

**THE UNIVERSITY OF NOTTINGHAM
STUDENTS' UNION**

**Report and Consolidated Financial
Statements**

Year ended 31 July 2020

**Company Registration Number: 07229624
Charity Registration Number: 1136986**

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Trustees

Chair

J Pheasey	appointed 12 July 2019; resigned 17 July 2020
M Fox	appointed 20 July 2020

Officer Trustees

C Ulrich	appointed 12 October 2018; resigned 17 July 2020
J Collier	appointed 16 July 2019; resigned 17 July 2020
M Doherty	appointed 16 July 2019; resigned 17 July 2020
D Lelin	appointed 20 July 2020
J Jessop	appointed 20 July 2020
S Thomas	appointed 20 July 2020
E Coleman	appointed 6 October 2020
S Hawkins	appointed 6 October 2020
R Craven	appointed 6 October 2020
A Ahmed	appointed 6 October 2020

Lay Trustees

C Harvey	resigned 31 December 2020
D Ellis	
R Munton	
J Colenso	appointed 20 February 2020

Student Trustees

S Saleem	resigned 17 July 2020
J Lim	resigned 15 August 2019
E Millinger	appointed 21 June 2019; resigned 17 July 2020
C Gill	appointed 21 June 2019
E Salami	appointed 20 February 2020
A Hacon	appointed 15 October 2020
S Martin	appointed 15 October 2020

Principal Address

Portland Building
 University Park
 Nottingham
 NG7 2RD

Company Number
Company Secretary

07229624
 D Goodacre

Charity Number 1136986

Auditor

Cooper Parry Group Ltd
 Sky View, Argosy Road
 Castle Donington
 Derby
 DE74 2SA

Bankers

NatWest Corporate
 8-10 Great Tower Street
 London
 EC3P 3HX

Solicitors

Browne Jacobson
 44 Castle Gate
 Nottingham
 NG1 7BJ

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The Board of Trustees present their Annual Report for the year ended 31 July 2020, which includes the administrative information set out above, together with the audited accounts for that year.

Structure

University of Nottingham Students' Union (UoNSU) is a registered charity and a company limited by guarantee, not having share capital and governed by its Memorandum and Articles of Association. The liability of each member in the event of winding up is limited to £1. It is registered as a charity with the Charity Commission.

The charity is administered by its Board of Trustees which consists of up to eight sabbatical officer trustees, four lay trustees and five student trustees. The Directors of the charitable company are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

The Board of Trustees is responsible for setting Union's strategy, sustainability, and monitoring progress including oversight of performance of each part of the Union's work. They review and approve the budget and track the Union's financial performance, have oversight of the Union's risk and fiduciary accountabilities and line management of the chief executive. The Board of Trustees has delegated its powers for the management of certain functions to three Committees – Student Experience Committee, People & Culture Committee and Finance, Risk and Compliance Committee.

The Board's power is subject to the decisions or policy made by the Student Members in General Meeting, through the student democratic procedures within Union Council and the Democratic Procedures Committee or by Referendum. The Trustees may override the decisions or policy only on the grounds of financial considerations, charity or education law or other legal requirement, or the reputation or best interests of the UoNSU.

Union Council represents the voice of the students and sets the policy of UoNSU for its members. They receive the Annual Report and Accounts. Through their democratic structures they establish, maintain, regulate or remove the Clubs and Societies, Associated Bodies and Organisational structures, and review and approve affiliations in accordance with the Education Act.

The Board of Trustees and Union Council has the power to jointly make, repeal or alter Bye Laws as to the management and working practices of the Students' Union.

Aims and Objectives

UoNSU is governed by its Memorandum and Articles which record its Objects as follows:

The Union's Objects are the advancement of education of students at University of Nottingham for the public benefit by:-

- Promoting the interests and welfare of students at University of Nottingham during their course of study and representing, supporting and advising students;
- Being the recognised representative channel between students and University of Nottingham and any other external body; and
- Providing social, culture, sporting and recreational activities and forums for discussions and debate for the personal development of members.

2019/20 Impact and Performance

During the year our new strategy was completed after an extensive process which engaged stakeholders across the student, union and university community. Our mission is

We believe in better, and we'll achieve it together

Our vision is that we'll be leaders for our student community, shaping an inspiring and rewarding student experience.

Our values define who we are and our commitment is that in all that we do we will be:

Equitable – we'll be relevant, inclusive, respectful and accessible for our diverse membership, taking steps to encourage participation, celebrate differences and enhance the voices and opportunities of under-represented and disadvantaged groups.

Empowering – We'll be led by our members, seeking democratic input to drive our policies and priorities, and we'll support and enable students to own and lead their personal experiences.

Brave – We'll be ambitious and tenacious in pursuing our members' interests, challenging policy makers, creating new and innovative solutions and taking calculated risks to advance our influence and impact.

Responsible – We'll always look to do the right things, in the right ways, holding ourselves to the highest standards of corporate and social responsibility, aligning our work with the UN Sustainable Development Goals and managing our finances and resources effectively.

Collaborative – We'll work together with our members and stakeholders, leading, learning and sharing with key partners and collaborators so we can expand our impact and continue to do better.

Our key strategic priorities are:

- Prioritising academic representation
- Building student community
- Improving student lives

1. Prioritising academic representation

The Union has played a significant role in influencing the teaching experience. We have placed significant emphasis on supporting students on their course to elect representatives and provide training for them to be effective, with 689 reps in 2019/20, a 19% increase on last year. An average of 50% of the reps were also retained from last year, with our students finding value in the skills they develop from the role and having a huge passion for advancing the education of their community. 2019/20 also saw the development of formal accreditation for the training and work our reps undertake, which became part of the Nottingham Advantage Award. This is the University's award winning scheme which develops student employability skills and formally recognises extracurricular activities.

Performance in relation to question 26 of the National Student Survey (NSS) (which asks if the Students Union effectively represents students' academic interests) remains broadly at 52% agreement and in line with the sector and national average.

A few of the successful changes made by students around their academic experience include:

- ✓ Large improvements and higher levels of engagement within the School of Sociology and Social Policy which saw a large increase in the number of student education reps, and great collaboration between University staff and students in the school to ensure that student views are being considered more effectively than ever before.
- ✓ The creation of a maths support network for economics students, to better support those students who did not do Mathematics at A-level.
- ✓ The creation of a student-led seminar program within the School of Humanities to give post graduate research students a chance to present their work and gain valuable experience in academic skills.
- ✓ In the School of English, collaborating with the University staff team to look at the assessment workload of students, and ultimately changing the a coursework submission deadline

Our Education Officer and Post Graduate Officer continue to collaborate with the University and represent the interests of students on a day to day basis at the highest level. As a result of Covid-19 our Officers were able to influence key decisions affecting student education in real time, and this included the 'no academic disadvantage' policy. This provided a significant level of protection to students directly or indirectly affected by Covid-19 and as a result a high level of support to mental health and wellbeing of our students.

Our education reps have worked closely with University staff in all schools to help respond to the many challenges arising as a result of Covid-19. We received over 80 nominations for our Education Network Awards with much of the staff and student feedback commending the pro-active and supportive role our reps took in ensuring close communication between students and schools.

Unfortunately as a result of Covid-19 we had to cancel the University Staff Oscars event where we recognise outstanding support for students across University staff. We are hopeful we can bring the event back in the future, combined with our Education Network Awards which celebrates the success and contribution of our volunteer academic representatives. This will create a single event to recognise and celebrate the outstanding achievements which are advancing student education at the University of Nottingham.

