

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 2022

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

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THE CAMBRIDGE UNION SOCIETY
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2022

Trustees

The Rt. Hon. Lord Smith of Finsbury PC MA PhD, Chair
Sir C J Greenwood
Mr D H Branch MA (Cantab)
Ms A A K Taylor MA (Hons) (Cantab)
Mr N Heath, MA, FRICS
Ms R Green MA (Cantab)
Mr D N Robinson MA (Cantab) FCA
Mr P Harrison (appointed 15 December 2022)
Mr G Christopher (appointed 1 December 2022)
Mr D T Eagleson (appointed 26 April 2022)

Company registered number 07091173

Charity registered number 1136030

Registered office 9A Bridge Street
Cambridge
CB2 1UB

Bursar Mr J J Brown

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

Investment Managers Quilter Cheviot
One Kingsway
London
WC2B 6AN

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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 Charity) and its subsidiary, Cambridge Union Society Enterprises Limited for the year ended 30 June 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. 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 Charities Act 2011, the Companies Act 2006 and the 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).

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 also known as the Union.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The trustees and officers have embarked on a development strategy for the Union. The overarching aim of the strategy is to safeguard and promote the future of the charity and its historic buildings by developing its property to benefit members and enhance its income.

The Trustees and officers have reviewed 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 charity 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 charity participates in international debating championships. The charity 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.

THE CAMBRIDGE UNION SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Overview

The Union emerged from Covid restrictions at the start of the financial year ready to make best use of the newly completed facilities and to return to normal activities with its members. The Autumn and Winter period were disrupted that with the unwelcome and periodic changes to restrictions that did not reduce completely until February 2022. Having said that the resilience measures in place allowed hybrid working to be effective and the Society to take advantage of full activities wherever possible. The resultant programme and level of activity improved consistently for the remainder of the year until year end.

Major building redevelopment

The redevelopment project completed at the beginning of the financial year has reached full operating capability. Despite interruptions during the year owing to the pandemic it has provided valuable new facilities to the Society. The Orator bar and brasserie has completed a full trading year and proven to be capable of generating modest profits for most of the year despite unfavourable trading conditions. The performance has grown steadily during the trading period and is a reason for optimism going forward.

Debating

The Union's debating team has had an active year, both competitively and with regards to the Union's charitable activities. At both the World and the European Debating Championships this year, held remotely but hosted respectively in Belgrade and Madrid, Union members featured prominently in the organisational elements of the competition and teams were entered in most categories. The Cambridge Schools competition was also held remotely but still attracted over 440 students whilst we also hosted the Cambridge IV in hybrid format, which had over 400 participants from across the world. In addition to this in Partnership with the Learning Leaders organisation the Union was active in 15 countries within the Far East promoting teaching and coaching in local debating competitions. Finally, once Covid restrictions were lifted, there has been a programme of outreach to local schools providing debating workshops in the Union building and attendance at Thursday night members debates for groups of secondary school students.

Speakers and Debates

The Union has tackled the restrictions resulting from the pandemic with increasing confidence meeting in person whenever possible and making imaginative use of remote means when not. The Union's YouTube channel exceeded over 100,000 regular subscribers in March and developed a programme of year round content. The speaker programme attracted a significant number of high-profile speakers including Nancy Pelosi, Robert De Niro and Nizkor Zaghari-Ratcliffe to name but three that indicate the breadth of subjects discussed. 27 debates were held in the Chamber in person with a total attendance of nearly 7,000 members. Whilst performance also returned to the chamber with two productions, The Merchant of Venice and Saint Joan having strong attendance figures and achieving profitable outcomes.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

FINANCIAL REVIEW

The Society tackled the financial challenges of Covid and completion of the major refurbishment through prudent planning and flexibility. By early 2022 trading conditions had normalised and funding structures were more routine. There was a record membership recruitment during the year generating 2,269 new memberships despite the challenges of Covid during the Winter. Income from new membership rose accordingly to £351,901 compared to £263,704 last year. Sponsorship of Union events also increased to £77,455 compared to £49,467 the previous year. These funds continue to be invested in the Union's building and public rooms and in the ongoing major refurbishment and development of the Union.

