

**THE UNIVERSITY OF NOTTINGHAM
STUDENTS' UNION**

Trustees' Report and Consolidated Financial Statements

Year ended 31 July 2024

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

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Trustees' report to the members of the University of Nottingham Students' Union

Reference and administrative details

Trustees

Chair

J Nuttall	appointed 03 July 2023; resigned 28 June 2024
N Maina	appointed 01 July 2024

Officer Trustees

J Butterworth	appointed 11 July 2022; resigned 28 June 2024
S Nolan	appointed 11 July 2022; resigned 28 June 2024
T A Do	appointed 03 July 2023; resigned 28 June 2024
D Haq	appointed 03 July 2023; resigned 28 June 2024
E Leech	appointed 03 July 2023; resigned 28 June 2024
P Read-Pitt	appointed 03 July 2023; resigned 28 June 2024
C Asante	appointed 01 July 2024
E Chauhan	appointed 01 July 2024
I Messore	appointed 01 July 2024
J Miller	appointed 01 July 2024
N Oluwa	appointed 01 July 2024
E Taylor	appointed 01 July 2024
J Zhang	appointed 01 July 2024

Lay Trustees

C Bridge	
D Ellis	resigned 21 March 2024
M Reynolds	appointed 11 December 2023
J Little	appointed 12 November 2024

Student Trustees

W Bowling	appointed 01 July 2021; resigned 13 December 2023
J Ferris Woolley	appointed 15 December 2022
A Holmes	appointed 30 April 2024
N Holt	appointed 15 December 2022; resigned 28 June 2024
P Prathu	appointed 11 December 2023
B Russell	appointed 11 December 2023; resigned 20 June 2024

Company Secretary E Birkinshaw

Company Number 07229624

Charity Number 1136986

Principal Address Portland Building
University Park
Nottingham
NG7 2RD

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Reference and administrative details

Independent Auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Bankers	NatWest Corporate 8-10 Great Tower Street London EC3P 3HX
Solicitors	Browne Jacobson 44 Castle Gate Nottingham NG1 7BJ

Trustees' report to the members of the University of Nottingham Students' Union

Trustees' report

The Board of Trustees present their Annual Report for the year ended 31 July 2024, 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 Union.

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.

2023/24 Impact and Performance

Drafting our strategy was completed during 2021/22 after an extensive process which engaged stakeholders across the student, union and university community. A mid-term review engaging stakeholders across the Union is ongoing during summer 2024. This is to ensure continued suitability

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and ensuring our resources are aligned with our strategic priorities. Strategic priority themes will not change significantly, but underpinning objectives will be reviewed in line with current operating environment. Full strategic review work is being considered for 2026/27.

Our mission is:

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

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

Our values define 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 for the year under review were:

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

1. Prioritising academic representation

“Students have an influential voice on their learning experience”

The Union has played a significant role in influencing the learning experience.

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 68.2% agreement (last year 67.6%). This mirrors a wider sector upward trend following changes to the collection methodology. Students' also felt that the Union represents their views and experience as a student studying in the UK at 58.3%.

We have had 3,120 student engagements with SU-led research projects which include surveys, focus groups & interviews.

Building Student Community

“Students are part of a community”

The Union has continued supporting students to be able to do what they love, whether its through starting their own community in societies and sports, meeting new people at welcome and events, or supporting

Trustees' report to the members of the University of Nottingham Students' Union

their community through volunteering. Some new metrics for 2023.24: 62.2% of students feel a positive sense of belonging and 73.3% of students feel welcome at the University of Nottingham.

Activities and Sport: We have 540 student-led groups and societies which have 22,126 unique students actively engaged. We've had 27,685 unique students engaged in any aspect of Union activity. These numbers are largely in line with last year and reflect the continued commitment to ensuring that students have a place within the SU and the University as a whole.

We hosted a successful Varsity series event which we delivered in collaboration with UoN Sport and Nottingham Trent University Students' Union. Over 10,000 people attended over the series.

Events: Thousands of student led events have been delivered through our events process, engaging and empowering over 400 different student groups to organise. 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. 8,000+ students attended club nights at Freshers/Welcome and 2,800+ attended Grad Ball. Our events were supported by our student run media groups, such as TEC providing lighting and sound equipment & coverage from our TV station NSTV and student radio URN.

Volunteering

Our student volunteers continue to support our student and local community, and we have amazing volunteers. Over 1,000 student group committee members were elected in March-April 2024: the largest group of volunteers at UoNSU. Our Freshers/Welcome programme in September 2023 included 150 volunteer mentors, welcoming 11,000 new students to the University. Our Global buddies scheme had another really engaging year where international students received support from fellow students during their first term at Nottingham. Our volunteering groups continued to provide support for the student and wider community: 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. Furthermore, UoNSU is leading a Civic Volunteering project to improve access to civic volunteering opportunities for students and vice versa.

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 SUstainable – our Zero waste shop. Our commercial team deliver Sponsorship & Advertising opportunities for customers to target the student population and we run a number of successful events, largely run by volunteers. We held 5 commercial fairs: Freshers, Housing, Festive, Refreshers & Valentines; 42 unique local businesses attended and 60 unique national brands, giving away over £10k in vouchers, 5000 bags of crisps, 5000 doughnuts and 1000 coffees. During the financial year over £270,000 was paid to students through jobs within the SU.

It was a difficult year for our outlets, trade was affected by many issues. Footfall on campus reduced due to reduced student numbers (on campus and in Halls), cost-of-living crisis and hybrid working arrangements. Despite this, our social enterprises were able to deliver a profit contribution of £390k. This will be donated to the Charity in 2024/25 year and 100% of this helps support our activities for students, for example funding our Student Advice Centre. In 2023/24 year we donated £390k based on profit results for 2022/23.

