

WARWICK STUDENTS' UNION

Trustees Annual Report and Consolidated Financial Statements

For the year ended 31st July 2022



Company Registration Number: 07297865

Charity Number: 1136894

CONTENTS

Page

Directors Report

1

- Trustees/Directors of Warwick Students' Union
- Subsidiary Companies
- Legal and Administrative Information
- Indemnity Insurance
- Disabled Persons Statement
- Employee Engagement Statement
- Matters of Strategic Importance
- Statement as to Disclosure of Information to Auditors

Strategic Report

7

- Members of the Union
- Structure, Governance and Management
- Officers of the Union
- Board of Trustees
- Relationship with the University of Warwick
- Risk Management
- Key Policy Statements
- Aims, Objectives and Activities
- Charity Commission
- Key Achievements
- The Year Ahead
- Financial Review
- Funds held as Custodian Trustee on behalf of others
- Auditor

Statement of the Board of Trustees' Responsibilities

26

Independent Auditor's Report

27

Consolidated Statement of Financial Activities

31

Statements of Financial Position

32

Consolidated Statement of Cash Flows

33

Principal Accounting Policies

34

Notes to the Financial Statements

40

DIRECTORS REPORT

Union

Warwick Students' Union

Charitable Status

Warwick Students' Union is a charity established under the Education Act 1994.

Warwick Students' Union registered with the Charity Commission for England and Wales on 15th July 2010.

Registered Charity Number: **1136894**

Company

Warwick Students' Union is a charitable company limited by guarantee and registered in England and Wales on 29th June 2010.

Registered company number: **07297865**

Registered Office

WARWICK STUDENTS' UNION
University of Warwick
Gibbet Hill Road
COVENTRY
CV4 7AL

BOARD OF TRUSTEES

Governance and Appointments Committee ensures that Warwick Students' Union has effective systems for the appointment and training of Trustees who are also Directors of the Company and that the membership of the Board of Trustees is appropriate.

FULL TIME OFFICERS

			Appointed	Resigned
2021-22	S Dzumbira	President	1 August 2021	31 July 2022
	I Atkins	Education	1 August 2021	20 May 2022
	J Jefferson	Democracy & Development	1 August 2021	31 July 2022
	N Parsons	Postgraduate	1 September 2021	31 August 2022
	C Hsiang-Lo	Societies	1 August 2021	31 July 2022
	W Brewer	Sports	1 August 2021	31 July 2022
	C Sayer	Welfare & Campaigns	1 August 2021	8 June 2022
2022-23	W Brewer	President	1 August 2022	
	C Hsiang-Lo	VP Education	1 August 2022	
	J Sperry	VP Democracy & Development	1 August 2022	
	H Rehman	VP Postgraduate	1 September 2022	
	A Taylor	VP Societies	1 August 2022	
	E Birch	VP Sports	1 August 2022	
	O Amole	VP Welfare & Campaigns	1 August 2022	

BOARD OF TRUSTEES/DIRECTORS

Full Time Officer Trustees

S Dzumbira **Chair**

I Atkins

J Jefferson

N Parsons

C Sayer

W Brewer

C Hsiang-Lo

J Sperry

H Rehman

A Taylor

E Birch

O Amole

Appointed

1 September 2020

1 August 2021

1 August 2021

1 September 2021

1 August 2021

1 August 2021

1 August 2021

1 August 2022

1 September 2022

1 August 2022

1 August 2022

1 August 2022

Resigned

31 July 2022

20 May 2022

31 July 2022

31 August 2022

8 June 2022

Shingai Dzumbira resigned the Chair of the Board of Trustees on 31 July 2022.

Will Brewer became Chair on 1 August 2022.

Student Trustees

T Kunin

C Earl

A Vemulapalli

E Hodgson

P Sun

T Barnes-Wise

D Blake

T Chaloner

C Heather

S John

J Thomas

1 August 2020

1 August 2021

25 August 2021

1 August 2021

1 August 2021

1 August 2021

1 August 2022

1 August 2022

1 August 2022

1 August 2022

1 August 2022

31 July 2022

31 July 2022

31 July 2022

31 July 2022

19 February 2022

External Trustees

A Hill-Wilson

S Daeche

H Dhillon

A Minott

J Dubber

R Pegg

1 August 2018

1 September 2020 16 May 2022

1 September 2020

1 September 2020

12 May 2022

12 May 2022

Secretary

M Crook

1 August 2019

SENIOR MANAGEMENT

Chief Executive

Robert Parkinson

M Groves-Williams (Interim)

Roohi Mehra

Tracy Murphy (Interim)

Appointed

14 October 2019

29 March 2022

6 June 2022

1 November 2022

Resigned

31 March 2022

8 June 2022

31 October 2022

SUBSIDIARY COMPANIES

Company

Membership Solutions Limited

Membership Solutions Limited (MSL) is a subsidiary of the Union and provides IT systems for the further education market, principally in the UK but also in Europe and the rest of the world.

It provides website, venue management, e-commerce and membership support services.

Governing instrument

The company is a limited company with share capital. It is governed by its Memorandum and Articles of Association.

Company registered number **5525449**

Directors

J Bonsall
G Parker
S Hansen
G Bryant
R Parkinson
S Dzumbira
R Mehra
W Brewer
J Sperry
T Murphy
R Pegg

Appointed

1 August 2009
1 August 2015
22 January 2018
1 August 2019
6 November 2019
7 October 2021
28 July 2022
20 October 2022
20 October 2022
30 November 2022
30 November 2022

Resigned

31 March 2022
31 July 2022
2 November 2022
30 November 2022

Company Secretary

M Crook

Registered Office

SUHQ
WARWICK STUDENTS' UNION
University of Warwick
Gibbet Hill Road
COVENTRY
CV4 7AL

Company

Students' Union Services Warwick Limited

This is the Union's subsidiary company for non-primary purpose trading which covers the sale of miscellaneous goods and services. This includes events provided for the general public and not just for student members such as externally promoted live music in the Copper Rooms and conference related activity during vacation.

Governing instrument

The company is a limited company with share capital. It is governed by its Memorandum and Articles of Association.

Company registered number 2197761

Directors

A Smith

R Parkinson

J Jefferson

C Lo

R Mehra

E Birch

J Sperry

Appointed

18 November 2010

6 November 2019

20 October 2021

20 October 2021

4 July 2022

27 October 2022

27 October 2022

Resigned

31 March 2022

31 July 2022

27 October 2022

2 November 2022

Company Secretary

M Crook

Registered Office

SUHQ

WARWICK STUDENTS' UNION

University of Warwick

Gibbet Hill Road

COVENTRY

CV4 7AL

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

NatWest PLC
24 Broadgate
Coventry
West Midlands
CV1 1NE

Solicitors

Band Hatton Button
53-55 Butts Rd,
Coventry
CV1 3BH

DFA Law
2 Waterside Way,
Northampton
NN4 7XD

Bates Wells and Braithwaite LLP
10 Queen Street Place
London
EC4R 1BE

Woodroffes Solicitors
7 Beeston Place
London
SW1W 0JJ

Auditor

RSM UK Audit LLP
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

INDEMNITY INSURANCE

Warwick Students' Union has in place Professional Indemnity Insurance cover of £2m and this insurance policy includes cover for the Trustees, Directors, Officers and employees of the Union.

DISABLED PERSONS

Full and fair consideration is given to applications for employment by disabled persons, having regard to their aptitudes and abilities. Should an employee become disabled during their employment, all efforts will be made to continue their employment and to provide appropriate training and support.

The Union is a Disability Confident employer and training, career development and promotion opportunities will be, as far as possible, identical to those for other employees.

EMPLOYEE ENGAGEMENT

The Union encourages the involvement of its employees in its management through regular meetings of the Staff Consultative Forum. This forum has the responsibility for the dissemination of information of particular concern to employees and for receiving their views on important matters of policy.

MATTERS OF STRATEGIC IMPORTANCE

Information is not shown within the Directors' Report as it is instead included within the Strategic Report on page 7 to 25, under Companies Act 2006 S414c (11).

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The Board of Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware.

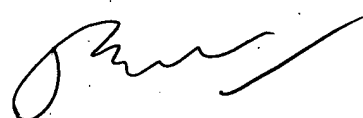
Each member of the Board of Trustees has confirmed that they have taken all the steps that they ought to have taken as Board of Trustees members in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Directors' Report is approved on behalf of the Board of Trustees:



W Brewer
President

Date: 16 February 2023



J Sperry
VP Democracy and Development

STRATEGIC REPORT

The Board of Trustees of the Union submit their Strategic Report for the year ended 31 July 2022.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), (effective 1 January 2015), Charities SORP (FRS102) and the Companies Act 2006.

Members of the Union

Full Members

All registered students of the University of Warwick except those who exercise their right not to be a member under clause 22 (c) of the Education Act 1994. Full-Time Officers of the Union are full members of the Union.

Associate Members

Those persons admitted to membership by the Student Council or a delegated officer, who have paid any required fee.

Structure, Governance and Management

Warwick Students' Union (the Union) is constituted under the Education Act 1994 as a charity with internal rules and regulations approved by University Council, the governing body of the University of Warwick.

The Union's charitable objects under the Act, to advance the University's educational purposes by providing representation and support for the students of the University of Warwick, are supplemented by the further object of helping members to develop their own charitable activities as participants in civil society.

The Union is administered by its Trustee Board of eighteen members comprising of seven Full-Time Trustees, six Student Trustees and five external Trustees who are regarded as the Charity Trustees of Warwick Students' Union for the purposes of the Charities Act. At 31 July 2022 there were seventeen trustees in post.

The Union operates on democratic principles, working for and with our members, the students of the University of Warwick. There are two key student bodies - Student Council and the All Student Meeting.

Student Council comprises of an elected Chair and Deputy Chair of Council, the Full-Time Officers, the Chairs of each of the Executive Committees and a number of Part-Time Officers. Student Council exists to ratify and pass routine, uncontroversial (as decided by the Democracy Committee) resolution changes to By-laws and the procedures and principles of the Students' Union.

Student Council has the primary responsibility for the implementation and oversight of Union policy. Union policy, regulations and principles are debated and voted for by members by way of an online secret ballot following an All Student Meeting. The composition and proceedings of Student Council are set out in the By-laws.

The voice of students is represented through a series of Union executive bodies called Committees. There are eight Committees. Seven are directly elected Committees and the eighth consists of the Union's eight Part-Time Officers.

