

**THE UNIVERSITY OF NOTTINGHAM
STUDENTS' UNION**

Trustees' Report and Consolidated Financial Statements

Year ended 31 July 2022

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

Index

Trustees, Senior Staff, Governance Committees and Professional Advisors	2 – 3
Trustees' annual report	4 – 14
Independent auditor's report	15 – 18
Group statement of financial activities	19 – 20
Group and charity Balance sheet	21
Group cash flow statement	22
Principal Accounting Policies	23 – 26
Notes to the financial statements	27 – 40

Reference and administrative details

Trustees

Chair

G Sullivan appointed 19 July 2021; resigned 15 July 2022
 S Chaudhury appointed Chair 15 July 2022

Officer Trustees

S Chaudhury appointed 19 July 2021
 M Ali appointed 19 July 2021; resigned 15 July 2022
 B Ewles appointed 02 August 2021; resigned 15 July 2022
 A Gooden appointed 19 July 2021; resigned 15 July 2022
 A Kosse appointed 19 July 2021; resigned 15 July 2022
 C Taylor appointed 19 July 2021; resigned 15 July 2022
 P Willis appointed 19 July 2021; resigned 15 July 2022
 J Butterworth appointed 11 July 2022
 D Forster appointed 11 July 2022
 S Nolan appointed 11 July 2022
 I Oyedeji appointed 11 July 2022
 J Paternoster appointed 11 July 2022

Lay Trustees

D Ellis
 R Munton
 J Colenso
 C Bridge

Student Trustees

F Akhtar appointed 20 April 2021
 W Bowling appointed 01 July 2021
 J Brazier appointed 01 July 2021; resigned 20 December 2022
 M Nouman appointed 20 April 2021; resigned 15 July 2022
 J Ferris Woolley appointed 15 December 2022
 N Holt appointed 15 December 2022
 J Horsburgh appointed 15 December 2022

Company Secretary E Birkinshaw

Company Number 07229624

Charity Number 1136986

Principal Address Portland Building
 University Park
 Nottingham
 NG7 2RD

Reference and administrative details

Independent Auditor **Cooper Parry Group Limited**
Sky View
Argosy Road
East Midlands Airport
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

Trustees' report

The Board of Trustees present their Annual Report for the year ended 31 July 2022, which includes the administrative information set out above, together with the Trustees' report and the audited financial statements 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 the Union's strategy, ensuring its 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 Engagement Committee, People, Culture and Inclusion 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.

The Board of Trustees and Union Council has the power to jointly make, repeal or alter Byelaws 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.

2021/22 Impact and Performance

Our new strategy was completed during 2020/21 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

Trustees' report

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

Our values define our character and guide our decisions. 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 renewed emphasis on supporting students on their course to recruit representatives and provide training for them to be effective, with 1,023 reps in 2021/22 which is in line with last year. A number 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. Formal accreditation is in place 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. 100% of our course reps received training in 2021/22 which is in line with the 100% achieved in 2020/21. We have the highest reported percentage in the country for our method of training.

Performance in relation to question 26 of the National Student Survey (NSS) (which asks if the Students' Union effectively represents students' academic interests) sits at 46.3% agreement a decline of 5.9% since last year. This is tracking below the sector wide average of 53.3%. An in-depth academic representation project has been undertaken in the 2022/23 year to understand and address the issue.

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

- ✓ **Mathematics - Students were influential in the changes to assessment to create more diversity outside of only exams;**
- ✓ **Faculty of Science and Faculty of Engineering - Student feedback has started the Hair & Hair Coverings focus group so that students have free access to safety equipment that is tailored to student needs, especially when it comes to religious hair coverings;**
- ✓ **Across the University - Students engaged with staff solidarity campaigns as they saw this work as key to ensuring high quality teaching and learning.**

Trustees' report

Our Officers continued to collaborate with the University and represent the interests of students on a day-to-day basis at the highest level. Officers were able to influence key decisions affecting student education in real time. This provided a significant level of protection to students directly or indirectly affected by Covid-19 and subsequently returning to in person campus life and as a result a high level of support to mental health and wellbeing of our students.

Our Officer Elections, where we elect our student leaders had a 10% increase in candidates and 18% increase in voters. These roles are essential to engaging with the University and transforming the academic experience. Student engagement with these is essential for students to have a say on who represents them as well as legitimises the position of the Students' Union with the University as a lobbying body.

2. Building Student Community

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, 73 of which are UoN Sport Clubs, 400+ societies and networks which students can be part of, and 36,000 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 work in partnership with UoN Sport to deliver valuable sporting opportunities to students. This year saw over 8,900 students engage in our 73 sports clubs, a record number, participating in a range of activities from weekly fixtures and events to charity initiatives and community volunteering.

The #GreenAndGold's return to live action sport after Covid-19 was triumphant, becoming the leading UK University for team sport in the British Universities and Colleges Sport (BUCS) competition. Our squads won 34 league titles, 17 team national championship titles and we hosted a sold-out BUCS Big Wednesday finals here in Nottingham. Our individual athletes also recorded over 100 podium finishes leading to a record BUCS points score as well as a 2nd place in the BUCS standings.

University of Nottingham Sport's programmes continue to be about more than just sport. This year sports leaders worked with over 1,400 local schoolchildren to introduce new sports and drive social action, launched the Rugby Minds campaign to promote player welfare and our sports clubs raised over £100,000 for the Movember campaign.

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. We organised events for Welcome Week, collaborating with the University and our volunteers, to deliver events for new and returning students. The annual Varsity Series, organised in collaboration with UoN Sport and Nottingham Trent University Students' Union went ahead and was a success. Our Graduation Ball, Activities Ball, Halls Ball, Sports Ball, along with many more events which our student groups run went ahead and were held in person. These events had been cancelled in 2020/21 due to Covid-19.