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2. Improving Student Lives

"Students have improved lives"

UoNSU have had significant growth with its engagement with students through its innovative approach around student engagement. Another new metric for the year, the extent to which the SU positively impacts the students experience was over 71%.

Around 69% (2022/23 64%) of students surveyed reported that the SU had a positive impact on their wellbeing 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, championing wellbeing activities.

Our Officer Elections, where we elect our student leaders had the highest ever number of Full Time Officer candidates running for election and 5,325 individual voters, an 185% increase on last year (more than double). Building on the phenomenal 187% increase in 2022/23, votes cast increased again by 14% (16,124 in 2023 to 18,386 in 2024). Extensive work was done by the Student Voice Team and wider organisation to promote elections. These roles are essential to engaging with the University and transforming the academic experience. Student engagement with elections 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.

Building on the foundations of 2022/23 our community cabinets remained stocked and we have given away over £3,500 worth of sanitary and sexual health products. 750 Sexual Wellbeing Activity Guides were given out during SHAG Week and the SU supported consent training being delivered to 1700 students.

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 2,523 new cases (2023/24: 2,858 new cases) and supported hundreds more students who received ongoing support for an existing advice case. 1,460 of these cases related to welfare advice enquiries – 70% relating to student housing & 23% relating to money & finance.

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:

- Over £3,000 given out through Campaigns Fund to support our Networks
- Focusing on LGBT+ awareness and acceptance: we have the most diverse offering of pronoun badges of any SU in the country. Over 2000 pronoun badges given out to date
- Launched the first ever SU Pride lanyard
- Trans Day of Remembrance largest turnout with over 150 attendees
- Over £600 given out in Gender Affirmation Fund

Governance and management

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

Governing Document

UoNSU is governed by its Memorandum and Articles of Association. The 5-year review of the Union's Memorandum and Articles of Association was completed in 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.

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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 Charities Act.

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

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

Recruitment and Training of Trustees

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

Lay Trustees are appointed for a term of three years. Lay Trustee appointment is made following external open recruitment. An Appointments Committee is convened from members of our People, Culture and Inclusion Committee, Officers and senior leadership team. Recommendations are made by the Appointments 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). An Appointments Committee is convened from members of our People, Culture and Inclusion Committee. Recommendations are made by the Appointments 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.

During 2023/24 we appointed, trained and developed 3 student trustees to use their unique skills and expertise on student life at UoN to ensure students are at the heart of our decision making. We also hosted our second Student Trustee Networking Event and welcomed over 20 participants from across the country to participate in a networking event designed to develop their leadership skills, enhance their understanding of governance and expand their personal and professional networks.

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. The Scheme of Delegated Authority (SoDA) document sets out delegations in detail and is reviewed on an annual basis by the Trustee Board.

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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. During the year a Reward Review project was undertaken to realign the Pay & Reward Policies to reflect our commitment to attracting & retaining Brilliant People. This resulted in a new spinal pay point system which was implemented from 01 August 2024.

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 "We Invest In People" Investors In People (IIP) accredited employer. Accreditation was awarded May 2024 and will be review annually. An action plan is in place to move us to the next tier in line with the Believe In Better people strategy.

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 Practice. 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 core funding (previously 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 2011, an estimated value to UoNSU for this support has been included in the financial statements, priced at £646,000. 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.

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.

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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. This year the Nottingham Students' Partnership has been busy making change for students in landlord licensing, refuse collection and within Nottingham's new Student Living Strategy.

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. Insurance is in place where we are not easily able to mitigate risk. 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, our biggest risk is around funding from the University. Following a review project with the University in 2023/24 our Core Funding for 2023/24 was confirmed at £2.4m (an increase of £312k on 2022/23) with an inflationary uplift each year. The review project set 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 national higher education and immigration policies on both our parent institution and ourselves and changes in the broader economic and political climate. During the 2023/24 we undertook a review of our finances, engaging with stakeholders from the Trustee Board, FRC and Senior Leadership Team to agree a robust set of Financial Principles. The overall financial objective is to be a strong financially sustainable organisation to enable the best possible student experience over the medium to long term. These principles will be reviewed annually in line with the budget cycle.

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

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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 unanswered and will be taken to judicial review, the date of which is still to be agreed.

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£156k (2022/23 £237k). HMRC have the power to go back 4 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 £156k 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

We continue to work with University colleagues to review our funding proposal to enable us to develop our services to lead our student community and shape an inspiring & rewarding experience. This will set us up to deliver our strategic ambitions of prioritising academic representation, improving students' lives and building student community. This is in addition to the Core Funding mentioned above and will be for specific project-based work where we can demonstrate value added.

Financial review

Principal sources of funding

The principal sources of funding are the core funding 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. Our Core Funding from University was increased by £312k to £2.4m for 2023/24, with an inflationary uplift in following years. The Core Funding agreement with UoN covers until 2026/27 so we can plan with some certainty. In the year we have closely managed our funds given the significant impact that the ongoing cost of living crisis, reduced number of students on campus and world events had on the SU and the wider community we operate in.

We had targeted a contribution of £390k profit from Social Enterprises for the 2023/2024 financial year and due to the challenges in year, we delivered a profit of £254k. As a group, excluding Student restricted funds, we generated a core deficit of £62k, we had budgeted break even, so given the challenges faced by Social Enterprises in the year, this was an acceptable result. We saw an unrealised gain on our investments of £75k, but it is worth bearing in mind that our capital is invested for the long term and the value can go up as well as down. Overall, we delivered a final combined unrestricted surplus of £13k. A transfer was made between funds to recognise the cost of covering Student Group funded depreciation.