- The Democracy Committee (has 6 directly elected positions, plus the Chair and Deputy Chair of Council, Returning Officer (non-voting) and the VP Democracy and Development- 10 in total, 9 voting);
- The Development Committee (has 6 directly elected positions, plus the Environment & Ethics Officer and the VP Democracy and Development- 8 in total);
- The Education Committee (has 16 elected Faculty Representatives with 7 protected places for postgraduate students, elected into the role of Faculty Reps);
- The Postgraduate Committee (has 4 directly elected positions, 10 Postgraduate Faculty Reps and the VP Postgraduate - 15 in total);
- The Societies Committee (has 8 directly elected positions plus the VP Societies - 9 in total);
- The Sports Committee (has 8 directly elected positions plus the VP Sports - 9 in total);
- The Welfare Committee (has 6 directly elected Welfare Exec positions, 2 Mental Health Awareness Reps, and the VP Welfare & Campaigns - 9 in total); and
- The Liberation and Diversity Committee (includes the 5 part-time Liberation Officers, the Part-Time & Mature Students' Officer, the 2 International Students' Officers and the President- 9 in total).

These Committees are at the heart of how the SU represent and acts on members' interests and ideas. The Committees run campaigns, organise events, hold the Officers to account and make change that will affect students and the wider community.

Policies held by Student Council cannot be overturned without being debated and voted on at an All Student Meeting. Policies may be overturned by the Board of Trustees only for financial, reputational or legal reasons in accordance with Article 40.3. The Union maintains a policy file and record of lapsed policies. Policies lapse after two years unless renewed by Student Council who will specify the next renewal date.

As per the Memorandum and Articles of Association, the Student Council should receive a report from the Board of Trustees on Union activity each quarter. During 2021-2022, no written reports were submitted to the Student Council.

Officers of the Union

The Officers of the Union are:

- Seven Full-Time Officer Trustees;
- Five Liberation Part-Time Officers;
- Four Part-Time Officers;
- Chair and Deputy Chair of Student Council;
- Chairs of the societies and sports executive committees;
- Chairs of six other committees; and
- University Faculty Representatives.

The Full-Time Officers are also trustees of the charity, elected through a secret ballot by the members each year, normally serving for one year in office but can serve a second term if re-elected. These are remunerated posts, (although the trustee positions are unremunerated) as authorised under the Education Act and the Memorandum and Articles of Warwick Students' Union.

Board of Trustees

The Union is administered by its Board of Trustees comprising:

- Up to five appointed external lay members;
- Up to six elected full student members who are not Full-Time Officers; and
- Up to seven Full-Time Officers (including the President of the Union)

The President of the Union acts as Chair of the Board of Trustees.

In 2021-2022 Student Trustees were elected by the student body to the Board before being confirmed by a process of ratification by the Student Council and the Board of Trustees, to serve a maximum term of two years. In future years Student Trustees are appointed following an application process.

The appointed Lay Trustees are recruited to the Board and selected by the Trustees and Student Council to normally serve a term of three years which may be extended for a second term.

Trustees' General Authority

The Board of Trustees has ultimate responsibility for the financial matters and procedures of the Union. The Board of Trustees may choose to prohibit the implementation of any policy recommended by Student Council which has financial implications if it is passed without a realistic financial plan, is not legal, or may not be in the best interests of the Union in accordance with Article 40.3 of the Memorandum and Articles of Association.

Trustees Induction and Training

Upon appointment all Trustees receive a variety of information through their induction. Trustees are briefed on their legal obligations and other trustee responsibilities. The Full-Time Officers are usually new to the Board every year, so they undergo more intensive, in depth training to ensure that they are fully aware of their roles and responsibilities and can perform their range of duties to the best of their abilities as soon as possible.

There is an on-going training programme for Trustees for issues which may occur during their term of office and to reinforce prevailing legislative requirements.

The Board of Trustees and the Chief Executive

The Board of Trustees, assisted by sub-committees where appropriate, has delegated the day-to-day running of Warwick Students' Union to the Chief Executive.

The Union also employs a number of core staff to provide continuity, consistency and knowledge in the management of the many Union activities. The staff team are accountable to the Chief Executive for the performance of their duties.

Committees

The Board of Trustees meets at least five times a year to receive reports from committees, Full-Time Officers, Senior Management and the Chief Executive, to review the Union's performance and administration generally, to consider the SU's strategic objectives and their implementation and to agree policy issues arising, subject to consultation with the Student Council.

During the year, the Board of Trustees was supported by three committees which focus on certain key aspects of Warwick Students' Union governance and management:

- The Governance and Appointments Committee;
- The Audit and Risk Committee; and
- The People and Remuneration Committee.

Governance and Appointments Committee

This ensures that new trustees are recruited, inducted and developed properly. They also have responsibility for reviewing the Terms of References of the Board of Trustees Sub Committees and Code of Conduct for Trustees.

Audit and Risk Committee

This monitors the Union's framework for accountability, financial control, risk profile and other aspects which could impact on Warwick Students' Union's organisational health as well as ensuring that the Union is complying with relevant legislation. The Committee is responsible for ensuring that there is a framework of effective internal and external audit coverage and for overseeing reports of data breaches to the Information Commissioner's Office and serious incidents to the Charity Commission.

People and Remuneration

This monitors issues relating to staff including the staff survey results, pay changes, training and development as well as staff policies. It also oversees the process for recruitment of the Chief Executive and senior management posts.

Relationship with the University of Warwick

The relationship between the University and the Union is established in the Charter, Statutes, Ordinances and Regulations of the University. The Union receives an unrestricted block grant from the University and occupies a building owned by the University of Warwick and another by the University of Warwick Foundation Fund which are leased to the Union at agreed rents.

There is no reason to believe that the block grant or equivalent support from the University of Warwick will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to take such steps as are reasonably practicable to ensure that the Union operates in a fair and democratic manner and is accountable for its finances.

Warwick Students' Union therefore works alongside the University of Warwick to ensure that the affairs of the Union are properly conducted and that the educational and welfare needs of the Union's members are met.

Risk Management

The Trustee Board has examined the main strategic business and operational risks faced by the Union. A risk register has been established and is formally reviewed and updated during the year.

The Union delegates the management of strategic risk to its senior management team, with oversight by the Audit and Risk Committee. Mitigating actions are identified and implemented to reduce the level of risk the Union is exposed to.

The impact of this mitigating actions are assessed by the Audit and Risk Committee who obtain assurance from the senior management team that the level of risk exposure sits within acceptable levels as determined by the Union Board of Trustees.

Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with the health and safety of staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure they continue to meet the needs of the Union.

The strategic risks that are identified by the Board of Trustees are:

<i>Risk Area</i>	<i>Risk Identified</i>
Governance and Compliance	<ul style="list-style-type: none">• Failure to protect staff/students from serious harm.• Failure to manage a serious incident with potential for significant reputational damage.• Failure to protect personal data in line with GDPR regulations.
Risks to the financial sustainability of the SU	<ul style="list-style-type: none">• Failure to address the funding gap over the next three years.• Failure to respond to the financial challenge of COVID-19 and its aftermath.• VAT changes affecting food sales at the Dirty Duck.• Failure of commercial activity and events to break-even/deliver return to the Charity.• Rising energy costs.• Over reliance on the University block grant
People and talent management	<ul style="list-style-type: none">• Failure to effectively manage HR casework.• Failure to succession plan, particularly in key areas.• Failure to deliver an effective ED&I review and supporting culture.
Stakeholder engagement	<ul style="list-style-type: none">• A decline in student engagement with the SU and its democratic processes.• Failure to deliver a quality service and experience for students.• Failure to address the SU's consistently poor NSS score.• Failure to demonstrate value for money for the University.• Failure to balance commercial interests with student welfare.

Key Policy Statements

Investment Policy

The Trustees' objective is to invest surplus cash to best advantage with minimum risk. The Union has taken a prudent stance with funds being held in high interest-bearing deposit accounts for periods not exceeding 12 months. Cash funds so invested are usually over a minimum balance of £200,000 and must be placed with an approved and reputable banking institution to minimise risk.

Investment returns in the year reflect the stated policy as well as the lower interest rates available due to market conditions.

Reserves Policy

The Trustees regularly consider the level of free reserves required. Issues considered by the Trustees during 2021-22 when looking at the level of reserves were future investment and contingency requirements for risks. This includes such items as future strategic projects which includes the requirement for any building refurbishment and infrastructure development and the impact of the increase in the Students' Union Superannuation Scheme (SUSS) pensions liability and temporary losses of income from commercial activity.

The Board of Trustees has agreed that the Union should have an unrestricted reserve target of between £500,000 and £1,000,000 (excluding the unrestricted pension fund balance). Total unrestricted reserves at 31 July 2022, stand at £1,582,741 (2021: £1,084,646) and excluding fixed assets stands at £1,401,182 (2021: £851,291). The increase in total unrestricted reserves, excluding fixed assets, impact on pensions liability and in the face of increasing costs, relates to the surplus of funds generated by operational activity undertaken by the Charity during 2021-22.

Designated reserves are held to fund future strategic projects, including a review of the Union's Governance Structures and work related to Equality, Diversity and Inclusion and the current balance held is £205,965 (2021: £268,672).

As a result of the recognition of Warwick Students' Union's SUSS pension deficit arising from the implementation of the FRS102 accounting disclosures, a negative unrestricted pension fund balance of £6,604,658 (2021: (£7,945,203)) is recognised at 31 July 2022 (see Note 21), representing the Warwick Students' Union share of the liability.

The Union is paying deficit contributions in line with the agreed contributions schedule, currently planned to end in August 2035, as discussed in Note 21, which has been agreed with SUSS Trustees based on the latest valuation, to eliminate the deficit position in the medium term. This is a standard position within the sector.

Remuneration Policy

The People and Remuneration Committee of the Trustees is responsible for defining pay policy and making recommendations in relation to pay, benefits and other employment related policies for Warwick Students' Union Staff. The Board of Membership Solutions Limited are responsible for pay matters relating to staff employed by Membership Solutions Limited.

The Board of Trustees specifically considers and agrees any matters relating to the Students' Union's Chief Executive's pay and benefits. The Chief Executive does not receive any form of bonus or performance related pay and their benefits are proportionately the same as other staff. This role is benchmarked against the charity sector rather than the public or private sector.

Each role's salary is determined by a fair evaluation process (job evaluation) based on ten factors relevant to the Union's mission, values and charitable objectives. The complexity of roles, knowledge and skills required as well as levels of responsibility are considered. The evaluation process determines a salary band and these bands are benchmarked in the middle quartile for the sector. Benchmarking is undertaken at least every five years and more frequently when required.