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, Community First Responders continued to provide valuable lifesaving support to the Nottingham ambulance service and Souprunners 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.

Trustees' report

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 two Spar convenience retail shops, Mooch venue, Portland Coffee Co, Portland Clothing Co, Portland Printing and Portland Zero – our Zero waste shop.

It was a difficult year for our outlets, trade was affected by many issues. Footfall on campus reduced due to successive lockdowns and restrictions, UCU strike action took place during the first half of the year. The energy crisis, war in Ukraine and cost of living crisis all had an impact on trade, costs and availability of stock. Despite this, our social enterprises were able to deliver a profit contribution of £320k. This will be donated to the Charity for 2022/23 year and 100% of this helps support our activities for students. No donation was made to the Charity in 2021/22 year end as results for 2020/21 were a loss.

3. Improving Student Lives

Around 80% of students surveyed reported that the Students' Union had a positive impact on their time at the University of Nottingham. 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 Students' Union Advice team provide impartial course, housing, and money advice and information to all students for free. Last year, the team handled 2,433 new cases (2020/21: 2,355 new cases) and supported hundreds more students who received ongoing support for an existing advice case.

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 with online support available to 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, avoid isolation and have fun. For Welcome week 2021 we had over 140 mentors. Welcome Week 2021 was held in person after being online in 2020 and we placed an emphasis on community building and supporting our students to enjoy their first week at university. Our volunteer Welcome mentors were instrumental in this. Through late spring/summer 2021, extensive planning took place to ensure the programme was ready to operate in person in September 2021 for the new academic year.

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:

- **Marking Black History Month, LGBTQ+ History Month & Disability History Month**
- **Working with local partners to support student safety in the night-time economy, following national reports of drink spiking**
- **Supporting the UCU strikes**
- **Lobbying the University for further Covid-19 safety measures and online teaching options**

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.

Trustees' report

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 2019/20 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

Executive Officer committee consists of up to eight students elected annually by a cross campus secret ballot of the UoNSU membership. The eight posts were Education Officer, Liberation Officer, Welfare and Wellbeing Officer, Activities Officer, Sports Officer, Community Officer, Postgraduate 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 2021, 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 and Inclusion Committee to the Board of Trustees and then to Union Council in accordance with our Byelaws. 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 and Inclusion Committee to the Board of Trustees and then to Union Council in accordance with our Byelaws. 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 agreement with 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 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.

Trustees' report

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. Directors' remuneration is considered along with the whole organisation's pay and reward policy by our People, Culture and Inclusion 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, Culture and Inclusion 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 equity 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.

The Students' Union is an accredited Real Living Wage employer.

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 incorporating the Code of Practise. The Chair of Trustees and Chief Executive report annually to University Council, via the University's Finance Committee on the performance and progress of the Union, and on our use of the University's annual grant.

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 financial statements, 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 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.

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 with and for, and supports and benefits around 35,000 students 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.

Trustees' report

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 residents, to work positively with them so students are positive and active members of their community. This will be enhanced further due to the strategic partnership entered into with Nottingham Trent Students' Union during July 2022. The partnership aims to support civic engagement and student needs within Nottingham City. Between us we represent c68,000 residents who are part of the student population and represent 8.5% of the total population of the city.

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

Funds raised by the societies and student groups are administered by the Union for the specific benefit of that society or student group. These funds are treated as restricted in our financial statements.

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. Financially, whilst our University grant funding has been confirmed for the coming year, we have some uncertainty over future years. We are undertaking a review project with the University in 2022/23 to establish some partnership principles which will inform how we are funded going forward and monetary funding levels to support the design of our 3-year financial plan. 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 is provided in the notes to the consolidated financial statements. 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.

We are also aware of a risk regarding our treatment of catering income for VAT purposes. HMRC has challenged a number of SUs regarding the treatment of catering income as exempt from VAT. To date we have not been contacted by HMRC directly. Via NUS, we are part of a VAT campaign which will challenge the claims already made against SUs and ensure that guidance and statute is clear on how the income should be treated going forward. The VAT campaign challenge to HMRC was unsuccessful and it is likely that the issue will be taken to judicial review.

Trustees' report

The income has been treated as exempt from VAT as it forms part of the core provision of providing education in the University setting, through catered Halls of Residence. We provide access to this catering to students on behalf of the University via the use of their Mealcard in our Coffee, Mooch and Spar outlets. Should a claim be made against us, or the NUS group action be unsuccessful, we have calculated our exposure to historic financial risk to be c£300k. HMRC have the power to go back 6 years. Whilst we are currently not providing for this amount as a liability in our financial statements due to no claim being made against us, we would like to draw the reader's attention to this possibility. As a contingency measure the Trustees have agreed to us ringfencing £300k of our free reserves to cover this liability, should it crystallise. At the point we are made aware to the contrary this amount will be released back into free reserves.

Plans for the Future

The Union undertook a restructure during Autumn 2021 to reshape to deliver the new strategy and resize to ensure we can remain financially sustainable for the long term. We have been required to adjust to a reduced operational capacity but will continue to develop our services to lead our student community and shape an inspiring and rewarding experience. with a renewed focus on our strategic ambitions of prioritising academic representation, improving students' lives and building student community.

Financial review

Principal sources of funding

The principal sources of funding are the core block 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, sponsorship income and income from investments.

Financial Overview

The Union continues to manage its finances to support delivery of its strategy and ensure its long-term sustainability. During Autumn 2021 we delivered recurrent savings of £425k through the planned restructure in response to the further reduction in Block Grant from the University. This did unfortunately result in a number of staff being made redundant, but we are now in a much stronger position to deliver our strategic goals from a position of financial sustainability. In the year we have closely managed our funds given the significant impact that the energy crisis, cost of living crisis and war in Ukraine had on the SU and the wider community we are in.