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	FY 2024	FY 2023
	£	£
Core (deficit)	(13,307)	(6,826)
Unrealised investment gain/(loss)	75,208	(101,218)
Transfer of funds	94,892	-
Impact of pension scheme triennial valuation	-	(123,765)
Movement in unrestricted funds	108,199	(231,809)
Movement in restricted (student) funds	141,795	(78,776)
Net movement in funds	249,994	(310,585)

Investment policy

The Trustees review the Union's investments policy on an annual basis. The policy exists to provide a framework for the management of our long-term reserves. The Union Trustees have agreed to retain suitably qualified advisers to assist in meeting their regulatory obligations with regard the monitoring of the long-term reserves. Our current independent financial advisers are Henwood Court Financial Planning Limited (Henwood Court), and our investment portfolio is operated day to day by Rathbones Brothers plc (Rathbones) in line with our Investment Policy, Risk Tolerances and Ethical Restrictions.

Trustees approved the investment objectives as set out below:

- The Union seeks to produce a defined targeted financial return aligned to the organisation's financial requirements within an acceptable level of risk.
- The investment objective for the short-term fund is to retain certainty of value.
- The investment objective for the long-term fund to maintain the long-term spending power of the capital and protect it against the effects of inflation. The long-term reserves should be invested to grow at least in line with the Consumer Prices Index (CPI).
- Due to the nature of the reserves, the board need to keep 100% of the long-term reserves in investments that can be realised within three months.
- The income received from investments is to be reinvested.

Trustees have identified the key risks to the investment as set out below:

- The Trustees have identified that the key risk to the long-term reserves is inflation, and the assets should be invested to mitigate this risk over the long term.
- A consequence of not achieving the targeted returns could potentially mean that a number of employee positions within the union could not be sustained.
- The Trustees understand that this is likely to mean that investments will be concentrated in real assets and that the capital value will fluctuate.
- The Trustees attitude to risk was defined as low-risk appetite, as determined by completion of Henwood Court Risk questionnaire
- Following discussion on the above risk characteristics, in conjunction with an assessment of time horizons and investment objectives, it was recommended and approved that the Union's portfolio should follow Rathbones Risk Profile 3 on a scale of 1-6.

The Ethical Restrictions currently in place for operation of the portfolio are as follows:

- To not invest either directly or indirectly in fossil fuel companies
- To not invest either directly or indirectly in tobacco-related companies
- No investment in aerospace or defence companies
- Regarding sustainability, for example investment in construction and mining which could be contrary to the trustees' objectives there are no specific restrictions however, Rathbones will have a proactive engagement on the Unions' behalf should any specific investment have a negative impact on the Union's investments

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As at 31 July 2024 the value of our investment portfolio is as follows:

	2024	2023
	£	£
Listed investments portfolio value	1,567,325	1,464,704

Performance of investment:

During the year cash of £nil (2023: £381k) was drawn down from investment to bank.

During the year an unrealised year end valuation gain of £75,208 (2023: loss £101,218) was posted to the accounts.

During the year the portfolio delivered income of £27,417 an estimated yield of 2.6% (2023: £40,667 income; estimated yield 2.8%).

Consolidated portfolio performance to 31 July 2024 (before fees, after cash drawn down) 39% (2023: - 3.6%).

Reserves policy

The Trustees review the Union's reserves policy on an annual basis. This excludes the restricted reserves we hold on behalf of the Student Groups.

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 2023/24 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**

(the potential liability is c£156k, reduced from £300k due to time elapsing)

- **Strategic Projects Fund £50k**
- **Capital Investment Fund £50k**

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

As at 31 July 2024 we estimate our free reserves as follows:

	2024 £	2023 £
Unrestricted funds	(1,789,261)	(1,897,459)
Add back pension deficit	2,730,205	2,787,296
Less tangible fixed assets (net of UoN funding still to release from deferred income)	(101,166)	(51,008)
Free Reserves	839,778	838,829

Free reserves held at 31 July 2024 are in excess of our Core Activity Fund target of £650k (2023 – in excess of reserves target of £650k for financial year).

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. Our Core Funding from University was increased by £312k for 2023/24 to £2.4m with an inflationary uplift in following years. The Core Funding agreement with UoN covers until 2026/27 so we can plan with some certainty. 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. During the year members of the Trustee Board and Senior Leadership Team drafted and agreed a Financial Principles document, which governs our financial aims and principles ensure our ongoing financial stability. Budget for 2024/25 has been drafted in line with these principles.

The group has net liabilities of £337,726 at 31 July 2024 (2023: group net liabilities of £587,720). However, £2.730m of this is caused by a legacy pension scheme. The pension is due to be repaid gradually until fully repaid in 2037 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 £2,392,479 (2023: £2,199,576) and a strong cash position.

Our core funding from the University is our largest source of income and has been agreed for the academic year 2024/25, including an uplift of £396k on the 2023/24 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. We are not planning for significant bounce back. Like many businesses operating in the retail and hospitality sector, the operating environment throughout 2023/24 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. Numbers of students on campus had reduced in 2023/24 with some Halls not being habitable and overseas recruitment down on what was expected. We have seen decreased footfall in our outlets as a result. We have been prudent in our budgeting for 2024/25 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' report to the members of the University of Nottingham Students' Union

Trustees' responsibilities

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

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

- Selects suitable accounting policies and then apply them consistently;
- Observes the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- States whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

The auditors, Crowe U.K. LLP, were reappointed during the year at our Annual Members' Meeting in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board of Directors on **20 March 2025** and signed on its behalf by:



N Maina
Chair of Trustees

Trustees' report to the members of the University of Nottingham Students' Union

Opinion

We have audited the financial statements of University of Nottingham Students' Union ('the Parent Charitable Company') and its subsidiary ('the Group') for the year ended 31 July 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and of the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustee are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

