

Registered number: 07091173
Charity number: 1136030

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

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THE CAMBRIDGE UNION SOCIETY**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2021**

Trustees	The Rt. Hon. Lord Smith of Finsbury PC MA PhD, Chair Dr N J Yandell, Ph.D. (Cantab) Mr N Heath, MA, FRICS The Hon. D Janner QC, MA (Cantab) Mr D H Branch MA (Cantab) Ms A A K Taylor MA (Hons) (Cantab) Ms R Green MA (Cantab) Mr D N Robinson MA (Cantab) FCA Sir Christopher John Greenwood (appointed 1 October 2020) Mr C Godsal, Director of Debating (appointed 5 May 2020) Ms E Ullah, President (appointed 11 June 2020) Ms J Seo, Vice President (appointed 1 July 2020) Ms D Ellinikaki, Director of Debating (appointed 7 September 2021) Mr J Vitali, President (appointed 2 December 2021)
Company registered number	07091173
Charity registered number	1136030
Registered office	9A Bridge Street Cambridge CB2 1UB
Bursar	Colonel (Retd) W A Bailey, MBE, BSc, MInstRE, FCMI
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	Lloyds Bank Plc 3 Sidney Street Cambridge CB2 3HQ HSBC Bank Plc 32 Market Hill Cambridge CB2 3NU
Solicitors	Howes Percival Terrington House 13-15 Hills Road Cambridge CB2 1NL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Investment Managers	Quilter Cheviot One Kingsway London WC2B 6AN
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THE CAMBRIDGE UNION SOCIETY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2021

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Cambridge Union Society (the company and group) for the year ended 30 June 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(Second edition – October 2019) (effective 1 January 2019).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required. The Charity is known as the Union.

OBJECTIVES AND ACTIVITIES

Policies and objectives

Though the year has been severely affected by the effects and restrictions due to Covid-19, the trustees and officers remain committed to the general objects of the charity (listed below) that are for the benefit of the Cambridge Union Society members and of the public more generally. The charity's primary object is the advancement of education, in particular by:

- promoting the skill of debating and the consideration of matters of public life or importance;
- hosting educational events including, but not limited to, debates on topics of importance and lectures given by individual persons of distinction;
- providing training in the practice of debating to Cambridge Union Society members and also by providing for the tuition of others in the practice of debating by Cambridge Union Society members;
- providing for the entrance of Cambridge Union Society members in debating competitions, including competitions held by the charity, and also by providing opportunities for members of the public to compete in the practice of debating;
- assisting Cambridge University Students' Union with the organisation and promotion of events aimed at widening access to Cambridge University and the promotion of higher education more generally;
- providing opportunities to encourage the exchange of ideas and provision of access by the public to the charity's facilities and events;
- providing workshops for the pupils of schools and colleges to attend to introduce them to the practice of debating; and
- enabling students and young people from disadvantaged backgrounds to participate in activities and events aimed at increasing their confidence, skills and aspirations.

The Union organises and hosts a national schools' debating competition to encourage the skills of young debaters. A number of bursaries are offered to schools with limited means to take part in this competition each year. The Union participates in international debating championships. The Union also encourages a number of younger children from schools from inner-city areas to visit the Union where they are encouraged to learn to debate. The trustees intend to continue and develop these activities. In setting its policies and objectives, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Overview

The Union has worked its way through a very challenging year in which we have finally completed our major redevelopment project. The pandemic meant the cancellation of nearly all our commercial events. However, with close attention to the Government's Covid-19 instructions, the Union has remained in operation with a series of successful virtual and in person speaker and debating events.

Major building redevelopment

The Union's historic buildings have been significantly renovated and upgraded in a development that completed at a cost of £5.9m, in May 2021. The development had been delayed by approximately 6 months due to unforeseen complications in construction and the effects of Covid-19. The development delivers a renovated façade on Round Church street, and significantly upgraded Union member facilities as well as new public access areas.

Debating

The Union's debating squad has had a successful year, both competitively and with regards to the Union's charitable activities. While the pandemic ensured that debating was taken completely online, our squad adapted marvellously and enjoyed the additional access to competitions held all around the world. At the World Championships, held online but organised by the Korean debate organisation, one of our teams reached the knockouts and at the European Championships, organised by the Spanish organisation, one team reached the open knockouts, and another reached the semi-finals in the English as a Second Language category. Moreover, this year we hosted three debating competitions in line with our charitable objectives. Cambridge Schools was the largest competition ever held ever, with over 1,500 participants across four continents. Regional rounds were held in countries such as Zimbabwe, Greece, India, Canada, the Republic of Ireland, and Hong Kong. We also hosted the Cambridge IV, which saw over 350 participants from across the world engage in heated debates over zoom, as well as the Cambridge Woman's Open. Moreover, the Union organised workshop training streams with a dedicated curriculum for over 150 members across the course of the year, sending many more debaters than before to online competitions all over the world.