We had targeted a contribution of £308k profit from Social Enterprises for the 2021/2022 financial year and despite the challenges in year, delivered a profit of £320k. As a group, we generated a core surplus of £97k, we had budgeted for a core deficit of £48k so this was positive result. We also saw an unrealised gain on our investments, delivering a final combined surplus of £111k We are in a much stronger position than we anticipated and this will top up our unrestricted reserves.

	FY 2022	FY 2021
	£	£
Core surplus/(deficit)	96,814	(295,157)
Unrealised investment gain	14,124	219,200
Impact of pension scheme triennial valuation	-	-
Movement in unrestricted funds	110,938	(75,957)
Movement in restricted (student) funds	(174,588)	210,415
Net movement in funds	(63,650)	134,458

Reserves policy

The Trustees review the Union's reserves policy on an annual basis. During the year we made changes to the basis, calculation and allocation of our unrestricted reserves. This excludes the restricted reserves we hold on behalf of the Student Groups.

Trustees' report

Trustees approved the formal policy statement as set out below:

- The Trustees consider that UoNSU should hold in unrestricted funds an amount equivalent to continue core activities (Core Activity Fund), with sufficient business management support, for a period of 6 months without income, and have established a calculation to this effect
- For the year 2021/22 Trustees have calculated this reserves target figure to be £650k
- Unrestricted funds held surplus to the reserves target shall be designated by Trustees for the purposes of strategic projects and/or capital investment.

We currently set our Core Activity Fund at £650,000 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).

Charity Commission guidance requires that Trustees be able to explain why they are holding any funds additional to their express reserves policy. This is because the money is charitable in nature and should be applied to the purposes of the charity and not held without reason.

Trustees approved the creation of 3 designated funds:

- VAT (potential) Liability Fund £300k
- Strategic Projects Fund £50k
- Capital Investment Fund £50k

to which any unrestricted funds held in surplus to the Core Activity Fund reserves target, shall be distributed.

As at 31 July 2022 we estimate our free reserves as follows:

	2022 £	2021 £
Unrestricted funds	(1,665,649)	(1,776,587)
Add back pension deficit	2,696,090	2,768,792
Less tangible fixed assets	(44,699)	(71,393)
Free Reserves	<u>985,742</u>	<u>920,812</u>

Free reserves held at 31 July 2022 are in excess of our Core Activity Fund target of £650k (2021 – in excess of reserves target of £600k for financial year).

Trustees' report

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 made changes to the organisation to ensure that it is financially sustainable. These changes set us up well to deliver during 2021/22. 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 £277,133 at 31 July 2022 (2021: group net liabilities of £213,483). However, £2.696m of this is caused by a legacy pension scheme. The pension is due to be repaid gradually over the next 13 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 shows a net asset position of £2,418,957 (2021: £2,555,309) and a strong cash position.

Our block grant from the University is our largest source of income and has been agreed for the academic year 2022/23, including an uplift of £50k on the 2021/22 amount thus 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 throughout 2021/22 has been difficult as a result of economic pressures such as inflation and cost of living crisis, along with instability caused by political policy & war in Ukraine. We have been prudent in our budgeting for 2022/23 and ensured that our budgets prioritise delivery of our strategic goals. 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 Trading Board & Finance, Risk 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.

Trustees' report

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.

Disclosure of information to auditors

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:**

Auditors

Cooper Parry Group Limited, were appointed as auditors during the year in accordance with section 485 of the Companies Act 2006. Cooper Parry Group Limited have indicated their intention not to continue as the Company's auditors going forward and so a motion to appoint new auditors will be proposed in accordance with section 485 of the Companies Act 2006 following an external audit tender process completed by the Company.

This report was approved by the Board of Directors on

2023 and signed on its behalf by:

**S Chaudhury
Chair of Trustees**

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 2022 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 2022 and of the Group's incoming resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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 and Parent Charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

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

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 Report of the Trustees' for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Report of the Trustees.

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

- adequate and proper accounting records have not been kept by the Group or 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
- certain disclosures of directors' 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, 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 directors 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 directors are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

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

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.

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

Our assessment focussed on key laws and regulations the Group and Parent Charitable Company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Group and Parent Charitable Company and how the Group and Parent Charitable Company are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Group and Parent Charitable Company's control environment and how the Group and Parent Charitable Company have applied relevant control procedures, through discussions with Directors and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Group and Parent Charitable Company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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

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, 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
Statutory Auditors
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA**

2023

**Group statement of financial activities for the year ended 31 July 2022
(incorporating the income and expenditure account)**

		Unrestricted funds	Restricted funds	31 July 2022	31 July 2021
		£	£	£	£
INCOMING RESOURCES	Note				
Donations and grants	2	2,638,285	-	2,638,285	2,967,481
Incoming resources from generated funds					
Other trading activities	3	3,707,743	-	3,707,743	2,101,551
Income from investments		28,033	-	28,033	38,614
Income from Charitable activities					
Operation of Students' Union	4	110,352	2,870,436	2,980,788	1,318,051
Total group incoming resources		6,484,413	2,870,436	9,354,849	6,425,696
RESOURCES EXPENDED					
Expenditure on raising funds	5	3,397,094	-	3,397,094	2,391,181
Expenditure on Charitable activities	5	2,874,405	3,045,024	5,919,429	4,000,025
Pension deficit charge	17	-	-	-	-
Interest on pension fund deficit	17	116,100	-	116,100	119,232
Total resources expended		6,387,599	3,045,024	9,432,623	6,510,438
Net income/(expenditure)		96,814	(174,588)	(77,774)	(84,742)
Unrealised gain on investment	11	14,124	-	14,124	219,200
Net movement in funds		110,938	(174,588)	(63,650)	134,458
Total funds brought forward		(1,776,587)	1,563,104	(213,483)	(347,941)
Total funds carried forward	19/20	(1,665,649)	1,388,516	(277,133)	(213,483)

All activities during the current and previous period are classed as continuing.