Trustees' report to the members of the University of Nottingham Students' Union

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and of the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and of the Parent Charitable Company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key

Trustees' report to the members of the University of Nottingham Students' Union

laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be in the following areas: the override of controls by management, including posting of unusual journals; inappropriate treatment of non-routine transactions and areas of estimation uncertainty. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the Group's and of the Parent 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 Union's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Blundell LLB FCA FCIE DChA

Senior Statutory Auditor

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 21 March 2025

**Group statement of financial activities for the year ended 31 July 2024
(incorporating the income and expenditure account)**

		Unrestricted funds	Restricted funds	31 July 2024	31 July 2023
	Note	£	£	£	£
INCOMING RESOURCES					
Donations and grants	2	3,076,000	-	3,076,000	2,682,918
Incoming resources from generated funds					
Other trading activities	3	4,221,908	-	4,221,908	4,147,387
Income from investments		76,408	-	76,408	49,036
Income from Charitable activities					
Operation of Students' Union	4	225,406	3,740,923	3,966,329	3,717,147
Total group incoming resources		7,599,722	3,740,923	11,340,645	10,596,488
RESOURCES EXPENDED					
Expenditure on raising funds	5	3,982,422	-	3,982,422	3,802,786
Expenditure on Charitable activities	5	3,524,660	3,504,236	7,028,896	6,710,320
Pension deficit charge	17	154,540	-	154,540	123,765
Interest on pension fund deficit	17	-	-	-	168,985
Total resources expended		7,661,623	3,504,236	11,165,859	10,805,856
Net (expenditure)/income		(61,901)	236,687	174,786	(209,368)
Unrealised gain/(loss) on investment	11	75,208	-	75,208	(101,218)
Net movement in funds before transfers		13,307	236,687	249,994	(310,586)
Transfers between funds		94,892	(94,892)	-	-
Net movement in funds after transfers		108,199	141,795	249,994	(310,586)
Total funds brought forward		(1,897,460)	1,309,740	(587,720)	(277,133)
Total funds carried forward	19/20	(1,789,261)	1,451,535	(337,726)	(587,720)

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 41 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. The Charity's net movement of funds in the year was £360,502 (2023: -£376,077).

**Group statement of financial activities for the year ended 31 July 2023
(incorporating the income and expenditure account)**

		Unrestricted funds	Restricted funds	31 July 2023
	Note	£	£	£
INCOMING RESOURCES				
Donations and grants	2	2,682,918	-	2,682,918
Incoming resources from generated funds				
Other trading activities	3	4,147,387	-	4,147,387
Income from investments		49,036	-	49,036
Income from Charitable activities				
Operation of Students' Union	4	169,986	3,547,161	3,717,147
Total group incoming resources		7,049,327	3,547,161	10,596,488
RESOURCES EXPENDED				
Expenditure on raising funds	5	3,802,786	-	3,802,786
Expenditure on Charitable activities	5	3,084,383	3,625,937	6,710,320
Pension deficit charge	17	123,765	-	123,765
Interest on pension fund deficit	17	168,985	-	168,985
Total resources expended		7,179,919	3,625,937	10,805,856
Net income/(expenditure)		(130,592)	(78,776)	(209,368)
Unrealised (loss)/gain on investment	11	(101,218)	-	(101,218)
Net movement in funds		(231,810)	(78,776)	(310,586)
Total funds brought forward		(1,665,649)	1,388,516	(277,133)
Total funds carried forward	19/20	(1,897,459)	1,309,740	(587,720)

The accompanying accounting policies and notes on pages 23 to 41 form an integral part of these financial statements.

Consolidated Balance sheet as at 31 July 2024

	Note	Group		Charity	
		31 July 2024 £	31 July 2023 £	31 July 2024 £	31 July 2023 £
Fixed assets					
Tangible fixed assets	10	386,319	51,008	107,319	39,017
Investments fixed assets	11	1,567,325	1,464,704	1,867,325	1,764,704
		1,953,644	1,515,712	1,974,644	1,803,721
Current assets					
Stock: goods for resale	12	125,144	135,137	-	-
Debtors	13	598,290	509,072	292,922	199,500
Cash at bank and in hand		2,328,597	3,613,375	1,466,315	1,664,132
		3,052,031	4,257,584	1,759,237	1,863,632
Creditors: amounts falling due within one year	14	(2,613,195)	(3,573,720)	(1,568,618)	(1,805,501)
Net current assets		438,836	683,864	190,619	58,131
Total assets less current liabilities		2,392,480	2,199,576	2,165,263	1,861,852
Defined benefit pension scheme liability	16	(2,730,206)	(2,787,296)	(2,730,206)	(2,787,296)
Net liabilities		(337,726)	(587,720)	(564,942)	(925,444)
Funds					
Unrestricted funds	19	(1,789,261)	(1,897,459)	(2,016,477)	(2,235,184)
Restricted funds	19	1,451,535	1,309,740	1,451,535	1,309,740
Total funds		(337,726)	(587,720)	(564,942)	(925,444)

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 20 March 2025 and signed on its behalf by:



N MAINA

Chair of Trustees and Students' Union Development Officer

Company number: 07229624

The accompanying accounting policies and notes on pages 23 to 41 form an integral part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 July 2024

		Group 31 July 2024 £	Group 31 July 2023 £
	Note		
Net cash used by operating activities	21	(910,455)	1,680,099
Cash flows from investing activities			
Purchase of fixed assets		(423,319)	(55,196)
Proceeds from the sale of investments		297,285	698,387
Purchase of investments		(324,696)	(341,356)
Investment income		76,408	49,036
		(374,323)	350,871
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		(1,284,778)	2,030,971
Cash and cash equivalents at the beginning of the year		3,613,375	1,582,404
Cash and cash equivalents at the end of the year		2,328,597	3,613,375

The accompanying accounting policies and notes on pages 23 to 41 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. Our Core Funding from University was increased by £312k for 2023/24 to £2.4m with an inflationary uplift in following years. The Core Funding agreement with UoN covers until 2026/27 so we can plan with some certainty. 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. During the year members of the Trustee Board and Senior Leadership Team drafted and agreed a Financial Principles document, which governs our financial aims and principles ensure our ongoing financial stability. Budget for 2024/25 has been drafted in line with these principles.