Speakers and Debates

Perhaps inevitably for an organisation whose primary function is to host large indoor events, the pandemic posed some significant challenges. Strenuous efforts were, however, made at every turn to compensate for the imposition of lockdown and wider government restrictions on social contact. The Michaelmas term ran a mixture of online and in-person events, with socially-distanced seating and a mask requirement for much of the term, before the Alpha variant took hold and much of the termcard, which included people like Gemma Collins, Theresa May, and Jane Goodall, was either postponed or moved online. In Lent, as lockdown lingered and Cambridge students remained at home, the entire term was moved online. But since online events are no substitute for the real thing, many of the best names in the termcard were saved for later - with Rory Stewart the flagship event of the term itself, but Gary Neville, Stella McCartney, and AJ Tracey confirmed for in-person speaking down the line. Easter, therefore, was the recipient of numerous stored-up chamber-filling events, and itself added to the pile events including Jeremy Corbyn and the ever-popular and ever-perplexing Chris Eubank. These were delivered, as in Michaelmas, to a distanced, mask-wearing audience; the delay to Freedom Day meant a full academic year without normal rules. Across this period, our debates ranged from the viral (a debate on lockdowns took Twitter by storm when published online in Lent) to the tribal (our 'no confidence in Her Majesty's Government' debate kicked things off superbly, as it always does, in Michaelmas). If there is one saving grace of the past year it is that we have been left in good stead for the return of normality, with lots of exciting speakers keen to visit, and lots of good debate ideas.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

FINANCIAL REVIEW

Income from new membership was down due to the pandemic at £128,796, compared to £263,704 last year. Sponsorship of Union events £46,210 compared to £57,529 the previous year.

As previously reported, the trustees' close monitoring of the Union monthly management accounts revealed a projected shortfall in our cash availability, towards the last six months of the development, which finished in May 2021. The trustees debated the issue and considered either liquidating part or all of our equity portfolio, selling Round Church House (valued at £650,000) or requesting a bank loan. After due consideration, it was decided to approach HSBC bank, who agreed a development loan of £1,500,000. Subsequent to the year-end and with the project now complete, this development loan has been converted into a commercial loan repayable over 15 years, with an additional overdraft facility of £100,000 to provide additional flexibility through Covid-related uncertainties.

During the year, the Cambridge Union Society Enterprises Limited (CUSEL), the charity's trading subsidiary company, made a loss so covenanted no payment to the charity (2020: £1,999, 2019: £2,119, 2018: £215,898). This continued reduction in CUSEL's net income has been caused by the final phase of the site development, which closed our main bar and prevented us from holding major events (such as conferences and weddings) and, of course latterly, the pandemic. The CUSEL board considered the significant drop in income and asked the Union trustees to approve a loan facility of £300,000 to cover any such shortfalls in its finances. The Union trustees considered the request and scrutinised the projected future CUSEL cash flow figures for the next 3 years. They took into consideration the opening of the two new bars and a new kitchen facility (providing a total of 147 covers) in addition to a much-enhanced events capability (post-development) before agreeing this loan. Any amounts borrowed (at 30 June 2021, amounts borrowed were £1,500,000) are to be repaid under the terms of a formal commercial loan agreement between the Union and CUSEL.

Total gains on the balance of the equity investment portfolio during the year were £144,666 (2020: loss of £6,828, 2019: gains of £390,877) and the value of the investments at the end of the year was £1,067,330 (2020: £982,468, 2019: £1,018,259).

At the completion of the development project, the Union undertook a formal independent valuation of its property assets and these values have been included in these financial statements. Investment properties owned by CUS, previously values at £1,105,000 have been revalued at £1,000,000 resulting in a revaluation loss of £105,000. In combination with the gains on the equity investments reported above, this gives rise to an unrealised overall gain on investment assets in the financial year to 30 June 2021 of £39,666 (2020: loss of £6,828).

As part of the property valuation, the CUS's freehold land and redeveloped building has been valued at £9,000,000, giving rise to a fixed asset write down in these financial statements of £1,761,010.

Reserves policy

To ensure prudent financial planning, the trustees have set a target reserves approximately equal to 3 months of operation, a sum of £300,000. This policy will be reviewed regularly. With funds of £9,339,853 (2020: £11,410,085) and with actual reserves of £237,931 (2020: £3,960,600) (unrestricted funds less operational assets) at the year-end, the trustees consider the state of the Union's affairs to be adequate.

Going concern

The charity has prepared cashflows and budgets for the underlying operations of the charity and its subsidiary. Accordingly, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Risk

A good relationship between the trustees and the student officers is essential to the effective running of the Union and has therefore been identified as an important risk to the charity. This has continued to be improved and plans are to continue gatherings involving both trustees and Standing Committee officers.

The trustees continually review the major strategic, business and operational risks which the charity faces. All electronic data, including membership, is backed up professionally offsite. In addition, the procedure for the selection of potential controversial speakers have been codified to minimise risk to the Union's reputation and in which the trustees hold the final decision, as required by the Charities Commission.