There are no recognised gains or losses for the year other than those included in the Statement of Financial Activities.

The accompanying accounting policies and notes on pages 23 to 40 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 2021
(incorporating the income and expenditure account)

		Unrestricted funds	Restricted funds	31 July 2021
		£	£	£
INCOMING RESOURCES	Note			
Donations and grants	2	2,967,481	-	2,967,481
Incoming resources from generated funds				
Other trading activities	3	2,101,551	-	2,101,551
Income from investments		38,614	-	38,614
Income from Charitable activities				
Operation of Students' Union	4	37,716	1,280,335	1,318,051
Total group incoming resources		5,145,361	1,280,335	6,425,696
RESOURCES EXPENDED				
Expenditure on raising funds	5	2,391,181	-	2,391,181
Expenditure on Charitable activities	5	2,930,105	1,069,920	4,000,025
Pension deficit charge	17	-	-	-
Interest on pension fund deficit	17	119,232	-	119,232
Total resources expended		5,440,518	1,069,920	6,510,438
Net income / (expenditure)		(295,157)	210,415	(84,742)
Unrealised gain on investment		219,200	-	219,200
Net movement in funds		(75,957)	210,415	134,458
Total funds brought forward		(1,700,630)	1,352,689	(347,941)
Total funds carried forward	19/20	(1,776,587)	1,563,104	(213,483)

The accompanying accounting policies and notes on pages 23 to 40 form an integral part of these financial statements.

Consolidated Balance sheet as at 31 July 2022

		Group		Charity	
	Note	31 July 2022 £	31 July 2021 £	31 July 2022 £	31 July 2021 £
Fixed assets					
Tangible fixed assets	10	44,699	71,393	21,930	28,880
Investments fixed assets	11	1,922,952	1,881,510	2,222,952	2,181,510
		1,967,651	1,952,903	2,244,882	2,210,390
Current assets					
Stock: goods for resale	12	103,498	79,134	-	-
Debtors	13	591,784	463,747	432,325	258,462
Cash at bank and in hand		1,582,404	1,230,112	532,416	758,091
		2,277,686	1,772,993	964,741	1,016,553
Creditors: amounts falling due within one year	14	(1,826,380)	(1,170,587)	(1,062,900)	(623,932)
Net current assets		451,306	602,406	(98,159)	392,622
Total assets less current liabilities		2,418,957	2,555,309	2,146,723	2,603,011
Defined benefit pension scheme liability	16	(2,696,090)	(2,768,792)	(2,696,090)	(2,768,792)
Net liabilities		(277,133)	(213,483)	(549,367)	(165,780)
Funds					
Unrestricted funds	19	(1,665,649)	(1,776,587)	(1,937,883)	(1,728,885)
Restricted funds	19	1,388,516	1,563,104	1,388,516	1,563,104
Total funds		(277,133)	(213,483)	(549,367)	(165,780)

The Trustees have prepared group financial statements 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

2023 and signed on its behalf by:

S CHAUDHURY

Chair of Trustees and Students' Union Development Officer

Company number: 07229624

The accompanying accounting policies and notes on pages 23 to 40 form an integral part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 July 2022

		Group 31 July 2022 £	Group 31 July 2021 £
	Note		
Net cash used by operating activities	21	375,282	(81,967)
Cash flows from investing activities			
Purchase of fixed assets		(23,705)	(52,309)
Proceeds from the sale of investments		266,658	375,847
Purchase of investments		(293,976)	(414,244)
Investment income		28,033	38,614
		(22,990)	(52,092)
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		352,292	(134,059)
Cash and cash equivalents at the beginning of the year		1,230,112	1,364,171
Cash and cash equivalents at the end of the year		1,582,404	1,230,112

The accompanying accounting policies and notes on pages 23 to 40 form an integral part of these financial statements.

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 and accounting

The financial statements have been prepared under historical cost convention except that certain investments are held at market value.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities', applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS102)) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011 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 are presented in Sterling, and this is the functional currency of The University of Nottingham Students' Union and the financial statements are rounded to the nearest £1.

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.

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 financial statements. Trustees have undertaken a financial planning exercise, taking account of various scenarios, and during early 2021/22 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 £277,133 at 31 July 2022 (2021: net liabilities of £213,483). However, £2.696m of this is caused by a legacy pension scheme. The pension is due to be repaid gradually over the next 13 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 shows a net asset position of £2,418,957 (2021: £2,555,309) and a strong cash position..

Our block grant from the University is our largest source of income and has been agreed for the academic year 2022/23, including an uplift of £50k on the 2021/22 amount thus 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 throughout 2021/22 has been difficult as a result of economic pressures such as inflation and cost of living crisis, along with instability caused by political policy & war in Ukraine. We have been prudent in our budgeting for 2022/23 and ensured that our budgets prioritise delivery of our strategic goals. 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

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 financial statements.
- 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 (2021: £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 financial statements and satisfying public accountability.

Redundancy and termination payments

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the group is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The group is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

Leases

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

Taxation

The Union is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is no similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

Principal accounting policies

The Union's subsidiary company, UNU Services Limited, as a trading entity, is subject to UK corporation tax and the principle of deferred taxation. Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

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 IT Projects	-	3 years
Union refurbishment	-	3 – 10 years
Computers & Laptops		1 year

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.