The group has net liabilities of £337,726 at 31 July 2024 (2023: group net liabilities of £587,720). However, £2.730m of this is caused by a legacy pension scheme. The pension is due to be repaid gradually until fully repaid in 2037 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 £2,392,479 (2023: £2,199,576) and a strong cash position.

Our core funding from the University is our largest source of income and has been agreed for the academic year 2024/25, including an uplift of £396k on the 2023/24 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. We are not planning for significant bounce back. Like many businesses operating in the retail and hospitality sector, the operating environment throughout 2023/24 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. Numbers of students on campus had reduced in 2023/24 with some Halls not being habitable and overseas recruitment down on what was expected. We have seen decreased footfall in our outlets as a result. We have been prudent in our budgeting for 2024/25 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 £646,000 (2023: £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	-	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. There is uncertainty around the estimated discount rate used for the pension deficit calculation. Historically the rate used has been equal to the average return on Corporate Bonds maturing at around the same time. This is an estimate based on judgement and may differ from that applied by our auditors.

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	2024 Funds	2023 Funds
	£	£	£	£
Block grant from University	2,410,000	-	2,410,000	2,097,882
Hall Committee grant from University	20,000	-	20,000	50,000
Other grants and donations	-	-	-	-
Donations in kind	646,000	-	646,000	535,036
	3,076,000	-	3,076,000	2,682,918

3 Trading turnover

Retail	2,397,121	-	2,397,121	2,308,436
Catering/Restaurants	1,106,919	-	1,106,919	1,172,200
Print shop	156,184	-	156,184	156,044
Events & Advertising	561,685	-	561,685	510,708
	4,221,909	-	4,221,909	4,147,387

4 Income from charitable activities

Societies	-	895,929	895,929	957,796
Medics	-	144,891	144,891	205,259
Sutton Bonnington	-	298,963	298,963	360,522
HC	-	128,447	128,447	26,925
SRS	-	149,527	149,527	212,685
Volunteering	-	152,712	152,712	54,876
Sports	-	1,945,340	1,945,340	1,658,592
Associated Bodies	-	25,115	25,115	70,506
Other (Events & promotion income)	225,406	-	225,406	169,986
	225,406	3,740,923	3,966,329	3,717,147

Student bodies with a turnover in excess of £25,000 were A Capella, Blow Soc, Christian Union, Dance, Enactus, Economics, Geography, Islamic, Law, Malaysian Nottingham, Musicality, Travel; Med Soc, SCRUBS; SB Guild, Vet Soc, April Vet Soc; NTL, TEC, URN; Athletics, Badminton, Boat, Boxing, Cheerleading, Cricket Mens, Football Mens, Gymnastics, Hockey Ladies, Hockey Mens, Ice Hockey, IMS, Korfbal, Lacrosse Ladies, Mountaineering, Netball, Polo, Rambling, Equestrian, Rugby Union Mens, Rugby Union Ladies, Sailing, Skydive, Snowsports, Sub Aqua, Surf, Swimming, Tennis, Thai Boxing, Trampoline, Triathlon, Volley Ball;

This includes donations and sponsorships.

Notes to the financial statements

5 Total resources expended

	Cost of Sales £	Staff Costs £	Other Costs £	2024 Total £	2023 Total £	
(a) Costs of generating funds						
Retail						
Catering/Restaurants	1,748,970	393,199	177,155	2,319,320	2,205,004	
Print	306,222	491,414	198,830	996,466	1,041,670	
Events & Advertising	47,128	91,466	21,441	160,035	166,679	
UNU Services Limited	255,968	140,398	-	396,366	337,407	
overheads	-	31,908	78,327	110,235	52,026	
	2,358,289	1,148,385	475,749	3,982,421	3,802,786	
(b) Charitable activities						
	Staff Costs £	Direct Costs £	Support Costs £	In kind costs £	2024 Total £	2023 Total £
<i>Unrestricted funds</i>						
Student advice centre	286,514	9,014	160,247	104,447	560,222	509,592
Student voice & campaigning	588,131	98,374	372,249	242,628	1,301,382	1,018,427
Student communities & grants	517,668	328,124	489,928	298,924	1,634,644	1,525,038
Governance costs			28,412	-	28,412	31,328
	1,392,312	435,511	1,050,837	646,000	3,524,660	3,084,385
<i>Other student activity spend</i>						
Restricted funds: student activities	-	3,504,236	-	-	3,504,236	3,625,937
	1,392,312	3,939,748	1,050,837	646,000	7,028,896	6,710,322

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

Notes to the financial statements

5 Total resources expended for prior year

	Cost of Sales £	Staff Costs £	Other Costs £	2023 Total £
(a) Costs of generating funds				
Retail	1,660,785	361,483	182,736	2,205,004
Catering/Restaurants	350,279	497,206	194,185	1,041,670
Print	55,691	91,412	19,575	166,679
Events & Advertising	222,412	114,994	-	337,407
UNU Services Limited overheads	-	31,908	20,118	52,026
	2,289,169	1,097,003	416,615	3,802,786