The site development finally cost £5,900,000, which remained within the current resources of the charity. The charity contracted a range of expert advisers, which minimised the overall business risk and financial risk of the project.

Due to the pandemic, detailed risk assessments were conducted and routinely updated on the Union's current and future operations. The Union building was initially closed and key staff were provided with the computer capability to work remotely from home. Non-essential staff were placed on furlough. Both sets of staff were contacted weekly, via Zoom to ensure their continued Health and Safety. Masks were worn by all when entering the Union and multiple hand sanitiser stands were established. As the Government gradually relaxed the rules the charity slowly opened its doors again to the both members and public and staff were brought back into work from furlough, with masks being worn by all member and public facing staff.

Material investments policy

In accordance with the charity's laws, the members have authorised the trustees to invest in such stocks, shares, investments and property as they see fit. In order to comply with the recommended practice of the Charity Commission and of the accounting profession, investments are stated at market value in the accounts. In common with many universities and similar institutions, the charity does not invest in companies that make weapons or defence equipment.

Fundraising policy

The charity does not do use any third party fundraisers.

PLANS FOR THE FUTURE

In planning for the future the Union's trustees are first of all waiting to see how the new facilities that have just been completed perform. The new bar and Brasserie opened in May 2021. This will all increase CUSEL income streams and profitability. It will also decrease the Union's entertainment costs of our celebrity speakers and debating guests. Increasing the profitability of the Bar & Brasserie is ongoing and the CUSEL Directors hold monthly Board Meetings where the Bursar and Finance Manager report on this progress (The General Manager reports at the CUSEL Board Meeting on the performance of the BAR/Brasserie – The Orator)

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Cambridge Union Society was formed and registered with both Companies House (Registered Company Number: 07091173) and the Charity Commission (Registered Charity Number: 1136030) and the assets transferred from the old to the new charity on 1 July 2010. There have been some small changes to the constitution of the charity during the reporting year. The subsidiary company, Cambridge Union Society Enterprises Limited, was created to handle the growing business interests of the charity. The Cambridge Union Society Enterprises Limited or CUSEL (Registered Company Number: 06785468) started its operations on the 1 July 2010.

Trustees

The trustees of the charity who served during the year were:

The Rt Hon. the Lord Smith of Finsbury PC MA PhD, Chair

Dr N J Yandell PhD (Cantab)

Mr J N Heath, MA, FRICS

The Hon. D Janner QC, MA (Cantab)

Mr D Branch MA (Cantab)

Ms A A K Taylor MA (Hons) (Cantab)

Mrs R Green MA (Cantab)

Mr D N Robinson MA (Cantab) FCA

Sir Christopher John Greenwood (appointed 1st October 2020)

Mr James Vitali* (appointed 2nd December 2021)

Mr Keir Bradwell* (appointed 23rd June 2021)

Mr Patrick Connolly (appointed 25th June 2021)

Ms Dionysia Ellinikaki, (appointed 7th September 2021)

Mr Frederick Fisk* (appointed 3rd December 2020, resigned 23rd March 2021)

Mr C Godsall* (appointed 5 May 2020, resigned 25th February 2021)

Ms Alycia Leach* (appointed 5th June 2019, resigned 1st July 2020)

Mr Tamkeen Nawab* (appointed 6th April 2021, resigned 25th June 2021)

Mr Joel Rosen* (Appointed 23rd March 2021, resigned 23rd June 2021)

Ms Jungmin Seo* (appointed 1st July 2020, resigned 25th June 2021)

Ms E Ullah* (appointed 11 June 2020, resigned 3rd December 2020)

* Term of office as President, Vice President and Director of Debating of the Union.

Method of appointment or election of Trustees

New trustees are currently appointed on the basis of recommendation and formal acceptance by the serving officers of Standing Committee, the student-elected officers who run the Union on a daily basis and by the serving trustees.

The chair of the trustees is normally recruited from the heads of house of colleges of Cambridge University. The current chair is the master of Pembroke College. In accordance with the laws of The Cambridge Union Society, a trustee's term of office shall be for 5 years from the date of his or her appointment. Prior to the expiration of a trustee's term of office the board may vote, without the trustee being present to extend that trustee's term of office for a further 5 years. There shall be no limit to the number of times a trustee's term may be extended. The president's term of office as a trustee shall be the same as his or her term of office as the president of the Cambridge Union Society. The vice president and director debating serve for one year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Pay policy for senior staff

The trustees delegate the operational running of the charity to the bursar. The bursar's salary is benchmarked against the University pay scales.

Policies adopted for the induction and training of Trustees

Induction and training of new and existing trustees is completed on an informal basis and updated on an ongoing basis as appropriate.

Organisational structure and decision making

The trustees set out the general policy of the charity. The day-to-day affairs of the charity are administered by the Standing Committee of volunteer officers of the society supported by the regular staff led by the Bursar. The trustees, who meet regularly, at least 3 times each term, provide strategic guidance.