2. Building Student Community

We engage our students in a huge variety of ways and to enable students to get the best out of their Nottingham experience we provide services ourselves and empower our students to do the same. 73% of students rated us as good or very good in the annual student satisfaction survey, a slight increase on last year but an area we are continually focused on trying to improve.

Activities and Sport: Creating the opportunities for our students to meet new people, make lifelong friends, learn new skills and have fun is a key element of our community building. We have 116 sports groups and 318 societies which students can be part of and 22,000 students were members of at least 1 group. This continues to be one of the largest offerings across the country and wouldn't be possible without the dedication of the student volunteers who lead their groups.

We continue to support sport at Nottingham through UoNSport, in partnership with the University of Nottingham. At elite level our students achieved 2nd place in the British Universities and Colleges competition (BUCS) again, track star Hayley Mills was recognised as 2019 BUCS Sportswoman of the year and at the annual BUCS awards UoNSport won 2 awards:

- Participation Programme of the Year, reflecting the work undertaken by the partnership to extend the reach and impact of participation opportunities for students and the community.

- Workforce Programme of the Year, reflecting the work undertaken to upskill and develop the employability of students, student leaders and volunteers

Events: We support a huge attendance at events both run by the Union and those which our team have supported and empowered our student groups to organise. Last year we organised events for Welcome Week, collaborating with the University, and our volunteers, to deliver over 100 events for new and returning students. Later in the academic year, Covid-19 brought different challenges and the restrictions placed on the country resulted in events being cancelled from March. We had to cancel the annual Varsity Series, organised in collaboration with Nottingham Trent University, our Graduation Ball, and many more events which we and our student groups run. Our events team switched to supporting groups to manage their cancellations, postpone events and recover refunds to put their student groups in the best place to resume activities once restrictions are lifted.

Volunteering

Our student volunteers continue to support our student and local community, and we have amazing volunteers. Whilst impossible to name everyone here, Nottingham Nightline provided a confidential listening service to support the mental health of students, Nottingham Night Owls continued to provide valuable support to students at night time in the city centre and Soup Runners raised funds throughout the year and provided food to homeless people in the city centre twice a week, conducting weekly runs with volunteers helping and distributing food.

We also continued to operate our global Buddies Scheme, which helped international students find buddies to support and guide them on their transition into life at Nottingham.

Social Enterprises

We have a variety of businesses on campus which serve to bring the student community together, provide valuable services to students, create employment opportunities for our community and generate a contribution to help fund the activities of UoNSU. These outlets include our Spar shops, Mooch bar, Portland Coffee Co, Portland Clothing Co and Portland Printing. We're also delighted to announce that this year we opened Portland Zero, our sustainable shop. All businesses had to close in March due to Covid-19 following the closure of campuses and Government restrictions. Despite this, our social enterprises were able to make a contribution of £546k to the Charity. This donation related to the profit generated in 2018/19 and 100% of this helps support our activities for students.

3. Improving Student Lives

The overall outcome we're trying to achieve is that students report that the Students' Union had a positive impact on their time at the University of Nottingham, and 80% of students reported this. We continue to support, represent and champion student interests beyond the core academic experience and work closely with the university to deliver a great student experience.

Advice & Support: Our Student Advice Centre provides impartial course, housing and money advice to all students for free. Last year, the team opened 2,953 new cases, and supported hundreds more students who received ongoing support for an existing advice case. In relation to housing we continued our campaign work to help students understand their rights and how to successfully rent a home, and we also checked hundreds of contracts to ensure students were getting a fair deal. One particular success was in supporting a student household through a tribunal process where the household was ultimately able to recover over £6,000 through a Rent Repayment Order. Whilst our Student Advice Centre moved online in the later part of 2019/20 as a result of Covid-19, we were able to maintain services to students throughout.

We also have a range of volunteer or peer support services in place. Nottingham Nightline, our student led confidential listening service continued to operate this year and after a short break when Covid-19 first arrived, were able to move their online to support students through the exam period. Other student groups such as Community first Responders were also able to support our students and local community.

Mentors: Each year we recruit and train a large number of student volunteers ("mentors") to support our Welcome week by ensuring new students have a great introduction to the University, make friends and avoid isolation, and have fun. Early 2019/20 saw a 'normal' Welcome week where we again placed an emphasis on community building and supporting our students to safely enjoy their first week at University. Through late spring/summer 2020, extensive planning took place to ensure the programme was ready to operate in September 2020 for the new academic year. This was constantly evolving due to changing Government advice but we were able to undertake a welcome programme of activity to help our new students settle into life at Nottingham in September 2020 and as usual, our volunteer Welcome mentors were instrumental in this.

Campaigning

We have run and supported a number of campaigns in the year to help promote the interests of our students and improve their lives. Some of these included:

Climate Emergency – Our students passed policy declaring a climate change emergency and our elected Environment and Social Justice Officer ran various campaigns and projects. This included Sustainability Week, where over 60 events and activities took place to raise awareness of the issues affecting our environment, health and wellbeing, and social justice. We also opened our zero waste shop Portland Zero which gained much local media attention, and collaborated with the university who also declared a climate change emergency and its commitment to the UNs sustainable Development Goals.

Black History Month - 2019 saw UoNSU host a range of events throughout Black History Month (BHM) where on each Wednesday of BHM we hosted our core panel events, with the focus to discuss and explore topics directly related to the black community. This included our 'Black Faces in High Places' panel discussion surrounding the navigation of race and gender in the workplace. Work continued on this in summer 2020 with a larger programme now taking place in autumn 2020.

Living Wage – In autumn 2019 UoNSU became an accredited Living Wage employer recognising that everyone who works with us needs to earn a fair wage which is enough to live on. We continue to offer a large number of employment opportunities to our students to develop their employability skills and support their income whilst studying at Nottingham.

Beat the Burglar - a campaign led by our elected Community Officer in collaboration with the police and University, this campaign raised awareness of thefts and crimes in the local area. 730 properties were visited with more than half of those tenants engaging with helpful advice on preventing burglaries in student homes. For students who wanted further support, this was offered by Nottingham City Council's Safer Housing team.

Governance and management

The Union is subject to regulation by the Charity Commission and Companies House. The Union complies with all the statutory requirements which apply to it.

Governing Document

UoNSU is governed by its Memorandum and Articles of Association. The 5 year review of the Union's Memorandum and Articles of Association was completed in 2017-18 to meet the requirements of the Education Act 1994. Amendments to the governing document were approved by SU General Meeting and the University's Council in accordance with our set down requirements.

Officers

The Board of Trustees has an Executive Officer committee which during 2019/20 consisted of seven students elected annually by a cross campus secret ballot of the UoNSU membership. From the start of 2020/21 this was increased to the eight posts of Education Officer, Liberation Officer, Welfare and Wellbeing Officer, Activities Officer, Sports Officer, Community Officer, Post Graduate Officer and Union Development Officer. These are full time, or 'sabbatical', posts remunerated as authorised by the Education Act and Charity Act.

UoNSU also has a further seven officer roles elected by a cross campus secret ballot of the UoNSU membership. The seven posts of Black and Minority Ethnic Officer, Disabled Students' Officer, Environment and Social Justice Officer, International Students' Officer, LGBT+ Students' Officer, Mature Students' Officer, Women's Officer, are part time roles which are undertaken on a volunteer basis and not remunerated.

Our Officers provide the political leadership for UoNSU and are the lead representatives of students for UoNSU internally, across University of Nottingham, the city of Nottingham and nationally.