(b) Charitable activities	Staff Costs £	Direct Costs £	Support Costs £	In kind costs £	2023 Total £
<i>Unrestricted funds</i>					
Student advice centre	261,924	8,123	150,240	89,304	509,592
Student voice & campaigning	495,353	44,341	300,258	178,475	1,018,427
Student communities & grants	478,291	329,871	449,620	267,257	1,525,038
Governance costs	-	-	31,328	-	31,328
Digital Project	-	-	-	-	-
	1,235,568	382,336	931,446	535,035	3,084,385
<i>Other student activity spend</i>					
Restricted funds: student activities	-	3,625,937	-	-	3,625,937
	1,235,568	4,008,273	931,446	535,033	6,710,322

Notes to the financial statements

6 Support Costs

	Premises Cost £	Legal & Prof £	Other Costs £	2024	2023 £
Student advice and support	946	1,482	3,436	5,864	3,002
Representation and campaigns	2,013	2,429	144,233	148,675	566
Student activities	122,383	15,682	177,903	315,968	486,244
Governance	-	-	28,412	28,412	31,328
Staff costs for central services (after restructure)	-	-	551,917	551,917	410,308
	125,341	19,593	905,903	1,050,837	931,446

	Premises Cost £	Legal & Prof £	Other Costs £	2023 £
Student advice and support	681	-	2,321	3,002
Representation and campaigns	-	-	566	566
Student activities	101,876	52,730	331,638	486,244
Governance	-	-	31,328	31,328
Staff costs for central services (after restructure)	-	-	410,308	410,308
	102,556	52,730	776,160	931,446

During the year there were issues with recruitment and retention of staff in central services.

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:

	2024 £	2023 £
Salary costs	2,621,533	2,425,589
Social security	190,881	159,630
Pensions	197,139	157,660
	3,009,553	2,742,879

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

Monthly paid	86	84
Casual Student Staff and Coaches	122	126
	208	210

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 2024 Number	31 July 2023 Number
£60,000 - £69,999	0	0
£70,000 - £79,999	0	1
£80,000 - £89,999	1	0

The key management personnel of the parent charity, the Union, and the Group comprise the Officer Trustees, the Chief Executive Officer, Director of Central Services, Director of Commercial & Partnerships and Director of Membership Services. The total employee benefits of the exec team of the Union were £231,632 (2023: £243,607). This excludes Officer Trustees, see note 8 below. Note, the structure changed to current exec team structure 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 J Butterworth; T Do; D Haq; N Holt; E Leech; S Nolan; J Nuthall; P Read-Pitt. Payment to the Officer Trustees was agreed and minuted prior to incorporation.

Each of the Officer Trustees is paid a salary of £23,688 (2023: £21,108) per annum. The total salary cost for the Officer Trustees to the Union was £220,049 including NI & pension costs (2023: £146,217).

During 2023 two Officer Trustee roles remained vacant due to issues with recruitment.

Cost of Trustees meetings including expenses of non-executive trustees were £984 (2023: £1,796).

9 Auditors' remuneration

The auditors' remuneration (inclusive of irrecoverable VAT) during the period was £15,141 (2023: £15,000) 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 2023	334,843	499,473	17,933	44,675	896,924
Additions	307,499	115,820	-	-	423,319
Disposals	(24,449)	-	-	-	(24,449)
At 31 July 2024	617,893	615,293	17,933	44,675	1,295,794
Depreciation					
At 1 August 2023	322,852	460,456	17,933	44,675	845,916
Charge for the year	40,489	47,517	-	-	88,006
Disposals	(24,449)	-	-	-	(24,449)
At 31 July 2024	338,893	507,973	17,933	44,675	909,474
Net book value					
At 31 July 2024	279,000	107,319	-	-	386,319
Net book value					
At 31 July 2023	11,991	39,017	-	-	51,008

Charity	Clubs & HC £	SRS Motors & Others £	Equipment computers £	Total £
Cost				
At 1 August 2023	499,473	17,933	44,675	562,081
Additions	115,820	-	-	115,820
Disposals/write off	-	-	-	-
At 31 July 2024	615,293	17,933	44,675	677,901
Depreciation				
At 1 August 2023	460,456	17,933	44,675	523,064
Charge for the year	47,517	-	-	47,517
Disposals	-	-	-	-
At 31 July 2024	507,973	17,933	44,675	570,581
Net book value				
At 31 July 2024	107,319	-	-	107,319
Net book value				
At 31 July 2023	39,017	-	-	39,017

Notes to the financial statements

11 Fixed asset investments

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Cost and net book value:				
Investment in subsidiary undertaking	-	-	300,000	300,000
Listed investments	1,567,325	1,464,704	1,567,325	1,464,704
	1,567,325	1,464,704	1,867,325	1,764,704

Listed investments	Group and Charity 2024 £
Value at 1 August 2023	1,464,704
Additions in the year at cost	324,696
Disposal proceeds	(297,283)
Valuation gain	75,204
Market value at 31 July 2024	1,567,325

No cash was drawn from the investment during the year to 31 July 2024 (2023: £381k)

As at the date of approving these financial statements the investment value is not materially different from the 31 July 2024 valuation.