Charity Governance Code

The trustees of the Union are conscious of their responsibilities under the Charity Governance Code. As stated above, the trustees have a very clear vision of the objectives of the Union. To achieve this, the board, which includes the student president, student vice president and the bursar, provides the necessary leadership to all areas of the Union's activities through its monthly meetings. Issues are tabled, discussed, and clear decisions made. Trustees also volunteer to serve as directors of our subsidiary company and on various sub-committee dealing with specific issues or events. An evaluation of key risks is undertaken periodically and, if necessary, mitigating actions agreed for implementation by the officers and staff of the Union or its subsidiary. On the wider subject of diversity, the trustees recognise that the board requires more BME (three this year) and women (two this year) as members of the eleven strong board.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of The Cambridge Union Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



The Right Honourable Lord Smith of Finsbury PC MA PhD **Mr D N Robinson MA (Cantab) FCA**
Chair of Trustees
Date: 06 January 2022



Trustee

THE CAMBRIDGE UNION SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE UNION SOCIETY

OPINION

We have audited the financial statements of The Cambridge Union Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2021 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 30 June 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE UNION SOCIETY
(CONTINUED)

otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company'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 the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE UNION SOCIETY
(CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with Trustees and other management, and from our knowledge and experience of the sector;
We obtained an understanding of the legal and regulatory framework applicable to the charitable company and how the entity is complying with that framework;
- We obtained an understanding of the charitable company's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- We identified which laws and regulations were significant in the context of the charitable company; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed audit work over the risk of management override of controls, including testing a sample of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing correspondence with relevant regulators.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE UNION SOCIETY
(CONTINUED)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jayne Rowe (senior statutory auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 7 January 2022

THE CAMBRIDGE UNION SOCIETY
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2021**

		Unrestricted funds 2021	Total funds 2021	Total funds 2020
	Note	£	£	£
INCOME FROM:				
Donations and legacies	3	312	312	2,572
Charitable activities	4	264,728	264,728	288,770
Other trading activities:				
Fundraising		50,368	50,368	64,636
Trading activities		136,006	136,006	215,563
Trading activities		4,990	4,990	-
Investments	7	130,203	130,203	155,096
Other income	8	58,708	58,708	29,614
TOTAL INCOME		645,315	645,315	756,251
EXPENDITURE ON:				
Raising funds:	9			
Fundraising trading		262,300	262,300	227,606
Investment management		1,768	1,768	7,177
Other raising funds		52,908	52,908	453
Charitable activities		677,227	677,227	663,410
TOTAL EXPENDITURE		994,203	994,203	898,646
Gains (losses) on investments		39,666	39,666	(6,828)
NET EXPENDITURE		(309,222)	(309,222)	(149,223)
OTHER RECOGNISED GAINS & LOSSES				
Fixed Asset Revaluation adjustment (note 13)		(1,761,010)	(1,761,010)	-
NET MOVEMENT IN FUNDS		(2,070,232)	(2,070,232)	(149,223)
RECONCILIATION OF FUNDS:				
Total funds brought forward		11,410,085	11,410,085	11,559,308
Net movement in funds		(2,070,232)	(2,070,232)	(149,223)
TOTAL FUNDS CARRIED FORWARD		9,339,853	9,339,853	11,410,085

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 39 form part of these financial statements.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 07091173

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	9,101,922	7,449,485
Investments	15	1,067,330	982,468
Investment property	14	1,000,000	1,105,000
		<u>11,169,252</u>	<u>9,536,953</u>
CURRENT ASSETS			
Stocks	17	18,040	5,958
Debtors	18	77,763	139,656
Cash at bank and in hand		228,743	2,401,505
		<u>324,546</u>	<u>2,547,119</u>
Creditors: amounts falling due within one year	19	(568,604)	(518,007)
NET CURRENT LIABILITIES / ASSETS		<u>(244,058)</u>	<u>2,029,112</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,925,194</u>	<u>11,566,065</u>
Creditors: amounts falling due after more than one year	20	(1,585,341)	(155,980)
TOTAL NET ASSETS		<u><u>9,339,853</u></u>	<u><u>11,410,085</u></u>
CHARITY FUNDS			
Unrestricted funds	22	9,339,853	11,410,085
TOTAL FUNDS		<u><u>9,339,853</u></u>	<u><u>11,410,085</u></u>

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 07091173

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2021

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



The Right Honourable Lord Smith of Finsbury PC MA PhD

Chair of Trustees
Date: 06 January 2022



Mr D N Robinson MA (Cantab) FCA

Trustee

The notes on pages 20 to 39 form part of these financial statements.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 07091173