Cambridge Union Society Enterprises Ltd (CUSEL), the commercial subsidiary of the Union, traded effectively through operation of the new facilities provided by the Orator Brasserie, events and room hire activities whenever circumstances allowed covenanting £74,807 to the charity which is similar to pre Covid levels (2019: £2,119 and 2018: £215,898). It also repaid the remaining £150,000 of intercompany loan from last year during this period. With the new development complete and the Orator brasserie and bar trading, the previous decision to take a loan facility with HSBC has also proven to be a sound one with sufficient cash being generated to underpin business and service both interest and capital repayments during the year.

The global economic downturn following the pandemic and the war in Ukraine have directly impacted on the Union's investment portfolio which has reduced by 3.5% over the year to a net holding of £799,838 whilst sustaining cash income to the society of £15,000 quarterly.

Overall, the net impact of all these factors caused the consolidated results to show £185,057 deficit for the year.

Reserves policy

To ensure prudent financial planning, the Trustees have set a target of Reserves approximately equal to 3 months of operation, a sum of £300,000. This policy will be reviewed regularly.

An operational contingency of £60,000 is also being budgeted for to cope with the uncertain trading conditions that may occur for next year. With funds of £9,154,766 (2021: 9,339,853) and with negative free reserves of £844,961 (unrestricted funds less operational assets) at the year end, the trustees are confident the negative position will be reduced moving forward following the expected increase in trade of the subsidiary.

Going concern

The charity has prepared cash flows 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.

Risk

Owing to the current economic uncertainty the major risk moving forward is for CUSEL to return the investment made in the Orator and build on that to provide long term revenue to the charity. This is subject to monthly management reviews by Trustees and a focus on managing performance.

The predicted rise in utility costs has been managed. Fortunately, the Union benefited from changing utility contracts and acquiring fixed priced contracts until 2024 during the year and before prices rose.

A good relationship between the Trustees and the student officers is essential to the good running of the Union and has therefore been identified as an important risk to the charity. This has been improved by the inclusion of

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

the president, vice president and senior debating officer as trustees and by regular social gatherings involving both trustees and Standing Committee officers.

The Trustees continually review the major strategic, business and operational risks which the charity faces. Our key Membership management system has been recently upgraded improving data management and security and all data is backed up professionally off site. The procedure for the selection of potential controversial speakers has been codified to minimise risk to the charity's reputation and in which the Trustees hold the final decision.

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 only invests on an ethical basis.

Fundraising policy

The charity does not do use any third party fundraisers.

PLANS FOR THE FUTURE

The Society is planning for a major membership campaign including significant effort to recruit from Anglia Ruskin University once again to increase the breadth and diversity of membership. The management of Debating has been intensified with the selection of an additional Debating Officer and further investment in competitive debating both in UK and abroad for the coming academic year. CUSEL has a development plan for both its Eventing business and refurbishment of the Cellar Bar and historic Footlights rooms to provide additional revenue.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Cambridge Union Society was formed and registered in England and Wales 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. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Trustees

The trustees of the charity who served during the year, and at the date of signing, were:

The Rt Hon. the Lord Smith of Finsbury PC MA PhD, Chair
Mr J N Heath, MA, FRICS
The Hon. D Janner QC, MA (Cantab) (Resigned 28 Nov 22)
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
Mr P Harrison
Dr N Yandell (Resigned 26 Oct 21)
Mr K Bradwell (President 5 Oct 21- Resigned 3 Dec 21)*
Mr P Connolly (Vice President 5 Oct 21 Resigned 18 Mar 22)*
Mr S Pai (Debating 5 Oct 21- Resigned 17 Jun 22)
Mr J C Vitali (President 18 Jan 22- Resigned 18 Mar 22)*
Ms L Ryder (President 26 Apr22- Resigned 17 Jun 22)*
Mr D T Eagleson (Vice President 26 Apr 22)*

* Term of office as President, Vice President 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 student Trustees term of office as a trustee shall be the same as his or her term of office as the President, Vice president and Director Debating of the Union.