Investments

Fixed asset investments comprising listed investments are initially recognised at their transaction cost and then are subsequently measured at their fair value at the balance sheet date unless the fair value cannot be measured reliably in which case they are measured at cost less impairment. Any investments gains or losses, whether realised or unrealised, are recognised in the Statement of Financial Activities.

Fixed asset investments comprising investments in subsidiary undertakings are valued at cost less any provision for impairment as they are not readily saleable and therefore a reliable market value is not available.

Stock: goods for resale

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.

Pension costs

The Union participates in the Students' Union Superannuation Scheme (SUSS), 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 liability has been valued based on the discounted future cash flows of payments under the agreed recovery plan.

The SUSS was closed to further accrual on 30 September 2011. From 2011 the Union participated in the National Union of Students Pension Scheme (NUSPS) which is a defined contribution scheme. We ceased to participate in 2017 and all eligible employees were transferred to Scottish Widows defined contribution scheme.

The Union now solely participates in the Scottish Widows defined contribution scheme and the pension cost charge in the financial statements represents the contributions paid by the Union to the Scheme in respect of the year.

Principal accounting policies

Financial instruments

The Union only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Funds and fund accounting

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.

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.

Contingent liabilities

A contingent liability is either a possible but uncertain obligation or a present obligation which is not recognised in the financial statements because:

- **a transfer of economic benefit to settle the possible obligation is not probable; or**
- **the amount of the obligation cannot be estimated reliably.**

Notes to the financial statements

2 Donations and grants

	Unrestricted Total	Restricted Total	2022 Funds	2021 Funds
	£	£	£	£
Block grant from University	2,047,882	-	2,047,882	2,147,882
Hall Committee grant from University	50,000	-	50,000	-
Other grants and donations	5,367	-	5,367	284,563
Donations in kind	535,036	-	535,036	535,036
	2,638,285	-	2,638,285	2,967,481

3 Trading turnover

Retail	1,912,205	-	1,912,205	1,292,232
Catering/Restaurants	1,237,584	-	1,237,584	548,856
Print shop	89,860	-	89,860	42,303
Events & Advertising	468,094	-	468,094	218,160
	3,707,743	-	3,707,743	2,101,551

4 Income from charitable activities

Societies	-	839,769	839,769	241,579
Medics	-	207,858	207,858	38,865
Sutton Bonnington	-	291,043	291,043	180,490
HC	-	41,706	41,706	55,246
SRS	-	120,090	120,090	73,962
Volunteering	-	57,722	57,722	28,752
Sports	-	1,276,835	1,276,835	653,165
Associated Bodies	-	21,916	21,916	8,276
Other (Events & promotion income)	110,352	13,497	123,849	37,716
	110,352	2,870,436	2,980,788	1,318,051

Student bodies with a turnover in excess of £25,000 were Architects Lectures, Blow Soc, Chemistry, Christian Union, Dance, Economics, Hindu, History, Latin & Ballroom, Law, Mechanical Engineering, Travel; Med Soc; SB Guild, Vet Soc, April Vet Soc; TEC, New Theatre; Badminton, Boat, Climbing, Hockey Ladies, Hockey Mens, IMS, Polo, Equestrian, Rugby Union Mens, Sailing, Skydive, Snowsports, Sub aqua, Tennis, Triathlon, Volley Ball;

This includes donations and sponsorships.

Notes to the financial statements

5 Total resources expended

		Cost of Sales £	Staff Costs £	Other Costs £	2022 Total £	2021 Total £
(a) Costs of generating funds						
Retail		1,330,018	358,063	152,272	1,840,353	1,264,324
Catering/Restaurants		369,277	493,994	172,937	1,036,208	584,830
Print		24,190	86,177	17,652	128,019	102,996
Events & Advertising		254,077	99,581	-	353,658	245,401
UNU Services Limited overheads		-	(9,961)	48,817	38,856	193,630
		1,977,563	1,027,854	391,678	3,397,094	2,391,181
(b) Charitable activities						
	Staff Costs	Direct Costs	Support Costs	In kind costs	2022 Total	2021 Total
	£	£	£	£	£	£
Unrestricted funds						
Student advice centre	226,875	6,981	142,975	85,787	462,618	420,565
Student voice & campaigning	465,626	70,589	327,832	196,704	1,060,751	927,158
Student communities & grants	458,062	230,372	392,112	252,542	1,333,088	1,497,449
Governance costs	-	-	17,948	-	17,948	13,172
Digital Project	-	-	-	-	-	71,761
	1,150,563	307,942	880,867	535,033	2,874,405	2,930,105
Other student activity spend						
Restricted funds: student activities	-	3,045,024	-	-	3,045,024	1,069,920
	1,150,563	3,352,966	880,867	535,033	5,919,429	4,000,025

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. Student communities & grants activities costs declined in year end 31 July 2022 due to the staff team restructure which took place in the 31 July 2021 year.