CHARITY BALANCE SHEET
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	9,101,922	7,449,485
Investments	15	1,067,331	982,469
Investment property	14	1,000,000	1,105,000
		<u>11,169,253</u>	<u>9,536,954</u>
CURRENT ASSETS			
Debtors	18	158,235	138,714
Cash at bank and in hand		214,901	2,385,572
		<u>373,136</u>	<u>2,524,286</u>
Creditors: amounts falling due within one year	19	(465,739)	(495,175)
NET CURRENT LIABILITIES / ASSETS		<u>(92,603)</u>	2,029,111
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,076,650</u>	<u>11,566,065</u>
Creditors: amounts falling due after more than one year	20	(1,585,341)	(155,980)
TOTAL NET ASSETS		<u><u>9,491,309</u></u>	<u><u>11,410,085</u></u>
CHARITY FUNDS			
Unrestricted funds	22	9,491,309	11,410,085
TOTAL FUNDS		<u><u>9,491,309</u></u>	<u><u>11,410,085</u></u>

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 07091173

CHARITY BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2021

The Charity's net movement in funds for the year was £(1,918,776) (2020 - £(149,223)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



The Right Honourable Lord Smith of Finsbury PC MA PhD **Mr D N Robinson MA (Cantab) FCA**
Chair of Trustees
Date: 06 January 2022



Trustee

The notes on pages 20 to 39 form part of these financial statements.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	(2,332,587)	(475,947)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interests and rents from investments	130,203	155,096
Proceeds from the sale of tangible fixed assets	-	1,035
Revaluation of tangible assets	1,866,010	-
Purchase of tangible fixed assets	(3,429,353)	(1,432,063)
Proceeds from sale of investments	290,175	138,461
Purchase of investments	(187,245)	(104,316)
Movement in cash at brokers	(9,965)	(5,182)
NET CASH USED IN INVESTING ACTIVITIES	(1,340,175)	(1,246,969)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflows from new borrowing	1,500,000	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,500,000	-
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(2,172,762)	(1,722,916)
Cash and cash equivalents at the beginning of the year	2,401,505	4,124,421
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	228,743	2,401,505

The notes on pages 20 to 39 form part of these financial statements

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cambridge Union Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

1.2 COMPANY STATUS

The Union is a company limited by guarantee. The members of the company are the trustees names on page 1. In the event of the Union being wound up, the liability in respect of the guarantee is limited to £1 per member of the Union.

1.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donation income is recognised when it is probable that the donations will be receivable.

Income from charitable activities comprise income received from activities performed in furtherance of the objects of the charity, including those services provided by members of the society.

Annual memberships are recognised over the period to which it relates. Life memberships are recognised over a three year period as this is the length of time the average student spends in Cambridge and therefore the period of time over which the vast majority of the benefits are provided.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

Rental income under long term leases is accrued over the period of the lease.

Other trading activities comprise income received from those activities performed by the charity with the primary purpose of fundraising. This income is recognised upon sale of goods (being bar / cafeteria sales) or provision of service (upon hire of rooms or advertisements within the termcard). Income is recognised exclusive of Value Added Tax.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. All support costs are seen to relate to charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include management, administration and governance costs. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements, including the annual audit fee.

1.5 GOVERNMENT GRANTS

Government grants are accounted for under the accruals model as permitted by FRS102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Financial Activities at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure.

1.6 OPERATING LEASES

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight line basis over the lease term.

1.7 PENSIONS

The group provides defined contribution schemes which meet its obligations to employees. The pension charge represents the amounts payable by the company to these funds in respect of the year.

An annuity is provided for a pension payable to the widow of a former employee. The present value of future payments is accounted for, split between amount due within one year and amounts due in more than one year.

1.8 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.9 TANGIBLE FIXED ASSETS AND DEPRECIATION

Freehold property is included at valuation on an existing use basis, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Freehold property is revalued every two years.

Tangible fixed assets are carried at cost net of depreciation and any provision for impairment, with the exception of freehold land, which is included at valuation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Freehold property	- 2% straight line on buildings
Assets under construction	- Not depreciated until asset brought into use
Fixtures & fittings	- 10 - 33.33% straight line
Computer equipment	- 33.33% straight line
Freehold building improvements	- 10% straight line

1.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investment property is carried at fair value determined by the Trustees based on professional advice received. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 FINANCIAL INSTRUMENTS

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.13 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.15 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.16 GOING CONCERN

The Trustees have prepared forecasts to June 2023, for both capital and income spend, bearing in mind the impact that the global pandemic continues to have on the charity. The Trustees have stress-tested the forecasts chiefly reflecting the different levels of income due to postponement of various activities the charity engage in and how it will continue to operate if further restrictions are enforced as a result of the newly emerged Covid-19 variant, Omicron.

Upon their review, the Trustees believe the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Fair value of investments and fixed asset investments. Investments and fixed asset investments are estimated based on fair value using professional advice.
- Deferred membership income. Deferred membership income is estimated based on future expected cash inflows.