Pay policy for senior staff

The trustees delegate 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 trustees is completed on an informal basis.

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 trading board meet monthly and the Union Main board at least six times a year to provide strategic guidance.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

TRUSTEES' RESPONSIBILITIES STATEMENT

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. Where appropriate risks are considered and controlled by the appropriate members of the board. 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.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

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
Chair of Trustees
Date: 20 December 2022



Mr D N Robinson MA (Cantab) FCA
Trustee

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

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 2022 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 2022 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.

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.

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

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 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.

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

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.

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:

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

- 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.

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. 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: 21 December 2022

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:				
Donations and legacies	3	3,240	3,240	312
Charitable activities	4	396,361	396,361	264,728
Other trading activities:				
Fundraising		77,455	77,455	50,368
Trading activities		1,629,460	1,629,460	140,996
Investments	7	77,922	77,922	130,203
Other income	8	840	840	58,708
TOTAL INCOME		2,185,278	2,185,278	645,315
EXPENDITURE ON:				
Raising funds:	9			
Fundraising trading		-	-	262,300
Investment management		6,762	6,762	1,768
Other raising funds		1,403,197	1,403,197	52,908
Charitable activities	10	891,476	891,476	677,227
TOTAL EXPENDITURE		2,301,435	2,301,435	994,203
NET EXPENDITURE BEFORE NET LOSSES ON INVESTMENTS		(116,157)	(116,157)	(348,888)
Net losses on investments	15	(68,930)	(68,930)	(1,721,344)
NET MOVEMENT IN FUNDS		(185,087)	(185,087)	(2,070,232)
RECONCILIATION OF FUNDS:				
Total funds brought forward		9,339,853	9,339,853	11,410,085
Net movement in funds		(185,087)	(185,087)	(2,070,232)
TOTAL FUNDS CARRIED FORWARD		9,154,766	9,154,766	9,339,853

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 41 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 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	8,999,727	9,101,922
Investments	15	799,837	1,067,330
Investment property	14	1,000,000	1,000,000
		<u>10,799,564</u>	<u>11,169,252</u>
CURRENT ASSETS			
Stocks	17	27,682	18,040
Debtors	18	272,800	77,763
Cash at bank and in hand		537,480	228,743
		<u>837,962</u>	<u>324,546</u>
Creditors: amounts falling due within one year	19	(986,343)	(568,604)
NET CURRENT LIABILITIES		<u>(148,381)</u>	<u>(244,058)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,651,183</u>	<u>10,925,194</u>
Creditors: amounts falling due after more than one year	20	(1,496,417)	(1,585,341)
TOTAL NET ASSETS		<u><u>9,154,766</u></u>	<u><u>9,339,853</u></u>
CHARITY FUNDS			
Unrestricted funds	22	9,154,766	9,339,853
TOTAL FUNDS		<u><u>9,154,766</u></u>	<u><u>9,339,853</u></u>

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07091173

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2022

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

Trustee

Date: 20 December 2022

The notes on pages 19 to 41 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 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	8,999,727	9,101,922
Investments	15	799,838	1,067,331
Investment property	14	1,000,000	1,000,000
		<u>10,799,565</u>	<u>11,169,253</u>
CURRENT ASSETS			
Debtors	18	318,727	158,235
Cash at bank and in hand		297,572	214,901
		<u>616,299</u>	<u>373,136</u>
Creditors: amounts falling due within one year	19	(764,681)	(465,739)
NET CURRENT LIABILITIES		<u>(148,382)</u>	<u>(92,603)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,651,183</u>	<u>11,076,650</u>
Creditors: amounts falling due after more than one year	20	(1,496,417)	(1,585,341)
TOTAL NET ASSETS		<u><u>9,154,766</u></u>	<u><u>9,491,309</u></u>
CHARITY FUNDS			
Unrestricted funds	22	9,154,766	9,491,309
TOTAL FUNDS		<u><u>9,154,766</u></u>	<u><u>9,491,309</u></u>