Recruitment and Training of Trustees

The Union Development Officer serves as Chair of the Board for the duration of their tenure as an Officer, having been appointed following a secret cross-campus ballot of the members. As of autumn 2020, all other full time Officers are Trustees, having been elected to their Officer position following a secret cross-campus ballot of Union members. Officer Trustees may serve for a second term if they are re-elected as an Officer of the Union.

Lay Trustees are appointed for a term of three years. Lay Trustee appointment is made following external open recruitment. Recommendations are made by the People & Culture Committee to the Board of Trustees and then the Democratic Procedures Committee in accordance with our Bye-laws. Lay Trustees may serve for a total of two terms.

Student Trustees are appointed by an application and selection process which is openly advertised to all Union members (students). Recommendations are made by the People & Culture Committee to the Board of Trustees and then the Democratic Procedures Committee in accordance with our Bye-laws. Student Trustees can serve one term of up to two years. The length of term can be affected by the point of study and the timing of the academic year so recruitment processes are in place to manage fairly high turnover.

The Union is required by the Charity Commission to have more unpaid than paid trustees.

An initial induction meeting with the Chief Executive ensures new Trustees understand the role, the context of the Union and expectations of the meetings before they attend their first meeting. A Board

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induction for all Trustees is followed by subject induction briefings for each Committee led by the appropriate senior management team member. The Board also have an annual training and induction day.

Delegation

The Trustees delegate the day-to-day management, the development of strategy and overall leadership of the Charity to the Chief Executive and a Senior Management Team. The Chief Executive reports to the Chair of the Board.

Pay Policy and Senior Staff

The Board of Trustees review the salary for the Chief Executive annually using data from across comparable students' unions and the charity sector to provide a benchmark for their decision making. The Directors are considered with the whole organisation by our People & Culture Committee which is a sub-committee of the Trustee board.

Employment

The Students' Union is committed to engaging with its employees to ensure team members are kept up to date on the success and challenges of the Students' Union, its performance and other information that may be important or of interest. A variety of methods are used to achieve this, including team meetings, briefings, away days, email bulletins and a staff engagement forum. Where changes which might impact team members are being considered, we take a collaborative and consultative approach to ensure different views can be taken into account. We also undertake an annual staff engagement and satisfaction survey the results of which, and the arising action plan, are overseen by our People and Culture Committee and shared transparently across the organisation.

The Students' Union is an equal opportunities employer and has a responsible approach to employment and social legislation. We're trying hard to become a more inclusive workplace and to better represent the student community that we serve. We value diversity, promote equality and challenge discrimination - this is fundamental to our values and enriches life on campus.

The Students' Union is committed to the development of our staff and we provide equal opportunities for the training and career development of all employees.

Relationship with the University

The Education Act 1994 lays down the statutory duty of the University of Nottingham to take such steps as are reasonably practical to ensure the Students' Union operates in a fair and democratic manner and is held to appropriate account for its finances. The Students' Union works alongside the University of Nottingham to ensure that its affairs are properly conducted and the needs of the University of Nottingham Students' Union members are met. The formal relationship between the University and the Union is governed by a Memorandum of Understanding. The Students' Union President and Chair of the Union's Reporting and Finance Committee report at least twice yearly to the University Executive Board and annually to the University's Finance Committee on the performance and progress of the Union, and on our use of the University's annual grant.

The relationship between the University and UoNSU is established in a Memorandum of Understanding between both organisations. UoNSU receives a block grant from the University, and occupies buildings owned by the University, which also pays for some repairs, services and utilities. This non-monetary support is intrinsic to the relationship between the University and UoNSU. As recommended by the Charities' SORP, for due compliance with the requirements for Students' Unions provided for in the Charities Act 2006, an estimated value to UoNSU for this support has been included in the accounts, priced at £535,000. UoNSU, and its wholly owned subsidiary UNU Services Limited, continues to generate supplementary funding from various mutual trading activities much of which has been developed as a

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result of a close and collaborative relationship with the University. The University of Nottingham is not a related party as defined by the Charities FRS102 Statement of Recommended Practice (SORP).

Public benefit

The Trustees consider this matter, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit. As a registered charity, The University of Nottingham Students' Union works directly, supports and benefits around 34,000 students who registered to study at the University of Nottingham in the UK. In planning our work we test that the strategy and the primary goal of all our activities are linked to our core aims and therefore are for the direct benefit of our member students. In addition our work supports the local Nottingham community, prospective students and a number of national organisations. We have an extensive community volunteering programme, who meet regularly with City and local councillors and members of the community, particularly where students are resident, to work positively with them so students are positive and active members of their community. Any activity that the Union undertakes in which it has core skills but which is not for the direct benefit of the Union's members, is funded and resourced separately. This is always a very small part of our work but is usually undertaken to support the aims of the University of Nottingham, the Union's main funder.

Societies and student groups

These funds raised by the societies and student groups are administered by the Union for the specific benefit of that society or student group.

Principal Risks and Uncertainties

The Board of Trustees has examined the major strategic, business and operational risks faced by UoNSU. The Union has a Risk Register. The Finance, Risk and Compliance Committee oversees the detailed review and tracking of UoNSU's risks as part of its delegated authority from the Trustee Board and updates the Board of Trustees regularly. The Board of Trustees review the risk register on an annual basis. The Risk Register is managed operationally by the Senior Management Team and an escalation process is in place for any issues that occur that require urgent notification. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. 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 health and safety of staff, volunteers and participants on all activities organised by UoNSU. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

There are a number of significant risks affecting the Union. Most immediately, Covid-19 has had a significant impact across the globe. Financially, whilst our University grant funding has been confirmed we have significant uncertainty over our remaining income which is an important element of funding our charitable activities. Operationally, it has created significant uncertainty and we are having to be flexible to changing Government guidelines and student needs. Aside from Covid-19, we remain aware of the risks of changing student attitudes and preferences, the impact of higher education and immigration policies on both our parent institution and ourselves and changes in the broader economic and political climate. There are a number of risks associated with our specific operations, for example our student societies' activities. These have established control procedures in place and these are subject to regular review.

Our legacy defined benefit pension scheme (Students' Union Superannuation Scheme "SUSS") is currently in deficit and we are making payments as part of a deficit recovery plan. Further detail on this are provided in the notes to the consolidated accounts. We receive formal updates on the scheme at least annually from the pension scheme trustees and the Board of Trustees consider the impact on UoNSU accordingly. The impact of SUSS is considered by Trustees as part of our routine business and strategic planning.

Plans for the Future

The Union has been restructuring during summer 2020 to reshape to deliver the new strategy and resize to ensure we can remain financially sustainable for the long term. We will continue to develop our services to lead our student community and shape an inspiring and rewarding experience.

Financial review

Principal sources of funding

The principal sources of funding are the core grant from the University of Nottingham, funding from the University of Nottingham to supporting the Hall Committee activities, funds generated directly by our student groups, the profit donated by UNU Services Limited, the increased sponsorship income being secured and income from our investments.