Warwick Students' Union uses a pay scale which was originally aligned to the Higher Education Single Pay Spine.

The annual pay review is determined each year through an evaluation of sector benchmarks and takes as a starting point the pay negotiations in higher education.

The Union applies annual cost of living (inflationary) increases to the pay scale each year after taking in to account the general economic conditions and the affordability of the proposed increases. The People and Remuneration Committee recommend for approval any annual cost of living rise (which can be zero) to the Board of Trustees that falls within the financial budget approved by the Board of Trustees in its annual five-year plan.

The Union will monitor the spread of pay in the Union as a ratio of pay dispersion. The ratios considered will be the highest paid to median pay and the lowest paid to median pay. The targets are between 3 and 3.5 to 1 and no more than 4 to 1 respectively.

In accordance with policy and desire to be a good employer, the Union has an aspiration to be a Living Wage Foundation employer and the Board of Trustees evaluates progress in this respect each year during its five-year planning process.

Aims, Objectives and Activities

In June 2021, the Board of Trustees approved a strategic plan for Warwick Students' Union covering the period 2021 – 2025. It reaffirms the Union's existing charitable objectives and sets out the vision, mission, ambition, values, priorities, work programmes and targets for the planning period.

Vision

A world-class students' union for a world-class university.

Mission

The best experience for every student at Warwick.

Ambition

To be a dynamic force for change where our members feel a sense of community.

Priorities

- Ensure the student voice is central to university life.
- Improve students' welfare.
- Develop a well-led and values-driven organisation.
- Create great networks and communities.
- Ensure the Students' Union is financially and environmentally sustainable.

Values

- Student Focussed – We put students at the heart of everything we do, and stand in solidarity with our liberation communities.
- Welcoming – We are supportive, helpful, inclusive and value diversity.
- Democratic – We are representative, ethical, transparent and accountable.
- Independent – We are the independent voice of Warwick students.
- Enriching – We nurture students' aspirations and help them develop.

Charitable Objects

Warwick Students' Union exists for the advancement of education of students at the University of Warwick by:

- Promoting their interests and welfare.
- Representing, supporting and advising.
- Being the recognised representative of students to the University.
- Providing social, cultural and recreational activities.
- Providing forums for discussion, debate and personal development.

Trustees have given due consideration to the Charity Commission's guidance on public benefit and believe these objects continue to comply with the public benefit requirement.

Work Programmes

- Advice and support – Building an excellent advice service, which offers quality support in key issues and improved links to external support providers, and supporting disadvantaged students.
- Student Voice – Academic representation, campaigning on the issues that matter to students, decolonising the curriculum, support for liberation groups, a critical friend to the University and democratic processes which maximise involvement.
- Positive Change – Consulting on new organisational values, a programme of reforms to modernise the Union, implementing equality, diversity and inclusion review, colleague development and an innovative leadership programme for student officers.
- Building Student Communities – Supporting the development of clubs and societies, improving the university experience for marginalised student groups, enabling a great introduction to Warwick through Welcome Week and helping to deliver a modern commercial offer on campus.
- A Sustainable Future – Providing good financial foundations, setting new environmental targets, maximising use of new technologies and delivering a digital transformation project.

Strategic Plan Targets for achievement by 2025

- 45% of members voting in Students' Union election throughout the year.
 - 2022-2023 - 35%
 - 2023-2024 - 40%
 - 2024-2025 - 45%
- Annual financial goals achieved each year.
- 97% of Advice Centre users feel empowered to make informed choices.
 - 2022-2023 - 94%
 - 2023-2024 - 96%
 - 2024-2025 - 97%
- 20% more students actively engaged with the SU.
- 90% of staff colleagues report the Union lives its values.
 - 2022-2023 - 82%
 - 2023-2024 - 86%
 - 2024-2025 - 90%
- Top 10 Russell Group Students' Union by National Student Survey (NSS) score.
 - 2022-2023 - 13
 - 2023-2024 - 11
 - 2024-2025 - 10
- Three quarters of students say they are satisfied with Warwick Students' Union.
 - 2022-2023 - 65%
 - 2023-2024 - 70%
 - 2024-2025 - 75%

Charity Commission

All Charities are required to make a serious incident report to the Charity Commission, where an adverse event, whether actual or alleged, results in or risks significant:

- harm to the charity's beneficiaries, staff, volunteers or others who come into contact with the charity through its work;
- loss of the charity's money or assets;
- damage to the charity's property;
- harm to the charity's work or reputation.

During the year, Warwick Students' Union did not make a serious incident report to the Charity Commission.

Key achievements

Due to the restrictions in place to manage the COVID-19 crisis at the start of the year, the Board of Trustees maintained the operation of systems and procedures that enabled services to continue to be provided to students, and then to be delivered in a COVID safe way as restrictions relaxed through the year and more face to face operations became possible.

As a consequence of these procedures, the Union was able to recommence its commercial and social functions for the majority of the year, albeit with some caution and with the requirement in August and September to continue to furlough staff on a full-time or flexible basis, and continued to receive grant from the Job Retention Scheme.

The SU Strategic Plan includes seven targets against which we will judge our performance over the next five years. The targets focus on the following areas:

- Students voting in SU elections
- Achievement of our annual financial goals
- Advice Centre users empowered to make informed choices
- Students actively engaging with the SU
- SU Russell Group ranking by National Student Survey (NSS) score
- Colleagues reporting that the SU lives its values
- Student satisfaction with the SU

With the Strategic Plan now firmly in place, and work projects beginning to be delivered in order to achieve the objectives it contains, it is important that we undertake regular monitoring of our progress to ensure we remain on track to meet our annual targets.

Students voting in SU elections

Our Spring Officer Elections 2022 took place during the final week of February and elected 13 posts – the new Full-time Officer team as well as some of our Part-time Officers.

With COVID restrictions over, campaigning and promotion were able to take place in the physical environment once again, and we successfully increased our voter turnout to 4,100 - increasing by 354 votes from last year. We introduced voter booths across campus for the first time since we started using MSL software for digital voting, and had success in reaching memberships across the University. We involved many SU staff in working at the voting booths and gave them an opportunity to speak with and chat to our membership. This was matched by buy-in from various University departments, such as WBS, WMS, WMG and others that helped promote our elections and encourage students to take part in them.

On the final day of voting, we incentivised students with an opportunity to win Amazon vouchers. It was the first time we had tried this, and the upswing in voter numbers that day suggests it is something we should repeat next time around. Results Night was delivered in conjunction with our Head Technician and RAW (Warwick's radio station) from within our own building, including a livestream that had a total of 600+ views.

The overall experience ensured we maximised our student engagement, reaching different parts of the University to engage with our elections, and enhancing our understanding of candidates' experiences with reaching said memberships.

Although across all elections there have been 6,510 individual student voters, which equates to 24.1% of our student membership, we did not meet our target of 30% of students voting in 2021-2022.

Achievement of our financial goals

The budget approved by Trustees for the year included a degree of prudence, primarily around our commercial activities, due in the main to the uncertainty that still existed around the restrictions that would be in place as a result of COVID-19.

In terms of the outturn for the Union itself, our operations have faced a number of challenges, particularly within our food-based offers. This includes increased commodity costs and the requirement to charge VAT on catering sales through the Dirty Duck from September 2021.

Levels of users of our commercial services did not match expectations and we lost a weekly POP! club night in support of the campaign against violence against women. As a consequence, our commercial activities returned a lower contribution to the charity than anticipated.

Despite this, and having to incur other unbudgeted costs during the year, including the recruitment of a new CEO and Lay Trustee posts, the Union has returned a surplus in excess of that forecast due in the main to the better levels of gift aid from the Unions subsidiary companies and savings arising from vacancies during the year and as a consequence we have achieved our Key Performance Target in this area.

Advice Centre users empowered to make informed choices

This KPI target for 2021-22 is set at 92% of users agreeing that they feel empowered to make informed choices after using the Advice Centre. The actual number of users agreeing that they feel empowered to make informed choices in 2021-2022 was 98%.

Engaging more students with the SU

The SU has developed a system (KARMA) to measure active student engagement. Using student data provided to us by the University and managed on the MSL system, the SU assigns an engagement score to the different SU activities undertaken by students. For example, attendance at an event like Pop! carries a low engagement score, joining a club or society carries a medium score, and standing for election a high score. To be 'actively engaged', students must have a medium to high engagement score.

To improve the availability and currency of data we began a process of engaging directly with Schools around the University (particularly WMS, WBS and WMG), whose students we know from anecdotal evidence do not traditionally engage as well with the SU as some others.

Each of these Schools has at least one Director of Student Experience, who we have now had initial meetings with to discuss how we can work more closely together. All of these conversations have been incredibly positive, with the Schools keen to help promote SU services to their students in order to enhance their University experience.

The Spring Officer Elections were the first example of this collaborative work bearing fruit, with Schools using their own communication channels to raise awareness of the elections, in some cases reframing the candidate role as a graduate job or career-enhancement opportunity, and allowing the SU to have a physical presence in their buildings. This has resulted in generating an initial 24 candidates (up from 12 in 2021) and 576 voters (up from 445 in 2021) from these three schools.

The year-end result for students engaging with the SU 23% compared with the target of 20%.

We will look to broaden and strengthen these relationships going forward, and they should provide a solid base upon which to build when the KARMA system begins to identify further areas we need to focus on.

Colleagues reporting the SU lives its values

Responses to our last Colleague Opinion survey in May 2022 showed that 68% of staff thought the SU lives its values, compared to the target of 77%.

The SU's Learning and Development Adviser conducted a Training-Needs Analysis in term one, which revealed that relatively few colleagues have a full understanding of the SU's values. Colleagues across departments are passionate about working for a student-focused organisation but feel that the other values may be less specific to their work.

Findings from the analysis identified six areas for Learning & Development to focus on, in order to drive up our performance in terms of living the SU values:

- 1. Equality, Diversity & Inclusivity**
- 2. People Development**
- 3. Senior Leadership Training**
- 4. WSU Values**
- 5. Performance Management**
- 6. Cross-functional collaboration & communication**

SU Russell Group Ranking by NSS score

The National Student Survey launched on 7th February, and is run by Ipsos MORI. The question students (final years only) get asked about the SU is on how well we represent their academic interests, but we know that respondents consider how they feel about all aspects of SU provision when answering.