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07091173

CHARITY BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2022

The Charity's net movement in funds for the year was £(336,543) (2021 - £(1,918,776)).

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 **Trustee**
Date: 20 December 2022

The notes on pages 19 to 41 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 2022

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	24	147,442	(2,332,587)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		77,922	130,203
Purchase of tangible fixed assets		(83,580)	(1,563,343)
Net movement on investments		198,563	92,965
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		192,905	(1,340,175)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash inflows from new borrowing		-	1,500,000
Repayments of borrowing		(31,610)	-
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES		(31,610)	1,500,000
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		308,737	(2,172,762)
Cash and cash equivalents at the beginning of the year		228,743	2,401,505
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	25	537,480	228,743

The notes on pages 19 to 41 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 2022

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.

The Charity has taken advantage of the exemptions available to qualifying entities and has not prepared a charity only Statement of Cash Flows.

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.

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES (CONTINUED)

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 in the academic year to which it relates. Life memberships are recognised evenly over three academic periods 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.

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. 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.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.5 GOVERNMENT GRANTS

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.

1.9 TANGIBLE FIXED ASSETS AND DEPRECIATION

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES (CONTINUED)

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.

The Trustees have a formal valuation every two years and consider whether there has been a significant movement in the intervening period which should be considered.

Tangible fixed assets (except Freehold Property) are carried at cost net of depreciation and any provision for impairment, with the exception of freehold land, which is included at valuation and not depreciated. 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 2022

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

Management have prepared financial forecasts and projected cash flows through to December 2023 which the Trustees have reviewed in detail. This review by Trustees has included understanding the assumptions used in preparing these forecasts and satisfying themselves that, against the current economic backdrop, the financial projections do indeed look both prudent and reasonable.

Based on this, the Trustees have concluded that the Charity continues to have sufficient resources to meet its liabilities as they fall due for the foreseeable future. As a consequence, these financial statements have been prepared on a Going Concern basis.

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

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. Membership income is deferred in relation to the period the membership covers.

3. INCOME FROM DONATIONS

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	3,240	3,240	312
	<hr/>	<hr/>	<hr/>
Total 2021	312	312	
	<hr/>	<hr/>	

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Member subscriptions	351,901	351,901	213,728
Debating event and competition income	44,460	44,460	51,000
Total 2022	<u>396,361</u>	<u>396,361</u>	<u>264,728</u>
Total 2021	<u>264,728</u>	<u>264,728</u>	

5. FUNDRAISING AND TRADING INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Advertising and sponsorship	77,455	77,455	49,467
Merchandise and 200th anniversary income	-	-	401
Other income	-	-	500
TOTAL 2022	<u>77,455</u>	<u>77,455</u>	<u>50,368</u>
TOTAL 2021	<u>50,368</u>	<u>50,368</u>	

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

6. TRADING ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from trading subsidiary			
Bar, coffee shop, room hire and events income	1,629,460	1,629,460	136,006
Expenditure from trading subsidiary			
Bar, coffee shop, room hire and events expenses	(1,265,335)	(1,265,335)	(275,626)
Net (loss) / income from trading activities	<u>364,125</u>	<u>364,125</u>	<u>(139,620)</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 in the prior year is included in note 8.