Financial Overview

The Union continues to manage its finances to support delivery of its strategy and ensure its long term sustainability. In the year we have closely managed our funds and this was never truer given the significant impact that Covid-19 had on the SU and the wider community we are in. We generated a core deficit of £141k, and had budgeted to make a deficit of £168k and utilise some of our reserves to support the planned investment in our people to become an accredited Living Wage employer and planned investment to implement a new membership system and web platform. However, we have experienced an incredibly challenging year due to Covid-19 and reflecting on the year, it was very much split between 'before Covid-19 started' and 'after Covid-19 started'. Prior to Covid-19 starting to affect the union cost control was strong, particularly around vacancy management, as we were preparing to restructure the organisation to deliver the new strategy. Our social enterprises had also been trading very well and were expecting to make a contribution to the charity comparable with previous years. However, once Covid-19 commenced all of our trading activity ceased and we had to manage our costs in a way we have never before. Numerous staff supported us by going on furlough and we were fortunate to be able to be part of the UK Government's Coronavirus Job Retention Scheme, without which our deficit would have been significantly larger.

This year also saw the results of the most recent triennial valuation for the SUSS pension scheme released. This scheme is still significantly in deficit, which has increased to £141m, and the annual cost to the union to close our share of the deficit will be increasing again. The impact of the revaluation is an additional cost to UoNSU of £496k, and although this will crystallise over several years, the annual deficit recovery payments to SUSS remain a significant legacy cost.

	2020	2019
	£	£
Core (deficit)/surplus	(140,855)	27,815
Unrealised investment gain/(loss)	(75,258)	39,987
Impact of pension scheme triennial valuation	(495,917)	-
Movement in unrestricted funds	(712,030)	67,802
Movement in restricted (student) funds	306,440	50,648
Net movement in funds	(405,586)	118,450

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Reserves policy

The Trustees review the Union's reserves policy on an annual basis and have agreed to continue to:

- Maintain six months' reserves but on a revised basis of calculation of critical core activity,
- Agree the use of reserves as long as the level of reserves does not drop below 50% of the critical core activity plus the cost of restructuring, or £500k, whichever is the higher.
- Reassess the cost of the critical core and enhanced core costs each year allowing for any changes to the scale and scope of these areas and whether that should be factored into the new level.

The Trustees considered the following factors to determine an appropriate level of reserve to be held:

- The Union's critical core services for students
- The level of risk in depending on the University for a continued core grant level of around £2.4m
- The level of risk from our other income sources
- How and when the Union may legitimately use its reserves – regardless of whether we raise or lower the current level.

We currently set our reserves level at £600,000 which would

- Enable us to maintain our critical core services required by the Education Act and by agreement with the University as the minimum service we would offer (The Officers, Representation Development supporting the education network, Advice and academic representation)
- Cover related essential central costs including health & safety, HR, finance, building rent, insurance, IT, a small provision for senior management and standard overheads
- Cover the estimated cost to scale our activity down (the cost of restructuring).

As at 31 July 2020 we estimate our reserves as follows:

	2020	2019
	£	£
Unrestricted funds	(1,700,630)	(988,600)
Add back pension deficit	2,819,918	2,383,621
Less tangible fixed assets	(97,451)	(153,606)
Reserves	1,021,837	1,241,415

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that UoNSU has adequate resources to continue in operational existence for the foreseeable future. Trustees have undertaken a financial planning exercise, taking account of various scenarios, and during early 2020/21 have made changes to the organisation to ensure that it is financially sustainable. This included a conscious decision to utilise some of our free reserves to support the organisation through the Covid-19 crisis. We continue to closely monitor our financial position and plan, and respond to the rapidly changing environment we're operating in to ensure our long term sustainability.

The group has net liabilities of £347,941 (2019: net assets of £57,645) however, £2.8m of this is caused by a legacy pension scheme. The pension is due to be repaid gradually over the next 15 years as part of a formal plan with the pension scheme trustees and our internal plans are prepared to manage spend and activity around this commitment. Excluding the pension, the remaining balance sheet has a strong cash position.

Our block grant from the University is our largest source of income and has been agreed for the academic years 2020/21 – 2021/22, significantly reducing the financial risk to the organisation. We rely on our social enterprises within UNU Services Limited to make a contribution to support our charitable activities and as a result of Covid-19 we significantly reduced the expectation in our medium term financial plan. Like many businesses operating in the retail and hospitality sector, the operating environment in autumn 2020 has been difficult as a result of increased Government restrictions and a national lockdowns. We have

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made use of available Government support, which has been of significant help, and we have looked to respond to our challenges by maximising our income, minimising our costs and minimising the impact on our people.

We continue to closely monitor trading performance internally and this is overseen by our Finance, Audit and Compliance committee. Our cash position remains strong and the Trustees expect to have sufficient cash and reserves for the foreseeable future.

For this reason we continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Students' Union and of the income and expenditure of the group for that period. In preparing those financial statements, the Trustees are required to ensure the Union:

- Selects suitable accounting policies and then apply them consistently;
- Observes the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- States whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepares 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 ensuring adequate accounting records are kept that are sufficient to show and explain the Union's transactions and disclose with reasonable accuracy at any time the financial position of the Union 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 Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

During the year, an indemnity from UoNSU was made available to Trustees against liabilities that might be incurred by them in defending proceedings against them in respect of the affairs of UoNSU. The value of the indemnity in place during the year was £1,000,000.

THE UNIVERSITY OF NOTTINGHAM STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020
Trustees' Annual Report

Auditor

The auditors, Cooper Parry Group Limited, were appointed during the year in accordance with section 485 of the Companies Act 2006.

Each of the persons who are Trustees at the time when this Trustee's report is approved has confirmed that:

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

By Order of the Board

A handwritten signature in black ink, appearing to read 'M. Fox', with a stylized flourish at the end.

M Fox
Chair of Trustees

Date 12.03.21

Independent auditor's report to the members of the University of Nottingham Students' Union

Opinion

We have audited the financial statements of The University of Nottingham Students' Union ('the Parent Charitable Company') and its subsidiary ('the Group') for the year ended 31 July 2020 which comprise the Group statement of financial activities, the Group and Parent Charitable Company balance sheet, the Group cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 July 2020 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 audit opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises the Annual Report of the Trustees. The Trustees are responsible for the other information.

Independent auditor's report to the members of the University of Nottingham Students' Union

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' Report, which includes the Directors' 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, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Trustees' report.

We have nothing to report in respect of the following matters to which the Companies Act 2006 and the Charities Act 2011 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 Group or Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

Independent auditor's report to the members of the University of Nottingham Students' Union

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at <https://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 Parent Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Parent Charitable Company's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Parent Charitable Company's members and trustees 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 Parent Charitable Company, the Parent Charitable Company's members as a body and the Parent Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA, Senior Statutory Auditor

For and on behalf of:

Cooper Parry Group Limited

Sky View, Argosy Road

Castle Donington

Derby

DE74 2SA

Date: 25/07/2021

**Group statement of financial activities for the year ended 31 July 2020
(incorporating the income and expenditure account)**

		Unrestricted funds	Restricted funds	31 July 2020	31 July 2019
	Note	£	£	£	£
INCOMING RESOURCES					
Donations and grants	2	3,603,304	-	3,603,304	3,561,617
Incoming resources from generated funds					
Other trading activities	3	3,289,986	-	3,289,986	4,540,179
Income from investments		45,565	-	45,565	46,965
Income from Charitable activities					
Operation of Student Union	4	16,140	2,468,410	2,484,550	3,475,037
Total group incoming resources		6,954,995	2,468,410	9,423,405	11,623,798
RESOURCES EXPENDED					
Expenditure on raising funds	5	3,240,540	-	3,240,540	4,041,885
Expenditure on Charitable activities	5	3,752,665	2,161,966	5,914,631	7,400,806
Pension deficit charge	17	495,917	-	495,917	-
Interest on pension fund deficit		102,645	-	102,645	102,644
Taxation		-	-	-	-
Total resources expended		7,591,767	2,161,966	9,753,733	11,545,335
Net income / (expenditure)		(636,772)	306,444	(330,328)	78,463
Unrealised (loss) / gain on investment	11	(75,258)	-	(75,258)	39,987
Net movement in funds		(712,030)	306,444	(405,586)	118,450
Total funds brought forward		(988,600)	1,046,245	57,645	(60,805)
Total funds carried forward	18/19	(1,700,630)	1,352,689	(347,941)	57,645

All activities during the period are classed as continuing.

