.5)	34.9
Actual benefit payments	(7.2)	(7.9)
Present value of USPS and ex-gratia liabilities at the end of the year	241.4	325.9
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	178.7	161.1
Expected return on assets	4.6	4.1
Actuarial gain on assets	2.5	13.6
Actual contributions paid by University	8.5	8.1
Expenses paid from scheme assets	(1.3)	(1.1)
Actual member contributions (including notional contributions)	0.3	0.3
Actual benefit payments	(7.1)	(7.4)
Fair value of scheme assets at the end of the year	186.2	178.7
	Year to 31 July 2018 £m	Year to 31 July 2017 £m
Actual return on Scheme assets		
Expected return on Scheme assets	4.6	4.1
Actuarial gain on assets	2.5	13.6
Actual return on Scheme Assets	7.1	17.7

Estimated contributions for USPS in the Financial Year 2018–2019 is £9.5m.

Notes to the Accounts

Note 33 Financial Instruments				
	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £m	University £m	Consolidated £m	University £m
Measured at fair value				
Non-current investments held at fair value (note 14)	12.0	44.7	13.0	45.6
Endowment investments held at fair value (note 19)	38.5	38.5	37.7	37.7
Measured at cost				
Trade and other receivables (note 18)	81.8	84.4	83.9	81.9
Trade payables (note 20)	(17.5)	(17.0)	(14.9)	(14.9)
Social security and other taxation payable (note 20)	(8.0)	(7.9)	(7.0)	(7.0)
Accruals and deferred income (note 20 and 21)	(131.2)	(129.8)	(135.6)	(133.7)
Other creditors (note 20 and 21)	(31.1)	(28.2)	(25.8)	(29.6)
Bank and other non-secured loans (note 20 and 21)	(11.9)	(11.9)	(14.2)	(14.2)
Private placement (note 21)	(59.8)	(59.8)	(59.8)	(59.8)
	(127.2)	(87.0)	(122.7)	(94.0)

Notes to the Accounts

Note 34 Related Party Disclosure

Due to the nature of the University's operations and the composition of its Council (being drawn from local public and private sector organisations) and senior management team, it is inevitable that transactions will take place with organisations in which a member of Council or the senior management team may have an interest. All transactions involving organisations in which a member of Council or the senior management team may have an interest, including those identified below, are conducted at arms length and in accordance with the University's financial regulations and usual procurement procedures.

Transactions with wholly owned subsidiaries which have been consolidated in the Group accounts are not disclosed below.

Related Party	Income	Expenditure	Balances at 31 July 2018 due to the University
	£m	£m	£m
University Companies			
Everyday Juice Ltd	–	0.1	–
Blastech Ltd	0.1	–	–
Redbrick Molecular Ltd	–	0.1	–
Sheffield University Student's Union	1.8	0.8	0.2
The Russell Group of Universities	–	0.1	–
Sheffield Advisory Services Sdn Bhd	–	0.2	–
N8 Ltd	0.1	0.1	–

Organisations and Companies in which members of Council or senior management have an interest:-

Related Party	Income	Expenditure	Balances at 31 July 2018 due (from)/ to the University
	£m	£m	£m
Henry Boot Plc	–	4.2	(0.4)
Higher Education Funding Council for England	59.0	–	–
Sheffield Teaching Hospitals NHS Fdn Trust	–	1.7	–
EEF Ltd	13.2	–	2.3

Henry Boot Plc is a construction and property development business, listed on the London Stock Exchange. Mr J Sutcliffe is the Group C.E.O.

Higher Education Funding Council for England (HEFCE) was a non-departmental public body, responsible for the distribution of funding for higher education. This was replaced by the Office for Students in April 2018. Professor Sir K Burnett was a member of HEFCE.

Sheffield Teaching Hospitals NHS Foundation Trust is a provider of healthcare services. Mr A P Pedder is the Chairman of the Trust.

EEF Ltd (formerly Engineering Employers' Federation) is the largest sectoral employers' organisation. Mr A P Pedder is a director.

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