3. INCOME FROM DONATIONS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	312	312	2,572
	<u> </u>	<u> </u>	<u> </u>
Total 2020	<u>2,572</u>	<u>2,572</u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Member subscriptions	213,728	213,728	263,704
Sale of debate tickets	-	-	3,567
Debating event and competition income	51,000	51,000	21,499
	<u> </u>	<u> </u>	<u> </u>
Total 2021	<u>264,728</u>	<u>264,728</u>	<u>288,770</u>
	<u> </u>	<u> </u>	<u> </u>
Total 2020	<u>288,770</u>	<u>288,770</u>	

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

5. FUNDRAISING AND TRADING INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Advertising and sponsorship	49,467	49,467	57,529
Bar, coffee shop and events income	-	-	92
Merchandise and 200th anniversary income	401	401	49
Other income	500	500	6,966
TOTAL 2021	<u>50,368</u>	<u>50,368</u>	<u>64,636</u>
TOTAL 2020	<u>64,636</u>	<u>64,636</u>	

6. TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from trading subsidiary			
Bar, coffee shop, room hire and events income	<u>136,006</u>	<u>136,006</u>	<u>215,563</u>
Expenditure from trading subsidiary			
Bar, coffee shop, room hire and events expenses	<u>(275,626)</u>	<u>(275,626)</u>	<u>(227,606)</u>
Net (loss) / income from trading activities	<u>(139,620)</u>	<u>(139,620)</u>	<u>(12,043)</u>

The total income and expenditure from trading activities shown above differs to the financial statements of the subsidiary company as a result of the elimination of trading within the group on consolidation.

Coronavirus job retention scheme income receivable by the subsidiary is included in note 8.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rents	110,180	110,180	114,218
Dividends	19,934	19,934	27,112
Deposit interest	89	89	13,766
Total 2021	<u>130,203</u>	<u>130,203</u>	<u>155,096</u>
Total 2020	<u>155,096</u>	<u>155,096</u>	

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Coronavirus job retention scheme income	46,708	46,708	29,614
Covid Support Grants	12,000	12,000	-
	<u>58,708</u>	<u>58,708</u>	<u>29,614</u>
Total 2020	<u>29,614</u>	<u>29,614</u>	

9. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment management fees	<u>1,768</u>	<u>1,768</u>	<u>7,177</u>
Total 2020	<u>7,177</u>	<u>7,177</u>	

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

10. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Membership and speakers	260,638	404,501	665,139	624,155
Competitive debating	12,088	-	12,088	39,255
Total 2021	<u>272,726</u>	<u>404,501</u>	<u>677,227</u>	<u>663,410</u>
Total 2020	<u>310,736</u>	<u>352,674</u>	<u>663,410</u>	

In 2020 all expenditure from charitable activities was attributable to unrestricted funds.

ANALYSIS OF DIRECT COSTS

	Membership and speakers 2021 £	Competitive debating 2021 £	Total funds 2021 £	Total funds 2020 £
Depreciation	93,906	-	93,906	109,010
Advertising and publicity	18,885	-	18,885	27,033
Membership administration	1,407	-	1,407	2,583
Kitchen and bar	-	-	-	220
Premises' costs	135,591	-	135,591	86,923
Member events and tours	10,849	-	10,849	46,082
ICYD Expenses	-	1,475	1,475	221
Cambridge and external IV	-	2,696	2,696	9,243
Debating competitions	-	5,497	5,497	14,437
Debate dinners	-	2,420	2,420	14,984
Total 2021	<u>260,638</u>	<u>12,088</u>	<u>272,726</u>	<u>310,736</u>
Total 2020	<u>271,481</u>	<u>39,255</u>	<u>310,736</u>	

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

10. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	230,196	230,196	196,830
Legal and professional fees	11,511	11,511	44,925
Office Costs	142,864	142,864	87,279
Provision for bad and doubtful debts	(1,678)	(1,678)	10,320
Election and committee costs	-	-	635
Auditor's remuneration	9,050	9,050	8,260
Auditor's remuneration - non-audit costs	1,275	1,275	4,425
Interest on loan	11,283	11,283	-
Total 2021	<u>404,501</u>	<u>404,501</u>	<u>352,674</u>
Total 2020	<u>352,674</u>	<u>352,674</u>	

Governance costs included above totalled £10,325 (2020 - £12,685), being auditor's remuneration of £9,050 (2020 - £8,260) and non-audit costs of £1,275 (2020 - £4,425).

11. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	9,050	8,260
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<u>1,275</u>	<u>4,425</u>

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

12. STAFF COSTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	381,097	290,340	196,293	166,016
Social security costs	19,973	22,819	16,267	15,117
Other pension costs	22,243	22,386	17,636	15,697
	423,313	335,545	230,196	196,830

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.	Charity 2021 No.	Charity 2020 No.
Total	19	19	7	7

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Charity comprise the Bursar and the Trustees. During the year, no trustees received any remuneration or benefit in kind (2020 - £NIL). The total remuneration, including pension contributions and employers national insurance contributions of key management personnel was: £100,513 (2020 - £76,051).

During the year, 10 trustees (2020 - none) had expenses reimbursed totalling £2,037 (2020 - £Nil).