The accompanying accounting policies and notes form an integral part of these financial statements.

The Charity has taken advantage of section 408 of the Companies Act 2006 to not publish its own Statement of Financial Activities.

**Group statement of financial activities for the year ended 31 July 2019
(incorporating the income and expenditure account)**

		Unrestricted funds	Restricted funds	31 July 2019
INCOMING RESOURCES	Note	£	£	£
Donations and grants	2	3,561,617	-	3,561,617
Incoming resources from generated funds				
Other trading activities	3	4,540,179	-	4,540,179
Income from investments		46,965	-	46,965
Income from Charitable activities				
Operation of Student Union	4	71,177	3,403,860	3,475,037
Total group incoming resources		8,219,938	3,403,860	11,623,798
RESOURCES EXPENDED				
Expenditure on raising funds	5	4,041,885	-	4,041,885
Expenditure on Charitable activities	5	4,047,594	3,352,212	7,400,806
Interest on pension fund deficit		102,644	-	102,644
Taxation		-	-	-
Total resources expended		8,192,123	3,352,212	11,545,335
Net income / (expenditure)		27,815	50,648	78,463
Unrealised gain on investment		39,987	-	39,987
Net movement in funds		67,802	50,648	118,450
Total funds brought forward		(1,056,402)	995,597	(60,805)
Total funds carried forward	18/19	(988,600)	1,046,245	57,645

Consolidated Balance sheet as at 31 July 2020

		Group		Charity	
	Note	31 July 2020	31 July 2019	31 July 2020	31 July 2019
		£	£	£	£
Fixed assets					
Tangible fixed assets	10	97,451	153,606	69,719	107,622
Investments	11	1,623,913	1,669,829	1,923,913	1,969,829
		1,721,364	1,823,435	1,993,632	2,077,451
Current assets					
Investments		112,691	112,569	112,691	112,569
Stocks	12	93,254	92,370	-	-
Debtors	13	324,788	248,181	172,136	224,199
Cash at bank and in hand		1,251,480	1,467,715	527,767	276,993
		1,782,213	1,920,835	812,594	613,760
Creditors: amounts falling due within one year	14	(1,031,600)	(1,303,004)	(631,057)	(803,473)
Net current assets		750,613	617,831	181,537	(189,713)
Total assets less current liabilities		2,471,977	2,441,266	2,175,169	1,887,738
Creditors falling due outside one year	15	(2,819,918)	(2,383,621)	(2,819,918)	(2,383,621)
Net assets	19	(347,941)	57,645	(644,749)	(495,883)
Income funds					
Unrestricted funds	18	(1,700,630)	(988,600)	(1,997,476)	(1,542,128)
Restricted funds	18	1,352,689	1,046,245	1,352,727	1,046,245
		(347,941)	57,645	(644,749)	(495,883)

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The financial statements were approved by the Board of Directors on 25.02.21
and signed on its behalf by:

M FOX



Chair of Trustees and Students' Union Development Officer

Company number: 07229624

Consolidated Statement of Cash Flows for the year ended 31 July 2020

		Group 31 July 2020 £	Group 31 July 2019 £
	Note		
Net cash provided by (used by) operating activities	20	(194,634)	(58,800)
Cash flows from investing activities			
Purchase of fixed assets	10	(37,625)	(94,594)
Proceeds from the sale of investments		238,963	219,087
Purchase of investments	11	(268,306)	(264,873)
Investment income		45,565	46,965
		(21,525)	(93,415)
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		(216,235)	(152,215)
Cash and cash equivalents at the beginning of the year		1,467,715	1,619,930
Cash and cash equivalents at the end of the year		1,251,480	1,467,715

Principal accounting policies

1 Accounting Policies

General information

The University of Nottingham Students' Union is a private limited company limited by guarantee and domiciled in England and Wales. Registered company number 072296204 and charity number 1136986.

The Registered office is The University of Nottingham Students' Union, Portland Building, University Park, Nottingham, NG7 2RD.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (revised 2015), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The University of Nottingham Students' Union meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention except that certain investments are held at market value.

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 under the historical cost convention, and are in accordance with applicable accounting standards. In preparing the financial statements, the Union follows best practice as set out in the Statement of Recommended Practice 'Accounting and Reporting by Charities' (the Charities' SORP FRS 102) issued in October 2019.

The financial statements are presented in Sterling and this is the functional currency of The University of Nottingham Students' Union and the accounts are rounded to the nearest £1.

Going Concern

The financial statements have been prepared on a going concern basis.

After making appropriate enquiries, the trustees have a reasonable expectation that UoNSU has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the date of approval of the accounts. Trustees have undertaken a financial planning exercise, taking account of various scenarios, and during early 2020/21 have made changes to the organisation to ensure that it is financially sustainable. This included a conscious decision to utilise some of our free reserves to support the organisation through the Covid-19 crisis. Trustees have continued to closely monitor our financial position and plan, and respond to the rapidly changing environment we're operating in to ensure our long term sustainability.

The group has net liabilities of £347,941 (2019: net assets of £57,645) however, £2.8m of this is caused by a legacy pension scheme. The pension is due to be repaid gradually over the next 15 years as part of a formal plan with the pension scheme trustees and our internal plans are prepared to manage spend and activity around this commitment. Excluding the pension, the remaining balance sheet has a strong cash position.

Our block grant from the University is our largest source of income and has been agreed for the academic years 2020/21 – 2021/22, significantly reducing the financial risk to the organisation. We rely on our social enterprises within UNU Services Limited to make a contribution to support our charitable activities and as a result of Covid-19 we significantly reduced the expectation in our medium term financial plan. Like many businesses operating in the retail and hospitality sector, the operating environment in autumn 2020 has been difficult as a result of increased Government restrictions and a national lockdowns. We have made use of available Government support, which has been of significant help, and we have looked to respond to our challenges by maximising our income, minimising our costs and minimising the impact on our people.

Principal accounting policies

Group financial statements

These financial statements comprise the results of The University of Nottingham Students' Union and its wholly owned trading subsidiary, UNU Services Limited consolidated on a line by line basis. No separate Statement of Financial Activities or Income & Expenditure Account is presented for the Charity because it has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Incoming resources

All incoming resources are recognised once the Group has entitlement to the resources, it is virtually certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. The following policies are applied to particular categories of income:

- Voluntary income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Voluntary help and donations in kind

The charity benefits from the provision of serviced accommodation by the University of Nottingham. Similar facilities in a similar location would have a rental cost of approximately £535,036 (2019: £535,036) per annum and so this amount has been included in these financial statements.

The value of these services has been calculated using estimated market values applied to either space utilised or level of service provided.

Resources expended and basis of allocation of costs

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Group to the expenditure. All expenditure is accounted for on an accruals basis.

Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the Financial Statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Principal accounting policies

Tangible fixed assets, depreciation and impairment

The cost of tangible fixed assets represents the purchase price plus any attributable expenditure.

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, evenly over their expected useful lives.