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rents	59,723	59,723	110,180
Dividends	18,199	18,199	19,934
Deposit interest	-	-	89
Total 2022	<u>77,922</u>	<u>77,922</u>	<u>130,203</u>
Total 2021	<u>130,203</u>	<u>130,203</u>	

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	840	840	-
Coronavirus job retention scheme income	-	-	46,708
Covid Support Grants	-	-	12,000
	<u>840</u>	<u>840</u>	<u>58,708</u>
Total 2021	<u>58,708</u>	<u>58,708</u>	

9. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	6,762	6,762	1,768
	<u>1,768</u>	<u>1,768</u>	
Total 2021	<u>1,768</u>	<u>1,768</u>	

10. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Membership and speakers	423,142	379,530	802,672	665,139
Competitive debating	88,804	-	88,804	12,088
Total 2022	<u>511,946</u>	<u>379,530</u>	<u>891,476</u>	<u>677,227</u>
Total 2021	<u>272,726</u>	<u>404,501</u>	<u>677,227</u>	

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

10. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITIES (CONTINUED)

In 2021 and 2022 all expenditure from charitable activities was attributable to unrestricted funds.

ANALYSIS OF DIRECT COSTS

	Membership and speakers 2022 £	Competitive debating 2022 £	Total funds 2022 £	Total funds 2021 £
Depreciation	185,775	-	185,775	93,906
Advertising and publicity	19,353	2,710	22,063	18,885
Membership administration	3,169	-	3,169	1,407
Premises' costs	194,145	-	194,145	135,591
Member events and tours	20,700	-	20,700	10,849
ICYD Expenses	-	-	-	1,475
Cambridge and external IV	-	10,964	10,964	2,696
Debating competitions	-	9,319	9,319	5,497
Debate dinners	-	65,811	65,811	2,420
Total 2022	423,142	88,804	511,946	272,726
Total 2021	260,638	12,088	272,726	

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

10. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	200,128	200,128	230,196
Legal and professional fees	(16,253)	(16,253)	11,511
Office Costs	109,467	109,467	142,864
Provision for bad and doubtful debts	13,362	13,362	(1,678)
Auditor's remuneration	21,775	21,775	9,050
Auditor's remuneration - non-audit costs	3,615	3,615	1,275
Interest on loan	47,436	47,436	11,283
Total 2022	<u>379,530</u>	<u>379,530</u>	<u>404,501</u>
Total 2021	<u>404,501</u>	<u>404,501</u>	

Governance costs included above totalled £13,790 (2021 - £10,325), being auditor's remuneration of £10,175 (2021 - £9,050) and non-audit costs of £3,615 (2021 - £1,275).

11. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	10,175	9,050
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	<u>3,615</u>	<u>1,275</u>

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

12. STAFF COSTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	754,272	381,097	167,706	196,293
Social security costs	20,108	19,973	16,366	16,267
Other pension costs	48,813	22,243	16,056	17,636
	<u>823,193</u>	<u>423,313</u>	<u>200,128</u>	<u>230,196</u>

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

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Total	<u>64</u>	<u>19</u>	<u>8</u>	<u>7</u>

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	-	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 (2021 - £NIL). The total remuneration, including pension contributions and employers national insurance contributions of key management personnel was: £104,482 (2021 - £100,513).

During the year, no trustees (2021 - 10 Trustees) had expenses reimbursed totalling £NIL (2021 - £2,037).

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

13. TANGIBLE FIXED ASSETS

Group and Charity

	Land and buildings (Valuation) £	Furniture, fittings and computer equipment £	Improve- ments to building £	Total £
Cost or valuation				
At 1 July 2021	9,475,518	525,671	206,647	10,207,836
Additions	76,657	6,923	-	83,580
At 30 June 2022	<u>9,552,175</u>	<u>532,594</u>	<u>206,647</u>	<u>10,291,416</u>
Depreciation				
At 1 July 2021	475,517	463,279	167,118	1,105,914
Charge for the year	157,681	19,994	8,100	185,775
At 30 June 2022	<u>633,198</u>	<u>483,273</u>	<u>175,218</u>	<u>1,291,689</u>
Net book value				
At 30 June 2022	<u><u>8,918,977</u></u>	<u><u>49,321</u></u>	<u><u>31,429</u></u>	<u><u>8,999,727</u></u>
At 30 June 2021	<u><u>9,000,001</u></u>	<u><u>62,392</u></u>	<u><u>39,529</u></u>	<u><u>9,101,922</u></u>