This year we targeted a five-place increase to #15 in the rankings, and a communications plan was been put in place to showcase the impact of the SU's work in a variety of ways including:

- Termly Impact report are published and promoted across all channels highlighting a huge number of ways in which the SU enhances the student experience at Warwick, with the intention of planting positive SU associations in the minds of our final year students.
- We emailed all Course Reps to ask them for details of successes they have had, or positive changes they have made, and also asked if they would be willing to write a short blog post about why they enjoy being a course rep. We received several responses, including one video, which we turned into a series of posts across our social media channels to highlight the great work done by the SU's Course Reps.
- We used findings from the term one Student Pulse survey to identify where the SU had successfully delivered change in line with student feedback. Details of how the SU had impacted the University experience around Welcome Week, study space, representation and wellbeing were turned into a 'You asked, we acted' type website news article, which was promoted in our all-student email and other digital channels.
- The existing Your Union campaign was bolstered with additional information and comms support to provide all students with information on fundamental aspects of the SU, including our relationship with the University, our staff and Officers, how we are funded, and what we do.
- All the above was condensed into two targeted email newsletters that were sent to final year students only, in which we were quite clear that we are taking all these positive

steps to try and improve our performance in the National Student Survey, and realise our vision of becoming a world-class Students' Union.

All visual elements of these communication featured the NSS logo, to establish a mental link between positive information about the SU and the National Student Survey.

The final result for 2021-2022 was 18th, up from 20th in 2020-2021.

Student satisfaction with the SU

The target for student satisfaction was to achieve a score of 50% or higher in the 2021/2022 term one Pulse survey. In order to drive this, the Communications & Marketing team put additional focus on reminding students about the excellent work done by the SU, including a Welcome Week wrap-up video, Full-time Officer reports, feeding back on work done around teaching and drink-spiking, and updating students on the DDOs presence at COP26.

These messages, and a concerted effort across the SU to meet the needs of our students, resulted in a score of 49% - just 1% off our target, and an increase of 14% on 2020/2021.

The Year Ahead

Delivery of the Strategic Plan 2021-2025 will be the Union's central focus for the next 12 months. Plans are in place to support the implementation of the five new work programmes and achieve the agreed key performance indicators for 2022-2023, which are as follows:

- 35% of members voting in Warwick Students' Union elections.
- 94% of Advice Centre users feel empowered to make informed choices.
- 5% more students actively engaged with the Students' Union.
- 82% of staff colleagues engaged with the Students' Union.
- Top 13 Russell Group Students' Union by NSS score.
- 65% of students satisfied with the Students' Union.
- Annual financial goals achieved.

In 2021, the Union commissioned Advance HE to carry out a wide-ranging governance and structures review, later named the Governance Regeneration Project.

The review recommended changes to strengthen SU governance, engage students more effectively in policy-making, and bring governing documents into line with sector best practice. Implementing these recommendations is an important priority, linked to the successful delivery of the **student voice** and **positive change** work programmes.

Work has progressed significantly on these priorities and the expectation is that they will be fully implemented by the conclusion of term 2.

Following the departure of the Chief Executive, the Board of Trustees will be appointing a new Chief Executive, but have appointed the current Director of People as Acting Chief Executive for a period of 6 months, to ensure the Union continues to have effective leadership, is able to review commercial activity and develop future financial planning requirements, implement the final stages of the Union's governance review and engagement with students.

Financial Review

Income and Expenditure

The overall results for the year were:

	2022 £	2021 £	Movement £
Income	8,028,247	5,470,223	2,558,024
Expenditure	6,240,925	5,309,622	931,303
Net Income for the Year	1,787,322	160,601	1,626,721
As a % of Total Income	22.3%	2.9%	

The annual recurrent grant contribution from the University increased by £58,942 (2%) to £3,006,024 (2021: £2,947,082). Additionally, the Union recognises contributions in kind totalling £82,970 (2021: £82,968) for management services as grant income from the University. Overall income has increased by £2,558,0024 (2021: decrease £2,498,149).

The COVID-19 crisis continued to have an impact on the Union's retail activity during the year despite a gradual relaxation of restrictions by the Government, but the ability to open our outlets to students and hold large scale events, saw an upturn in trading activity compared to the previous years, although not back to pre-pandemic levels.

Income from our Food and Beverage outlets totalled £1,657,330 (2021: £291,560) and being able to hold our regular club nights and other events generated income of £1,063,775 (2021: £14,636)

At the start of the year we continued to furlough staff due to the restrictions implemented by the Government and received a total of £41,337 (2021: £657,006) from the Government's Job Retention Scheme, which enabled the Union to continue to pay its staff throughout the closure and restriction period.

A change in discount rate used to determine the Union's share of the SUSS Pension liability from 1.7% to 3.7% has resulted in a non-cash reduction in expenditure of £1,340,545 that reflects the reduction in the pension liability.

The Union has also paid termination payments to two members of staff totalling £13,103 (2021: £93,951).

Net Assets

The year-on-year movements were:

	2022 £	2021 £	Movement £
Fixed Assets: Tangible	181,559	233,355	(51,796)
Fixed Assets: Investments	16,664	16,664	-
Current Assets	3,508,541	2,621,520	887,021
Creditors: Amounts falling due within one year	(1,834,250)	(1,445,802)	(388,448)
	1,872,514	1,425,737	446,777
Provisions for liabilities and charges	(6,604,658)	(7,945,203)	1,340,545
Net liabilities	(4,732,144)	(6,519,466)	1,787,322

Total Net Liabilities decreased by £1,787,322 to £4,732,144 (2021: £6,519,466).

The value of tangible fixed assets decreased by £51,796 to £181,559 (2021: £233,355). During the year £58,781 of fixed assets were acquired. This principally related to procurement of IT and other equipment and to support staff in delivering the Union's strategic objectives.

Cash and short-term deposits have increased by £787,845 to £2,958,458 (2021: £2,170,613), reflecting the net cash inflow during the year, see Note 20.

The provision for liabilities and charges relates entirely to the Students' Union Superannuation Scheme (SUSS) pension deficit liability (see note 13 and note 21).

The amounts held as custodian on behalf of student sports clubs and societies increased by £50,745 to £832,755 (2021: £782,009). This is included in the total level of Union creditors at the year end.

Reserves

Free unrestricted general reserves at 31 July 2022 increased by £498,095 to £1,583,241 (2021: £1,085,146).

In line with the requirements of FRS102, Warwick Students' Union reports the discounted Students' Union Superannuation Scheme (SUSS) pension liability for Warwick Students' Union. At 31 July 2022 this was calculated to be £6,604,658 (2021: £7,945,203).

The Board of Trustees have previously approved that £300,000 (2021: £300,000) be set aside in a designated reserve for future strategic infrastructure developments. As at 31 July 2022 the value of designated funds held was £205,965.

Students' Union Services Warwick Limited

For 2021-22 Students' Union Services Warwick Limited (SUSW) made a gift aid donation of £79,905 (2021: £20,844) to Warwick Students' Union, an increase in contribution of £59,061.

As restrictions related to COVID 19 were relaxed, the Union has seen a return of income generated through work undertaken on behalf of Warwick Conferences, and from supporting the Commonwealth Games as well as income from media and advertising.

Overall turnover during 2021-22 increased by £85,943 on the previous year at £153,950 (2021: £68,007).

Membership Solutions Limited

The 2021-22 financial year saw Membership Solutions Limited (MSL) making a transfer under gift aid of £266,626 (2021: £297,186) a decrease in contribution of £30,560.

MSL has delivered a successful set of financial results and consolidated its position as the market leader for website and membership management systems in UK Higher Education students' unions despite increasing competition in this sector.

It has won several new clients and MSL's client base under contract continues to exceed 100 institutions.

Turnover recognised in the year for the company increased by £274,356 to £1,424,726 (2021: £1,174,603) due in the main to increased transaction income as client student unions began to undertake activity following relaxation of COVID 19 restrictions and increases in the company's client base.

Fundraising

The Union does not undertake any street or door-to-door fundraising activity and does not engage a third-party organisation to advise or undertake fundraising on its behalf.

The Raising and Giving Society do raise funds through collection to be donated to charitable organisations selected by students, and other than acting as custodian of funds, the Union does not influence or control this activity.

All commercial activity is undertaken with the aim of raising funds to support Charitable Activity, and the Union does hold up to eight events annually with the expressed purpose of fundraising. These events take advantage of HMRC relief in respect of Value Added Tax and comply with the associated HMRC guidance issued in respect of such events.

Future Funding

Every year the Union produces a Five-Year Plan that enables the Union to review the current and future financial performance of its activities. The plan (including the budget for the 2022-2023 financial year) was approved by the Board of Trustees in May 2022.

The budget for 2022-2023 forecasts a group deficit position of £22,986 (2021: surplus £553,607).

The forecast includes expenditure plans totalling £98,629 (2021: £52,570) to be funded from the designated reserve.

This plan also included an approved recurrent block grant from the University of Warwick for 2022-23 of £3,096,202 (2021: 3,006,024) an increase of £90,178 (3%). The current Five-Year Plan assumes that the University of Warwick will continue to contribute an annual recurrent block grant at least to the level approved for 2022-2023 across the planning period.

Although the Union has no definitive guarantee that funding will continue from the University at these levels, the Union continues to engage with the University about the future and currently has no reason to suppose that funding at the current level will not continue into 2022-2024.

The Capital Commitments (note 7) reports that there are no capital commitments approved but not yet contracted and while the Union is still in the period of recovery post-pandemic restrictions, capital investment will be closely controlled to ensure cash resources remain strong.

The Union faces significant financial risk as a result of the current pension deficit reported from the Students' Union Superannuation Scheme (SUSS). This is a defined benefit scheme whose membership consists of students' unions and related bodies throughout the country (see Note 21). This scheme closed to future accrual on 30 September 2011.

The amount contributed in the year to 31 July 2022 was £448,705 (2021: £367,301) (see Note 21). Contribution amounts are included in the Group's Five-Year Plan and a known increase of 5% per annum is included in the plan.

However, the outcome of the triennial actuarial review undertaken by SUSS Trustees as at June 2022, is not expected until the all member meeting to take place in February 2023, and for prudence the plan includes an assumption of a 10% increase in contribution from October 2024 and then 5% per annum thereafter.

This has resulted in a cash pension deficit commitment in 2022-2023 of £484,125 (2022: £448,705), before accounting adjustments for FRS102.

These accounting adjustments consist of a non-cash notional adjustment to reduce the pension liability of (£891,840) (2022: (£1,340,545)). This is based on the pension deficit being accounted for as a liability under FRS 102, at the net present value of the agreed future payments.