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

13. TANGIBLE FIXED ASSETS

Group and Charity

	Land and buildings £	Assets under construction £	Furniture, fittings and computer equipment £	Improve- ments to building £	Total £
Cost or valuation					
At 1 July 2020	4,286,265	3,477,026	501,018	197,184	8,461,493
Additions	-	3,473,237	24,653	9,463	3,507,353
Transfers between classes	6,950,263	(6,950,263)	-	-	-
Revaluations	(1,761,010)	-	-	-	(1,761,010)
At 30 June 2021	<u>9,475,518</u>	<u>-</u>	<u>525,671</u>	<u>206,647</u>	<u>10,207,836</u>
Depreciation					
At 1 July 2020	422,033	-	430,817	159,158	1,012,008
Charge for the year	53,484	-	32,462	7,960	93,906
At 30 June 2021	<u>475,517</u>	<u>-</u>	<u>463,279</u>	<u>167,118</u>	<u>1,105,914</u>
Net book value					
At 30 June 2021	<u><u>9,000,001</u></u>	<u><u>-</u></u>	<u><u>62,392</u></u>	<u><u>39,529</u></u>	<u><u>9,101,922</u></u>
At 30 June 2020	<u><u>3,864,232</u></u>	<u><u>3,477,026</u></u>	<u><u>70,201</u></u>	<u><u>38,026</u></u>	<u><u>7,449,485</u></u>

Included in land and buildings is freehold land at a valuation of £1,612,000 (2020 - £1,612,000), which is not depreciated. Lambert Smith Hampton revalued the freehold property at 11 October 2021 on an existing use basis. The land and buildings have a historic cost of £950.

THE CAMBRIDGE UNION SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

14. INVESTMENT PROPERTY

Group

	Freehold investment property £
Valuation	
At 1 July 2020	1,105,000
Deficit on revaluation	(105,000)
	<hr/>
At 30 June 2021	1,000,000 <hr/>

Charity

	Freehold investment property £
Valuation	
At 1 July 2020	1,105,000
Deficit on revaluation	(105,000)
	<hr/>
At 30 June 2021	1,000,000 <hr/>

The properties were valued by Lambert Smith Hampton at 11 October 2021 on an existing use basis. Lambert Smith Hampton are a firm of commercial property consultants and estate agents with suitable experience of the Cambridge property market.

THE CAMBRIDGE UNION SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
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15. FIXED ASSET INVESTMENTS

Group		Listed securities £	Cash held at investment manager £	Total £
Cost or valuation				
At 1 July 2020		957,785	24,683	982,468
Additions		187,245	-	187,245
Disposals		(269,304)	-	(269,304)
Revaluations		156,956	-	156,956
Movement in cash at investment broker		-	9,965	9,965
AT 30 JUNE 2021		<u>1,032,682</u>	<u>34,648</u>	<u>1,067,330</u>
Net book value				
AT 30 JUNE 2021		<u>1,032,682</u>	<u>34,648</u>	<u>1,067,330</u>
At 30 June 2020		<u>957,785</u>	<u>24,683</u>	<u>982,468</u>

Charity	Investments in subsidiary companies £	Listed securities £	Cash held at investment manager £	Total £
Cost or valuation				
At 1 July 2020	1	957,785	24,683	982,469
Additions	-	187,245	-	187,245
Disposals	-	(269,304)	-	(269,304)
Revaluations	-	156,956	-	156,956
Movement in cash at investment broker	-	-	9,965	9,965
AT 30 JUNE 2021	<u>1</u>	<u>1,032,682</u>	<u>34,648</u>	<u>1,067,331</u>
Net book value				
AT 30 JUNE 2021	<u>1</u>	<u>1,032,682</u>	<u>34,648</u>	<u>1,067,331</u>
At 30 June 2020	<u>1</u>	<u>957,785</u>	<u>24,683</u>	<u>982,469</u>

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15. FIXED ASSET INVESTMENTS (CONTINUED)

All listed investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustees during the year to Quilter Cheviot.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

16. PRINCIPAL SUBSIDIARIES

The Union has a wholly owned subsidiary which is incorporated in the UK. Cambridge Union Society Enterprises Limited operates the trading activities of the Union. The Company covenants its taxable profits to The Cambridge Union Society. A summary of the Company's results is shown below. Audited accounts will be filed with the Registrar of Companies.

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Cambridge Union Society Enterprises Limited	06785468	9a Bridge Street, Cambridge, CB2 1UB	trading activities of the Union
Holding	Included in consolidation		
100%	Yes		

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15. FIXED ASSET INVESTMENTS (CONTINUED)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Cambridge Union Society Enterprises Limited	163,752	(315,208)	(151,456)	(151,455)

Profit and Loss Account

	2021 £	2020 £
Turnover	140,996	215,655
Cost of sales	(271,491)	(214,588)
Gross profit	(130,495)	1,067
Administrative expenses	(43,717)	(21,099)
Other income: Coronavirus job retention scheme income	22,756	21,331
Profit for the year	(151,456)	1,299
Amount covenanted to Parent Co	-	(1,299)
Retained in subsidiary	(151,456)	-