It is calculated at the following rates:

UNU refurbishments	-	3 – 10 years
Clubs JCR	-	3 years
SRS motors & others	-	3 years
Equipment computers	-	3 years
Union refurbishment	-	3 – 10 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. These circumstances include consideration of the ability of the asset to be operated as planned and thereby provide the expected revenue streams associated with that asset.

Stocks

Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price.

Leases

Rentals paid under operating leases are charged against income on a straight-line basis over the lease term.

Pension costs

The Union 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 Union. Under the terms of FRS102, the pension has been valued based on the discounted future cash flows of payments under the agreed recovery plan.

The scheme was closed to further accrual on 30 September 2011 and the Union now participates in the National Union of Students Pension Scheme which is a defined contribution scheme.

The Union also participates in the University of Nottingham defined benefit scheme. Similarly, 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 Union. Under the terms of 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.

Funds

Unrestricted funds consist of funds which the Charity may use for general purposes at the Trustees' discretion, this includes designated funds which are designated for specific purposes. Restricted funds represent income contributions which are allocated to a particular purpose in accordance with the donor's wishes and funds of societies/clubs/associations which are managed by those organisations and whose use is restricted by their constitutions.

Notes to the financial statements

2 Donations and grants

	Unrestricted Total	Restricted Total	2020 Funds	2019 Funds
	£	£	£	£
Block grant from University	2,409,273	-	2,409,273	2,559,271
JCR grant from University	283,039	-	283,039	448,560
Other grants and donations	375,956	-	375,956	18,750
Donations in kind	535,036	-	535,036	535,036
	3,603,304	-	3,603,304	3,561,617

3 Trading turnover

Retail	2,019,059	-	2,019,059	2,761,806
Catering/Restaurants	782,857	-	782,857	1,159,650
Print shop	124,260	-	124,260	130,317
Events & Advertising	363,810	-	363,810	488,406
	3,289,986	-	3,289,986	4,540,179

4 Income from charitable activities

Societies	-	748,735	748,735	1,008,305
Medics	-	129,235	129,235	208,760
Sutton Bonnington	-	285,153	285,153	383,017
JCR	-	121,566	121,566	422,387
SRS	-	127,174	127,174	155,897
Volunteering	-	42,112	42,112	55,490
Sports	-	991,849	991,849	1,161,665
Associated Bodies	-	22,586	22,586	8,339
Other	16,140	-	16,140	71,177
	16,140	2,468,410	2,484,550	3,475,037

Student bodies with a turnover in excess of £25,000 were Law, BlowSoc, Latin, Ballroom & Salsa, Travel, Mechanical Engineering, Dance, Christian Union, Hindu, Mussoc, Malaysian, Chemistry, Medics, Boat, Men's Hockey, Ladies Hockey, Ice Hockey, Snowsports, Equestrian, Tennis, Skydive, Triathlon, American Football, Athletics and Cross Country, Badminton, Sutton Bonington Guild, Vetsoc, New Theatre and TEC PA & Lighting,

This includes donations and sponsorships.

Notes to the financial statements

5 Total resources expended

	Cost of Sales	Staff Costs	Other Costs	2020 Total	2019 Total	
	£	£	£	£	£	
(a) Costs of generating funds						
Retail	1,438,098	432,141	176,118	2,046,357	2,636,360	
Catering/Restaurants	252,015	447,988	89,595	789,598	925,129	
Print	49,398	83,671	18,169	151,238	146,578	
Events & Advertising	123,606	93,686	-	217,292	310,922	
UNU Services Limited overheads	-	-	36,055	36,055	22,896	
	1,863,117	1,057,486	319,937	3,240,540	4,041,885	
(b) Charitable activities						
	Staff Costs	Direct Costs	Support Costs	In kind costs	2020 Total	2019 Total
	£	£	£	£	£	£
Unrestricted funds						
Student advice and support	234,005	3,453	3,396	29,084	269,938	260,773
Representation and campaigns	121,132	69,373	503	29,084	220,092	251,024
Student activities	1,839,849	682,551	247,595	476,867	3,246,862	3,519,080
Governance costs	-	-	15,773	-	15,773	16,717
	2,194,986	755,377	267,267	535,035	3,752,665	4,047,594
Other student activity spend						
Restricted funds: student activities	-	2,161,966	-	-	2,161,966	3,353,212
	2,194,986	2,917,343	267,267	535,035	5,914,631	7,400,806

Support costs and in kind costs are those costs which cannot be directly attributed to a charitable activity, but support the delivery of the activity. These are allocated on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate.

Notes to the financial statements

5 Total resources expended for prior year

	Cost of Sales	Staff Costs	Other Costs	2019 Total
	£	£	£	£
(c) Costs of generating funds				
Retail	1,971,023	396,243	269,094	2,636,360
Catering/Restaurants	378,249	398,851	148,029	925,129
Print	47,429	78,386	20,763	146,578
Events & Advertising	232,862	78,060	-	310,922
UNU Services Limited overheads	-	-	22,896	22,896
	2,629,563	951,540	460,782	4,041,885

(d) Charitable activities	Staff Costs	Direct Costs	Support Costs	In kind costs	2019 Total
	£	£	£	£	£
<i>Unrestricted funds</i>					
Student advice and support	222,353	6,246	3,090	29,084	260,773
Representation and campaigns	140,581	79,492	1,867	29,084	251,024
Student activities	1,939,862	879,935	222,417	476,866	3,519,080
Governance costs	-	-	16,717	-	16,717
Pension scheme revaluation	-	-	-	-	-
	2,302,796	965,673	244,091	535,034	4,047,594
<i>Other student activity spend</i>					
Restricted funds: student activities	-	3,353,212	-	-	3,353,212
	2,302,796	4,318,885	244,091	535,034	7,400,806

Notes to the financial statements

6 Support Costs

	Premises Cost	Legal & Prof	Other Costs	2020	2019
	£	£	£	£	£
Student advice and support	-	1,323	2,073	3,396	3,090
Representation and campaigns	28	-	475	503	1,800
Student activities	121,430	18,808	107,357	247,595	222,484
Governance	-	-	15,773	15,773	16,717
	121,458	20,131	125,678	267,267	244,091

Support Costs for prior year

	Premises Cost	Legal & Prof	Other Costs	2019
	£	£	£	£
Student advice and support	-	-	3,090	3,090
Representation and campaigns	-	-	1,800	1,800
Student activities	105,167	31,743	85,574	222,484
Governance	-	-	16,717	16,717
	105,167	31,743	107,181	244,091

7 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

Total staff emoluments for the period of both the University of Nottingham Students' Union and UNU Services Limited were as follows:

	2020	2019
	£	£
Salary costs	2,740,432	2,582,037
Social security	182,608	183,985
Pensions	188,892	186,371
	3,111,932	2,952,393

The average number of individuals employed by the Group during the period was:

Monthly paid	101	99
Casual Student Staff and Coaches	156	158
	257	257

Notes to the financial statements

The number of staff whose emoluments for the year (including taxable benefits) exceeded £60,000 were as follows:

	31 July 2020 Number	31 July 2019 Number
£60,000 - £69,999	1	1
£70,000 - £79,999	0	1
£80,000 – £89,999	1	0

The key management personnel of the parent charity, the Union, and the Group comprise the Chief Executive Officer, Director of Finance and Support Services, Director of Student Engagement, Director of Commercial Development and Director of Student Influence. The total employee benefits of the key management personnel of the Union were £302,310 (2019: £345,114). Note, this structure changed on 1 September 2020.