Included in land and buildings is freehold land at a valuation of £1,612,000 (2021 - £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 2022

14. INVESTMENT PROPERTY

Group

	Freehold investment property £
Valuation	
At 1 July 2021	1,000,000
At 30 June 2022	<u>1,000,000</u>

Charity

	Freehold investment property £
Valuation	
At 1 July 2021	1,000,000
At 30 June 2022	<u>1,000,000</u>

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
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

15. FIXED ASSET INVESTMENTS

Group	Listed securities £	Cash held at investment manager £	Total £
Cost or valuation			
At 1 July 2021	1,032,682	34,648	1,067,330
Additions	123,755	-	123,755
Disposals (Proceeds: £361,598)	(387,160)	-	(387,160)
Revaluations	(39,323)	-	(39,323)
Movement on cash	-	35,235	35,235
AT 30 JUNE 2022	729,954	69,883	799,837
Net book value			
AT 30 JUNE 2022	729,954	69,883	799,837
At 30 June 2021	1,032,682	34,648	1,067,330

Charity	Investments in subsidiary companies £	Listed securities £	Cash held at investment manager £	Total £
Cost or valuation				
At 1 July 2021	1	1,032,682	34,648	1,067,331
Additions	-	123,755	-	123,755
Disposals (Proceeds: £361,598)	-	(387,160)	-	(387,160)
Revaluations	-	(39,323)	-	(39,323)
Movement on cash	-	-	35,235	35,235
AT 30 JUNE 2022	1	729,954	69,883	799,838
Net book value				
AT 30 JUNE 2022	1	729,954	69,883	799,838
At 30 June 2021	1	1,032,682	34,648	1,067,331

THE CAMBRIDGE UNION SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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	1,629,460	(1,403,197)	226,263	1

Profit and Loss Account

	2022 £	2021 £
Turnover	1,629,460	140,996
Cost of sales	<u>(1,265,335)</u>	<u>(271,491)</u>
Gross profit	364,125	(130,495)
Administrative expenses	<u>(130,349)</u>	<u>(43,717)</u>
Other income: Coronavirus job retention scheme income	<u>(7,513)</u>	<u>22,756</u>
Profit for the year	226,263	(151,456)
Amount covenanted to Parent Co	<u>(74,807)</u>	<u>-</u>
Retained in subsidiary	<u>151,456</u>	<u>(151,456)</u>

Balance Sheet

	2022 £	2021 £
Current Assets	546,547	50,413
Current liabilities	<u>(546,546)</u>	<u>(201,868)</u>
Aggregate share capital and reserves	<u>1</u>	<u>(151,455)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

17. STOCKS

	Group 2022 £	Group 2021 £
Finished goods and goods for resale	27,682	18,040

18. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due within one year				
Trade debtors	253,823	8,644	87,478	4,980
Amounts owed by group undertakings	-	-	216,022	78,269
VAT recoverable	3,750	50,262	-	55,490
Prepayments and accrued income	15,227	18,857	15,227	19,496
	272,800	77,763	318,727	158,235

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	126,442	42,618	126,442	42,618
Trade creditors	282,544	140,462	94,959	77,281
Amounts owed to group undertakings	-	-	171,696	20,024
Unfunded pension liability	3,663	3,663	3,663	3,663
Other taxation and social security	82,325	19,913	31,375	8,581
Other creditors	80,053	36,253	53,766	17,254
Accruals and deferred income	411,316	325,695	282,780	296,318
	986,343	568,604	764,681	465,739

Bank loan is secured over the freehold property and incurs interest at a rate of 2.75% over the Bank of England base rate per annum.