Balance Sheet

	2021 £	2020 £
Current Assets	50,413	31,194
Current liabilities	(201,869)	(31,194)
Aggregate share capital and reserves	(151,456)	-

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FOR THE YEAR ENDED 30 JUNE 2021

17. STOCKS

	Group 2021 £	Group 2020 £
Finished goods and goods for resale	18,040	5,958

18. DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due within one year				
Trade debtors	8,644	63,832	4,980	63,142
Amounts owed by group undertakings	-	-	78,269	-
Other debtors	-	3,128	-	3,128
VAT recoverable	50,262	50,824	55,490	50,573
Prepayments and accrued income	18,857	21,872	19,496	21,871
	77,763	139,656	158,235	138,714

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	42,618	-	42,618	-
Trade creditors	140,462	25,018	77,281	24,851
Amounts owed to group undertakings	-	-	20,024	8,361
Unfunded pension liability	3,663	3,000	3,663	3,000
Other taxation and social security	19,913	-	8,581	-
Other creditors	36,253	21,011	17,254	16,008
Accruals and deferred income	325,695	468,978	296,318	442,955
	568,604	518,007	465,739	495,175

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20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	1,457,382	-	1,457,382	-
Unfunded pension liability	31,894	34,894	31,894	34,894
Accruals and deferred income	96,065	121,086	96,065	121,086
	<u>1,585,341</u>	<u>155,980</u>	<u>1,585,341</u>	<u>155,980</u>

21. DEFERRED INCOME (GROUP AND COMPANY)

	Deferred income at 30 June 2020 £	Received in year £	Released to incoming resources £	Deferred income at 30 June 2021 £
Lifetime members subscription	287,982	164,187	(204,961)	247,208
Rental income	28,485	-	(28,485)	-
Event income	-	-	-	-
Sponsorship income	3,500	1,000	-	4,500
Total	<u>319,967</u>	<u>165,187</u>	<u>(233,446)</u>	<u>251,708</u>

Deferred income at 30 June 2021 is analysed as:

	2021 £
To be released within one year	155,643
To be released after more than one year	96,065
Total deferred income	<u>251,708</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2021 £
Unrestricted funds					
General Funds	7,546,803	645,315	(940,719)	144,666	7,396,065
Revaluation reserve	3,863,282	-	(53,484)	(1,866,010)	1,943,788
	<u>11,410,085</u>	<u>645,315</u>	<u>(994,203)</u>	<u>(1,721,344)</u>	<u>9,339,853</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2020 £
Unrestricted funds					
General Funds	7,642,541	756,251	(845,161)	(6,828)	7,546,803
Revaluation reserve	3,916,767	-	(53,485)	-	3,863,282
	<u>11,559,308</u>	<u>756,251</u>	<u>(898,646)</u>	<u>(6,828)</u>	<u>11,410,085</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £	Group 2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(2,070,232)	(149,223)
Adjustments for:		
Depreciation charges	93,906	109,010
Losses/(gains) on investments	(177,827)	6,828
Dividends, interests and rents from investments	(130,203)	(155,096)
(Increase)/decrease in stocks	(12,082)	(360)
Decrease/(increase) in debtors	61,893	5,364
(Decrease)/increase in creditors	(70,021)	(305,815)
Increase/(decrease) in long term creditors	(28,021)	13,345
Net cash used in operating activities	(2,332,587)	(475,947)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £
Cash in hand	228,743	2,401,505
Total cash and cash equivalents	228,743	2,401,505

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NOTES TO THE FINANCIAL STATEMENTS
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25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2020	Cash flows	Other non- cash changes	At 30 June 2021
	£	£	£	£
Cash at bank and in hand	2,401,505	(2,172,762)	-	228,743
Debt due within 1 year	-	(1,500,000)	1,457,382	(42,618)
Debt due after 1 year	-	-	(1,457,382)	(1,457,382)
	<u>2,401,505</u>	<u>(3,672,762)</u>	<u>-</u>	<u>(1,271,257)</u>

26. CAPITAL COMMITMENTS

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Contracted for but not provided in these financial statements	-	3,200,000	-	3,200,000

27. PENSION COMMITMENTS

The group provides defined contributions pension schemes to its employees. The assets of these schemes are held separately from those of the group in independently administered funds. The pension charge represents contributions payable by the group to the funds and amounts to £26,506 (2020 - £22,321). £1,221 (2020 - £NIL) was payable to the funds at the balance sheet date.

28. RELATED PARTY TRANSACTIONS

Cambridge Union Society Enterprises Limited is a wholly owned subsidiary of The Cambridge Union Society. During the year, the charity made sales of £13,099 (2020 - £10,722) to the company. The charity made no purchases (2020 - £Nil) from the company. The company has made a gift aid payment of its taxable profits of £Nil (2020 - £1,299) to the charity as it made a loss during the year. At 30 June 2021 the charity was owed £58,245 by the company, being a debtor balance of £78,269 less a creditor balance of £20,024 (2020 - £8,361 was owed to the company).