Notes to the financial statements

5 Total resources expended for prior year

	Cost of Sales	Staff Costs	Other Costs	2021 Total
	£	£	£	£
(c) Costs of generating funds				
Retail	869,899	281,502	112,895	1,264,324
Catering/Restaurants	166,876	319,297	98,657	584,830
Print	12,948	77,934	12,114	102,996
Events & Advertising	139,337	106,064	-	245,401
UNU Services Limited overheads	-	189,932	3,726	193,630
	1,189,060	974,729	227,392	2,391,181

(d) Charitable activities	Staff Costs £	Direct Costs £	Support Costs £	In kind costs £	2021 Total £
Unrestricted funds					
Student advice centre	226,927	2,456	112,637	78,545	420,565
Student voice & campaigning	457,458	48,230	248,314	173,156	927,158
Student communities & grants	595,854	231,600	386,661	283,334	1,497,449
Governance costs	-	-	13,172	-	13,172
Digital project	-	48,128	23,633	-	71,761
	1,280,239	330,414	784,417	535,035	2,930,105
Restricted funds: student activities	-	1,069,920	-	-	1,069,920
	1,280,239	1,400,334	784,417	535,035	4,000,025

Notes to the financial statements

6 Support Costs

	Premises Cost £	Legal & Prof £	Other Costs £	2022 £	2021 £
Student advice and support	1,148	1,489	1,731	4,368	544
Representation and campaigns	-	-	176	176	337
Student activities	94,703	14,306	248,074	357,083	232,390
Governance	-	-	17,948	17,948	13,172
Staff costs for central services (after restructure)	-	-	501,292	501,292	537,974
	95,851	15,795	769,221	880,867	784,417

Support Costs for prior year

	Premises Cost £	Legal & Prof £	Other Costs £	2021 £
Student advice and support	47	-	497	544
Representation and campaigns	-	-	337	337
Student activities	108,354	9,225	114,811	232,390
Governance	-	-	13,172	13,172
Staff costs central services	-	-	537,974	537,974
	108,401	9,225	666,791	784,417

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:

	2022 £	2021 £
Salary costs	2,376,723	2,462,127
Social security	158,329	164,041
Pensions	144,655	166,774
	2,679,706	2,792,942

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

Monthly paid	87	91
Casual Student Staff and Coaches	115	133
	202	224

During the period no members of staff of University of Nottingham Students' Union were made redundant as part of a corporate restructure, the cost of which was £Nil (2021: 8 members of staff were made redundant at a cost of £38,158).

Notes to the financial statements

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

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

	31 July 2022 Number	31 July 2021 Number
£60,000 - £69,999	0	0
£70,000 - £79,999	1	1
£80,000 - £89,999	0	0

The key management personnel of the parent charity, the Union, and the Group comprise the Chief Executive Officer, 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 £260,453 (2021: £282,828). Note, this structure changed on 1 August 2022.

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 M Ali; S Chaudhury; B Ewles; A Gooden; A Kosse; G Sullivan; C Taylor; P Willis. Payment to the Officer Trustees was agreed and minuted prior to incorporation.

Each of the officers is paid a salary of £19,740 (2021: £19,344) per annum. The total salary cost for the officer trustees to the Union was £177,684 including NI & pension costs (2021: £176,858)

During financial year ending 31st July 2023 there will be 6 Trustees who are remunerated due to issues with recruitment.

Cost of Trustees meetings including expenses of non-executive trustees were £692 (2021: £1,132).

9 Auditors' remuneration

The auditors' remuneration (inclusive of irrecoverable VAT) during the period was £14,298 (2021: £11,028) 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 & HC £	SRS Motors & Others £	Equipment computers £	Total £
Cost					
At 1 August 2021	326,893	428,522	17,933	44,675	818,023
Additions	-	23,705	-	-	23,705
Disposals	-	-	-	-	-
At 31 July 2022	326,893	452,227	17,933	44,675	841,728
Depreciation					
At 1 August 2021	284,380	399,642	17,933	44,675	746,630
Charge for the year	19,744	30,655	-	-	50,399
Disposals	-	-	-	-	-
At 31 July 2022	304,124	430,297	17,933	44,675	797,029
Net book value					
At 31 July 2022	22,768	21,930	-	-	44,699
Net book value					
At 31 July 2021	42,513	28,880	-	-	71,393

Charity	Clubs & HC £	SRS Motors & Others £	Equipment computers £	Total £
Cost				
At 1 August 2021	428,522	17,933	44,675	491,130
Additions	23,705	-	-	23,705
Disposals/write off	-	-	-	-
At 31 July 2022	452,227	17,933	44,675	514,835
Depreciation				
At 1 August 2021	399,642	17,933	44,675	462,250
Charge for the year	30,655	-	-	30,655
Disposals	-	-	-	-
At 31 July 2022	430,297	17,933	44,675	492,905
Net book value				
At 31 July 2022	21,930	-	-	21,930
Net book value				
At 31 July 2021	28,880	-	-	28,880

Notes to the financial statements

11 Fixed asset investments

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cost and net book value:				
Investment in subsidiary undertaking	-	-	300,000	300,000
Listed investments	1,922,952	1,881,510	1,922,952	1,881,510
	1,992,952	1,881,510	2,222,952	2,181,510

	Group and Charity 2022 £
Listed investments	
Value at 1 August 2021	1,881,510
Additions in the year at cost	293,976
Disposal proceeds	(266,658)
Valuation gains / (losses)	14,124
Market value at 31 July 2022	1,922,952

There was 1 individual investment that constituted over 5% of the market value of the listed investment portfolio in 2022: Treasury 4 1/2% Stock 07/09/2034 which represented 6% (2021: there was no individual investment that constituted over 5% of the market value of the listed portfolio).

As at the date of approving these financial statements the investment value is materially different from the 31 July 2022 valuation. During September 2022, cash of £380k was draw down from the investment to bank, leaving a balance of £1.54m.