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

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	1,341,948	1,457,382	1,341,948	1,457,382
Unfunded pension liability	30,394	31,894	30,394	31,894
Accruals and deferred income	124,075	96,065	124,075	96,065
	<u>1,496,417</u>	<u>1,585,341</u>	<u>1,496,417</u>	<u>1,585,341</u>

Bank loan is secured over the freehold property and incurs interest at a rate of 2.75% over the Bank of England base rate per annum.

21. DEFERRED INCOME (GROUP AND COMPANY)

	Deferred income at 30 June 2021 £	Received in year £	Released to incoming resources £	Deferred income at 30 June 2022 £
Lifetime members subscription	247,208	371,928	(315,925)	303,211
Rental income	-	50,000	(37,500)	12,500
Sponsorship income	4,500	4,500	(4,500)	4,500
Total	<u>247,208</u>	<u>421,928</u>	<u>(353,425)</u>	<u>320,211</u>

Deferred income at 30 June 2022 is analysed as:

	2022 £
To be released within one year	196,235
To be released after more than one year	123,976
Total deferred income	<u>320,211</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2022 £
Unrestricted funds					
General Funds	7,396,065	2,185,278	(2,143,754)	(68,930)	7,368,659
Revaluation reserve	1,943,788	-	(157,681)	-	1,786,107
	<u>9,339,853</u>	<u>2,185,278</u>	<u>(2,301,435)</u>	<u>(68,930)</u>	<u>9,154,766</u>

STATEMENT OF FUNDS - PRIOR 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>

THE CAMBRIDGE UNION SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
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23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	8,999,727	8,999,727
Fixed asset investments	799,837	799,837
Investment property	1,000,000	1,000,000
Current assets	837,962	837,962
Creditors due within one year	(986,343)	(986,343)
Creditors due in more than one year	(1,496,417)	(1,496,417)
TOTAL	9,154,766	9,154,766

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	9,101,922	9,101,922
Fixed asset investments	1,067,330	1,067,330
Investment property	1,000,000	1,000,000
Current assets	324,546	324,546
Creditors due within one year	(568,604)	(568,604)
Creditors due in more than one year	(1,585,341)	(1,585,341)
TOTAL	9,339,853	9,339,853

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NOTES TO THE FINANCIAL STATEMENTS
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24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	Group 2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(185,087)	(2,070,232)
Adjustments for:		
Depreciation charges	185,775	93,906
Losses/(gains) on investments	68,930	(177,827)
Dividends, interests and rents from investments	(77,922)	(130,203)
(Increase)/decrease in stocks	(9,642)	(12,082)
(Increase)/decrease in debtors	(195,037)	61,893
Increase/(decrease) in creditors	333,915	(70,021)
Increase/(decrease) in long term creditors	26,510	(28,021)
Net cash provided by/(used in) operating activities	147,442	(2,332,587)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £
Cash in hand	537,480	228,743
Total cash and cash equivalents	537,480	228,743

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2021 £	Cash flows £	At 30 June 2022 £
Cash at bank and in hand	228,743	308,737	537,480
Debt due within 1 year	(42,618)	(83,824)	(126,442)
Debt due after 1 year	(1,457,382)	115,434	(1,341,948)
	(1,271,257)	340,347	(930,910)

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NOTES TO THE FINANCIAL STATEMENTS
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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 £48,381 (2021 - £26,506). £1,466 (2021 - £1,221) 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 £NIL (2021 - £13,099) to the company. The charity made no purchases (2021 - £Nil) from the company. The company has made a gift aid payment of its taxable profits of £74,807 (2021 - £Nil) to the charity. At 30 June 2022 the charity owed £30,481 to the company, being a debtor balance of £141,215 less a creditor balance of £171,696 (2021 - £58,245 was owed to the company).