The net present value discount rate applied in forecasting our future liability is 1.7% (2022: 3.7 %). Should this change during the year, the accounting adjustment used to discount future payments will be adjusted to reflect any change in discount rate.

Funds Held as Custodian Trustee on Behalf of Others

Custodian Funds

Warwick Students' Union acts as a custodian for funds raised by the many sports clubs, student societies and RAG (Raising and Giving) affiliated to the Union. These funds are held in a separate bank account and the year-end balances for each sports club and society are within the Union's creditor balance (see Note 11).

The balance held for student sports clubs and societies at 31 July 2022 was £832,755 (2020: £782,009), see Note 11:

The income and expenditure for the student sports clubs and societies is not reported within the Union's Statement of Financial Activities. During the financial year the sports clubs and societies received £1,758,216 of income (2021: £398,198).

Included in this income were grants from the Union's Sports Exec and Warwick Sport of £291,210 (2021: £105,691) for sports clubs and £49,371 (2021: £31,781) from the Union's Societies Exec for student societies (see Note 18).

These grant awards were spent in the year and appear in the Union's Statement of Financial Activities as a cost in the "Student Activities, Societies and Sports Clubs" line.

Auditor

RSM UK Audit LLP have agreed to undertake the audit of the 2022-2023 accounts.

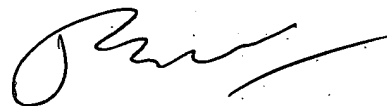
The Trustees' Strategic Report is approved on behalf of the Board of Trustees:



Will Brewer

President

Date: 16 February 2023



Jack Sperry

VP Democracy and Development

STATEMENT OF BOARD OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of Warwick Students' Union for the purposes of company law) are responsible for preparing the Trustees' Annual 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 with 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 those financial statements, the Board of Trustees is required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS' REPORT

To the Members of Warwick Students' Union

Opinion

We have audited the financial statements of Warwick Students' Union (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, Consolidated Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 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 have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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 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 Trustees Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees 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.

INDEPENDENT AUDITORS' REPORT (Continued)

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.

Opinions 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 Annual Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees Annual Report.

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

- adequate accounting records have not been kept by the parent charitable company, 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 26, 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 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT (Continued)

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees Annual Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Food Standards Act 1999, UK General Data Protection Regulation, Health and Safety at Work etc. Act 1974, and The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

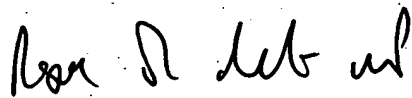
INDEPENDENT AUDITORS' REPORT (Continued)

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, obtaining revenue documentation and confirming the revenue has been correctly recognised in line with FRS102

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



PAUL OXTOBY (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG
Date 28 Feb 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Including income and expenditure account for the year ended 31 July 2022

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 TOTAL £	2021 TOTAL £
INCOME						
Donations						
University Grants		3,092,644		35,310	3,127,954	3,054,950
Government Grants		50,740			50,740	657,006
Income from Charitable Activities						
Food and Beverage		1,657,330			1,657,330	291,560
Venues, Events & Entertainments		1,063,775			1,063,775	14,636
Administration and Support Services		4,688		1,500	6,188	(36,848)
Students Services & Representation		1,683			1,683	1,139
Student Activities, Societies & Sports Clubs		323,179		202,933	526,112	267,983
Income from Trading Activities						
Commercial Income		1,578,162			1,578,162	1217,913
Marketing & Sponsorship		14,955			14,955	1,450
Investment Income – Interest Receivable		1,348			1,348	434
TOTAL INCOME		7,788,504	-	239,743	8,028,247	5,470,223
EXPENDITURE						
Expenditure on Raising Funds						
Commercial Activities		1,220,894			1,220,894	878,135
Expenditure on Charitable Activities						
Food and Beverage	2	1,600,210			1,600,210	1,425,471
Venues, Events & Entertainments	2	1,005,066			1,005,066	622,335
Student Membership Services	2	668,359		31,634	699,993	899,922
Representation & Affiliations	2	366,998			366,998	404,813
Student Activities, Societies & Sports Clubs	2	1,151,044		196,720	1,347,764	1,078,946
TOTAL EXPENDITURE		6,012,571	-	228,354	6,240,925	5,309,622
NET INCOME		1,775,933	-	11,389	1,787,322	160,601
Transfers Between Funds	15	62,708	(62,708)	-	-	-
NET MOVEMENTS IN FUNDS		1,838,641	(62,708)	11,389	1,787,322	160,601
Fund Balances Brought Forward		(6,860,057)	268,672	71,919	(6,519,466)	(6,680,067)
TOTAL FUNDS CARRIED FORWARD		(5,021,416)	205,964	83,308	(4,732,144)	(6,519,466)

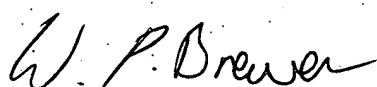
This Consolidated Statement of Financial Activities represents a consolidation of the income and costs for Warwick Students' Union, Students' Union Services Warwick Limited and Membership Solutions Limited, all operations are continuing.

STATEMENTS OF FINANCIAL POSITION Company Registration Number: 07297865

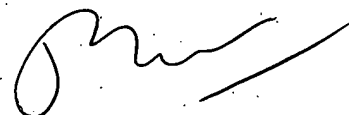
		GROUP		UNION	
	Note	2022 £	2021 £	2022 £	2021 £
FIXED ASSETS					
Tangible Fixed Assets	6	181,559	233,355	181,559	233,355
Intangible Fixed Assets	6	-	-	-	-
Investments	8	16,664	16,664	17,934	17,934
		198,223	250,019	199,493	251,289
CURRENT ASSETS					
Stocks	9	18,562	34,238	18,562	34,238
Debtors	10	531,521	416,669	479,382	324,467
Short-term Deposits		1,876,556	1,242,737	1,498,079	1,039,244
Cash at Bank and in Hand		1,081,902	927,876	1,070,101	915,215
		3,508,541	2,621,520	3,066,124	2,313,164
CREDITORS					
Amounts falling due within one year	11	(1,834,250)	(1,445,802)	(1,393,603)	(1,139,216)
NET CURRENT ASSETS					
		1,674,291	1,175,718	1,672,521	1,173,948
Provisions for Liabilities & Charges	13	(6,604,658)	(7,945,203)	(6,604,658)	(7,945,203)
NET LIABILITIES					
		(4,732,144)	(6,519,466)	(4,732,644)	(6,519,966)
REPRESENTING					
Charitable Funds					
Restricted Funds	17	83,308	71,919	83,308	71,919
Unrestricted Funds					
General		1,583,241	1,085,146	1,582,741	1,084,646
Pension	16	(6,604,658)	(7,945,203)	(6,604,658)	(7,945,203)
Designated	15	205,965	268,672	205,965	268,672
TOTAL FUNDS					
		(4,732,144)	(6,519,466)	(4,732,644)	(6,519,966)

The Company's surplus and total comprehensive expenditure for the year was £1,787,322 (2021: surplus: £160,601)

The financial statements on pages 31 to 56 were approved by the Board of Trustees and authorised for issue on 16 February 2023 and are signed on its behalf by:



Will Brewer
President



Jack Sperry
VP Democracy and Development

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2022 £	2021 £
Net Cash Inflow from Operating Activities	20	845,278	29,338
INVESTMENT ACTIVITIES			
Interest Received		1,348	434
Purchase of Tangible Assets		(58,781)	(35,804)
Cash used in Investing Activities		(57,433)	(35,370)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT		787,845	(6,032)
Cash and Cash Equivalents at the Beginning of the Year		2,170,613	2,176,645
Cash and Cash Equivalents at the End of the Year		2,958,458	2,170,613
REPRESENTED BY:			
Cash and Short-term Deposits at Bank		2,958,458	2,170,883

PRINCIPAL ACCOUNTING POLICIES

General Information

Warwick Students' Union Limited is a charitable company limited by guarantee and domiciled and incorporated in England. The address of the Company's registered office and principal place of business is Warwick Students' Union, University of Warwick, Gibbet Hill Road, Coventry, CV4 7AL.

These accounts represent a consolidation of the accounts of Warwick Students' Union and its subsidiary undertakings Students' Union Services Warwick Limited and Membership Solutions Limited.

The Company's and the Group's principal activities are as disclosed in the Annual Report of the Board of Trustees.

Basis of Accounting

The accounts have been prepared under the Charities Act 2011 in accordance with the Statement of Recommended Practice: "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 (FRS102) effective 1 January 2015 (Charities SORP (FRS102) – Second Edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Warwick Students' Union meets the definition of a public benefit entity under FRS102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

FRS102 Reduced Disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Judgements and Estimations

The Board of Trustees have not made any significant judgements and estimations in the process of applying the accounting policies except for the recognition of the Students' Union Superannuation Scheme (SUSS) pension liability, see Note 21. There are no areas of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for the SUSS pension liability.

The SUSS pension scheme conducted a full actuarial evaluation as at 30 June 2019 and all estimates are based on the information arising from this valuation. This includes a review of the discount rate used in the calculation of the pension liability which after consideration has been increased to 3.7% (2021: 1.7%).

PRINCIPAL ACCOUNTING POLICIES (continued)

Financial Instruments

Warwick Students' Union and its subsidiaries only have 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.

Going Concern

Warwick Students' Union reports a net liabilities position of £4,732,144 on its consolidated balance sheet as at 31 July 2022.

This is directly as a result of recognising the discounted Students' Union Superannuation Scheme (SUSS) pension liability calculated as £6,604,658 (2021: £7,945,203) for both the Union and its subsidiary companies. However, this liability is payable on an incremental basis over a period to August 2035 and there is no reason to believe that Warwick Students' Union cannot meet its annual commitments to repay this liability.

An independent actuarial review of the scheme is taking place as at 30 June 2022, and any changes in deficit contributions will come into effect from October 2023. The Board of Trustees will monitor the impact that this may have on the Union.

The current economic conditions, particularly in terms of cost of living issues facing students, creates uncertainty particularly over the level of demand for the Union's services. The Union will, as part of the 2023 Five-Year Planning process, will consider a range of options to mitigate the impact of this, including identifying cost reductions, commercial pricing and what activities can be delivered. However, current information from the University of Warwick indicates that future income provided under the block grant agreement will be maintained at least at current levels, although discussions on a revised funding covenant with the University are planned to be included in the forthcoming planning process.