Investment in subsidiary undertaking

The investment in subsidiary undertaking represents 100% of the ordinary share capital of UNU Services Limited (02223522), a company whose principal activities are those of the provision of retail shopping, catering/restaurants, events and printing facilities to students and staff at the University of Nottingham. UNU Services Limited donates its trading profits to the Charity. UNU Services Limited is registered at Portland Building, University Park, Nottingham, NG7 2RD. The audited financial statements of UNU Services Limited for the year ended 31 July 2024 show the following:

	2024 £	2023 £
(a) Profit and loss account		
Sales	4,190,299	4,147,387
Cost of sales	(3,473,331)	(3,366,843)
Gross profit	716,968	780,544
Administrative expenses	(509,091)	(435,944)
Operating profit	207,878	344,600
Interest Receivable	18,970	13,726
Other income	31,610	-
Profit/(Loss) on ordinary activities before taxation	258,457	358,326
Taxation	-	-
Distribution of reserves (gift aid payment to Charity)	(368,975)	(292,859)
Profit/(loss) for the period transferred to reserves	(110,517)	65,467

Notes to the financial statements

11 Fixed asset investments (continued)

	2024	2023
	£	£
(b) Balance sheet		
Fixed assets	279,001	11,990
Current assets		
Stocks	125,144	135,137
Debtors	720,849	626,507
Investments	-	-
Cash at bank and in hand	862,282	1949,243
	<u>1,708,275</u>	<u>2,710,887</u>
Creditors: amounts falling due within one year	(1,460,067)	(2,085,153)
Net current assets	<u>248,208</u>	<u>625,734</u>
Net assets	<u>527,208</u>	<u>637,724</u>
Capital and reserves		
Called up share capital	300,000	300,000
Profit and loss account	227,208	337,724
Shareholders' funds	<u>527,208</u>	<u>637,724</u>

12 Stock: Goods for resale

	Group		Charity	
	31 July 2024 £	31 July 2023 £	31 July 2024 £	31 July 2023 £
Finished goods and goods for resale	<u>125,144</u>	<u>135,137</u>	<u>-</u>	<u>-</u>

13 Debtors

	Group		Charity	
	31 July 2024 £	31 July 2023 £	31 July 2024 £	31 July 2023 £
Trade debtors	538,258	352,583	245,408	71,574
Amounts owed by subsidiary undertakings	-	-	-	-
Prepayments and accrued income	60,032	156,489	47,514	127,926
	<u>598,290</u>	<u>509,072</u>	<u>292,922</u>	<u>199,500</u>

Notes to the financial statements

14 Creditors: amounts falling due within one year

	Group		Charity	
	31 July 2024 £	31 July 2023 £	31 July 2024 £	31 July 2023 £
Trade creditors	1,216,434	2,024,189	911,742	1,019,738
Other taxation and social security	69,247	18,003	69,247	18,003
Amounts owed to group undertaking	-	-	415,481	316,934
Accruals/other creditors	1,327,515	1,531,527	172,140	450,825
	2,613,195	3,573,720	1,568,610	1,805,501

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Deferred income at 01 August 2023	132,524	8,450	132,524	8,450
Resources deferred during year	434,676	132,524	40,350	132,524
Amounts released from previous periods	(80,754)	(8,450)	(80,754)	(8,450)
Deferred income at 31 July 2024	486,446	132,524	92,120	132,524

Included in deferred income are grants and other income received in advance of entitlement for the 24/25 academic year.

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 the issue will be taken to judicial review. At report date response is still awaited from judge on whether this is full 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 at year end to be c£156k (2023: £237k). HMRC have the power to go back 4 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 2024 £	31 July 2023 £	31 July 2024 £	31 July 2023 £
Pension scheme liability (note 17)	2,730,205	2,787,296	2,730,205	2,787,296
	2,730,205	2,787,296	2,730,205	2,787,296

Notes to the financial statements

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 SUSS scheme carried out as at 30 June 2022 showed that the market value of the schemes assets was £107m with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. (30 June 2019: £119m, representing 46%). The deficit on an ongoing funding basis amounted to £135m (2019: £141m). The recovery plan has been extended from 01 August 2035 to 01 May 2037 with a target of buy-out with an insurance company.

The 2022 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit by the year 2037. 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 2024 amounted to £211,630 (2023 - £203,976) including funding deficit contributions of £211,630 (2023: £203,976).

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 2024, the pension deficit was valued at £2.730m (2023: £2.787m).

Reconciliation of opening and closing provisions

	Period Ending 31 July 2024
	£
Provision at start of period	2,787,296
Unwinding of the discount factor	154,540
Deficit contribution paid	(211,630)
Remeasurements - impact of any change in assumptions	-
Provision at end of period	<u>2,730,206</u>

Statement of Financial Activities impact

	Period Ending 31 July 2024
	£
Interest expense	154,540
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>154,540</u>

NPV Assumptions

	31 July 2024	31 July 2023
	% per annum	% per annum
Discount rate	6.0%	6.0%

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. There is uncertainty around the estimated discount rate used for the pension deficit calculation. This is an estimate based on judgement and may differ from that applied by our auditors. 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 2024 amounted to £197,139 (2023: £157,660).

18 Commitments under operating leases

As at 31 July 2024, the Group and Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Buildings				
Less than 1 year	162,788	165,990	-	-
Greater than 1 year and not later than 5 years	196,803	270,728	-	-
	359,591	436,718	-	-
Print Shop				
Less than one year	13,440	13,440	-	-
Greater than 1 year and not later than 5 years	2,240	16,800	-	-
	15,680	30,240	-	-
	375,271	466,958	-	-

19 Accumulated funds – Group

	At 31 July 2023 £	Incoming £	Outgoing £	Gains/(losses) /transfers £	At 31 July 2024 £
<i>Restricted funds</i>					
Societies	427,328	895,929	(917,466)	-	405,792
Medics	100,189	144,891	(136,343)	-	108,736
Sutton Bonington	156,501	298,963	(297,428)	-	158,037
HC	152,367	128,447	(152,637)	-	128,177
SRS	87,443	149,527	(129,862)	-	107,108
Volunteering	74,746	152,712	(58,725)	-	168,733
Sports	268,424	1,945,340	(1,861,848)	-	351,916
Associated Bodies	27,578	8,563	(23,296)	-	12,845
Derby Students	(837)	13,990	(11,913)	-	1,239
NMA	4,864	511	(739)	-	4,636
Physio & Rehab Association	1,305	9,047	(8,971)	-	1,381
RF Sponsorships	9,832	(6,997)	-	-	2,835
RF Depreciation	-	-	94,892	(94,892)	-
	1,309,740	3,740,923	(3,504,336)	-	1,451,535
<i>Unrestricted Funds</i>					
General fund	889,836	7,388,094	(7,507,086)	170,100	940,945
Pension fund	(2,787,296)	211,630	(154,540)	-	(2,730,206)
	(587,720)	11,340,647	(11,165,962)	75,208	(337,726)