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 2022 show the following:

	2022 £	2021 £
(a) Profit and loss account		
Sales	3,711,385	2,101,516
Cost of sales	(2,997,400)	(2,177,492)
Gross profit	713,985	75,941
Administrative expenses	(399,668)	(213,662)
Operating profit/(loss)	314,317	(289,603)
Interest Receivable	276	48
Other income	5,367	253,109
Profit/(Loss) on ordinary activities before taxation	319,960	(36,446)
Taxation	-	-
Distribution of reserves	-	(308,065)
Profit/(loss) for the period transferred to reserves	319,960	(344,511)

Notes to the financial statements

11 Fixed asset investments (continued)

	2022	2021
	£	£
(b) Balance sheet		
Fixed assets	22,770	42,513
Current assets		
Stocks	103,498	79,134
Debtors	166,901	221,701
Investments	-	-
Cash at bank and in hand	1,049,987	472,021
	<u>1,320,386</u>	<u>772,856</u>
Creditors: amounts falling due within one year	(770,899)	(563,072)
Net current assets	<u>549,487</u>	<u>209,784</u>
Net assets	<u>572,257</u>	<u>252,297</u>
Capital and reserves		
Called up share capital	300,000	300,000
Profit and loss account	272,257	(47,703)
Shareholders' funds	<u>572,257</u>	<u>252,297</u>

12 Stock: Goods for resale

	Group		Charity	
	31 July 2022 £	31 July 2021 £	31 July 2022 £	31 July 2021 £
Finished goods and goods for resale	<u>103,498</u>	<u>79,134</u>	-	-

13 Debtors

	Group		Charity	
	31 July 2022 £	31 July 2021 £	31 July 2022 £	31 July 2021 £
Trade debtors	322,431	110,496	241,041	13,173
Amounts owed by subsidiary undertakings	-	-	7,442	16,416
Prepayments and accrued income	269,353	349,915	183,842	225,537
VAT debtor	-	3,336	-	3,336
	<u>591,784</u>	<u>463,747</u>	<u>432,325</u>	<u>258,462</u>

Notes to the financial statements

14 Creditors: amounts falling due within one year

	Group		Charity	
	31 July 2022	31 July 2021	31 July 2022	31 July 2021
	£	£	£	£
Trade creditors	823,722	631,317	619,115	465,355
Other taxation and social security	-	-	-	-
Amounts owed to group undertaking	-	-	-	-
Accruals/other creditors	1,002,658	539,270	441,785	158,577
	1,826,380	1,170,587	1,060,900	623,932

15 Contingent liability

The Union is aware of a risk regarding our treatment of catering income for VAT purposes. HMRC has challenged a number of SUs regarding the treatment of catering income as exempt from VAT. To date we have not been contacted by HMRC directly. Via NUS, we are part of a VAT campaign which will challenge the claims already made against SUs and ensure that guidance and statute is clear on how the income should be treated going forward. The VAT campaign challenge to HMRC was unsuccessful and it is likely that the issue will be taken to judicial review.

The income has been treated as exempt from VAT as it forms part of the core provision of providing education in the University setting, through catered Halls of Residence. We provide access to this catering to students on behalf of the University via the use of their Mealcard in our Coffee, Mooch and Spar outlets. Should a claim be made against us, or the NUS group action be unsuccessful, we have calculated our exposure to historic financial risk to be c£300k. HMRC have the power to go back 6 years. Whilst we are currently not providing for this amount as a liability in our financial statements due to no claim being made against us, we would like to draw the reader's attention to this possibility. As a contingency measure the Trustees have agreed to us ringfencing £300k of our free reserves to cover this liability, should it crystallise. At the point we are made aware to the contrary this amount will be released back into free reserves.

16 Defined benefit pension scheme liability

	31 July 2022	31 July 2021	31 July 2022	31 July 2021
	£	£	£	£
Pension scheme liability (note 17)	2,696,090	2,768,792	2,696,090	2,768,792
	2,696,090	2,768,792	2,696,090	2,768,792

17 Pensions

The Union participates in the Students' Union Superannuation Scheme (SUSS), 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:

Notes to the financial statements

17 Pensions (continued)

- 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.

The total contributions paid into the SUSS by the Union in respect of eligible employees for the year ended 31 July 2022 amounted to £188,802 (2021 - £170,358) including funding deficit contributions of £188,802 (2021: £170,358).

For accounting purposes, the SUSS is reported in accordance with the relevant accounting standard – FRS 102, where the value of the pension deficit is based on the discounted future cash flows of payments under the agreed recovery plan. At 31 July 2022, the pension deficit was valued at £2.696m (2021: £2.768m).

Reconciliation of opening and closing provisions

	Period Ending 31 July 2022 £
Provision at start of period	2,768,792
Unwinding of the discount factor	116,100
Deficit contribution paid	(188,802)
Remeasurements - impact of any change in assumptions	-
Provision at end of period	<u>2,696,090</u>

Statement of Financial Activities impact

	Period Ending 31 July 2022 £
Interest expense	116,100
Remeasurements - impact of any change in assumptions	-
Remeasurements - amendments to the contribution schedule	-
Contributions paid in respect of future service	-
Costs recognised in income and expenditure account	<u>116,100</u>

Assumptions

	31 July 2022 % per annum	31 July 2021 % per annum
Discount rate	4.5%	4.5%

Notes to the financial statements

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using high quality corporate bond yield curves to discount the same recovery plan contributions.

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 Scottish Widows 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 2022 amounted to £144,655 (2021: £166,774).