The Union's forecasts and projections, taking account a prudent assumption on the return to pre-COVID levels of trading and increased costs, show that the Union should be able to operate within the level of its current facilities for at least twelve months from the date of approval of these accounts.

Cash balances held by the Union remain healthy and increased by a total of £787,845 over the year. Trustees consider that cash balances held remain sufficient to meet current liabilities and to support the approved Reserves Policy.

It is forecast to be a reduction in the level of unrestricted reserves at the end of 2022-2023.

The Trustees have a reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis of accounting in preparing the annual financial statements.

PRINCIPAL ACCOUNTING POLICIES (continued)

Basis of Consolidation

The financial statements consolidate the financial statements of the charitable company and its subsidiary undertakings. Inter-group transactions, balances and profits are eliminated on consolidation. The consolidation is carried out on a line-by-line basis.

In accordance with Section 9 of FRS102 - Consolidated and Separate Financial Statements - both Students' Union Services Warwick Limited and Membership Solutions Limited are considered to be under the control of the Union.

A separate Statement of Financial Activities (SoFA) for the charity itself is not presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

For the charitable company for the period ended 31 July.

	2022 £	2021 £
Income	6,842,740	4,619,292
Expenditure	(5,055,418)	(4,458,691)
Net Income for the Period	1,787,322	160,601

Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The cost of minor additions - aside from computer equipment - or those costing below £1,500 are not capitalised and are written-off to the income and expenditure account in the year in which the expenditure occurred.

IT equipment is capitalised if the item value is greater than £400 individually or in aggregate.

The Union occupies premises provided by the University of Warwick and the University of Warwick Foundation Fund under lease and does not include these as assets.

Intangible Fixed Assets

Intangible Fixed Assets includes significant investment in non-physical assets such as software systems. Software systems are capitalised if the item value is greater than £10,000.

Depreciation

Depreciation is provided to write-off the cost less the estimated residual value of fixed assets by equal instalments over their estimated useful lives as follows:

	Years
Building Improvements, Fixtures & Fittings	3 – 10
General Equipment, Vehicles	3 – 5
IT Equipment – Desk Top Computers	5
IT Equipment – Laptop Computers	3
Software	3 – 5

PRINCIPAL ACCOUNTING POLICIES (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is recognised on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Income

The Union receives donations in the form of a block grant from the University of Warwick and this is credited to the financial statements in respect of the period to which each grant relates.

All income and capital resources are recognised in the accounts when the Charity is legally entitled to the income, the amount can be quantified, and receipt is probable.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions or relates to primary purpose charitable trading. Such income is recognised as earned as the related goods or services are provided.

Income from commercial trading activities (net of Value Added Tax) is recognised as earned when the related goods and services are provided.

Investment income is recognised on a receivable basis

Expenditure

Expenditure is recognised when a liability is incurred.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources. This applies to the annual grant awards made by the Union to third party student sports clubs and societies. Contractual arrangements and performance related grants are recognised as goods or services are provided.

Expenditure incurred on charitable activities comprises the direct and indirect costs of delivering public benefit. This includes expenditure associated with student democracy, academic representation, student advice and welfare, student development and charitable trading.

Expenditure on raising funds includes costs incurred in trading and commercial activities undertaken to raise funds as well as to attract donations.

Support costs consist of overheads and governance costs and are apportioned to activities on a basis consistent with the use of the resources. Support costs include central functions such as Finance and HR (see note 2) and the building leases.

Expenditure includes irrecoverable Value Added Tax.

Termination Payments

The Union recognises a liability for termination benefits at the point where it is committed to making the payments in return for employee redundancy.

Leased Assets

All leases are operating leases and the annual rentals are charged to expenditure as the costs fall due.

PRINCIPAL ACCOUNTING POLICIES (continued)

Defined Benefit Pension Scheme

The group participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and the members are contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the Trustees on the advice of the actuary.

The scheme closed to future accrual on 30 September 2011.

Whilst the Scheme operates as a pooled arrangement, under FRS102, a contractual agreement under a multi-employer defined benefit pension scheme to fund a past deficit should be accrued for as a liability discounted to net present value.

Warwick Students' Union participates in both the National Union of Students Pension Scheme (NUSPS) - provided by Aegon which is a brand name of Scottish Equitable plc - and the government NEST scheme. Both NUSPS and NEST are defined contribution schemes and are accounted for under the terms of FRS102 based upon actual contributions paid during the year.

Investments

Warwick Students' Union has fixed asset investments in NUS Services Limited which are valued at cost, as these assets are not readily saleable and a reliable market value is not readily available.

The Board of Trustees value the shareholding in the subsidiary companies at fair value.

Funds Structure

Warwick Students' Union administers and accounts for a number of charitable funds, as follows:

- *Unrestricted Funds* representing unspent income which may be used for any activity / purpose at the Board of Trustees' discretion.
- *Designated Funds* set aside by the Board of Trustees to be spent on some specific purpose at its own discretion, which includes financing key strategic projects such as building refurbishment.
- *Restricted Funds* raised and administered by Warwick Students' Union for specific purposes. This includes revenue received from a donor to be used for activities prescribed by the donor.
- *Custodian Funds* entrusted to Warwick Students' Union for safekeeping, but not under its control such as Sports Club and Society funds (including annual Raising and Giving). Custodian activities are disclosed in the Annual Report, but any associated income or expenditure has been excluded from these accounts, and a matching creditor is in place for these.

Taxation

Warwick Students' Union became a registered charity on 1 August 2010 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010. Therefore, it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

PRINCIPAL ACCOUNTING POLICIES (continued)

Students' Union Services Warwick Limited

The taxable profits of Students' Union Services Warwick Limited are donated, through a deed of covenant, under Gift Aid to the Union with the consequence that no taxation is payable by that company.

Membership Solutions Limited

The taxable profits of Membership Solutions Limited are donated, through a deed of covenant, under Gift Aid to the Union with the consequence that no taxation is payable by that company.

NOTES TO THE FINANCIAL STATEMENTS

1. Consolidated Prior Year Statement of Financial Activities for the Year Ended 31 July 2021

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 TOTAL £
INCOME				
Donations				
University Grants	3,030,050	-	24,900	3,054,950
Job Retention Scheme Grant	657,006	-	-	657,006
Income from Charitable Activities				
Food and Beverage	291,560	-	-	291,560
Venues, Events & Entertainments	14,636	-	-	14,636
Administration and Support Services	(40,090)	-	3,242	(36,848)
Students Services & Representation	1,139	-	-	1,139
Student Activities, Societies & Sports Clubs	227,339	-	40,644	267,983
Income from Trading Activities				
Commercial Income	1,217,913	-	-	1,217,913
Marketing & Sponsorship	1,450	-	-	1,450
Investment Income – Interest Receivable	434	-	-	434
TOTAL INCOME	5,401,437	-	68,786	5,470,223
EXPENDITURE				
Expenditure on Raising Funds				
Commercial Activities	878,135	-	-	878,135
Expenditure on Charitable Activities				
Food and Beverage	1,425,471	-	-	1,425,471
Venues, Events & Entertainments	622,335	-	-	622,335
Student Membership Services	890,050	-	9,872	899,922
Representation & Affiliations	404,813	-	-	404,813
Student Activities, Societies & Sports Clubs	1,038,302	-	40,644	1,078,946
Increase in SUSS Pensions Liability	-	-	-	-
TOTAL EXPENDITURE	5,259,106	-	50,516	5,309,622
NET INCOME	142,331	-	18,270	160,601
Transfers Between Funds	32,081	(32,081)	-	-
NET MOVEMENT IN FUNDS	174,412	(32,081)	18,270	160,601
Fund Balances Brought Forward	(7,034,469)	300,753	53,649	(6,680,067)
TOTAL FUNDS CARRIED FORWARD	(6,860,057)	268,672	71,919	(6,519,466)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Charitable Activity and Support Costs

Charitable Activity Costs	TOTAL £	Staff Costs £	Cost of Sales £	Other Operating Expenses £	Support Costs £
<i>Charitable Activity Cost Reallocation</i>					
Food and Beverage	1,600,210	769,181	491,194	120,240	219,595
Venues, Events & Entertainments	1,005,066	253,253	323,848	52,495	375,470
Student Membership Services	699,993	421,960	-	105,235	172,798
Student Representation and Affiliations	366,998	163,115	-	11,214	192,669
Student Activities, Societies and Sports	1,347,764	236,474	-	412,979	698,311
	5,020,031	1,843,983	815,042	702,163	1,658,843
2021	4,431,487	1,701,344	115,983	294,879	2,319,281
<i>Charitable Activity Costs Summary</i>	2022	2021			
	£	£			
Food and Beverage	1,600,210	1,425,471			
Venues, Events & Entertainments	1,005,066	622,335			
Student Membership Services	699,993	899,922			
Student Representation and Affiliations	366,998	404,813			
Student Activities, Societies and Sports	1,347,764	1,078,946			
	5,020,031	4,431,487			

Student Representation expenses includes the affiliation fee for the National Union of Students' of £37,500 (2021: £37,500). For further information on affiliations see Note 23: Affiliations on page 56.