Notes to the financial statements

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 addition 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 – Prior year

	At 31 July 2022 £	Incoming £	Outgoing £	Gains/(losses) /transfers £	At 31 July 2023 £
<i>Restricted funds</i>					
Societies	387,280	957,796	(917,747)	-	427,329
Medics	85,216	205,259	(190,286)	-	100,189
Sutton Bonington	136,301	360,522	(340,321)	-	156,502
HC	179,995	26,925	(54,553)	-	152,367
SRS	52,729	212,685	(177,971)	-	87,443
Volunteering	77,241	54,876	(57,371)	-	74,746
Sports	398,908	1,658,592	(1,789,077)	-	268,423
Associated Bodies	41,189	19,028	(32,639)	-	27,578
Derby Students	11,425	21,857	(34,120)	-	(838)
NMA	8,704	14,324	(18,164)	-	4,864
Physio & Rehab Association	732	14,261	(13,688)	-	1,305
Other	8,796	1,036	-	-	9,832
	1,388,516	3,547,161	(3,625,937)	-	1,309,740
<i>Unrestricted Funds</i>					
General fund	1,030,441	7,049,328	(7,088,716)	(101,218)	889,835
Pension fund	(2,696,090)	-	(91,205)	-	(2,787,295)
	(277,133)	10,596,489	(10,805,858)	(101,218)	(587,720)

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	-	1,451,535	-	1,451,535
General unrestricted funds	386,315	(1,012,699)	(1,162,880)	(1,789,261)
	386,315	438,835	(1,162,880)	(337,726)

Group – prior year	Tangible fixed assets £	Net current assets £	Long-term assets/ Liabilities * £	Fund balances £
Restricted funds	-	1,309,740	-	1,309,740
General unrestricted funds	51,008	(625,874)	(1,322,592)	(1,897,460)
	51,008	683,866	(1,322,592)	(587,720)

* Fixed asset investments less defined benefit pension scheme liabilities.

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

	Group 2024 £	Group 2023 £
Net movement in funds for the period	249,984	(278,676)
Interest receivable	(76,408)	(49,036)
Depreciation charge	88,007	48,887
Loss on sale of fixed assets	-	-
Decrease/(Increase) in stock: goods for resale	9,993	(31,639)
(Increase)/decrease in debtors	(89,218)	58,712
(Decrease)/Increase in creditors due within one year	(960,525)	1,739,424
(Decrease)/Increase in creditors due after one year	(57,091)	91,206
Net fair value (gain)/loss recognised	(75,208)	101,218
Net cash (used in)/provided by operating activities	(910,465)	1,680,094

Notes to the financial statements

22 Capital Commitments

As at 31 July 2024, the group had £Nil (2023: £221,958) future capital expenditure not provided in the financial statements – fixtures & fittings, Mooch Venue refurbishment. This was funded in full by University:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Mooch Venue refurbishment				
Less than 1 year	-	221,958	-	-
Greater than 1 year and not later than 5 years	-	-	-	-
	-	221,958	-	-
Less funded by University				
Less than one year	-	(221,958)	-	-
Greater than 1 year and not later than 5 years	-	-	-	-
	-	(221,958)	-	-
Net capital commitments	-	-	-	-

23 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 £2,410,000 (2023: £2,097,882) of core funding to the Union during the year, together with Halls grant funding of £20,000 (2023: £50,000). Recurring grants of £100,000 (2023: £120,000) for Accessing Participation & Opportunities Fund were received within the year and were paid out to individual students in line with University qualifying criteria. One-off grant funding of £700 (2023: £45,000) for projects was received in year. Additional one-off grant funding of £46,535 (2023: £297,139) was paid to UNU Services to cover costs of refurbishment of our Student Venue, Mooch.

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 £1,072,985 (2023: £1,330,523) 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 £157,277 have been charged during the year (2023: £156,405)

During the year the Union received free provision of office and student facing spaces from the University of Nottingham which have been valued at £646,000 (2023: £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 £23,828 (2023: £14,813). During the year IT support services were purchased from the University of Nottingham totalling £47,566 (2023: £44,177).

During the year agency fees for temporary staff were paid to the University of Nottingham totalling £3,660 (2023: £nil). The Union and UNU Services Limited used the Salaries Office of the University as a payroll bureau, a service for which the University makes no charge. This arrangement ceased in July 2024 and a new external payroll bureau was appointed. Going forward the cost of which will be covered by University.

Notes to the financial statements

On 31 July 2024 the Union was owed £227,011 from the University of Nottingham (2023: £71,660). On 31 July 2024 the Union owed £1,591,090 to the University (2023: £946,911). This included £673,079 for historic lease charges yet to be invoiced by the University (2023: £521,538).

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 2024 donation amounted to £368,974 (2023: £292,859). On 31 July 2024 the Union owed £415,481 to UNU Services Limited. On 31 July 2023 the Union owed £316,934 to UNU Services Limited.

24 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.

25 Affiliations

During the year the group paid affiliation fees to National Union of Students £37,500 (2023: £37,500) and British University and Colleges Sport £nil (2023: £nil).