8 Trustees' remuneration and expenses

Trustees are all voluntary roles and no trustees were remunerated in respect of their role as a trustee. However, as is common with many Students' Unions, Officer Trustees are remunerated in respect of their role as an elected Officer. Payment to Officer Trustees was agreed and minuted prior to incorporation and is included in the organisations governing document. All Officer Trustees have written contracts of employment with the Union setting out the necessary terms, and the trustees ensure that it is only a minority of trustees that receive payment.

The Trustees who were remunerated for the year were J.Pheasey, M.Doherty, J.Collier, and C Ulrich. Payment to the Officer Trustees was agreed and minuted prior to incorporation.

Each of the officers is paid a salary of £18,883 (2019: £18,969) per annum. The total salary cost for the officer trustees to the Union was £83,284 including NI & pension costs (2019: £69,477).

Cost of Trustees meetings including expenses of non-executive trustees were £1,876 (2019: £773).

9 Auditors' remuneration

The auditors' remuneration (inclusive of irrecoverable VAT) during the period was £10,610 (2019: £11,529) including fees for UNU Services Limited.

These costs are included in governance costs.

Notes to the financial statements

10 Tangible fixed assets

Group	UNU Refurbishment £	Clubs JCR £	SRS Motors & Others £	Equipment computers £	Total £
Cost					
At 1 August 2019	271,844	394,383	17,933	44,675	728,875
Additions	10,500	27,125	-	-	37,625
Disposals	-	(786)	-	-	(786)
At 31 July 2020	282,384	420,722	17,933	44,675	765,714
Depreciation					
At 1 August 2019	225,900	286,761	17,933	44,675	574,484
Charge for the year	28,751	64,967	-	-	93,718
Disposals	-	-	-	-	-
At 31 July 2020	254,652	351,003	17,933	44,675	668,263
Net book value					
At 31 July 2020	27,732	69,719	-	-	97,451
Net book value					
At 31 July 2019	45,984	107,622	-	-	153,606

Charity	Clubs JCR £	SRS Motors & Others £	Equipment computers £	Total £
Cost				
At 1 August 2019	394,383	17,933	44,675	456,991
Additions	27,125	-	-	27,125
Disposals/write off	(786)	-	-	(786)
At 31 July 2020	420,722	17,933	44,675	483,330
Depreciation				
At 1 August 2019	286,761	17,933	44,675	348,644
Charge for the year	64,967	-	-	64,967
Disposals	-	-	-	-
At 31 July 2020	351,003	17,933	44,675	413,611
Net book value				
At 31 July 2020	69,719	-	-	69,719
Net book value				
At 31 July 2019	107,622	-	-	107,622

Notes to the financial statements

11 Fixed asset investments

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Cost and net book value:				
Investment in subsidiary undertaking	-	-	300,000	300,000
Listed investments	1,623,913	1,669,829	1,623,913	1,669,829
	1,623,913	1,669,829	1,923,913	1,969,829

	Group and Charity 2020 £
Listed investments	
Value at 1 August 2019	1,669,829
Additions in the year at cost	268,306
Disposal proceeds	(238,964)
Valuation gains / (losses)	(75,258)
Market value at 31 July 2020	1,623,913

There was one individual investment that constituted over 5% of the market value of the listed investment portfolio, Treasury 4 ¼% Stock 07/12/2027 which represented 5.3% (2019: none).

As at the date of approving these accounts the Trustees are of the opinion that the investment value is not materially different from the 31 July 2020 valuation.

Investment in subsidiary undertaking

The investment in subsidiary undertaking represents 100% of the ordinary share capital of UNU Services Limited (02223522), a company whose principal activities are those of the provision of retail shopping, catering/restaurants, events and printing facilities to students and staff at the University of Nottingham. UNU Services Limited donates its trading profits to the Charity. UNU Services Limited is registered at Portland Building, University Park, Nottingham, NG7 2RD. The audited financial statements of UNU Services Limited for the year ended 31 July 2020 show the following:

	2020	2019
	£	£
(a) Profit and loss account		
Sales	3,289,986	4,537,884
Cost of sales	(2,920,604)	(3,527,725)
Gross profit	369,382	1,010,160
Administrative expenses	(319,937)	(514,197)
Operating profit/(loss)	49,445	495,963
Interest Receivable	2,135	2,304
Other income	238,281	-
Profit/(loss) on ordinary activities before taxation	289,861	498,267
Taxation	-	-
Distribution of reserves	(546,543)	(397,229)
Profit/(loss) for the period transferred to reserves	(256,682)	101,038

Notes to the financial statements

	£	£
(b) Balance sheet		
Fixed assets	27,732	45,980
Current assets		
Stocks	93,254	92,369
Debtors	160,110	106,709
Investments	-	-
Cash at bank and in hand	723,713	1,190,715
	<u>977,077</u>	<u>1,389,793</u>
Creditors: amounts falling due within one year	(408,001)	(582,283)
Net current assets	<u>569,076</u>	<u>807,510</u>
Net assets	<u>596,808</u>	<u>853,490</u>
Capital and reserves		
Called up share capital	300,000	300,000
Profit and loss account	296,808	553,490
Shareholders' funds	<u>596,808</u>	<u>853,490</u>

12 Stocks

	Group		Charity	
	31 July 2020	31 July 2019	31 July 2020	31 July 2019
	£	£	£	£
Finished goods and goods for resale	<u>93,254</u>	<u>92,370</u>	<u>-</u>	<u>-</u>

13 Debtors

	Group		Charity	
	31 July 2020	31 July 2019	31 July 2020	31 July 2019
	£	£	£	£
Trade debtors	<u>102,006</u>	<u>117,380</u>	<u>28,962</u>	<u>52,870</u>
Amounts owed by subsidiary undertakings	-	-	-	82,814
Prepayments	<u>217,239</u>	<u>130,801</u>	<u>137,631</u>	<u>88,515</u>
VAT debtor	<u>5,543</u>	<u>-</u>	<u>5,543</u>	<u>-</u>
	<u>324,788</u>	<u>248,181</u>	<u>172,136</u>	<u>224,199</u>

Notes to the financial statements

14 Creditors: amounts falling due within one year

	Group		Charity	
	31 July 2020	31 July 2019	31 July 2020	31 July 2019
	£	£	£	£
Trade creditors	494,415	495,830	369,619	370,613
Other taxation and social security	-	26,375	-	26,375
Amounts owed to group undertaking	-	-	22,870	-
Accruals/other creditors	537,185	780,799	238,568	406,485
	1,031,600	1,303,004	631,057	803,473

15 Creditors; amounts falling due after one year

	31 July 2020	31 July 2019	31 July 2020	31 July 2019
	£	£	£	£
Pension fund	2,819,918	2,383,621	2,819,918	2,383,621
	2,819,918	2,383,621	2,819,918	2,383,621

16 Pensions

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership 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 valuation of the scheme carried out as at 30 June 2019 showed that the market value of the scheme's assets was £119m 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 £141m. The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2019:-

- ☐ The investment return would be 4.0% per annum before retirement and 2.0% per annum after retirement;
- ☐ Pensions accruing on the CARE basis would revalue at 3.4% per annum;
- ☐ Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

The 2019 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit by the year 2035. Contributions will increase by at least 5% each year. These contributions include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment.

Notes to the financial statements

For accounting purposes, the SUSS is reported in accordance with the relevant accounting standard – FRS 102, where we value our pension deficit based on the discounted future cash flows of payments under the agreed recovery plan. At 31 July 2020 our pension deficit was valued at £2.8m (2019: £2.4m).