Support Costs	Use %	TOTAL £	Premises £	Finance & HR £	Marketing, IT & Comms. £	Governance, Admin & General Management £
<i>Support Cost Reallocation</i>						
Food and Beverage	13.2	219,595	251,665	(167,883)	70,657	65,156
Venues, Events & Entertainments	22.6	375,470	272,637	(32,899)	70,614	65,118
Student Membership Services	10.5	172,798	157,290	(120,224)	70,614	65,118
Student Representation and Affiliations	11.6	192,669	104,860	(48,004)	70,657	65,156
Student Activities, Societies and Sports Clubs	42.1	698,311	262,151	164,533	141,314	130,313
	100.0	1,658,843	1,048,603	(204,477)	423,856	390,861
2021		2,319,281	910,564	798,959	331,464	278,294
<i>Support Costs Summary</i>		2022	2021			
		£	£			
Food and Beverage		641,262	571,029			
Venues, Events & Entertainments		514,303	426,538			
Student Membership Services		404,119	372,744			
Student Representation and Affiliations		282,089	237,178			
Student Activities, Societies and Sports Clubs		827,947	711,792			
		2,669,720	2,319,281			

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Charitable Activity and Support Costs (continued)

Support costs are allocated on the following basis:

- Premises is allocated on space occupied
- Finance is allocated on total number of financial transactions
- HR is allocated based on staff costs
- Marketing, IT Services and Communications are pro-rata across all activities
- Governance, Administration and General Management are pro-rata across all activities

Governance, Administration and General Management costs include:

	2022 £	2021 £
<i>Governance Costs</i>		
Auditors' remuneration – Audit Fees	24,950	18,000
Auditors' remuneration – Taxation Services	22,673	24,575
Professional Fees – IT Contracts & Structures	5,874	11,896
Other Legal and Professional Fees	49,714	45,652
Board of Trustees – Committee Expenses	-	-
Board of Trustees – Travel Reimbursements	-	-
	103,211	100,123
Insurance	72,462	82,384
Irrecoverable Value Added Tax	86,379	38,156
	262,052	220,663

3. Net Movement in Funds

	2022 £	2021 £
<i>Net Movement in Funds for the Period is Stated After Charging</i>		
Auditors' remuneration		
Auditor Fees	24,950	18,000
Tax advisory	22,673	24,575
Cost of Stock Recognised as an Expense	491,194	100,179

Stock expended in each year relates to the costs of food and beverages sold across the Union's venues.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Net Movement in Funds (Continued)

	2022 £	2021 £
<i>Net Movement in Funds for the Period is Stated After Charging</i>		
Depreciation and Amounts Written-Off		
Owned Tangible Fixed Assets	110,577	119,132
Owned Intangible Fixed Assets	-	2,050
	110,577	121,182
Operating Lease Rentals		
Plant and Machinery	-	-
Buildings	475,307	475,307
	475,307	475,307

4. Staff Costs

	2022 £	2021 £
<i>The Aggregate Payroll for the Year was</i>		
Salaries and Wages	3,140,732	2,823,607
National Insurance	277,604	266,142
Defined Contribution Pension – Contributions in the Year	142,697	147,277
Defined Benefit Pension (SUSS) – Unwinding of Discount Factor	119,037	146,232
	3,680,070	3,383,258

* Pension Liability Changes relate to effect of changes arising from the triennial actuarial valuation on the overall SUSS pension liability in line with FRS102.

**The discount factor relates to the reduction in the SUSS Pensions liability arising from the annual payments made to the SUSS Trustees as part of the plan to reduce the unfunded part of the scheme.

	2022	2021
<i>The Average Staff Numbers was as Follows</i>		
Monthly Salaried Staff / Full Time Equivalent – Group	115.00 / 84.03	119.00 / 87.65
Monthly Salaried Staff / Full Time Equivalent – Union	99.75 / 71.22	106.75 / 76.33
Weekly Paid Staff / Full Time Equivalent – Group	258.00 / 25.06	143.00 / 10.46
Weekly Paid Staff / Full Time Equivalent – Union	258.00 / 25.06	143.00 / 10.46

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Staff Costs (Continued)

The number of employees employed by the Union and MSL receiving benefits above £60,000 within the year:

	2022	2021
£65,000 - £69,999	2	1
£80,000 - £84,999	-	1
£85,000 - £89,999	-	1
£90,000 - £94,999	-	1
£105,000 - £109,999	1	-
£135,000 - £139,999	1	-

The above members of staff, including those who are not part of the Unions Key Management Personnel, are in the Union's defined contribution scheme. The employer pension contributions amounted to £20,096 (2021: £19,980) for these employees. A further amount of £2,971 (2021: £Nil) has been provided for in respect of bonus payments agreed by the Membership Solutions Limited Board, but not yet paid, which are included in the above analysis.

Warwick Students' Union made terminations payments to two employees in respect of the termination of their employment during 2021-22. These payments total £13,103 (2021: £93,951).

5. Key Management Personnel, Trustee Remuneration and Expenses

The key management personnel are the Trustee/Directors, Full-Time Officers and the Chief Executive of Warwick Students' Union.

As well as having a role as a Trustee of Warwick Students' Union the seven Full-Time Officers perform a role as the voice of Warwick students.

They are authorised in the Union's governing document to represent students, undertake campaigning and support work as distinct from their trustee responsibilities. They listen to how students want things to be done and work with Warwick Students' Union staff, the Board of Trustees and partners to make it happen. They represent students to the University of Warwick, external organisations and the wider community.

Each of the Full-Time Officers received a salary of £22,110 (2021: £21,784) during the year. This salary was remunerated by way of their role as a Full-Time Officer - not as a Trustee.

	2022 £	2021 £
<i>Total Remuneration Paid to Key Management Personnel is</i>		
Salaries	221,274	224,712
National Insurance	21,829	21,329
Pension Costs	5,739	7,631
	248,842	253,672

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Key Management Personnel, Trustee Remuneration and Expenses (continued)

The Board of Trustees are entitled to claim and be reimbursed for personal travel and subsistence expenses in performing their role as a Trustee, and the amount paid to Trustees for such expenses was £nil (2021: £nil). No Trustees received any remuneration as a result of their role as Trustee.

A number of the Union's Trustees have personally chosen to waive their expenses and not claim travel expenses to attend Board and Committee meetings. The value of these expenses is unknown.

Warwick Students' Union also incurred costs of £3,461 (2021: £3,461) within the year relating to Professional Indemnity insurance cover of £2m (2021: £2m). This policy included cover for the Trustees, Directors, Officers and employees of the Union.

6. Fixed Assets – Group and Union

	TOTAL £	Building Improvements £	Fixtures, Fittings and IT Equipment £	Intangible (Software) £
<i>Cost</i>				
1 August 2021	1,144,303	73,039	1,012,483	58,781
Additions	58,781	-	58,781	
31 July 2022	1,203,084	73,039	1,071,264	58,781
<i>Depreciation</i>				
1 August 2021	910,948	35,114	817,053	58,781
Charge for the Year	110,577	6,377	104,200	-
31 July 2022	1,021,525	41,491	921,253	58,781
<i>Net Book Value</i>				
31 July 2021	233,355	37,925	195,430	-
31 July 2022	181,559	31,548	150,011	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Capital Commitments

	2022 £	2021 £
<i>Future Capital Expenditure</i>		
Authorised but not Contracted	-	-
Contracted	-	-
	-	-

8. Fixed Asset Investments

	GROUP		UNION	
	2022 £	2021 £	2022 £	2021 £
NUS Services Limited	16,664	16,664	8,332	8,332
Investment in Subsidiary Companies	-	-	9,602	9,602
	16,664	16,664	17,934	17,934

These amounts represent deposits held under NUS Services Limited Central Billing Scheme for Students' Unions and is held in respect of payment for monthly supplies of brewed and other products. Warwick Students' Union also holds equity share capital in the following unlisted companies:

Students' Union Services Warwick Limited:

Warwick Students' Union holds 102 ordinary shares of £1 each being 100% of issued ordinary shares.

Students' Union Services Warwick Limited is registered and operates in Great Britain. The primary nature of the business being non-primary purpose trading services on behalf of the charity.

Turnover for the year ended 31 July 2022 was £153,950 (2021: £68,007) and profits of £79,905 (2021: £20,844) were generated which was donated to the Union under gift aid. Net funds at 31 July 2022 were £102 (2021: £102). The total assets at 31 July 2022 were £237,289 and total liabilities were £237,187.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Membership Solutions Limited:

Warwick Students' Union directly owns 9,500 (2020: 9,500) £1 ordinary shares in Membership Solutions Limited, a company limited by shares registered in Great Britain, being 95% of its issued share capital, and controls the remaining 5%.

The primary nature of the business is the sale of membership and other IT related systems.

Turnover for the year ended 31 July 2022, was £1,470,711 (2021: £1,177,160) and a profit for the year of £nil (2021: nil) was recorded after the payment of a donation made under gift aid to the Union of £266,625 (2021: £297,186).

Net funds at 31 July 2022 were £10,000 (2021: £10,000). Total assets at 31 July 2022 were £463,411 and total liabilities were £453,411.

9. Stocks

	GROUP		UNION	
	2022 £	2021 £	2022 £	2021 £
Bars	12,156	30,931	12,156	30,931
Catering	6,406	3,307	6,406	3,307
Goods for Resale	18,562	34,238	18,562	34,238

10. Debtors

	GROUP		UNION	
<i>Amounts Falling Due Within One Year</i>	2022 £	2021 £	2022 £	2021 £
Trade Debtors	225,340	191,059	37,489	9,696
Amounts Due From Subsidiary Undertakings	-	-	245,947	147,849
Other Debtors	9,477	8,258	-	701
Prepayments and Accrued Income	296,704	217,352	195,946	166,221
	531,521	416,669	479,382	324,467

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. Creditors

<i>Amounts Falling Due Within One Year</i>	GROUP		UNION	
	2022 £	2021 £	2022 £	2021 £
Trade Creditors	229,856	42,319	207,962	28,521
Amounts Held for Clubs and Societies	832,755	782,009	832,755	782,009
Other Taxation and Social Security	165,146	78,333	165,146	78,333
Other Creditors	206,219	77,921	68,427	59,909
Accruals and Deferred Income	400,274	465,220	119,313	190,444
	1,834,250	1,445,802	1,393,603	1,139,216

Amounts held for clubs and societies represent balances held on behalf of these bodies, these funds have been generated separately from the activities of the Union and the use of these funds is directed by the individual club or society. Warwick Students' Union acts as a custodian for these funds.

<i>Deferred Income - Group</i>	2022 £	2021 £
At 1 August	246,030	151,445
Released During the Year	(877,236)	(960,750)
Additions During the Year	880,551	1,055,335
At 31 July	249,345	246,030

These amounts include receipts-in-advance for Membership Services Limited.

12. Financial Instruments

The Carrying Amount of the Groups Financial Instruments at 31 July were

<i>Financial Assets</i>	GROUP		UNION	
	2022 £	2021 £	2022 £	2021 £
<i>Debt Instruments</i>				
At Amortised Costs	423,676	269,309	166,267	87,947
<i>Financial Liabilities</i>				
Measured at Amortised Costs	587,005	339,430	388,403	283,590

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. Provisions for Liabilities and Charges – Group and Union

	2022 £	2021 £
At 1 August	7,945,203	8,176,590
Deficit Contributions Paid	(448,705)	(367,301)
Unwinding and impact of change in Discount Factor	(891,840)	135,914
At 31 July	6,604,658	7,945,203

The Trustees of the Student Unions' Superannuation Scheme (SUSS) have implemented a recovery plan aimed at reducing the unfunded element of the pension scheme by August 2035.

The plan requires Warwick Students Union to make an annual deficit contribution cash payment, which increases annually in October. The increase from October 2022 is 5% and then 5% annually. The impact of this payment is discounted over the life of the recovery plan to derive the current total liability relating to Warwick Students' Union. The current discount rate is 3.7% (2021: 1.7%), reflecting the interest rate of UK Government AA Gilts.