18 Commitments under operating leases

As at 31 July 2022, the Group and Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Buildings				
Less than 1 year	120,000	50,000	-	-
Greater than 1 year and not later than 5 years	169,500	226,000	-	-
	289,500	276,000	-	-
Print Shop				
Less than one year	13,440	13,440	-	-
Greater than 1 year and not later than 5 years	30,241	43,681	-	-
	43,681	57,121	-	-
	333,181	333,121	-	-

19 Accumulated funds – Group

	At 31 July 2021 £	Incoming £	Outgoing £	Gains/(losses) /transfers £	At 31 July 2022 £
Restricted funds					
Societies	454,638	839,769	(907,127)	-	387,280
Medics	72,097	207,858	(194,739)	-	85,216
Sutton Bonington	137,719	291,043	(292,461)	-	136,301
HC	294,554	41,706	(156,265)	-	179,995
SRS	47,510	120,090	(114,871)	-	52,729
Volunteering	88,475	57,722	(68,956)	-	77,241
Sports	428,540	1,276,835	(1,306,467)	-	398,908
Associated Bodies	23,008	21,915	(3,734)	-	41,189
Derby Students	11,828	1	(404)	-	11,425
NMA	2,090	6,614	-	-	8,704
Physio & Rehab	100	632	-	-	732
Association					
Other	2,545	6,251	-	-	8,796
	1,563,104	2,870,436	(3,045,024)	-	1,388,516
Unrestricted Funds					
General fund	992,205	6,484,413	(6,460,301)	14,124	1,030,441
Pension fund	(2,768,792)	-	72,702	-	(2,696,090)
	(213,483)	9,354,849	(9,432,623)	14,124	(277,133)

Notes to the financial statements

19 Accumulated funds – Group (continued)

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.

HC (Hall Committee) 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 additional specific funds are received from Donors to cover contributions towards Kit, Coaching Development and pre-season training.

Derby, NMA and other are a positive in expenditure column as these relate to refunds of costs in the year for deposits for events cancelled prior year due to Covid-19.

19 Accumulated funds – Group - prior year

	At 31 July 2020 £	Incoming £	Outgoing £	Gains/(losses) /transfers £	At 31 July 2021 £
Restricted funds					
Societies	390,935	241,579	(177,877)	-	454,368
Medics	63,354	38,865	(30,122)	-	72,097
Sutton Bonington	76,550	180,490	(119,321)	-	137,719
HC	279,525	55,246	(40,217)	-	294,554
SRS	28,530	73,962	(54,982)	-	47,510
Volunteering	76,526	28,752	(16,803)	-	88,475
Sports	407,719	653,165	(632,343)	-	428,540
Associated Bodies	17,209	8,275	(2,476)	-	23,008
Derby Students	9,554	1	2,273	-	11,828
NMA	1,647	-	443	-	2,090
Physio & Rehab Association	1,140	-	(1,040)	-	100
Other	-	-	2,545	-	2,545
	1,352,689	1,280,335	(1,069,920)	-	1,563,104
Unrestricted Funds					
General fund	1,119,288	5,145,361	(5,491,644)	219,200	992,205
Pension fund	(2,819,918)	-	51,126	-	(2,768,792)
	(347,941)	6,425,696	(6,510,438)	219,200	(213,483)

Notes to the financial statements

20 Analysis of group net assets between funds

Group	Tangible fixed assets £	Net current assets £	Long-term assets/ Liabilities * £	Fund balances £
Restricted funds	-	1,388,516	-	1,388,516
General unrestricted funds	44,699	(937,210)	(773,138)	(1,665,649)
	44,699	451,306	(773,138)	(277,133)

Group – prior year	Tangible fixed assets £	Net current assets £	Long-term assets/ Liabilities * £	Fund balances £
Restricted funds	-	1,563,104	-	1,563,104
General unrestricted funds	71,393	(960,698)	(887,282)	(1,776,587)
	71,393	602,406	(887,282)	(213,483)

* Fixed asset investments less defined benefit pension scheme liabilities.

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

	Group 2022 £	Group 2021 £
Net movement in funds for the period	(63,650)	134,458
Interest receivable	(28,033)	(38,614)
Depreciation charge	50,399	78,367
Loss on sale of fixed assets	-	-
(Increase)/decrease in stock: goods for resale	(24,364)	14,120
(Increase) in debtors	(128,037)	(138,959)
Increase in creditors due within one year	655,793	138,985
(Decrease) in creditors due after one year	(72,702)	(51,126)
Net fair value (gains) recognised	(14,124)	(219,200)
Net cash provided by / (used in) operating activities	375,282	(81,967)

Notes to the financial statements

22 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 £2,047,882 (2021: £2,147,882) of block grant funding to the Union during the year, together with additional grant funding of £50,000 (2021: £Nil).

The University of Nottingham also trades commercially with the Union for the provision of services such as catering, printing and events. During the year commercial income of £1,322,628 (2021: £1,035,836) was received from the University across the Group.

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 lease charges, principally from the trading activities of UNU Services Limited, which, historically, have been calculated in different ways for different premises. Leases totalling £150,064 have been charged during the year (2021: £80,479)

During the year the Union received free provision of office and student facing spaces from the University of Nottingham which have been valued at £535,036 (2021: £535,036). These are treated as donations in kind in the financial statements.

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 provides data, telephone and postage services to the Union for which it charges. During the year other goods and services were purchased from the University totalling £9,398 (2021: £20,291). During the year IT support services were purchased from the University of Nottingham totalling £41,112 (2021: £39,228).

During the year agency fees for temporary staff were paid to the University of Nottingham totalling £13,465 (2021: £4,886). 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.

On 31 July 2022 the Union was owed £241,060 from the University of Nottingham (2021: £71,766). On 31 July 2022 the Union owed £535,287 to the University (2021: £642,016). This included £379,798 for historic lease charges yet to be invoiced by the University (2021: £229,734).

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 2022 donation amounted to £nil (2021: £308,112). On 31 July 2022 the Union was owed £7,442 from UNU Services Limited. On 31 July 2021 the Union was owed £16,416 from UNU Services Limited.

23 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.

24 Affiliations

During the year the group paid affiliation fees to National Union of Students £37,500 (2021: £37,500) and British University and Colleges Sport £nil (2021: £nil).