In addition to the above contributions, the Union also pays its share of the scheme's levy to the Pension Protection Fund.

The Union offers eligible employees the opportunity to join the National Union of Students Pension Scheme, a defined contribution scheme. The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 31 July 2020 amounted to £188,892. (2019: £186,371).

17 Commitments under operating leases

As at 31 July 2020, the Group and Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Buildings				
Less than 1 year	50,000	56,500	-	-
Greater than 1 year and not later than 5 years	282,500	345,000	-	-
	332,500	401,500	-	-
Print Shop				
Less than one year	-	12,157	-	-
Greater than 1 year and not later than 5 years	-	-	-	-
	-	12,157	-	-
	332,500	413,657	-	-

Notes to the financial statements

18 Accumulated funds – Group

	Movement in resources				
	At 31 July 2019 £	Incoming £	Outgoing £	Gains/(losses) /transfers £	At 31 July 2020 £
<i>Restricted funds</i>					
Societies	399,752	748,735	(757,552)	-	390,935
Medics	58,542	129,235	(124,423)	-	63,354
Sutton Bonington	78,195	285,153	(286,798)	-	76,550
JCR	206,882	121,566	(48,923)	-	279,525
SRS	14,650	127,174	(113,294)	-	28,530
Volunteering	83,704	42,112	(49,290)	-	76,526
Sports	175,905	991,849	(760,035)	-	407,719
Associated Bodies	8,597	22,585	(13,973)	-	17,209
Derby Students	8,783	1	770	-	9,554
NMA	(1,203)	-	2,850	-	1,647
Physio & Rehab	872	-	268	-	1,140
Association					
Other	11,566	-	(11,566)	-	-
	1,046,245	2,468,410	(2,161,966)	-	1,352,689
<i>Unrestricted Funds</i>					
General fund	(988,600)	6,954,995	(7,667,025)	-	(1,700,630)
	57,645	9,423,405	(9,828,991)	-	(347,941)

Societies' funds consist of the funds of individual societies, raised from membership fees, donations and sponsorship, each society manages its own affairs by committee.

Medics funds consist of the funds of individual medical school related societies, raised from membership fees, donations and sponsorship, each society manages its own affairs by committee.

Sutton Bonington funds are held on behalf of the Guild who generate additional income, mainly events, on top of the Grant from the University, also SB campus based societies, raised from membership fees, donations and sponsorship, each society manages its own affairs by committee.

JCR (Junior Common Room) funds are held on behalf of the committees of Halls of Residence who generate additional income, mainly events, on top of the Grant from the University.

SRS (Student Run Societies) covers the activities of the radio station URN, TV station NSTV, student magazine Impact, CD library, TEC PA & Lighting, New Theatre and Karnival.

Volunteering funds are funds raised to support the volunteering activities of the students union and are specific to individual projects.

Sports funds consist of the funds of individual clubs, raised from membership fees, donations and sponsorship, each club manages its own affairs by committee. In addition specific funds are received from Donors to cover contributions towards Kit, Coaching Development and pre-season training.

Notes to the financial statements

18 Accumulated funds – Group - prior year

	Movement in resources				At 31 July 2019 £
	At 31 July 2018 £	Incoming £	Outgoing £	Gains/(losses) /transfers £	
<i>Restricted funds</i>					
Societies	359,552	1,008,305	(968,105)	-	399,752
Medics	37,683	208,760	(187,901)	-	58,542
Sutton Bonington	82,072	383,017	(386,894)	-	78,195
JCR	120,637	422,387	(336,142)	-	206,882
SRS	19,243	155,897	(160,490)	-	14,650
Volunteering	84,903	55,490	(56,689)	-	83,704
Sports	228,620	1,161,664	(1,214,379)	-	175,905
Associated Bodies	9,649	8,339	(9,391)	-	8,597
Derby Students	201	1	8,581	-	8,783
NMA	220	-	(1,426)	-	(1,203)
Physio & Rehab Association	(40)	-	912	-	872
Other	52,857	-	(41,288)	-	11,569
	995,597	3,403,860	(3,353,212)	-	1,046,245
<i>Unrestricted Funds</i>					
General fund	(1,056,402)	8,219,938	(8,192,123)	39,987	(988,600)
	(60,805)	11,623,798	(11,545,335)	39,987	57,645

19 Analysis of group net assets between funds

Group	Tangible fixed assets £	Net current assets £	Long-term assets/ liabilities £	Fund balances £
Restricted funds	-	1,352,689	-	1,352,689
General unrestricted funds	97,451	(602,113)	(1,195,968)	(1,700,630)
	97,451	750,576	(1,195,968)	(347,941)

Group – prior year	Tangible fixed assets £	Net current assets £	Long-term assets/ liabilities £	Fund balances £
Restricted funds	-	1,046,245	-	1,046,245
General unrestricted funds	153,606	(428,414)	(713,792)	(988,600)
	153,606	617,831	(713,792)	57,645

Notes to the financial statements

20 Reconciliation of net movement in funds to net cash inflow from operating activities

	Group	Group
	2020	2019
	£	£
Net movement in funds for the period	(405,586)	118,450
Interest receivable	(45,565)	(46,965)
Depreciation charge	93,718	132,295
Loss on sale of fixed assets	-	-
(Increase) / Decrease in stocks	(884)	3,320
(Increase) / Decrease in debtors	(76,607)	184,943
(Decrease) in creditors due within one year	(271,404)	(358,967)
Increase / (Decrease) in creditors due after one year	436,436	(51,889)
Net fair value losses/gains recognised	75,258	(39,987)
Net cash provided by / (used in)		
operating activities	(194,634)	(58,800)

21 Related party transactions

The University of Nottingham is incorporated by Royal Charter and is an exempt charity for the purposes of the Charities Act 2011. It is governed and regulated by Statutes, one of which states that there shall be a Union of Students. From this the Union derived its own charitable status. The University provides a grant to the Union which funds the Union's activities. The University is expected to review the Union's financial statements to ensure its compliance with the Education Act 1994.

The University of Nottingham provided £2,409,273 (2019: £2,559,271) of block grant funding to the Union during the year.

The University of Nottingham is the owner of the premises which it lets to the Union under a licence agreement. Under the licence the University provides service such as power, cleaning, custodial services and landlord's repairs. In return it receives service charges, principally from the trading activities of UNU Services Limited, which, historically, have been calculated in different ways for different premises. In addition the University will carry out alterations and other maintenance of the premises and additional cleaning and portering for which it charges. The University also trades commercially with the Union for the provision of services such as catering.

The Union and UNU Services Limited use the Salaries Office of the University as a payroll bureau, a service for which the University makes no charge.

The Union is the beneficial owner of UNU Services Limited, a company limited by shares. The shares are held in trust for the Union by honorary trustees. Shared services are supplied at cost between the entities in the group. The taxable profit of UNU Services Limited is donated to the Union under Gift Aid, and in 2020 amounted to £546,543 (2019: £397,229).

On 31 July 2020 the Union owed £22,870 to UNU Services. On 31 July 2019 the Union was owed £82,814 from UNU Services.

22 Controlling and ultimate controlling party

During the year the University of Nottingham Students' Union was under the control of the University of Nottingham Students' Union Board of Trustees. The ultimate policy decision-making body of the University of Nottingham Students' Union is the combined student body.

Notes to the financial statements

23 Affiliations

During the year the group paid affiliation fees to National Union of Students £60,000 (2019: £57,415) and British University and Colleges Sport £nil (2019: £nil).