14. Analysis of Net Liabilities between Funds

2022	Fixed Assets and Investments £	Net Current Assets £	Provisions for Pension Liabilities £	Net Funds/ (Liabilities) £
Restricted Funds	-	83,308	-	83,308
Designated Funds	-	205,965	-	205,965
General Funds:				
Warwick Students' Union	208,325	1,374,916	-	1,583,241
Pension	-	-	(6,604,658)	(6,604,658)
	208,325	1,664,189	(6,604,658)	(4,732,144)

Prior Year: 2021	Fixed Assets and Investments £	Net Current Assets £	Provisions for Pension Liabilities £	Net Funds/ (Liabilities) £
Restricted Funds	-	71,919	-	71,919
Designated Funds	-	268,672	-	268,672
General Funds:				
Warwick Students' Union	260,121	825,025	-	1,085,146
Pension	-	-	(7,945,203)	(7,945,203)
	260,121	1,165,616	(7,945,203)	(6,519,466)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Designated Funds – Group and Union

	1 Aug 2021 £	Income £	Expenditure £	Transfers £	31 July 2022 £
Strategic Infrastructure	268,672	-	-	(62,708)	205,964

	1 Aug 2020 £	Income £	Expenditure £	Transfers £	31 July 2021 £
Strategic Infrastructure	300,753	-	-	(32,081)	268,672

The designated reserve was created to set aside funds for planned strategic developments.

The transfer of £62,708 relates to works undertaken on undertaking a Governance Review and improving the fixtures and fittings within the Students' Union premises, and developing the Union's Website.

16. Pensions Reserve

	2021 £	Discounted Reduction in Liability	2022 £
At 31 July	7,945,203	(1,340,545)	6,604,658

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. Restricted Funds – Group and Union

2022	1 August 2021 £	Income £	Expenditure £	Transfers/ repaid £	31 July 2022 £
Sports -Including Warwick Sports	300	-	-	-	300
Sports - Events and Activities	1,301	13,600	(2,000)	-	12,901
Community Schemes	30,052	21,140	(19,131)	-	32,061
Student Development	19,550	-	(2,616)	-	16,934
Media Centre	20	-	-	-	20
Wellbeing, Welfare and Housing	6,493	-	(1,266)	-	5,227
Student Led Projects					
Postgraduate Engagement	2,732	2,000	-	-	4,732
Inspire Scheme	553	-	-	-	553
Sustainability	3,256	3,938	(1,938)	-	5,256
Projects - Equality and Diversity	7,662	2,500	(4,838)	-	5,324
	71,919	43,178	(31,789)	-	83,308

All of the above restricted reserves represent funds received specifically for the identified activity and are related to grants from the University of Warwick and donations for specific projects. The grant awards for student led projects have been allocated across the activities in the year.

Prior Year: 2021	1 August 2020 £	Income £	Expenditure £	Transfers £	31 July 2021 £
Sports -Including Warwick Sports	300	40,644	(40,644)	-	300
Sports - Events and Activities	4,016	-	(2,715)	-	1,301
Community Schemes	24,996	8,542	(3,486)	-	30,052
Student Development	11,500	8,050	-	-	19,550
Media Centre	20	-	-	-	20
Wellbeing, Welfare and Housing	1,913	5,300	(720)	-	6,493
Student Led Projects					
Postgraduate Engagement	2,732	-	-	-	2,732
Inspire Scheme	553	-	-	-	553
Sustainability	5,817	-	(2,561)	-	3,256
Projects - Equality and Diversity	1,802	6,250	(390)	-	7,662
	53,649	68,786	(50,516)	-	71,919

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18. Grants to Student Sports Clubs and Societies

	2022 £	2021 £
<i>Grant Awards by Societies Federation:</i>		
Media, Performance and Music	15,164	13,873
Campaigning, Charity and Welfare	6,372	5,765
Activities and Hobbies	11,116	7,152
Academic Societies	11,060	3,040
Cultural Societies	2,871	1,527
Faith and Belief	2,566	1,590
	49,149	32,947
<i>Grant Awards by Warwick Sport:</i>		
Sports Clubs	294,036	105,691
	343,185	138,638

These are grant awards made by the Union during the year to student sports clubs and societies. The total grant amount awarded directly to sports clubs to undertake activity in the British Universities and Colleges Sport (BUCS) leagues was £161,095 (2021: £13,845).

Societies also received support from the Union for additional costs of undertaking activity in COVID 19 safe spaces, and funds to the sum of £2,803 (2021: £1,376) were issued for this purpose

Warwick Students' Union acts as custodian for funds raised by the many sports clubs, student societies and RAG (raising and giving) affiliated to the Union. These funds are not consolidated in to the Union's accounts. These funds are held in a separate bank account and the year end balances for each sports club and student society are within the Union's creditor balance (see Note 11).

19. Operating Lease Commitments

	Group and Union	
	2022 £	2021 £
<i>Land and Buildings</i>		
Amounts Falling Due:		
Within One Year	490,852	490,852
Within Two to Five Years	1,901,228	1,901,228
Over Five Years	8,877,149	9,352,456
	11,269,229	11,744,536

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Operating Lease Commitments (continued)

	Group and Union 2022 £	2021 £
<i>IT Equipment</i>		
Amounts Falling Due:		
Within One Year	11,092	-
Within Two to Five Years	27,729	-
	<hr/>	
	38,821	-

20. Note to Statement of Cashflows

	2022 £	Group 2021 £
<i>Reconciliation of Net Income/(Expenditure):</i>		
Net Income	1,787,322	160,601
Decrease in Stocks	15,676	13,827
(Increase)/Decrease in Debtors	(114,852)	145,209
Increase/(Decrease) in Creditors	388,448	(179,660)
(Decrease) in Provisions	(1,340,545)	(231,387)
Depreciation	110,577	121,182
Interest Receivable	(1,348)	(434)
	<hr/>	
Net Cash Inflow from Operating Activities	845,278	29,338

Included within the year end cash balances of £2,958,458 (2021: £2,568,180) is £832,755 (2021: £782,009) relating to student sports clubs and societies which the Union holds as custodian, in a separate bank account.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. Pension Scheme

The charitable company participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary.

The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the charitable company. Under the accounting standard FRS102 and Charity SORP (FRS102), in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year.

The Students' Union Superannuation Scheme consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119.1m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140.9m. The assumptions which have the most significant effect upon the results of the Valuation are those relating to the sustained low yield on government bonds.

The following assumptions applied at 30 June 2019:

- Pre-retirement discount rate – 4.0% pa
- Post retirement discount rate – 2.0% pa
- Retail price inflation (RPI) – 3.6% pa
- Consumer Price inflation (CPI) – 2.6% pa
- Pension increase in payment for services, 1988 to 1993 (RPI min 3% and max 7%) – 3.9% pa, post 1997 (RPI min 3% and max 5%) – 3.7% pa and post 2000 (RPI max 5%) – 3.4% pa

The 2019 valuation extended the period over which the ongoing funding deficit would be cleared to August 2035 and recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms. This has resulted in an increase in contributions by 8% from 1 October 2021 and by a further 5% each year until July 2035. These rates applied with effect from 1 October 2021 and contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, The Union also pays its share of the Scheme's levy to the Pension Protection Fund.

FRS102 and Charities SORP (FRS102), require that the charitable company share of past service shortfall is reflected in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Based on the most recent valuation, the charitable company contribution to eliminating the shortfall was £448,705 for the year ended 31 July 2022 (2021: £367,301).

Therefore, at 31 July 2022, the balance sheet of charitable company includes a liability of £6,604,658 (2021: £7,945,203), which represents the net present value of all future contributions towards eliminating this shortfall.

The discount rate used is 3.7% (2021: 1.7%) which is comparable to that for a 15-year AA-rated corporate bond. The estimated liability is based on the 2019 triennial valuation of the scheme and will necessarily require revision after subsequent revaluations.

In addition, the Charitable company paid Pension Protection Fund levy of £42,559 (2021: 36,604) during the year.

The Charitable company also contributes to The National Employment Savings Trust (NEST) and Aegon, defined contribution schemes. During the year contributions were made amounting to £142,697 (2021: £147,277). At the year-end an amount of £10,879 (2021: £Nil) was due with respect to the pension contributions.

22. Related Party Transactions

Membership Solutions Limited

The Union received a donation under gift aid from Membership Solutions Limited of £266,626 (2021: £297,186). The Union purchased £35,389 (2021: £27,199) of IT services from Membership Solutions Limited and provided £22,004 (2021: £22,004) of services.

At the year end, the Membership Solutions Limited owed £8,668 to Warwick Students Union (2021: £11,179 owed to Membership Solutions Limited by Warwick Students Union).

	2022 £	2021 £
Salary Support, Administrative and Expenses	8,300	8,300
Premises and Equipment Rental	13,704	13,704
	22,004	22,004

Students' Union Services Warwick Limited

The Union received a donation under gift aid from Students' Union Services Warwick Limited of £79,905 (2021: £20,844). The Union purchased £Nil (2021: £Nil) in goods and services from Students' Union Services Warwick Limited and provided £35,232 (2021: £26,998) of services to Students' Union Services Warwick Limited. At the year end the Union was owed £232,503 (2021: £157,738) from Students' Union Services Warwick Limited. All outstanding balances are unsecured, owed on normal trading terms and will be settled in cash.

	2022 £	2021 £
Salary Support, Administrative and Expenses	9,561	9,561
Premises and Equipment Rental	25,671	17,437
	35,232	26,998

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Trustees of Warwick Students' Union

There were no related party transactions in respect of Warwick Students' Union Trustees in the year (2020: no related party transactions in respect of Warwick Students' Union Trustees)

23. Affiliations

Warwick Students' Union is affiliated to the following organisations. Membership, granted by the payment of an affiliation fee, entitles the Union to have a say in how organisations are run or what focus they may have. This may be in the form of a vote or a voice on working parties over and above other membership benefits such as access to expert advice or information resources.

<i>Affiliation Fees</i>	2022	2021
	£	£
National Union of Students (NUS)	37,500	37,500
NUS Services Limited (NUSSL)	380	380
British Universities and Colleges Sport (BUCS)	17,441	15,696
Coventry and Warwickshire Chamber of Commerce	-	230
	55,321	53,806

Confirmation of these affiliations is undertaken by vote at an All Student Meeting.